VISUAL MERCHANDISING STRATEGIES FOR SMALL BUSINESSES

A Paper
Submitted to the Graduate Faculty
of the
North Dakota State University
of Agriculture and Applied Science

By
Karen Annette Henry

In Partial Fulfillment of the Requirements
for the Degree of
MASTER OF SCIENCE

Major Department:
Apparel, Design and Hospitality Management

October 2014

Fargo, North Dakota
Title

VISUAL MERCHANDISING STRATEGIES FOR SMALL BUSINESSES

By

Karen Annette Henry

The Supervisory Committee certifies that this disquisition complies with North Dakota State University’s regulations and meets the accepted standards for the degree of

MASTER OF SCIENCE

SUPERVISORY COMMITTEE:

Dr. Jaeha Lee
Chair

Dr. Holly Bastow-Shoop

Dr. Linda Manikowske

Dr. Jin Li

Approved:

November 10, 2014

Dr. Holly Bastow-Shoop

Date

Department Chair
ABSTRACT

The sole purpose of this research was to focus specifically on visual merchandising strategies for small apparel stores since little research had been done on these types of stores. Visual merchandising literature to-date left small apparel retailers with little guidelines in deciding which visual merchandising strategies are more appropriate for their operations. This study addressed how participants responded favorably to six visual merchandising strategies (store layout/design, color, lighting, music, fixtures, and window displays) and how applying these strategies may benefit small apparel stores. The results suggest that these six visual merchandising strategies were instrumental with increased purchase intentions, traffic, loyalty, and the overall success for small apparel businesses. The findings were consistent with previous literature which evaluated the benefits of visual merchandising strategies for large businesses. This study will be useful to small apparel businesses looking to expand their knowledge base on visual merchandising strategies.
# TABLE OF CONTENTS

ABSTRACT ........................................................................................................... iii

LIST OF TABLES .................................................................................................. v

INTRODUCTION .................................................................................................. 1

LITERATURE REVIEW ....................................................................................... 2

METHODS ........................................................................................................... 8

RESULTS ............................................................................................................ 9

DISCUSSION AND IMPLICATIONS ................................................................. 14

LIMITATIONS .................................................................................................... 17

REFERENCES .................................................................................................... 18

APPENDIX A. SURVEY QUESTIONS FOR CUSTOMERS OF SMALL BUSINESSES..... 21
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Store Layout/Design</td>
<td>10</td>
</tr>
<tr>
<td>2. Color</td>
<td>10</td>
</tr>
<tr>
<td>3. Lighting</td>
<td>11</td>
</tr>
<tr>
<td>4. Music</td>
<td>12</td>
</tr>
<tr>
<td>5. Fixtures</td>
<td>13</td>
</tr>
<tr>
<td>6. Window Displays</td>
<td>13</td>
</tr>
</tbody>
</table>
INTRODUCTION

There are many key factors and strategies that can allow small apparel businesses to become more successful. Key factors include location, size, products, services, equipment, people, loss prevention, visual merchandising, etc. There is limited research available on visual merchandising for small apparel stores; therefore, this research is intended to provide small apparel stores with specific visual merchandising strategies. Apparel retailers that utilized visual merchandising strategies, made a positive impact in creating sales (Bhalla & Anuraag, 2010). Visual merchandising allows retailers to create an atmosphere that makes merchandise look attractive and inviting (Colborne, 1996). Visual merchandising should never be taken lightly because it is one of the final stages in the process of setting up a retail store for which consumers would find the small business attractive and appealing (Bhalla & Anuraag, 2010). This study focused on six of the many components of visual merchandising strategies that were more pertinent to small apparel businesses and how applying these strategies may benefit small apparel businesses: 1) Store layout/design; 2) Color; 3) Lighting; 4) Music; 5) Fixtures; and 6) Window Display.

Visual merchandising is the art of showcasing or presenting merchandise that achieves the following: Creatively and effectively educating customers; Enabling a successful selling process; Presenting products in a life-like environment; Establishing the correct background for merchandise to be sold; Attracting the attention of customers; and Assisting customers with matching their desires with merchandise (Bhalla & Anuraag, 2010). In addition to stimulating a positive affective response from customers, appropriate visual merchandising strategies can lead to a series of actions from consumers, such as affecting spending behavior and store/merchandise perceptions (Law, Wong, & Yip, 2012). The purpose of this research was to show how consumers responded to visual merchandising and how applying visual merchandising strategies may benefit small apparel stores.
LITERATURE REVIEW

Visual merchandising strategies are key factors for apparel retailers. It is an effective way for apparel retailers to communicate with customers. Visual merchandising is a way that apparel retailers can promote their product through silent selling. Visual merchandising is one of the key tools that assist apparel retailers with sales growth and marketability. Properly displaying products allow customers to learn important information about a store such as the price, brands, and promotions. Visual merchandising captures the attention of customers thereby creating excitement and willingness to make purchases. One of the final stages of setting up a store is visual merchandising; therefore, there is a need for small apparel retailers to be aware of visual merchandising strategies for their businesses. Previous literature focuses on visual merchandising strategies large apparel businesses.

Store Layout/Design

Store layout provides smooth customer flow through the apparel business. A smooth customer flow is especially critical for apparel retailers with high store traffic. Store layout influences the space at which customers walk through a store. Customers can navigate their way through a store with ease with a well-designed store layout. A good (well-organized and spacious) store layout encourages customers to browse around the store longer and make purchases that they would not have usually made (Levy & Weitz, 2012). Store layout is also used to increase or decrease flow in certain parts of a store. For example, stores want more traffic where products are sold and less traffic near restrooms/fitting rooms. In earlier years, businesses tried to showcase the maximum amount of product to customers using the minimum amount of space (Bell & Ternus, 2012). Store layout helps to prevent excessive shoplifting by decreasing less visible areas. Shoplifters often take advantage of apparel retail stores that are not
well organized with poor store layout. Vrechopoulos, O’Keefe, Doukidis, and Siomkos (2004) conducted a study on how store layout is a critical determinant of store image. They focused on the three major store layout types: Grid; Freeform; and Racetrack/boutique. Grid layout deals with routine and planned shopping behavior. Freeform layout deals with time customers are willing to spend in the store. Racetrack/boutique layout deals with movement of customers throughout the store. Their results suggested that for perceived usefulness and entertainment, a freeform layout was preferred by customers. But for ease of use, customers preferred the grid layout. A good store layout provides apparel businesses an opportunity to increase sales.

**Color**

Color encourages sales. Apparel retailers benefit when they have a basic idea for colors and how they work. Color is an important tool that apparel businesses use to help showcase and move products. One of the first things customers see before entering a retail store is color, which can entice customers to enter a store for the first time. Everyone responds to color in different ways. Bellizzi, Crowley, and Hasty (1983) completed a study on how color can attract customers towards a display. They used colors like red, yellow, green and blue to assess mood. Red was associated with active and energetic mood. Yellow was associated with cheer and fun mood. Green and blue were associated with calm and peaceful mood. The results of their study support the notion that color draws customers to a retail store. Babin, Hardesty, and Suter (2003) conducted a study on how color can alter mood, perceptions, shopping time, and satisfaction. They studied the effect of how color can influence consumers’ affective tone and arousal. Cool colors like violet and blue have short wavelengths. Warm colors like red and orange have long wavelengths. Their results suggest that customers expressed greater satisfaction and purchase
intentions to cool color store environments. Color is important in every area of retailing, such as merchandising, lighting and how displays are set up (Bhalla & Anuraag, 2010).

**Lighting**

Retail lighting is important for apparel businesses. Lighting creates an atmosphere that attracts customers to stores in order to make purchases. With proper lightings, customers are able to match up items and visualize how merchandise will look before leaving the store (Colborne, 1996). Retail store lighting has a huge influence on whether or not sales are made. Lighting creates a nice atmosphere, which make items more appealing and encourages customers to shop more (Mauger, 1964). Retail space appears more open with proper lighting, hence attracting entry and purchases while in the store. Lighting can enhance retail space and products perceived value in eyes of customers (Bell & Ternus, 2012). Baker, Grewal, and Parasuraman (1994) studied if the store environment had an effect on quality inferences and attitude toward the store. They found three factors (ambient, design, and social) that influenced store environment. Ambient factors consist of things like temperature, lighting, music, and scent. Design factors consist of things like layout architecture, color, and style. Social factors include the people in the environment. Their results revealed that only ambient and social elements influence quality inferences and store images.

**Music**

Music playing in apparel stores can relax or excite customers. Music influences how customers shop while inside the store. Many people relate to music because it is considered a universal language. It has been reported that companies that allow music for their employees, may improve employee’s morale. Background music playing in a store can influence customer’s perception about the store. Gorn (1982) studied the relationship between conditioned stimulus
(advertised product) and unconditioned stimulus (music) on the effect of product preferences. Gorn’s research confirmed that music can affect the purchase of products. Milliman (1982) conducted a study on the tempo of music and its effect on sales volume. He concluded that slower tempo music was associated with high sales volume and faster tempo music was associated with lower sales volumes. Kellaris and Kent (1992) conducted a study to find out if music had an effect on temporal perceptions of duration. Major, minor, and atonal were the three music modalities used to test temporal perception of time spent inside a store. Minor key of music was associated with less time spent in a store and major key of music was associated with greater time spent in a store. Atonal key of music had the shortest amount of time spent in a store. The results concluded that music affects the passage of time while in an apparel store. Yalch and Spangenberg (2000) conducted a study about the effects of music in a retail setting on shopping time. They looked at four variables (time, exploration, communication, and satisfaction) in a retail setting. Time spent, exploring merchandise, communication with sales staff, and satisfaction with the store were all assessed with familiar and less familiar music. They concluded that shopping time was enhanced with the four variables while listening to less familiar music. Garlin and Owen (2006) conducted research on setting the tone with background music to elicit emotions from the customer’s sensory experience of the physical setting. They used three groups (Value, Affect, and Duration) to determine the purchase behavior or intentions of customers. They found that purchase behavior or intentions were directly linked to value, and indirectly linked to affect and duration. Their findings suggest that familiarity of music has a positive effect on customer patronage.
**Fixtures**

Store fixtures are one of the key elements for arranging the layout for apparel stores. Fixtures include display stands, merchandising racks, and other items that are used to display merchandise for sale. There are several types of fixtures that apparel retailers can choose from: Signature fixtures that showcase the store brand; Capacity fixtures that hold large amounts of products; and Super-quad fixtures that are adjustable and have four arms to display merchandise. Apparel retailers using elegant display fixtures will encourage longer browsing by customers. Fixtures and displays capture the attention of customers and allow them to interact with the merchandise. The right mix of fixtures in apparel stores contribute positively to visual merchandising strategies.

**Window Displays**

Window displays are the first thing customers see before entering the store. Window displays encourage customers to shop in apparel stores that they would not normally shop in. When displays are set up in a good manor, it allows retailers to generate more sales. Window displays used effectively, attract new customers, create awareness of brands and products, and create more traffic in the store. When apparel retailers are setting up window displays, they have an incredible opportunity to influence whether customers will purchase from their store or from their competitors. Window displays are creative ways of advertising, because they are the first contact point between the store and customers. Sen, Block, and Chandran (2002) researched the question of whether window displays influence store entry and purchase decisions. They tested two ways that window displays could affect store sales. The first way was by creating awareness of merchandise type at the point of store entry. The second way was to show how merchandise presented in window displays would influence purchase decision. Results of their study found
that apparel retailers can be most successful in drawing customers when they focus on communicating through window displays. Yildirim, Akalin-Baskaya, and Hidayetoglu (2007) studied the effects of the store window type on shopping perceptions and attitudes. They looked at the three major types of window displays (flat, arcade, and corner windows). Flat windows are built in a straight line. Arcade window are set back between two windows. Corner windows are self-explanatory and designed for corner shops. Although the most common window types were flat and arcade, the results of this study suggested that customers have a more positive perception and shopping attitude toward flat windows. Window displays help with customers’ decision to enter a store or not. A study by Cornelius, Natter, and Faure in 2010, showed that innovative displays achieved better image valuations, and the store’s image is enhanced by the presence store front displays.
METHODS

The type of research that was used to conduct this research was quantitative research. Surveys were used to elicit responses from customers that shopped in small apparel stores (See APPENDIX A). Surveys were created in a software program called Qualtrics. Since human subjects were involved, survey questions underwent IRB approval prior to being sent out. The surveys were distributed electronically to the emails of friends and neighbors via Qualtrics. The survey consisted of 47 questions. The survey contained five questions on store layout/design; 10 questions on color; six questions on lighting; eight questions on music; five questions on fixtures; and seven questions on window displays. Respondents were 19 years of age or older. Participants were sent a recruitment email that explained the purpose of why they were selected to complete the survey. The last sentence of the recruitment email explained to participants that by completing this survey, they were consenting to participate in this research. A link to the survey was included in the recruitment email for participants to access the survey. The surveys were completely anonymous.
RESULTS

The purpose of this research was to show how consumers respond to visual merchandising and how applying visual merchandising strategies may benefit small apparel stores. Surveys were sent out to 40 people, but only 30 people completed the surveys yielding a return rate of 75%. The age range of survey respondents were from 19 to over 25 years of age (6% were between the ages of 19-21; 6% were between the ages of 22-24; and 87% were 25 or older). The respondents’ education ranged from High School Diplomas to Doctorate degrees. Female respondents outnumbered the male respondents by 2:1 (67% females; 33% males). Household income of respondents ranged from $0 to $100,000+ (21% less than $25,000; 29% were $25,000-$50,000; 29% were $50,000-$99,000; and 21% were $100,000 or above). When survey respondents were asked what attracted them to enter small apparel stores the most, 58% selected store layout. These findings suggested that small retail stores should place more emphasis and resources on store layout in order to increase store traffic.

Respondents’ responses to store layout/design are summarized in Table 1. Extravagant (innovative) layouts had the highest mean value; therefore, extravagant (innovative) layouts were most influential to respondents (see Table 1). The next question showed that a good (well-organized and spacious) store layout encouraged respondents to browse around the store longer. A good (well-organized and spacious) store layout encouraged customers to make more purchases. The type of store layout respondents preferred to see in small apparel stores: Free-Flow Layout (58%); Loop Layout (29%); and Grid Layout (13%). The type of store layout that negatively affected the shopping experiences of respondents: Grid Layout (42%); Loop Layout (39%); and Free-Flow Layout (19%).
Table 1. Store Layout/Design

<table>
<thead>
<tr>
<th>Items</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>I choose to shop in small stores with extravagant (innovative) layouts.</td>
<td>2.19</td>
</tr>
<tr>
<td>A good (well-organized and spacious) store layout encourages customers to make more purchases.</td>
<td>1.90</td>
</tr>
<tr>
<td>A good (well-organized and spacious) store layout encourages customers to browse around the store longer.</td>
<td>1.58</td>
</tr>
</tbody>
</table>

*Please select your best response using this system: 1 = strongly agree; 2 = agree; 3 = neither agree nor disagree; 4 = disagree; 5 = strongly disagree.

Respondents’ responses to colors are summarized in Table 2. Warm colors and red colors had the highest mean values; therefore, warm colors helping to make purchases and red colors creating active/energetic moods were most influential to respondents (see Table 2). Most of the respondents of small retail stores were compelled to enter a store based on color. Bright colors were selected mostly for the type of colors that compelled respondents to enter small apparel stores. More respondents preferred cool colors to help with purchase intentions. Respondents agreed that color encourages sales. Colors like red, yellow, green and blue were used to assess mood. Yellow colors put respondents in a cheerful and fun mood. Green and blue colors put respondents in a calm and peaceful mood. Colorful assortment of clothing increased respondent’s interest to make a purchase.

Table 2. Color

<table>
<thead>
<tr>
<th>Items</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warm colors help me to make a purchase.</td>
<td>2.48</td>
</tr>
<tr>
<td>Red colors put me in an active and energetic mood.</td>
<td>2.48</td>
</tr>
<tr>
<td>Cool colors help me with my purchase intentions.</td>
<td>2.47</td>
</tr>
<tr>
<td>What colors compel you to enter a store?</td>
<td>2.35</td>
</tr>
<tr>
<td>Yellow colors put me in a cheerful and fun mood.</td>
<td>2.29</td>
</tr>
<tr>
<td>Green and blue colors put me in a calm and peaceful mood.</td>
<td>2.17</td>
</tr>
<tr>
<td>Colors like red, yellow, green and blue is used to assess mood.</td>
<td>2.06</td>
</tr>
<tr>
<td>Colorful assortment of clothing increases my interest to make a purchase.</td>
<td>1.93</td>
</tr>
<tr>
<td>Color encourages sales.</td>
<td>1.90</td>
</tr>
<tr>
<td>Color compels me to enter a store.</td>
<td>1.71</td>
</tr>
</tbody>
</table>

*Please select your best response using this system: 1 = strongly agree; 2 = agree; 3 = neither agree nor disagree; 4 = disagree; 5 = strongly disagree.
Respondents’ responses to lighting are summarized in Table 3. Store lighting for small apparel stores on whether or not sales were made had the highest mean value; therefore, store lighting was most influential to respondents on whether or not sales were made (see Table 3). Accent lighting was the most influential type of in-store lighting that enhanced the respondents shopping experience. This means that respondents preferred lighting that emphasizes an area of a room. Accent lighting (55%) was favored most, followed by ambient lighting (45%) for the type of in-store lighting that enhanced respondents shopping experience. Respondents believed that lighting allowed small apparel businesses to create an atmosphere that attracted them to small apparel stores to make a purchase. Respondents were able to match up items and visualize how merchandise will look before leaving a store with proper lighting. Most respondents felt that small apparel store lighting had a huge influence on whether or not sales were made. Finally, small apparel space appeared more open with proper lighting.

Table 3. Lighting

<table>
<thead>
<tr>
<th>Items</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail store lighting has a huge influence on whether or not sales are made.</td>
<td>2.00</td>
</tr>
<tr>
<td>I am able to match up items and visualize how merchandise will look before leaving a store with proper lighting.</td>
<td>1.94</td>
</tr>
<tr>
<td>Lighting allows small businesses to create an atmosphere which attract me to their store to make a purchase.</td>
<td>1.90</td>
</tr>
<tr>
<td>In-store lighting enhances my shopping experience.</td>
<td>1.81</td>
</tr>
<tr>
<td>Small retail space appears more open with proper lighting.</td>
<td>1.68</td>
</tr>
</tbody>
</table>

*Please select your best response using this system: 1 = strongly agree; 2 = agree; 3 = neither agree nor disagree; 4 = disagree; 5 = strongly disagree.

Respondents’ responses to music are summarized in Table 4. Slow tempo music was most influential and had the highest mean value; therefore, slow tempo music playing was most important to respondents for staying in small stores longer (see Table 4). Respondents all thought that in-store music enhanced shopping experience. When asked what type of music enhanced your shopping experience, most respondents chose Pop Music (45%), followed by Jazz
Music (19%), then Other Music (13%), next R&B Music (10%), then Classical Music (6%), and lastly Country Music (3%). Most respondents in this research reported that music doesn’t entice them to make impulse purchases. Music playing in small apparel store setting relaxed and excited respondents. This research suggested that fast tempo music made respondents stay in small apparel stores longer. Therefore, this research presumed that the longer a respondent stayed in a small apparel store with fast tempo music, the higher the sales volume. Finally, music affected the passage of time for respondents while in a small apparel store.

**Table 4. Music**

<table>
<thead>
<tr>
<th>Items</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slow tempo music helps me to stay in small stores longer.</td>
<td>3.16</td>
</tr>
<tr>
<td>Music entices me to make impulse purchases.</td>
<td>3.03</td>
</tr>
<tr>
<td>Fast tempo music helps me to stay in small stores longer.</td>
<td>2.77</td>
</tr>
<tr>
<td>Music playing in small retail stores excites me.</td>
<td>2.39</td>
</tr>
<tr>
<td>Music playing in small retail stores helps me to relax.</td>
<td>2.26</td>
</tr>
<tr>
<td>Music affects my passage of time while in a small retail store.</td>
<td>2.26</td>
</tr>
<tr>
<td>In-store music enhances my shopping experience.</td>
<td>1.70</td>
</tr>
</tbody>
</table>

*Please select your best response using this system: 1 = strongly agree; 2 = agree; 3 = neither agree nor disagree; 4 = disagree; 5 = strongly disagree.*

Respondents’ responses to fixtures are summarized in **Table 5.** Unique fixtures had the highest mean value; therefore, unique fixtures were most important to respondents at capturing their attention and influencing purchases (see **Table 5**). Respondents believed that fixtures help improve store image. When asked what kind of fixtures improved store image, most respondents chose Display Stands and Tables (45%), followed by Signature Fixtures (29%), then Merchandising Racks and Cases (16%), and lastly Super Quad Fixtures (10%). Respondents were drawn to fixtures that were well organized and told a story. Unique fixtures were most influential because it captured respondents’ attention and influenced them to make purchases.
Table 5. Fixtures

<table>
<thead>
<tr>
<th>Items</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique fixtures capture my attention and influence me to make purchases.</td>
<td>2.42</td>
</tr>
<tr>
<td>Unique fixtures capture my attention and influence me to shop longer.</td>
<td>2.29</td>
</tr>
<tr>
<td>I am drawn to fixtures that are well organized and tell a story.</td>
<td>1.87</td>
</tr>
<tr>
<td>Fixtures help to improve a store’s image.</td>
<td>1.71</td>
</tr>
</tbody>
</table>

*Please select your best response using this system: 1 = strongly agree; 2 = agree; 3 = neither agree nor disagree; 4 = disagree; 5 = strongly disagree.

Respondents’ responses to window displays are summarized in Table 6. Window displays were the most influential to respondents for influencing purchase decisions (see Table 6). Window displays made a store more inviting according to respondents. Window displays were most influential in influencing respondents purchase decisions. When asked what type of window displays invited you to small apparel stores, most respondents chose Flat Windows (48%), followed by Arcade Windows (29%), then Other Windows (16%), and lastly Corner Windows (6%). Respondents said that window displays influenced purchase decisions. Window displays were the first thing that respondents saw before entering a store. Respondents believed that window displays attracted new customers to small apparel stores. Window displays created awareness of brands and products offered inside small apparel stores.

Table 6. Window Displays

<table>
<thead>
<tr>
<th>Items</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Window displays influence purchase decisions.</td>
<td>2.23</td>
</tr>
<tr>
<td>Window displays create more traffic and sales for small retail stores.</td>
<td>1.71</td>
</tr>
<tr>
<td>Window displays is the first thing I see before entering a store.</td>
<td>1.58</td>
</tr>
<tr>
<td>Window displays attract new customers.</td>
<td>1.55</td>
</tr>
<tr>
<td>Window displays create awareness of brands and products offered inside the store.</td>
<td>1.48</td>
</tr>
<tr>
<td>Window displays make a store more inviting.</td>
<td>1.43</td>
</tr>
</tbody>
</table>

*Please select your best response using this system: 1 = strongly agree; 2 = agree; 3 = neither agree nor disagree; 4 = disagree; 5 = strongly disagree.
DISCUSSION AND IMPLICATIONS

This study investigated how consumers responded to visual merchandising and how applying visual merchandising strategies could benefit small apparel clothing stores. Previous literature had already proven that visual merchandising is a major factor in the success of stores, but this study focused primarily on six visual merchandising strategies (store layout, color, lighting, music, fixtures, and window displays) that were more specific for small apparel businesses.

It was store layout/design that was most important to respondents that shopped in small apparel stores. The respondents enjoyed shopping in stores with extravagant (innovative) and good (well organized and spacious) layouts. Good (well organized and spacious) layouts of a small apparel store encouraged consumers to browse around the store longer and make more purchases. The results of this study also showed that respondents preferred free-flow layout when shopping in small apparel stores. Thus, it is strongly recommended that small apparel stores place heavy emphasis on the importance of having a well-developed store layout.

This study showed that color, especially bright colors, compelled the respondents to enter a store and encouraged sales. Based on the results of this study, cool and warm colors did not help respondents to make purchases. Most respondents in this study agreed that colorful assortment increased their interest of making a purchase. Thus, small apparel stores may benefit by utilizing colors to encourage sales; bright colors to compel customers to enter a store; cool colors to increase purchase intentions; and colorful assortment of clothing to increase purchases.

The third strategy reviewed was lighting. The results revealed that in-store lighting enhanced the respondents’ of small apparel stores shopping experience. In addition, respondents are able to match up items and visualize how merchandise will look before leaving a small
apparel store with proper lighting. In this study, accent lighting enhanced more respondents 
shopping experience than ambient lighting. In other words, respondents of small apparel 
businesses were more attracted to lighting that emphasized an area of an object in a room. Small 
apparel store lighting has a huge influence on whether or not sales are made. This study also 
found that small retail space appears more open with proper lighting. Therefore, small apparel 
stores should be aware that in-store lighting may enhance shopping experience; create an 
atmosphere that attracts customers to make purchases; help match up items and visualize how 
merchandise will look; influence whether or not sales are made; and make small retail space 
appear more open.

The fourth strategy reviewed was music. It was discovered that in-store music enhances 
respondents’ of small apparel businesses shopping experience. Pop music was the most popular 
type of music for enhancing respondents of small apparel businesses shopping experience. Since 
pop music is constantly changing, it made sense why pop music was more popular during this 
study. The results of this study showed that more respondents disagreed that music entices them 
to make purchases. With regards to music playing in stores, this study revealed that music 
playing in small apparel stores can relax and excite customers. When analyzing whether slow 
tempo or fast tempo music helped respondents to stay in small apparel stores longer, this study 
revealed that fast tempo music influenced the respondents to stay in the store longer. Thus, 
having music playing in small retail stores does have an effect on customers’ passage of time.

The fifth strategy reviewed was fixtures. The results of this study showed that fixtures 
did help to improve a small apparel store’s image. The kind of fixtures that improved small 
apparel store images the most were display stands and tables. Respondents of this study were 
drawn more to fixtures that were well-organized and that told a story. Also, most respondents
agreed that unique fixtures captured their attention, influenced them to shop longer, and influenced them to make purchases. Therefore, unique fixtures captured attention, influenced longer shopping, and influenced purchases in small apparel stores. Also, fixtures helped to improve a store’s image and the preferred fixtures of choice were display stands and tables.

The final strategy reviewed was window displays. This study revealed that respondents strongly believed that window displays made small apparel stores more inviting. The preferred window display type was the flat windows as oppose to arcade and corner windows. This showed that respondents preferred windows that were built in a straight line. The results of this study showed that window displays influenced purchase decisions and was the first thing the respondents saw before entering a small apparel store. In conclusion, small apparel stores may benefit more by having flat windows and knowing the types of impact that window displays have on respondents, such as making store more inviting; influencing purchase decisions; viewing of the window being the first thing customers see; attracting new customers; creating awareness of brands and products offered; and increasing traffic and sales.
LIMITATIONS

There were several limitations to this study. The sample size was only 30 respondents. Customers who shopped in large retail stores only were excluded from this survey. This study focused on brick and mortar small apparel businesses without including e-commerce small apparel businesses. The survey used mostly closed ended questions without given respondents the ability to openly answer questions. Window displays were not included in the question that asked survey respondents what attracted them to enter small apparel stores the most. Therefore, future research is needed to expound upon the visual merchandising strategies for small apparel businesses included in this research. More research needs to be conducted on how to modify visual merchandising strategies to compete with large apparel retailers that are forcing small apparel retailers out of business.
REFERENCES


APPENDIX. SURVEY QUESTIONS FOR CUSTOMERS OF SMALL BUSINESSES

1. I shop in small retail apparel stores.
   - [ ] Yes
   - [ ] No

2. Which of the following attract you most to enter small retail stores?
   - [ ] Store Layout
   - [ ] Color
   - [ ] Lighting
   - [ ] Music
   - [ ] Fixtures

3. I choose to shop in small stores with extravagant layouts?
   - [ ] Strongly Agree
   - [ ] Agree
   - [ ] Neither Agree nor Disagree
   - [ ] Disagree
   - [ ] Strongly Disagree

4. A good store layout encourages customers to browse around the store longer?
   - [ ] Strongly Agree
   - [ ] Agree
   - [ ] Neither Agree nor Disagree
5. A good store layout encourages customers to make more purchases?

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

6. Which type of store layout do you prefer to see in small stores?

☐ Free-Flow Layout - (type of store layout in which fixtures and merchandise are grouped into free-flowing patterns on the sales floor).

☐ Grid Layout - (type of store layout in which counters and fixtures are placed in long rows or runs, usually at right angles, throughout the store).

☐ Loop Layout - (type of store layout in which major customer aisles begins at the entrance, loops through the store, usually in the shape of a circle, square, or rectangle, and then returns the customer to the front of the store).

7. What type of layout negatively affects your shopping experience in small stores?

☐ Free-Flow Layout - (type of store layout in which fixtures and merchandise are grouped into free-flowing patterns on the sales floor).

☐ Grid Layout - (type of store layout in which counters and fixtures are placed in long rows or runs, usually at right angles, throughout the store).

☐ Loop Layout - (type of store layout in which major customer aisles begins at the entrance, loops through the store, usually in the shape of a circle, square, or rectangle, and then returns the customer to the front of the store).
8. Colors compel me to enter a store?
   - □ Strongly Agree
   - □ Agree
   - □ Neither Agree nor Disagree
   - □ Disagree
   - □ Strongly Disagree

9. What colors compel you to enter a store?
   - □ Bright colors
   - □ Neutral colors
   - □ Warm colors (reds, oranges and yellows)
   - □ Cool colors (greens, blues and violets)
   - □ Other

10. Cool colors help me with my purchase intentions?
    - □ Strongly Agree
    - □ Agree
    - □ Neither Agree nor Disagree
    - □ Disagree
    - □ Strongly Disagree

11. Warm colors help me to make a purchase.
    - □ Strongly Agree
    - □ Agree
12. Color encourages sales?

☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

13. Colors like red, yellow, green and blue is used to assess mood?

☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

14. Red colors put me in an active and energetic mood?

☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree
15. Yellow colors put me in a cheerful and fun mood?

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

16. Green and blue colors put me in a calm and peaceful mood?

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

17. Colorful assortment of clothing increases my interest to make a purchase.

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

18. In-store lighting enhances my shopping experience.

☐ Strongly Agree

☐ Agree
☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

19. What type of in-store lighting enhances your shopping experience?

☐ Accent Lighting (emphasizes an area of or an object in a room)

☐ Ambient Lighting (general illumination that comes from all directions in a room that has no visible source)

☐ Other

20. Lighting allows small businesses to create an atmosphere which attract me to their store to make purchases?

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

21. I am able to match up items and visualize how merchandise will look before leaving a store with proper lighting?

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree
22. Retail store lighting has a huge influence on whether or not sales are made?

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

23. Small retail space appears more open with proper lighting?

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

24. In-store music enhances my shopping experience.

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

25. What type of music enhances your shopping experience?

☐ Blues Music

☐ Classical Music
☐ Country Music
☐ Jazz Music
☐ Pop Music
☐ Rap Music
☐ R&B Music
☐ Rock Music
☐ Other

26. Music entices me to make impulse purchases.
   ☐ Strongly Agree
   ☐ Agree
   ☐ Neither Agree nor Disagree
   ☐ Disagree
   ☐ Strongly Disagree

27. Music playing in small retail stores helps me to relax.
   ☐ Strongly Agree
   ☐ Agree
   ☐ Neither Agree nor Disagree
   ☐ Disagree
   ☐ Strongly Disagree

28. Music playing in small retail stores excites me.
   ☐ Strongly Agree
29. Slow tempo music helps me to stay in small stores longer?
   □ Strongly Agree
   □ Agree
   □ Neither Agree nor Disagree
   □ Disagree
   □ Strongly Disagree

30. Fast tempo music helps me to stay in small stores longer?
   □ Strongly Agree
   □ Agree
   □ Neither Agree nor Disagree
   □ Disagree
   □ Strongly Disagree

31. Music affects my passage of time while in a small retail store?
   □ Strongly Agree
   □ Agree
   □ Neither Agree nor Disagree
32. Fixtures help to improve a store’s image.

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree

33. What kind of fixtures improve store image?

☐ Display stands and tables

☐ Merchandising racks and cases

☐ Signature fixtures (showcase store brands)

☐ Capacity fixtures (hold large amounts of products)

☐ Super quad fixtures (adjustable with four arms to display merchandise)

34. I am drawn to fixtures that are well organized and tell a story.

☐ Strongly Agree

☐ Agree

☐ Neither Agree nor Disagree

☐ Disagree

☐ Strongly Disagree
35. Unique fixtures capture my attention and influence me to shop longer?

☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

36. Unique fixtures capture my attention and influence me to make purchases?

☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

37. Window displays makes a store more inviting.

☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

38. What type of window displays invites you to small retail stores?

☐ Flat windows (built in a straight line)
☐ Arcade windows (set back between two windows)
☐ Corner windows (corner shops)

☐ Other

39. Window displays influence purchase decisions?
☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

40. Window displays is the first thing I see before entering a store?
☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

41. Window displays attract new customers?
☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

42. Window displays create awareness of brands and products offered inside the store?
☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

43. Window displays create more traffic and sales for small retail stores?

☐ Strongly Agree
☐ Agree
☐ Neither Agree nor Disagree
☐ Disagree
☐ Strongly Disagree

44. Your age

☐ 16-18
☐ 19-21
☐ 22-24
☐ 25+

45. Your education level

☐ High School
☐ Some College
☐ Associate’s
☐ Bachelor’s
☐ Master’s
☐ Doctorate

46. Your gender
☐ Female
☐ Male

47. Your income
☐ $0-$25,000
☐ $25,000-$50,000
☐ $50,000- $99,000
☐ $100,000 plus