

**INFLUENCE OF RETAIL ATMOSPHERICS AND PLANOGRAM ON CUSTOMER PERCEPTION IN RETAIL STORES, TRICHY**

Arivanandham K*, Dr. C. Thirumal Azhagan

*Dept. of management studies, Anna University (BIT campus), Trichy

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KEYWORDS: customer perception, layout strategy, product placement, planogram and retail store build.**ABSTRACT**

Efficacious layout and product placement is the primary promotion things for a retail store. A retail store requires all-inclusive marketing planning, from decisive the products being sold to how the in-store advertising tools will be displayed. Primary part of that planning is developing effective retail layout strategies. Every retail store needs to address vital strategy concepts, continuously analyze the customer response to any strategies used, and make changes that improve sales. The product placement is additional task, which is important in retail store for the effective results in sales. A customer probably wants to spend as little money as possible. The retail store wants the customer to spend as much money as possible. So the internal environment is an essential formula for raising the sales of a retail store. This paper may helps to how to build a retail store as with well-planned outlet. For this study, a structured questionnaire is framed and it is distributed around the sample size of 170 respondents who uses retail store's layout and its facilities. This paper analyzed about independency between the variables and provides successful layout and planogram.

INTRODUCTION

The growth within the quality of mercantile establishment in India has new reworked the marketplace during which consumers and sellers of contemporary manufacture essential to daily life meet face-to-face. Now a day, mercantile establishment as sellers ordinarily highlights their commercialism point's mistreatment retail shop-floor layout. Among the foremost factors that influence store's style, this study analyses store layout, in terms of what to show in an exceedingly look and wherever to put the product.

A planogram is a figure that shows however and wherever specific retail merchandise ought to be placed on retail shelves or displays so as to extend client purchases. Planogramming may be a talent utilized in commercialism and retail house coming up with. Someone with this talent is being stated as a planogrammer. Planogram themselves also are stated as POGs. By analyzing past and current sales patterns, a planogrammer can produce fortunate recommendations regarding the quantity of "facings" a certain product have to be compelled to wear a place of business show. The diagram can document however high or low on a shelf the merchandise ought to show, similarly as that merchandise ought to surround it. The ensuing planogram is written out as a visible to be followed by the part-time facilitate that's typically employed to stock retail shelves and displays. This provides govt. management of a business establishment or chain additional management over however merchandise area unit displayed and permits them to trace and improve on the success of their planogram. Planogram parts area unit typically enclosed in massive house coming up with and retail house management code applications. Refined applications use alternative data concerning the merchandise, like the number of inventory left for the merchandise, to make the diagram.

LITERATURE REVIEW

(Chen et al., 2006) To improve sales and revenue, various analyses are performed by a retailer to influence which different products must be commodity together based on the historic buying behavior. Present marketing research has recommended that in-store environmental stimuli, such as shelf-space allotment and product display, have a great influence upon consumer purchasing behavior and may induce substantial requirement.

(Silva et al., 2009) Product display and Shelf-space allocation are the problems of efficiently arranging retail products on shelves in order to increase profit and customer satisfaction, improve stock control etc.



Music and lighting are another important factor to improve the customer acquisition and sales promotion. Today's customers are more sensitive and demanding than what a retail store expects. They want fast and friendly service on their terms every time they come to a store. Whether they do not get fast and friendly service, they will move on that establishment in search for move on to another one whom offer quick, comfortable and better services.

Vrechopoulos *et al.* (2004: 13), Store layout is an important factor poignant shopper behavior and a vital determinant towards the creation of store image. Well-designed layouts are extraordinarily vital as a result of the powerfully influence in-store traffic patterns, shopping atmosphere, shopping behavior, and operational efficiency.

Varley (2006: 263) reports that a good contributor to the general atmosphere in store is that the lighting used. The level of ambient light has to be specified customers will see the merchandise clearly and also the store appearance bright and welcoming, however, lighting is used to produce interest within the store design itself. Lighting is an integral part of any feature display, and tremendously enhances the dramatic impact, with product areas being accentuated by suspended lighting and pin spots. Lighting also can have an effect on the color of merchandise. This could be used absolutely to focus on product. Lighting also can produce issues when it involves color matching, so consumers ought to make sure that they use both store lighting and natural lighting once approving color matches.

OBJECTIVE OF THE STUDY

- To determine the essential characteristics of layout of retail stores that improves sales action legitimately.
- To establish if problems are encountered by consumers with regard to store layout while shopping.
- To make recommendations to improve store layout in retail stores.

Research methodology

Descriptive research methodology is used. The descriptive research is concerned with describing the characteristics of a particular individual or of a group. It is also concerned with specific predictions with narration of facts and characteristic concerning individual, group or situation. The questions used are in open end questions and closed end questions. The scaling used is summated scales or likert type scales.

Analysis

A. Chi-square test

1. Ho₁: There is no significant difference between the Age and Visual merchandising
2. Ho₂: There is no significant difference between the Occupation and Planogram
3. Ho₃: There is no significant difference between the Shopping area and Planogram
4. Ho₄: There is no significant difference between the Cleanliness and Frequency

H0	CHI-SQUARE(χ^2) CALCULATED VALUE	DEGREES OF FREEDOM	ASYMPTOTIC SIGNIFICANCE (TWO TAILED)	TABULATED VALUE (0.05)	RESULT
H0 ₁	12.174	12	.432	21.026	H0 ACCEPTED
H0 ₂	20.906	8	.007	15.507	H0 REJECTED
H0 ₃	74.861	6	.000	12.592	H0 REJECTED
H0 ₄	33.415	3	.000	7.815	H0 REJECTED

Inference of H0₁

The above study shows that there is no significant difference between the age and visual merchandising while shopping and hence as the null hypothesis is accepted.



Inference of H0₂

The above study shows that there is a significant difference between the occupation and planogram while shopping and hence as the null hypothesis is rejected. So, there is uniqueness between planogram according to the respondent's response.

Inference of H0₃

The above study shows that there is a significant difference between shopping area and planogram while shopping and hence as the null hypothesis is rejected. So, there is uniqueness between planogram according to the shopping area.

Inference of H0₄

The above study shows that there is a significant difference between cleanliness and frequency while shopping and hence as the null hypothesis is rejected. So, there is uniqueness between cleanliness and to the frequency.

Correlation analysis

1. Ho₁: There is no relationship between the Easy layout and Visual merchandising
2. Ho₂: There is no relationship between the Easy layout and Cleanliness
3. Ho₃: There is no relationship between the Easy layout and Planogram

HYPOTHESIS	CORRELATION	RESULT
H1 (EASY LAYOUT AND VISUAL MERCHANDISING)	.287**	Ho ₁ REJECTED
H2 (CLEANLINESS AND EASY LAYOUT)	.443**	Ho ₂ REJECTED
H3 (EASY LAYOUT AND PLANOGRAM)	.597**	Ho ₃ REJECTED

Inference

The relationship is positive linear correlation (**0.287**) between visual merchandising and easy layout. The relationship is positive linear correlation (**0.443**) between cleanliness and easy layout. The relationship is positive linear correlation (**0.597**) between cleanliness and easy layout. ($p < 0.05$)

Findings and Suggestions

Improve merchandise range and quality

Findings:

Retail store has to add more range of products to ensure that their customers have wide choice. Along with the range the store also need to take care of quality of merchandize at the store. The quality of furniture, food items like biscuits, toys and electronic products offered at Retail store requires a lot of quality improvement.

Suggestions:

- a. Retail store's signage should use as good in visual merchandising
- b. Product must correctly priced and easy to read
- c. Product should arrange in the order of FIFO(First In First Out)
- d. Products in Retail store's area must displayed properly
- e. Product should neatly spaced using backdrop fixtures

Quality of display

Findings:



Retail store needs to work on this and improve quality of display in the store. The display should reduce crowded look, and employ strategies of visual enhancement and pleasantness by employing different arrangements like circle and pyramid, and systems of display that use rotation and hanging types.

Suggestions:

- a. Retail store's sign is clearly visible
- b. Retail store's product signage should in uniform design

Layout**Findings:**

According to customers the size and location of each department in Retail store is not decided properly. For example as soon as customers enter the store the home appliances department will welcome them and is not giving a good look for the stores. By reworking on the store layout it can be made convenient for customers and helps reduce congestion and crowding.

Suggestions:

- a. Retail store must use multiple styles of floor coverings to direct traffic flow and distinguish between departments
- b. Retail store's sales is easy to handle counter set up with efficiently
- c. Layout should ease to move throughout the entire store

Enrich atmosphere**Suggestions:**

Retail store may consider the following,

- a. Clean environment with good fragrance
- b. Good music. Maximum the light music like instrumental melodies are giving peace and fresh for the customer mind set
- c. Large areas focused on entertaining consumers
- d. Play space for children
- e. Eateries that is nutritious especially for children
- f. Restroom, smoking area and toilet are should properly maintained and clear

Image development**Findings:**

Being a modern format has to be trendy. It is expected to work hard on this aspect, especially for apparels and home appliances section and try to provide modern merchandise for the customers.

Suggestions:

- a. Retail store's entry and floor should clean and fresh looking
- b. Store's entire area especially, outside and the floors are waxed and buffed, carpet shampooed and vacuumed

Advertising**Findings:**

To make advertisement more communicative and impressive, Retail store has to work with an ad agency. The important areas that need stress in ads are: merchandise, offers and service.

Suggestions:

Retail stores must improve on the content of the advertisement and also use intelligently a media mix that include FM radio, local television channels, and social media like Facebook, Twitter etc.

Planogram**Findings:**

Planogram is the fundamental idea of product placement. How the product arranged, how the product placed that are reflects in the sales motives.

**Suggestions:**

- a. The product from the shelf easily and the shelf height must correct to get for the customer. Mostly the height should not exceed 6 feet
- b. The glass items and easily broken items are above in minimum 4 feet. Because, that height is not easily get by the children
- c. Store colors and light are create an eye-pleasing feel for the customer

CONCLUSION

The major contribution to this study is the adoption of a more comprehensive approach to investigating determinants of purchase decision than previous studies. The literature on the aggregate relationships between store atmosphere, planogram and customer perception are quite rich but it is not the case when the construct's individual dimensions. Thus, this study has a wider coverage of the key dimensions of store atmosphere and planogram on their impact on customer perception from retail store customer in Trichy. Based on the research result and discussion, it concludes that store atmosphere and planogram on the customer perception show a positive and significant impact. The test results indicate that there is enough empirical evidence to accept which states that store atmosphere and planogram significantly enhances the customer emotions and purchase decision. Moreover, a customer perception has positive and significant impact on purchase decision.

Finally the test result for the impact of mediation variable shows that the impact of there is uniqueness between planogram according to the customer's response. There is uniqueness between cleanliness and to the frequency. There is uniqueness between planogram according to the shopping area.

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