



COMPARATIVE ANALYSIS OF ONLINE VISUAL MERCHANDISING PRACTICES BETWEEN GOVERNMENT AND PRIVATE INDIAN ONLINE RETAILERS

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ABSTRACT

Visual merchandising has long lived in the domain of brick-and-mortar stores. It is viewed as an indispensable tool to provide aesthetic pleasure to the customers and to uplift the sales of the stores. Similarly, in the era of online retail stores, retailers need to raise their game so as to rope in more customers and sweep off their feet with visually appealing merchandise. This research paper set forth an investigation conducted to study the differences in online visual merchandising practices of Indian online handloom retailers between Private players and Government players. Few literatures on the related topics were considered for better understanding of the head and to spot the research gap in previously published research papers. A total of 20 Indian E-commerce portals / websites were identified including 10 government and 10 private retailers, which further were analyzed through content analysis and chi-square test. This research resulted into extraction of 6 online visual merchandising factors: product presence, product information, services, interest, aesthetics and fitness. There were significant differences in all 6 factors. This research contributes to the understanding of elements and major factors which constitute to the online visual merchandising composition of an online retailer. Academicians and practitioners of Visual Merchandisers will also be benefited by knowing how online Visual Merchandising factors were used differently by government and private players for retailing of handloom sarees over e-commerce platform in India

KEYWORDS : Online Visual Merchandising, OVM, hand-loom, e-commerce, product presentation, content analysis.

1. INTRODUCTION

About Online Visual Merchandising

The online shopping mall is one of the briskly budding distribution channels in the global market outpacing the progress speed of conventional stores. The number of internet users in India is expected to reach 500 million by June 2018, as reported by Internet and Mobile Association of India (IAMAI) and Kantar IMRB. The number of Internet users stood at 481 million in December 2017 (Economic times, 2018). Department of Development Commissioner (Handlooms) also tied up with 9 leading E-commerce portals of India to boost up the sales of Handloom products in India. Just putting a product for sale in an online or offline store is not sufficient for sales. Products do not sell on itself. Even good products need to be marketed, to be sold. Hence at last the store itself becomes the ground for the tricky game, called Retailing. A retailer only has this trick called VM to play and charm his customers, which ultimately leads to sales in his store (Upadhyay et al., 2017) However, there are still numerous consumers who evade from purchasing apparel through the Internet shopping mall. The chief reason is they are unable to try on an item to check the fitting as well as are helpless in examining the fabric of a garment. Therefore, there is an acute need for advancement and enrichment of online visual merchandising factors in order to amuse the customers by providing sensory experience, physical inspection and visual information in online stores (Khakimjanova & Park, 2005).

The online visualization features of the fashion product has granted varied presentations of the same apparel product which in turn has kicked in the sales of the e-business through customer contentment and online store repeated visits. Real situation research investigation of online visual merchandising factors is limited even though there are strong needs concerning efficient online retailing. Also, the existing disparity in the visual merchandising practices carried out by the private and government online retailers provides an important ground to conduct a research on the online visual merchandising. There could be some cross-national differences in attitudes of customers of two different countries which were studied by researchers of Korea and China and they found the key elements and factors of online visual merchandising and this research also identified the differences in online visual

merchandising practices by online apparel retailers of these two countries (Park et al., 2009). This study takes an exploratory approach and hope to identify the most appealing online visual merchandising elements and ultimately compare the current online visual merchandising practices of government and private Indian online retailers in the product category of handloom saree.

2. LITERATURE REVIEW

According to Morgan Stanley research (2017)- The growth in e-commerce will grow market penetration to 12% in coming years. With this analysis this is being concluded that two - third of growth in the e-commerce is because of the new users, and also that the customer take time to get comfortable with the channel, but ones they are comfortable they will buy products online.

Kumar V. (2014) in his research paper "**A study on Needs of Visual Merchandising for Online & Physical Stores**", said that the field of both retail store and online sites there is rise in the visual merchandising.. In the paper the he focused mainly on the concept of visual merchandising and how the concept is used to increase the sale and the overall image of a store. With the comparison between physical store and online store for visual merchandising and working on the challenges faced by them paper conclude that both the retailer whether in-store or online relating should use strategies to make their visual merchandising effective so that they can get better result.

According to an article in fibertofashion (2017), retail store ambience, lighting, selling and display is important in the same way online sites need to be more appealing so that the site stands apart and engage more customers. Like in retail store one can feel and try the garment which is not possible in online shopping as one cannot touch the garment so developing new techniques which can give detailed information about size body type and the fabric is very important.

Eroglu et al. (2001), states that a conceptual model is proposed which see the influence of atmospheric qualities of virtual store. A Stimulus-Organism-Response (S-O-R) framework is used as the basis of the model which posits that atmospheric cues of the online

store, through the intervening effects of affective and cognitive states, influence the outcomes of online retail shopping in terms of approach/avoidance behaviors. Two individual traits, involvement and atmospheric responsiveness, are hypothesized to moderate the relationship between atmospheric cues and shoppers' affective and cognitive reactions.

Ha et al. (2007) revealed that many VMD features of offline stores have been implemented online. In addition, some VMD features of online apparel stores do not have a direct offline parallel. A total of 50 US and 50 Korean web sites were content analyzed in terms of environment, manner of presentation, and path finding.

Park et al., (2009) compared store attributes of online apparel retailers of two countries- Korea and China. Researchers tried to find out the most prominent attributes that attract the online customers. 40 websites selected on the basis of sales and 5 retailers were also selected per each 40 websites. And with the help of content analysis and chi square and this is been conclude that Korea have more advanced technology than china. Korea was more toward internet shopping than china in 2008, this was been seen that there is more purchase of fashion product despite of uniqueness. Even till now there are many who avoid purchasing online due to the reason that they will not be able to feel and test the product because of this there is strong need to improve and develop online VM techniques. E-shoppers are more in the websites which provide good shopping experience with effective OVM skills. With the help of the study this is been seen that for the aspects like convenience services product information and internet there are large difference in online VM practice of two countries, this is been seen that Korea have more developed technologies and skills than china therefore Korea have more developed technologies and skills than china therefore Korea got a lead in OVM practice.

Katrandjiev H. and Velinov I. (2014), applied content analysis on randomly selected websites and by the help of content analysis they reveals the following structure of OVM which have two broad group **high task relevant environment (HTRE)** and **low task relevant environment(LTRE)** further both in total have five categories under LTRE there are two (atmospheric feature and registration) and HTRE includes three (web navigation, web graphics and product demonstration). If we go further we can see there are thirteen elements within category - background color, text color, atmospheric features, and registration requirement within LTRE; site map, search engine, website geometry, presentation format, product view dimensionality, apparel color, product display method, and mix/match option within HTRE. After this 55 sub-elements were identified 17 sub elements within LTRE group and 38 sub elements within HTRE group.

Gilliam C. (2015) explained how can you perfect your online visual merchandising by points like investing in high-resolution and capitating photos because clear and professional taken photos are an asset to the brand, hire models to wear items this will give your customer realistic view of the product, shooting videos to promote your product one of the expensive visual content but worth, make your home page striking beautiful as home page is your store front and layout of your store front is crucial.

Kumar A. & Yinliang T. (2012) explained the importance of Product-videos in e-Commerce. According to the paper product video is a virtual product experience that is closer to physical shopping, and thus help customers make more informed choices. On the other hand, product-videos can be used to bundle a focal product with its coordinating products and accessories to make the overall look more desirable. To test the hypothesis that such visual bundling will increase the sales of both the focal and the coordinating products, a randomized experiment is conducted on the live website of a mid-size fashion retailer in the US. It is found that the introduction of product-videos lead to a 15 percent increase in focal product sales. A surprising spillover effect of product-videos is a 31 percent increase in the sales of coordinating products and accessories. Therefore,

visually bundling the coordinating products in focal product-videos helps bring these products in customers consideration set and hence increases the sales of coordinating products. This research thus highlights and estimates a relatively unexplored value of IT in online visual merchandising.

RESEARCH GAP

By reviewing the above mentioned literatures, it can be seen that numerous researches have been conducted to study the different OVM elements and practices but none of the researches has been focused towards studying the comparative analysis of the OVM practices between the private and government Indian online retailers. Thus the present research is an attempt made to understand the level of contrast, in context to OVM practices, prevailing between the private and government Indian online retailers.

3. RESEARCH METHODOLOGY

In this research, the researcher made use of content analysis and Chi-Square test. The researcher chose this tool because it enables researchers to evaluate materials or phenomena on an impressionistic but systematic basis (as cited in Khakimjanova & Park, 2005) as well as make the data concise and readable, which is the basis of any statistical tool and also to prove the research objective.

1. Sample:

The data was collected manually by reviewing 10 most preferred Indian Private Online Retailers and 10 Government Players and within each portal 30 sarees were viewed with a specific band width of INR 3000 – 5000.

2. Instrument:

A coding sheet of 24 criteria was developed to check these 20 E-commerce websites on the Online visual merchandising techniques used. A coding instrument which was already used by Park and Stoel (2002) and Khakomjanova & Park (2005) was modified and used again to reflect the online visual merchandising practices between private and government players in Handloom category. Mozilla Firefox was used as web explorer and this investigation was executed between January to April 2018.

3. Procedure:

The listing of coding sheet was done as developed by Lincoln & Guba (1985) and categories were sorted based on similar characteristics. In order to keep the equivalence of analysis sample, identical product category with similar price level was considered as the selection criteria. The product category was limited to 30 sarees per portal with a price range of INR 3000 - 5000. Through this process 6 dimensions of online visual merchandising was developed as done by Park et al., (2009): Product Presence, Product Information, Service, Interest, Aesthetics and Fitness. Content analysis and chi square test is used to study the difference in online visual merchandising practices Of Indian Private Online Retailers and Government Online Players, in Handloom category.

4. ANALYSIS & INTERPRETATION OF DATA

A Comparative Analysis of 6 dimensions of Online Visual Merchandising Elements between Private and Government Online Retailers was done. This has been studied by applying chi square test on the data, the results of which are shown below.

1. Product Presence

In order to satisfy consumers' needs for the sensory experience of a fashion product in an online world, diverse practices of visual merchandising techniques are needed. Those would help evaluate fashion product in the environment similar to the traditional retail setting. Therefore, product presence in an online shopping environment includes textiles image, fiber content composition indication, laundering instruction indication, price indication, color information offer, detail indication, and product stock indication.

Criteria Content		Private (n=300)	Government	Total (n = 600)	Chi Square
Price Indication	Available	300	300	300	0
	Not Available	0	0	0	
Textile Images	Available	300	300	300	0
	Not Available	0	0	0	
Material Content Indication	Available	300	285	585	15.385
	Not Available	0	15	15	
Laundering Instruction	Available	250	189	439	31.588
	Not Available	50	111	161	
Color Information Offer	Color Image with written indication	240	180	420	28.571
	Only Color Image	60	120	180	
Detail Indication	Available	240	150	390	59.341
	Not Available	60	150	210	
Product Stock Indication	Available	150	270	420	114.286
	Not Available	150	30	180	
Customization	Available	30	60	90	11.765
	Not Available	270	240	510	

Criteria Content		Private	Government	Total (n = 600)	Chi Square
Presentation tool	Flat Image	60	148	208	31.56
	People Image	150	55	205	
	Mannequin Image	60	86	146	
	Hanger	30	11	41	
Manufacturing Details	Available	180	180	360	0
	Not Available	120	120	240	
Product Comparison Information	Available	90	90	180	0
	Not Available	210	210	420	

As shown in <Table 2>, there was significant difference in presentation tool factor of product information. In presentation tool factor, Indian Private Online Players frequently used model photos whereas Government Online Players utilized more of flat images and mannequin photos in most of the cases.

3.Service

To be a successful online apparel retailer, services become more important under the online shopping environment. Indication of reliable and timely service information has a tendency to decrease perceptions of risk. Online shoppers make their orders at their office or home anticipating quicker, timelier, and safer delivery on a convenient time of choice. Return and exchange services are important if customers change their mind after delivery, or a delivered product is damaged (as cited in Koo, 2006). Therefore, service included shipping cost indication, international shipping information, delivery term indication, return policy indication and selling agency information.

Criteria Content	Private	Government	Total (n = 600)	Chi Square	
Shipping Time Indication	Available	210	90	300	96

	Not Available	90	210	300	
International Shipping Cost	Available	60	60	120	0
	Not Available	240	240	480	
Delivery Term Indication	Available	180	90	270	54.545
	Not Available	120	210	330	
Return Policy Indication	Available	224	30	254	256.948
	Not Available	76	270	346	
Selling Agency Indication	Available	210	300	510	105.882
	Not Available	90	0	90	

As shown in <Table 3>, there were significant differences in all the items of service between Private Online retailers and Government Online Players except in international shipping cost. The results showed that the Private Online retailers provide more and frequent service information than the Government Online retailers except in case of selling agency indication.

4.Interest

Interest is an important factor to provide consumers with a memorable shopping experience. Ernst and Young (1998) reported that Internet shopping is more convenient, fun and economical and it also has more choices than shopping through other distribution channels. Thus, interest included promotion and advertising.

Criteria Content	Private	Government	Total (n = 600)	Chi Square	
Promotion	Available	210	210	420	0
	Not Available	90	90	180	

As shown in <Table 4>, there is no significant difference in interest levels between Indian Private Players and Government Players as both of them uses promo codes to promote their products.

5.Aesthetics

Several researchers suggested that aesthetics is an important criterion of successful websites (Allen, 2000; Khakimdjanova & Park, 2005; Park & Stoel, 2002). Therefore, aesthetic was also included in this study.

Criteria Content		Private	Government	Total (n = 600)	Chi Square
Photo total View	Available	240	224	464	2.434
	Not Available	60	76	136	
Photo Enlargement	Available	240	249	489	0.895
	Not Available	60	51	111	
Used Photo	Directly Photographing	215	270	485	33.1764
	Copy Photo	7	0	7	
	Composite Photo	78	30	108	

As shown in <Table 5>, aesthetics factor contained 3 items such as website photo total view, photo enlargement and used photo and there is significant difference in case of only used photo. In used photo although, both the Indian Private and Government Players had used directly photographing but Private Players also utilized copy and composite photo considerably.

6.Fitness

Fitness factors included bulletin board position, purchase postscript board position, image position, image number, and searching bar position.

Criteria Content		Private	Government	Total (n = 600)	Chi Square
Purchase Board Position	Right Above	0	180	180	109.33
	Right Below	240	60	300	
	Middle Above	0	30	30	
	Middle Below	60	30	90	
Image Position	Left Above	270	300	570	31.579
	Centre Above	30	0	30	
Image Number	1 to 2	67	150	217	34.85
	3 to 5	203	150	353	
	6 to 10	30	0	30	
	11 to 15	0	0	0	
	Above 16	0	0	0	
Search Bar Position	Left Above	90	30	120	102
	Left Below	0	0	0	
	Middle Above	0	120	120	
	Middle Below	120	0	120	
	Right Above	0	120	120	
	Right Below	90	0	90	
	No Search Bar	0	30	30	

As shown in <Table 6>, there were significant differences in all the items of fitness. In the purchase board position, right below and middle below were frequently used in Indian Private Online Portals, while right above and right below were frequently utilized in Government Portals. However, the frequency of right below is more than that of middle below in case of Private Portals and similarly, in case of Government Portals, the frequency of right above is more than that of right below.

The image position of both the Private and Government Portals was mainly placed in left above and a few Private Portals placed their image in centre above positions as well.

In image number, Private Portals used more image photos than Government Portals. The number of image photos in Private Portals between 6-10 was 30 however, in case of Government Portals it was zero.

In search bar position, middle below was most preferred in case of Private Players and middle below and right above in case of Government Players.

5. DISCUSSION AND CONCLUSION

There were a number of Indian private portals but we chose only 10 on the basis of preference and out of 24 Government online portals only ten were selected as others were not applicable for our research because either they dealt only in handicrafts or in items other than sarees. Within each selected portal, 30 sarees were inspected within a specific price filter of INR 3000 – 5000.

As a result of content analysis, 24 items and 6 factors of online visual merchandising were developed: product presence (8 items), product information (3 items), service information (5 items), interest (1 items), aesthetics (3 items), and fitness (4 items).

And, as a result of a chi-square test, there were significant differences in all factors. While the difference in product information was only in one item and in case of Interest there was none. But the differences in other factors were in many items. The reason why that there was no or not so significant difference with respect to interest and product information respectively is that the online retailers preferentially pay attention to enhance these two factors since they are the most fundamental factors to sell apparel online.

However, the differences in other factors of online visual merchandising practices between both the online retailers seems to be significant because of more developed technical skills and better marketing strategies utilized by private online retailers to

survive in this competitive market for capturing customer value.

The sample size was small i.e.; only sarees were chosen and that too within a specific price limit. If more products within handloom category have been chosen or worked upon, it might have given a better picture of online visual merchandising practices of e-retailers in India.

The present research has been done on a very small sample of 30 sarees per website and that too within a specific price band. Thus, this research can be taken up to the next level by including other categories as well, along with different price band.

Moreover, further in depth analysis can be conducted within private portals, so as to identify which of the online portals effectively utilize the above stated online visual merchandising practices in the set of top 10 most preferred private online portals.

As per the research conducted, it was found that there were significant differences in almost all the factors between Private and Government online portals in which, Government had a low score in most of the online visual merchandising practices.

As online visual merchandising plays the same role as of visual merchandising, to attract the customers thus, it is high time for the government portals to improve on their marketing skills and strategies, update their portals on regular basis and provide sufficient information to the customers especially, for the ones who enter into extensive information search before buying a product.

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