



## Influence of Store Image on Customer Purchase Decision

### KEYWORDS

Store image, FDI, Organized retail, customer purchase decision

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**ABSTRACT** *In recent past there has been a tremendous growth in Indian organized retail sector. The liberalization policy in FDI has helped greater inflow of funds and technology in Indian retail. To earn adequate return on investments, organized retailers are using all possible tools to attract customers and increase sales. Store image, in this direction, helps retailers a lot as it creates the first impression in the minds of customers visiting the store. This first impression plays a decisive role in customer's stay in the store where he can get time to be influenced by the offers, displays and take purchase decisions. This research paper tries to measure the influence of store image, both external and internal, in the minds of customers.*

### Introduction:

Retail is one of the most vital gauges of any economic development. Retailing is considered to be the face of any marketing organization. Day by day increasing competition and focus on customer delight has direct bearing on art of retailing. For the consumption of any product by end consumer, retailing plays the ultimate role. After agriculture, retailing, both organized and unorganized employs largest number of manpower. This gives opportunity to earn livelihood to most of the uneducated population. The traditional corner shops, Mom & Pop stores are the identity of Indian unorganized retail sector. They are merely registered with VAT or Income Tax departments, have limited infrastructure, assets and fixed expenses. These unorganized outlets are mostly managed by owners only with some unskilled, uneducated helpers. These helpers only assist owners in routine sorting, picking, displaying, weighing of the goods. They are nowhere concerned with cash collection or any other responsible tasks. Employment conditions of these helpers are also unregulated.

Organized retailers on the other hand are retailers who are formally registered with various Government organizations such as VAT, Income Tax, Shops & Establishment act etc. They maintain their books of account, get them audited and pay the taxes as per Govt policy. Their employment conditions are better. They invest in spaces available in commercial complexes and take care of customer convenience.

The recent growth in the Indian retail sector is the result of increase in per capita income/disposable income in urban area and consumerism psychology. Due to these factors large business houses have set up retail chains in leading commercial cities of India. The organized retail can be seen in the form of supermarkets, retail chains and corporate owned hypermarkets. In case of organized retail, retail store image plays vital role in carrying out impression in the minds of customers. The degree of customer attraction is directly proportionate to the degree of store image in the minds of potential customer.

### Review of Literature:

Store image was first discussed by Martineau (1958). He said "It is the way in which a store is defined in the shopper's mind, partly by its functional qualities and partly by an aura of psychological qualities". Doyle and Fenwick (1974) focused on five elements leading to store image.

They were- product, price, styling, assortment and location. Lindquist (1974) came up with another nine elements leading to store image. They were- merchandise, service, comfort, promotion, clientele, physical facilities, institutional and post transactional support. Bearden (1978) also included quality of personnel and parking facilities. He discussed the store influencing elements as price, quality of merchandise, assortment, atmosphere, location, parking facilities and customer friendly personnel. Another important study to identify the purchasing forces of apparel consumers was done by Prasad (2012). In his study consumers ranked the factors important to be as style, value, diversity, demand, credibility, concern and referral groups.

### Objectives of the study:

The objective of the study was to assess the influence of store image on the minds of customers in organized retail stores of Gwalior-India. The objective was further sub divided to assess whether the exterior image or interior image of the retail stores influence the purchase intentions of customers or not?

**Research methodology:** The study was conducted in the retail stores of Gwalior, The leading historical and commercial city of central India. Data collection was done as per following plan:

Sample size: 100 visitors/customers,  
Sampling technique: Random Sampling,

Instrument: Interview and questionnaire, Geographic location: Gwalior (India)

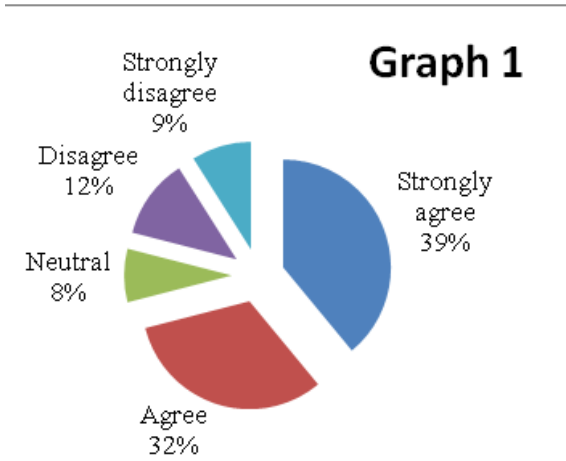
Statistical tool: 5 point Likert scale.

### Parameters examined:

- i: Influence of external image variables viz exterior sign and display boards, building architect and infrastructure, parking, convenience etc.
- ii: Influence of general interior store image variables viz attractive product display, section guidance, assistance from sales persons etc.

### Data analysis and interpretation:

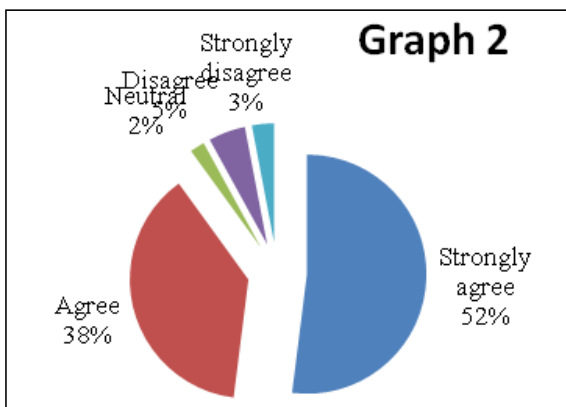
**GRAPH 1: Response of visitor/customer against statement "I get influenced by the exterior look/ design and hugeness of the building"**



Strongly agree	39%
Agree	32%
Neutral	8%
Disagree	12%
Strongly disagree	9%

As per analysis shown in Graph 1, majority of the respondents (71%) were in agreement with the statement. Only 21% were against the statement. This means stores should give emphasis on infrastructure and make the exterior look attractive enough to appeal the visitors. Increase in number of walk-ins will enhance the probability of sales.

**GRAPH 2: Response of visitor/customer against statement "I get influenced by display boards announcing offers/discounts, outside the store"**

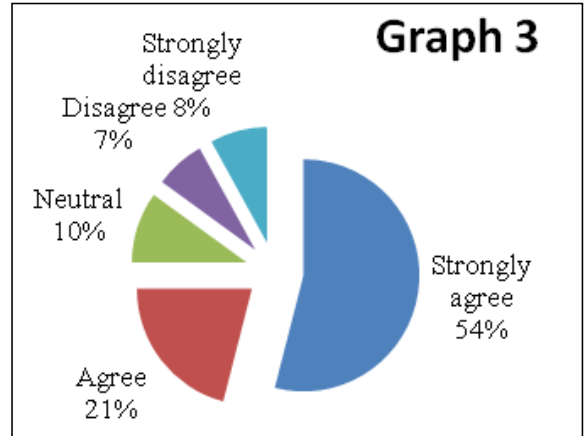


Strongly agree	52%
Agree	38%
Neutral	2%
Disagree	5%
Strongly disagree	3%

As per analysis shown in Graph 2, majority of the respondents (90%) were in agreement with the statement. Only 8% were against the statement while 2% had not given any opinion. As per this analysis, stores should prepare attractive display boards announcing offers and display them on strategic points outside the store so that it creates an impulse in visitors to visit and explore the offers.

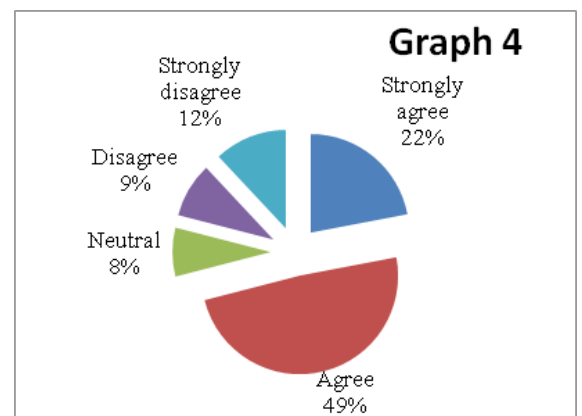
As per analysis shown in Graph 3, majority of the respondents (75%) were in agreement with the statement. Only 15% were against the statement while 10% had not given any opinion. Stores must make proper arrangement for adequate and convenient parking for visitors. Image of congested parking may distract the visitors from the store. The shortfall in walk-ins will adversely affect the sales.

**GRAPH 3: Response of visitor/customer against statement "I get influenced by convenient parking available in the store"**



Strongly agree	54%
Agree	21%
Neutral	10%
Disagree	7%
Strongly disagree	8%

As per analysis shown in Graph 4, majority of the respondents (71%) were in agreement with the statement. Only 15% were against the statement while 10% had not given any opinion. Stores must make proper arrangement for adequate and convenient parking for visitors. Image of congested parking may distract the visitors from the store. The shortfall in walk-ins will adversely affect the sales.



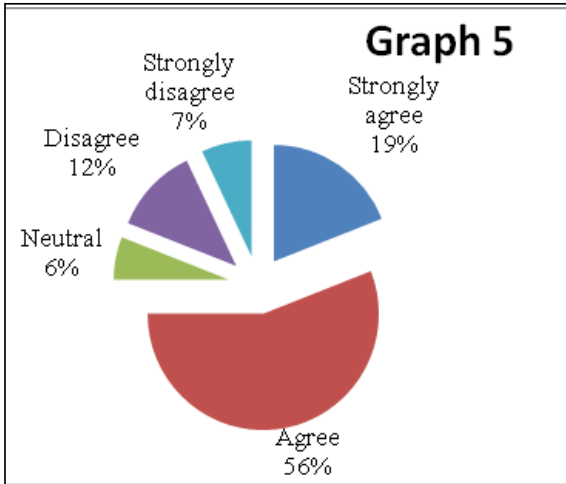
**GRAPH 4: Response of visitor/customer against statement "I get influenced by open space available for movement inside the store"**

Strongly agree	22%
Agree	49%

Neutral	8%
Disagree	9%
Strongly disagree	12%

As per analysis shown in Graph 4, majority of the respondents (71%) were in agreement with the statement. Only 21% were against the statement while 8% had not given any opinion. Stores should prepare layouts in such a way that visitors can move easily to pick the product/examine rate/offer/content etc. Customer's greater contact with product will lead to higher sales.

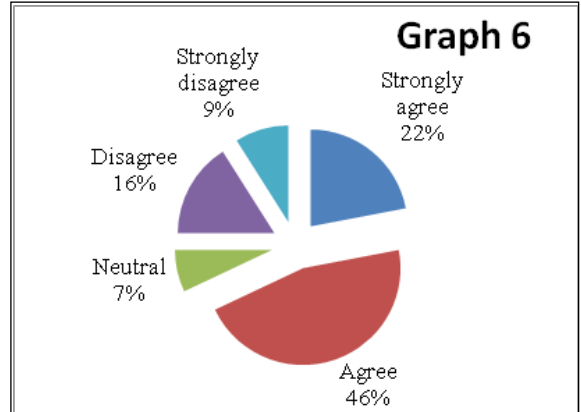
**GRAPH 5: Response of visitor/customer against statement "I get influenced by attractive product/offer display in the store"**



Strongly agree	19%
Agree	56%
Neutral	6%
Disagree	12%
Strongly disagree	7%

As per analysis shown in Graph 5, majority of the respondents (75%) were in agreement with the statement. Only 19% were against the statement while 6% had not given any opinion. Stores should display the products nicely. Offers should also be highlighted on strategic points so that visitors come across such announcements frequently and get motivated to try the offer.

**GRAPH 6: Response of visitor/customer against statement "I get influenced by the purchasing help extended by the sales personnel available in the store"**



Strongly agree	22%
Agree	46%
Neutral	7%
Disagree	16%
Strongly disagree	9%

As per analysis shown in Graph 6, majority of the respondents (68%) were in agreement with the statement. Only 25% were against the statement while 7% had not given any opinion. The sales personnel in the store should be given proper training to extend help to visitors willingly. Their activities should be monitored and tips be given by the experts on regular basis.

**Conclusion:**

Visitors of store should become customers. Intended customers should be motivated for impulse buying to increase the overall sales. Store image plays vital role to achieve these objectives. Bundle selling, cross selling offers are often given by the stores. These offers should be publicized through proper display boards in-side the store, out-side the store and through sales personnel as well. Provision for open space will help visitors to move freely through the store and view maximum products/offers. Congestion in layout will distract the customers. Proper parking arrangement will also attract the customers which will ultimately increase the sales incidence. The personal experiences carried out by the visitors about the store image are spread through word of mouth publicity. Hence stores should pay utmost attention in improving their image on regular basis.

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