THE EFFECT OF STORE ATMOSPHERE

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Abstract

There are researches to substantially prove that impulse buyers usually do not set out with specific purpose of visiting a certain store and purchasing a certain item. This urge is consequent to certain external factors, one of them being store atmosphere. "Atmosphere is made of the following elements: design, lighting, air quality, interior decoration and music." The objective of the study is to investigate the relationship between demographic variables of the respondents and store atmosphere variables and to find out the relationship between store atmosphere and patronage intention. The findings of the study reveals that the store atmosphere must prompt a shopping desire in shoppers' minds and then persuade them to buy that product.

Key words : Store Atmosphere, atmospheric cues, Patronage Intention, Lighting, Colour, Music

INTRODUCTION:

"The market place is experiencing fierce competition today. Similarity of merchandise is coercing the retailer to focus on visual merchandising to improve the desirability of products. There are researches to substantially prove that impulse buyers usually do not set out with specific purpose of visiting a certain store and purchasing a certain item. This urge is consequent to certain external factors, one of them being store atmosphere. The concept of shopping value is complex and affected by many variables. Consumers no longer just purchase goods or services; they invest their dollar. Value is the consumer's perception of the ratio of the usefulness of a product or service to its costs (Schroeder, 1985).

Store Atmosphere

"Atmosphere is made of the following elements: design, lighting, air quality, interior decoration and music." Yoo, Park and Macinnis(1998) The retail store atmospherics is an array of tangible and intangible disposition interwoven into a web of meanings (Markin, Lillis and Narayanan, 1976) that touches the social, psychological, economic and cultural life style.

Objectives of the study:

1. To investigate the relationship between demographic variables of the respondents and store atmosphere variables.

2. To find out the relationship between store atmosphere and patronage intention.

Hypotheses:

1. There is significant difference between the Demographic variables and store atmosphere.
2. There is a significant relationship between store atmosphere and patronage intention.

Research Methodology

In this research, a convenience sampling method of shoppers belonging to age 20 and above was considered in the Chennai city. The reason to choose Chennai as target population was because, it has more potential buyers and fashion innovators in TamilNadu.

The primary data was collected using a structured questionnaire. Close ended questions were chosen because it can save respondents time and effort when answering the questions. Those questions were measured using Five point Likert scale using 'Strongly agree', 'Agree', 'Neutral' 'Disagree' and 'Strongly disagree' Open ended questions were included to elicit suggestions from the respondents regarding visual merchandising variables.

REVIEW OF LITERATURE:

According to Pegler (1998), visual merchandising involves a number of technical and artistic components: colour, texture, lighting, mannequins fixtures, graphics signage and so on. Other researchers asserted that of all the atmospheric cues, colour is the strongest motivator for shopping (Mills et al., 1995). Kerfoot et al., (2003), suggested that the use of a wide variety of colours is deemed to produce attractive and appealing display and had the potential to positively impact on respondents' propensity to browse. The effects of one these atmospherics, music have been recently demonstrated to influence retail floor traffic (Milliman, 1982) and emotional responses and behavioural intentions (Alpert & Alpert, 1986).

Christoph Teller & Charles Dennis (2012) conducted a before and after surveys of randomly selected shoppers in experimental and control groups to find out the effect of ambient scent on consumers' perception, emotions and behaviour. The result revealed that the ambient scent has no impact on either perception, emotions and behaviour of consumers.

Milad Kouchekian & Mahshid Gharibpoor (2012), conducted a survey with the help of a questionnaire which consisted 30 statements. The questionnaire assessed both variables of visual merchandising and customer buying decision. It was concluded that the retailers must provide a suitable, comfortable and time saving store layout and also clean atmosphere to their customers. Cleanliness will make a positive effect among customers and encourage them to stay in the store longer and to visit the store again. It was also suggested that the hypermarkets must take visual merchandising techniques into consideration when establishing new stores and the retailers should pay attention to design the merchandising methods.

M.Van Hagen et al., (2008) conducted a research on influence of colour and light and their effects. The study revealed that people under pressure prefer cool colours and in a relaxed situation incline towards warm ones. The study also revealed that women react differently to colour and light than man.

Atmosphere may be defined as "the conscious designing of space to create certain effects in buyers. More specifically, atmospherics to produce specific emotional effects in the buyer that enhance his purchase probability" (Kotler, 1973). The most recent definitions consider the components of concept more precisely. Thus, for Yoo, park and Maclnnis (1998), atmosphere is made of the following elements: design, lighting, air quality, interior decoration and music.

Hypothesis 1: There is significant difference between the Demographic variables and store atmosphere

H₀ 1a: There is no significant difference between gender and store atmosphere

TABLE 1: INDEPENDENT t TEST FOR SIGNIFICANT DIFFERENCE BETWEEN THE GENDER AND STORE ATMOSPHERE

VARIABLES	GENDER	MEAN	SD	T VALUE	P VALUE
STORE ATMOSPHERE	MALE	3.41	0.550	0.179	0.387
	FEMALE	3.42	0.533	0.177	

Table reveals that the null hypothesis is accepted at 5% level of significance and there is no significant difference between the genders with respect to t store atmosphere since P value is more than 0.05. This indicates that both male and female respondents perceive store atmosphere in the same manner. This is because generally shoppers irrespective of their gender prefer stores which are attractive, colourful and provide better environment. The result is also consistent with the result of M.Krishnakumar (2014) who studied the role of visual merchandising in apparel purchase decision.

H₀ 1b: There is no significant difference between Age group of the respondent with respect to variables of visual merchandising

TABLE 2:　ANOVA FOR SIGNIFICANT DIFFERENCE BETWEEN THE AGE GROUP OF THE RESPONDENT AND STORE ATMOSPHERE

VARIABLE	AGE GROUP	MEAN	SD
STORE ATMOSPHERE	BELOW 20	3.339	0.465
	20-30	3.459	0.529
	31-40	3.380	0.617
	41-50	3.436	0.453
	ABOVE 50	3.262	0.654

　　　　The table shows that there is no significant difference between the age group of the respondents with respect to the variables of store atmosphere. Since p value is greater than 0.05, the null hypothesis is accepted at 5% level of significance. It is inferred that age has no influence over store atmosphere .

H₀ 1c: There is no significant difference between the income of the respondent and store atmosphere

TABLE 3:　ANOVA FOR SIGNIFICANT DIFFERENCE BETWEEN THE INCOME OF THE RESPONDENTS AND STORE ATMOSPHERE

VARIABLE	FAMILY INCOME PER MONTH IN RS.	MEAN	SD	F VALUE	P VALUE
STORE ATMOSPHERE	LESS THAN 30,000	3.602	0.486	3.363	0.010
	30,000-50,000	3.347	0.542		
	50,000-1,00,000	3.424	0.577		
	1,00,000 -2,00,000	3.383	0.484		
	ABOVE 2,00,000	3.466	0.540		

　　　　Analysis of the table reveals that the null hypothesis is rejected in case of the store atmosphere at 5% level of significance since the p value is 0.010. Therefore there is a significant difference between store atmosphere and the income of the respondent. The respondents with income level less than Rs. 30,000 with mean value 3.602 seems to

be more influenced towards store atmosphere. The table indicates that respondents are attracted by store atmosphere: lighting, colour and music than other variables of visual merchandising. Whatever may be the income; all the respondents are attracted by the colourful displays under the environment which provides background music and digital spectrum lighting. Many studies highlighted the importance of store atmosphere as it has the power to influence the shoppers buying decision. Therefore the stores must be decorated with colourful lighting and the apparels must be arranged based on themes.

Hypothesis 2 : There is a significant relationship between store atmosphere and patronage intention.

H2$_0$ There is no significant relationship between store atmosphere and patronage intention.

Table 4: Coefficient of determination and F value

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	ANOVA F	Sig.
1	.516^a	.235	.229	.5132065	26.368	.000^a

Regression analysis not only provides an insight regarding the relationship between each variable but also indicate the directions of each relationship. Therefore regression analysis was chosen to examine the relationship between store atmosphere and patronage intention. Even though the R square value seems to be less supportive, P value indicates the statistical significance of the regression model applied. Here, P value is 0.000 which is less than 0.05 and indicates that; overall, the model applied is significantly good enough in indicating the outcome variable. This implies that the null hypothesis is rejected and proves that there is significant relationship between store atmosphere and patronage intention.

CONCLUSION:

Customers are not only satisfied with the products they purchase. During each stage of the shopping process, customers have to be satisfied psychologically. Therefore, retailers and managers must focus on how to trigger customer buying behaviour. The store atmosphere must prompt a shopping desire in shoppers' minds and then persuade them to buy that product. This enables the retailers and managers to achieve their goals.

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