

**Title: “Impact of Visual Merchandising on Consumer Purchase Decisions
in Sports Retailing: A Comparative Study of Urban and Semi-Urban
Consumers”**

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Abstract:

This study examines the impact of visual merchandising on consumer purchase decisions in sports retail stores, with a comparative analysis between urban and semi-urban consumers. Visual merchandising plays a vital role in enhancing product presentation and creating an engaging retail environment through elements such as window displays, store layout, lighting, product display, and signage. These elements are considered significant in influencing consumer perceptions and buying behavior.

The study adopts a quantitative research design and is based on primary data collected through a structured questionnaire using a five-point Likert scale. A sample of 120 respondents is selected using a stratified sampling technique to ensure representation of both urban and semi urban consumers. The research aims to identify key visual merchandising elements affecting purchase decisions and to examine differences in consumer responses across geographic segments.

The findings of the study are expected to provide insights for sports retailers in designing effective visual merchandising strategies to enhance customer engagement and improve purchase decisions. The study also contributes to existing literature by addressing the gap in sports retail and comparative consumer analysis in the Indian context.

Keywords

Visual Merchandising, Consumer Purchase Decision, Sports Retail, Store Layout, Window Display, Signage, Urban and Semi-Urban Consumers.

1. Introduction

In the highly competitive retail environment, attracting and retaining customers has become a significant challenge for retailers. Visual merchandising has emerged as a powerful tool that helps retailers enhance the aesthetic appeal of their stores and influence consumer buying behaviour. It involves the effective presentation of products through elements such as window displays, store layout, lighting, product arrangement, and promotional signage.

In the context of sports retailing, visual merchandising plays a crucial role in showcasing products such as apparel, footwear, and sports equipment in an appealing manner. With the growing popularity of sports and fitness activities, the demand for sports retail products has increased significantly. Retailers are increasingly focusing on improving store ambience and visual appeal to attract customers and encourage purchase decisions.

However, consumer behaviour may vary across different geographic segments, particularly between urban and semi-urban areas. Differences in exposure, lifestyle, and purchasing power can influence how consumers respond to visual merchandising strategies. Therefore, this study aims to examine the impact of visual merchandising on consumer purchase decisions in sports retailing, with a comparative analysis of urban and semi-urban consumers.

2. Research Objectives:

1. To study the impact of visual merchandising on consumer purchase decisions in sports retail stores.
2. To identify the key visual merchandising elements influencing consumer purchase decisions.
3. To compare the impact of visual merchandising on consumer purchase decisions between urban and semi-urban consumers.

3. Literature Review:

Author & Year	Objectives of the Study	Key Findings	Research Gap
Kumar, V. P. V. (2018)	To study the impact of visual merchandising on impulse buying behaviour.	Visual merchandising elements such as window display, mannequins, and signage significantly influence impulse buying.	Focus limited to impulse buying; does not consider overall purchase decision.
Jain, R. & Bagdare, S. (2016)	To examine determinants of customer experience in retail stores.	Store ambience and visual appeal significantly influence customer satisfaction and buying behaviour.	Does not include comparative analysis between different consumer segments.
Kaur, S. & Singh, R. (2017)	To analyze the impact of visual merchandising on buying behaviour in organized retail.	Visual merchandising significantly affects consumer buying behaviour and impulse purchases.	Limited to organized retail; lacks focus on geographic comparison.

Mehta, N. P. & Chugan, P. K. (2013)	To study the impact of visual merchandising on impulse buying behaviour in apparel retail.	Window display, floor merchandising, and signage influence impulse buying behaviour.	Focus restricted to apparel segment; lacks broader retail context.
Raju, P. V. M. (2022)	To understand the influence of visual merchandising elements on	Visual merchandising elements significantly influence purchase	Limited to apparel retail; lacks focus on sports retail.

customer purchase
decisions.
decisions in retail
stores.

Saldanha, S. R. (2020)	To study the impact of visual merchandising on consumer purchase decisions in fashion retail in Mumbai.	Visual merchandising positively influences consumer purchase decisions.	Restricted to fashion retail and single location; lacks comparative analysis.
Chongkolrattanaporn, T. & Thai-Eiad, W. (2018)	To examine the influence of visual merchandising on sportswear consumer behaviour.	Visual merchandising influences consumer attitudes and purchasing behaviour.	Focuses on attitudes; lacks comparative and purchase decision analysis.

4. Hypothesis Framework:

The study is based on a conceptual framework where visual merchandising is considered as the independent variable influencing consumer purchase decisions. Visual merchandising is further divided into key elements such as window display, store layout, lighting, product display, and signage. Additionally, residential area (urban and semi-urban) is considered as a grouping variable to examine differences in consumer responses.

Visual Merchandising



(Window Display, Store Layout, Lighting, Product Display, Signage)



Consumer Purchase Decision



(Comparison based on Urban vs Semi-Urban)

5. Research Hypothesis:

H1: Visual merchandising has a significant impact on consumer purchase decisions in sports retail stores.

H2: Visual merchandising elements (window display, store layout, lighting, product display, and signage) significantly influence consumer buying behaviour.

H3: There is a significant difference in the impact of visual merchandising on consumer purchase decisions between urban and semi-urban consumers.

6. Research Methodology

The study adopts a quantitative research approach to examine the impact of visual merchandising on consumer purchase decisions. Primary data was collected through a structured questionnaire using a five-point Likert scale. A stratified sampling technique was used to ensure representation of both urban and semi-urban consumers. The total sample size for the study was 120 respondents. The data was collected from respondents in the Thane District region. Visual merchandising was considered as the independent variable, while consumer purchase decision was the dependent variable. Statistical tools such as Reliability Analysis, Descriptive Statistics, Pearson's correlation analysis, Simple Linear Regression Analysis, Multiple Regression Analysis, T-test were used for data analysis.

7. Data Analysis and Interpretation:

7.1. Reliability Analysis (Cronbach's Alpha)

Reliability analysis using Cronbach's Alpha was conducted to assess the internal consistency of the measurement scales.

Variable	No. of Items	Cronbach's Alpha (α)	Interpretation
Visual Merchandising	10	0.82	Good Reliability
Purchase Decision	5	0.78	Acceptable Reliability

Interpretation:

Cronbach's Alpha was used to assess the internal consistency of the measurement scales. The Visual Merchandising scale showed good reliability with an alpha value above 0.8, while the Purchase Decision scale demonstrated acceptable reliability with an alpha value above 0.7. This indicates that the questionnaire items are consistent and reliable for further statistical analysis.

7.2. Descriptive Statistics

Descriptive statistics were used to summarize the data and understand the overall response pattern of variables.

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Visual Merchandising	120	3.10	5.00	4.28	0.58
Purchase Decision	120	3.00	5.00	4.20	0.62

Interpretation:

The descriptive statistics show that both Visual Merchandising and Purchase Decision have high mean values, indicating that respondents generally agree that visual merchandising positively influences their buying behaviour in sports retail stores. The low standard deviation

reflects consistency in responses, while the minimum and maximum values suggest that although responses span the Likert scale, they are concentrated towards agreement. Overall, the results indicate a positive perception of visual merchandising and its significant contribution to purchase decisions.

7.3. Correlation Analysis (Testing Hypothesis 1)

Pearson's correlation analysis was conducted to examine the relationship between visual merchandising and consumer purchase decisions in sports retail stores.

Variables	Visual Merchandising Questions Average	Purchase Decisions Question Average
Visual Merchandising Questions Average	1	
Purchase Decisions Question Average	0.850197463	1

Interpretation:

The Pearson correlation analysis revealed a correlation coefficient of $r = 0.850$, indicating a strong positive relationship between visual merchandising and consumer purchase decisions. This suggests that improvements in visual merchandising elements such as window display, store layout, lighting, product display, and signage are associated with an increase in consumers' likelihood to make purchase decisions in sports retail stores.

The high correlation value demonstrates that visual merchandising plays a significant role in influencing consumer buying behaviour. Therefore, it can be concluded that effective visual merchandising strategies enhance customer attraction and positively impact purchase decisions.

7.4. Simple Linear Regression Analysis (Testing Hypothesis 1)

Simple linear regression was applied to analyze the impact of visual merchandising on consumer purchase decisions.

Model	Multiple R	R Square	Adjusted R Square	Std. Error
1	0.850	0.723	0.720	0.324

Interpretation:

Simple linear regression analysis was conducted to examine the impact of visual merchandising on consumer purchase decisions. The results indicate that the model is statistically significant ($F = 307.74$, $p < 0.05$) with an R^2 value of 0.723, suggesting that 72.3% of the variation in purchase decisions is explained by visual merchandising. The regression coefficient ($\beta = 0.936$) shows a strong positive impact, and the p-value ($p = 1.13679 \times 10^{-34}$) confirms that the relationship is highly significant. Hence, the alternative hypothesis (H_1) is accepted.

7.5. ANOVA Table

Model	Sum of Squares	Df	Mean Square	F	Significance
Regression	32.301	1	32.301	307.74	1.1367E-34
Residual	12.386	118	0.105		
Total	44.687	119			

Interpretation:

The ANOVA results show that the regression model is statistically significant, with an F-value of **307.74** and a p-value (Significance F) of **1.13679E-34**, which is less than 0.05. This indicates that the model is a good fit and visual merchandising significantly explains the variation in consumer purchase decisions.

7.6. Coefficient Table

Variable	Coefficient	Std. Error	T-stat	p-value	Significance
Intercept	0.334	0.223	1.496	0.137	Not - Significant
Visual Merchandising	0.936	0.053	17.543	1.1367E-34	Significant

Interpretation:

The coefficient of visual merchandising ($\beta = 0.936$) is positive and statistically significant ($p < 0.05$), indicating that visual merchandising has a strong positive impact on consumer purchase decisions. The intercept is not significant ($p > 0.05$), suggesting it does not meaningfully contribute to the model.

7.7. Multiple Regression Analysis (Testing Hypothesis 2)

Multiple regression analysis was used to determine the influence of different visual merchandising elements on purchase decisions.

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0.862668877							
R Square	0.744197591							
Adjusted R Square	0.732978187							
Standard Error	0.316656837							
Observations	120							
ANOVA								
	df	SS	MS	F	Significance F			
Regression	5	33.25570967	6.651141934	66.33129498	3.85699E-32			
Residual	114	11.430957	0.100271553					
Total	119	44.68666867						
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	0.289885367	0.22107877	1.311231139	0.192414629	-0.148069973	0.727840707	-0.148069973	0.727840707
Window Display	0.214926544	0.060355937	3.560984311	0.000540207	0.095361898	0.334491189	0.095361898	0.334491189
Store Layout	0.139840707	0.068308623	2.047189678	0.042938321	0.004521852	0.275159563	0.004521852	0.275159563
Lighting	0.072245471	0.065612001	1.101101475	0.273171969	-0.057731397	0.202222339	-0.057731397	0.202222339
Product Display	0.231137919	0.067811114	3.408555082	0.000903497	0.096804623	0.365471214	0.096804623	0.365471214
Signage	0.290854661	0.065962027	4.409425734	2.3593E-05	0.160184393	0.421524929	0.160184393	0.421524929

Variable	Coefficient	p-value	Significance
Window Display	0.215	0.00054	Significant
Store Layout	0.140	0.0429	Significant

Lighting	0.072	0.273	Not Significant
Product Display	0.231	0.00090	Significant
Signage	0.291	0.00002	Most Significant

Interpretation:

Multiple regression analysis was conducted to examine the influence of visual merchandising elements on consumer purchase decisions. The results indicate that the model is statistically significant ($F = 66.33$, $p < 0.05$) with an R^2 value of 0.744. Window display, store layout, product display, and signage were found to have a significant positive impact on purchase decisions, while lighting was not significant. Among all variables, signage emerged as the most influential factor. Hence, the hypothesis is partially accepted.

7.8. T-Test (Testing Hypothesis 3)

An independent sample t-test was conducted to compare the purchase decisions between urban and semi-urban consumers.

Statistic	Urban	Semi-Urban
Mean	4.307	4.102
Standard Deviation	0.581	0.638
Sample size (n)	67	53

T-test Results

Test Statistic	Value
T-value	1.823
p-value (two-tail)	0.071

Significance Level	0.05
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Interpretation:

An independent sample t-test was conducted to compare the purchase decisions of urban and semi-urban consumers. The results indicate that there is no statistically significant difference between the two groups ($t = 1.823$, $p = 0.071 > 0.05$). Hence, the null hypothesis is accepted, suggesting that the impact of visual merchandising on purchase decisions does not differ significantly between urban and semi-urban consumers.

8. Limitation of the study:

The present study is subject to certain limitations. Firstly, the sample size of 120 respondents may not adequately represent the entire population of sports retail consumers. Secondly, the study is geographically limited to the Thane District, which may restrict the generalizability of the findings to other areas. The research is also constrained by time, limiting the scope of data collection and analysis. Additionally, the study relies on self-reported data collected through a structured questionnaire, which may be affected by respondent bias or inaccuracies. The research focuses only on selected visual merchandising elements such as display, layout, lighting, and signage, while other factors like pricing, brand image, and personal preferences are not considered. Furthermore, the study is confined to offline sports retail stores and does not include online retail platforms, where consumer behaviour and visual merchandising practices may differ significantly.

9. Conclusion:

The present study examined the impact of visual merchandising on consumer purchase decisions in sports retail stores, with a comparative analysis between urban and semi-urban consumers. The findings reveal that visual merchandising plays a significant role in influencing consumer buying behavior. Elements such as product display, signage, window display, store layout, and lighting were found to positively affect purchase decisions by enhancing product visibility and creating an engaging shopping environment.

The study also identified that among the various elements, product display and promotional signage have a relatively stronger influence on consumer decisions. Furthermore, the analysis indicated that there is no significant difference between urban and semi-urban consumers in terms of the impact of visual merchandising, suggesting that consumers across different geographic segments respond similarly to visual merchandising strategies.

Overall, the study concludes that effective visual merchandising is a crucial factor in driving consumer purchase decisions in sports retailing and plays an important role in improving customer experience and retail performance.

10. Suggestions / Recommendations

Based on the findings of the study, the following suggestions are proposed: **10.1. Focus on Product Display**

Retailers should invest in attractive and well-organized product displays, including the use of mannequins and creative arrangements to capture customer attention.

10.2. Enhance Promotional Signage

Clear and appealing signage, including discount offers and promotional messages, should be effectively used to influence purchase decisions.

10.3. Improve Store Layout

Retailers should design store layouts that allow easy navigation and product accessibility, enhancing the overall shopping experience.

10.4. Use Effective Lighting Techniques

Proper lighting should be used to highlight key products and create a pleasant in-store atmosphere.

10.5. Maintain Consistency Across Locations

Since no major difference was found between urban and semi-urban consumers, retailers can implement similar visual merchandising strategies across different locations.

10.6. Regularly Update Displays

Frequent changes in store displays and themes can keep the store environment fresh and engaging for customers.

10. Future Scope of the Study:

The present study opens several avenues for future research by highlighting the importance of visual merchandising in influencing consumer purchase decisions within the sports retail sector. While the study provides valuable insights into the role of key visual merchandising elements and their impact across urban and semi-urban consumers, it also identifies areas that require further exploration.

11.1. Inclusion of Online Retail

Future studies can examine the role of visual merchandising in online sports retail platforms such as e-commerce websites and mobile applications. Digital elements like product images, videos, and website layout can be analyzed. A comparative study between online and offline retail environments can provide deeper insights into consumer behavior.

11.2. Expansion to Other Retail Sectors

The study can be extended to other retail sectors such as fashion, electronics, and grocery retail to compare the effectiveness of visual merchandising. Different sectors may have varying consumer expectations and responses. This will help in understanding industry-specific merchandising strategies.

11.3. Larger and Diverse Sample

Future research can include a larger sample size across multiple cities and regions to improve the generalizability of results. Including respondents from different demographic and socio-economic backgrounds can enhance the reliability of findings. This would provide a more comprehensive understanding of consumer behavior.

11.4. Inclusion of Additional Variables

Further studies can incorporate additional factors such as pricing, brand image, store service quality, and consumer psychology. These variables may also influence purchase decisions

along with visual merchandising. Including them can provide a more holistic view of consumer buying behavior.

11.5. Longitudinal Study

Future studies can examine changes in consumer behavior over time to understand evolving retail trends.

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