

IMPACT OF VISUAL MERCHANDISING ON CONSUMER PURCHASE INTENTION: WITH SPECIAL REFERENCE TO MEDIUM SCALE FASHION STORES IN KURUNEGALA DISTRICT.

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ABSTRACT

In an increasingly competitive fashion retail industry, visual merchandising is critical in shaping customer behavior, yet its specific effects on medium-scale fashion retailers remain under-examined. Extensive studies have been conducted on large-scale retailers, and there is a significant gap in the understanding of how visual merchandising affects consumer purchase intention in medium-scale fashion stores. The purpose of this study is to evaluate how the four key dimensions of visual merchandising (window display, store layout, promotional signage, and color and lighting) affect consumer purchase intention. Four hypotheses were tested and a quantitative approach was adopted, with data collected from 384 customers using structured questionnaires. The sample was selected using a stratified sampling technique to ensure diversity in the customer demographics. The data were analyzed using SPSS (version 21), applying correlation and regression analyses to determine the impact of visual merchandising on consumer purchase intention. The findings indicate that all four dimensions significantly and positively influence customers' purchase intentions. Window displays attract customers and persuade them to buy them. The store layout increases ease of navigation, promotional signage triggers value-driven purchases, and color and lighting create an inviting and engaging shopping atmosphere, which increases the tendency to make more purchases. However, this study focused on the Kurunegala district, which may limit the generalizability of the findings to other regions. The implications of these findings suggest that medium-scale fashion retailers should strategically invest in enhancing their visual merchandising practices by optimizing window displays, improving store layouts, using clear and prominent promotional signage, and making effective use of color and lighting. Collectively, this study provides a roadmap for medium-scale fashion retailers to enhance customer experience, drive sales, and remain competitive in the fast-evolving retail market.

Keywords: Medium scale fashion stores, purchase intention, visual merchandising