

Impact of Store Location and Layout on Consumer Purchase Behavior in Organized Retail



Abstract

Store location and layout are essential variables influencing shopper conduct and a basic determinant towards the making of overall store imagery. Well composed store layouts are critical on the grounds that they firmly impact in-store movement designs, shopping environment, shopping conduct, and operational productivity. At the point when an irregularity happens regarding store area and format, a few customers may forsake that store looking for another which offers quick, advantageous and better administrations. Store format is a basic variable driving customer elaboration and reaction in retailing. While impressive consideration has been centered on store location in connection to physical retailing, store design has been for all intents and purposes is undermined in the investigation of retailing. Related survey of literature echoes the fact that, store layout and the retail location have been found to essentially affect a retailer's strategy, buyer expectations and demeanor towards the retail organizations and ultimately enhancing retail atmospherics. The study aims at identifying the crucial aspects of store location and layout which have a significant causal impact on the consumer purchase behavior in the organized retail environment.

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Introduction

In India, retail has been one of the growth areas in the global economy. The Industry has witnessed a high growth rate in the developed countries and is poised for an exponential growth, in the emerging economies. Along with the exponential growth, the modern retail industry has also been distinguished by increasing competition and emergence of increasingly new retailing formats. With a variety of merchandise being offered across different formats, the retail rivalry has become intense and unpredictable in terms of the direction where it is coming from. In such a scenario, the study of how consumers choose retail stores, and what drives the store choice, is crucial to understand. The surfacing of a variety of retail formats, offering a diverse mix of offerings to the consumers, adds further confusion to the domain of store choice. India is among the highest in the world in terms of per capita retail store availability. Aided by strong growth fundamentals, increased urbanization and consumerism, the retail industry offers immense scope for retail expansion for foreign players. Rapid emergence of organized retail outlets, like mega malls & hypermarkets, are augmenting the growth of organized retail in India. Retailers have made dynamic changes in supply chain & logistics for competitive advantage & meeting demands.

Importance of a Store Layout

The store layout format is one of the key considerations for its prosperity, and hence, a substantial amount of time, application and labor goes into defining the store outline. Retailers utilize appropriate retail format to impact consumer's floor movement. Alternatively it helps retailers in analyzing the income per square foot and utilizing this

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data, they can appropriately evaluate the qualities and shortcomings in their retail strategy. The flow of a store layout regulate how customers shop and the longer a customer is in a store, is directly proportional to the purchase decision made. A retail space profits when it augments deals per square foot and this can be achieved with the utilization of its store design. The store layout can effectively assemble product categories together so that customers find different items they are looking for in one location. Equally as important is the layout's ability to keep complementary products or similar brands in proximity so that a customer will be more inclined to buy products connected to the one they are shopping for. Preventing shoplifting and theft is another purpose of a carefully designed store layout. High-priced items are sometimes kept in locked showcases in the rear of the store. Small items that can be easily shoplifted can be kept in a display or in selected section where there is more security support. Considerations such as, placing the exit in area that either passes security or requires an extra maneuver, making it more difficult to flee the store with stolen merchandise. Most retailers want customers to feel comfortable while shopping so that they transfer the same sentiments to the items they are purchasing. The store layout design can determine what emotions are evoked in the shopping experience. Factors such as merchandise placement, fixture colors and space of aisle affect whether a customer likes, and therefore frequents, a store. Tall fixtures that restrict visibility might cause anxiety in shoppers, as they are forced to navigate every aisle. A congested store layout where fixtures are too close together can create tension, rushing shoppers through their purchase. Open layouts where merchandise is visible can eliminate tension, making customers want to shop longer.

Impact of Store Location

The location of *the retail business* will have a major impact on the consumer visit and further purchase. The contrast between choosing the wrong area and the correct site could be the distinction between business disappointment and achievement. Looking at what sort of items the retail outlet offers, location analysis is vital, as a few merchandise will require certain sorts of areas. As convenience goods require easy access, allowing the customer to quickly make a purchase. A mall would not be a good location for convenience goods. This product type is lower priced and purchased by a wide range of customers. Specialty goods are more unique than most products and customers generally won't mind traveling out of the way to purchase this type of product. This type of store may also do well near other shopping stores.

Consumer population of a particular location is an important consideration to be made before opening a retail outlet. Obtaining location demographics for the proposed store location greatly reduces the location risk. Any of these sources should have information on the area's population, income, and age. Retailers want to be located where there are many shoppers but only if that shopper meets the definition of their *target market. Small retail stores* may benefit from the traffic of nearby larger stores. Pertinent considerations as listed below, are important to decide on the store location.

- Customers walking or driving past the location.
- Availability of Public Transport.
- Access to parking lot.
- Adequate parking facility.

When considering visibility of the store, looking at the location from the customer's viewpoint is very significant. In many cases, the better visibility a retail store has, the less advertising is needed. A specialty retail store located six miles out of town in a freestanding building will need more marketing than a shopping store located in a mall.

Model Reference for the Study

This study uses the Stimuli-Organism-Response framework to examine how Store location and layout related stimuli affect their attitudes toward in-store shopping, their ability to regulate their emotional purchases, and their repurchase intentions. This model implies that stimulation and human behavior (reaction, action) are linked by an organism. The structures and processes that constitute this component are biological (sense organs, nervous system, muscular system) and psychological. Psychological analyses are guided by scientific concepts such as learning, perception, emotion, motivation and thinking. A more general concept is mental activity that can be subdivided into mental states (emotions, imagery, thoughts) and mental processes (judgment, thinking, appealing to oneself, asking oneself) as a function of stimulation, motivation, experience, and knowledge.





Figure 3: S-O-R Model Depiction

The Stimulus-Organism-Response models (as depicted above in Figure 3) suggest a linear relationship between the three stages with environmental and social stimuli acting as external antecedents to the organism. This approach assumes that stimuli act upon an inactive and unprepared organism. Most modern theorists acknowledge that information processing is conducted by an active organism whose past experience will influence not only the processing of such information but even what information is sought and received. Information processing will be both stimulus driven and concept driven. The study aims to analyze the impact of store location and store layout (Stimuli) on the Customer (Organism) further impacting the purchase behavior (Response).

	Table No 1: Stimuli Factors considered for Store Location and Store Layout					
SL	STATEMENTS IN QUESSTIONNAIRE	STIMULI				
1	Store Accessibility Vis-À-Vis Purchase Frequency	Store Location				
2	Store Location Vis-À-Vis Extended Store Timing	Store Location				
3	Parking Facility Vis-À-Vis Store Location	Store Location				
4	Store Location Vis-À-Vis Visit Frequency	Store Location				
5	Store Location Vis-À-Vis Low Pricing	Store Location				
6	Store Location Vis-À-Vis Store Size	Store Location				
7	Product Availability Vis-À-Vis Store Size	Store Location				
8	Location Convenience Vis-À-Vis Purchase Activity	Store Location				
9	Availability Of Public Transport Vis-À-Vis Store Location	Store Location				
10	Store Visibility Vis-À-Vis Store Location	Store Location				
11	Store Ambience	Store Layout				
12	Shelving Pattern	Store Layout				
13	Space For Movement	Store Layout				
14	Clear Navigation Display	Store Layout				
15	On-Shelf Visibility Of Pricing & Offering	Store Layout				
16	Comfortable Movement Between Row Of Shelves	Store Layout				
17	Adequate Product Assortment On Shelves	Store Layout				
18	Attractive Display Of Product And Merchandise	Store Layout				
19	Layout Design To Handle Customers During Rush Hour	Store Layout				
20	Bill Desk Is Not Over Crowded	Store Layout				



Literature Review

As stated by Terblanche, (1998) the most crucial aspect with regards to the location of a store is that it should be suitably accessible to the target market. The target market must be able to visit the store without making any special effort. Moye and Giddings (2002) report that consumer shopping behavior can be used to predict the reasons why consumers shop at particular stores. In order to successfully service consumers, retailers must identify their shopping needs and preferences. Evidence suggests that consumers make patronage decisions based on store accessibility. Consumers evaluate stores while shopping and assess whether or not a particular retail store is based on their shopping orientation or experience with the shopping process. Location selection plays an important role in retailing due to its high and longterm investments. The conventional approaches to location selection can only provide a set of systematic steps for problem-solving without considering the relationships between the decision factors globally (Kuo et al., 2002). According to Jones et al. (2003), store accessibility is considered as an important competitive factor in retailing. For retailers and service providers, the location is the point of contact where customers access the desired goods and services. Convenient location is significant and acts as an important strategic factor in minimizing defection when satisfaction with the core service drops. According to Martinéz-Ruiz et al (2010), if a store location is near to the home then transaction costs associated with purchase such as transport costs and time spent are likely to be reduced. This is further supported by Craig et al (1984) who refers to the central place theory to explain how people living far away are attracted to larger stores which are centrally located in larger shopping malls offering more collection of goods and services than those stores within their own vicinity offering less goods and services.

Store Layout

Estelami and Bergstein (2006) opine that consumers usually form an overall impression of a retail store through various information processing mechanisms, such as advertising, word-of-mouth, or personal experience. The resulting store appearance helps create consumer expectations that will subsequently influence a consumer's assessment of the behaviors and actions of the retailer in future transactions. Thang and Tan (2003) reiterate that attributes of store layout and appearance affect consumers' preference for the stores. The authors further mention the stimuli's that pertain to store attributes include merchandising, store atmosphere, in-store service, store layout, accessibility, reputation, promotion, facilities and post-transaction service. Consumers' preference is based on their post-visit ranking of the stores. Vrechopoulos et al. (2004) found that store layout is an important factor affecting consumer behavior and a critical determinant towards the creation of store image. Well designed layouts are very important as they influence instore traffic flow, shopping atmosphere, shopping behavior, and operational efficiency. According to Hu and Jasper (2006), store appearance is the total impression a store makes on the minds of its customers. The author states, the best strategy is to establish aisles that are narrow enough to force customers to slow down, which gives them ample time to notice the products displayed. Increasing merchandise density to the rear of the store encourages customers to stay and browse Lohse & Spiller (2006)

As store layout is significant for retail operations, the authors, Quinn and Palmer, (2007), reiterate the importance of Traffic flow analysis. The traffic flow analysis helps to determine ways to make shopping and running the store easier, using layout and merchandising techniques to improve sales, enhance the store's appearance and make shopping fun and easy. Zentes et al., (2007) reiterates the retailers focus is mainly on easy orientation and supporting the consumer search process. Aghazadeh, (2005) advocates that product placement at eye-level or slightly below have the most selling success. Krishna et al. (2002) comment that the availability of consumers' most preferred merchandise in an assortment certainly influences consumers' perceptions of assortment size.

Azuma and Fernie (2001) propose that in order to meet the demanding needs of the consumers



and respond to the sudden changes in trends and consumption patterns, retailers need to have the leanest and the most agile ways to get the right product in the right place at the right time in smaller consignment sizes with increasing frequency. Mitchell and Ingram (2002) states that, the determination of the best product mix and layout is a central problem in retailing, where increasingly the number of products and categories available to the retail buyer is plentiful but retail shelf space is finite and fixed. Levy and Weitz (2007) found that a good merchandise assortment should entice customers to move around the store to purchase more merchandise than they may have planned originally. One method is to expose customers to a layout that facilitates a specific traffic pattern. As stated by Cowles, (2002), a good store layout should provide a balance between giving customers adequate space in which to shop.

Michon et al. (2008) further substantiate that the environmental psychology theory suggests that floor space should influence shoppers' mood and behavioural intentions. The theory rests on suggestions that a well designed floor space is a desire to stay longer, explore the premises, and affiliate with other shoppers and/or sales associates. According to Griffith (2005), store floor space is a critical factor driving consumer elaboration and response in retailing. The floor space of a retail store has been found to significantly impact on retailer's overall performance through its influence on information processing, purchase intentions, and attitude towards the retail establishment. In his research on pathway design, Juel & Jacobsen (2015) argues that well-established principles of urban retail designs are very important for retail managers, in particular for supermarkets and larger retail stores. As advocated by Fancher, (1991), another important store layout aspect retailers should consider carefully is the allocation of products on shelves. Efficient shelf space allocation management does not only minimize the economic threats of empty product shelves, it can also lead to higher consumer satisfaction, a better consumer relationship.

Juel & Jacobsen (2015) state that a consumercentric space management should not start with the arrangement of shelves and categorization of products, but with emphasis on the customer behavior and the customer experiences the retailer wants to achieve. Pathway design is almost automatically considered as a side effect of the way the shelves are arranged Vedamani, (2004). The other issue for retailers in shop design is to optimize the allocation of products as per the shelf design. When retailers arrange the products appropriately; not only they increase sales, but also leave the consumer more satisfied. These factors are results in a better overall consumer satisfaction Fancher, (1991). In their research on shelf space, Drèze (1995) reiterates Fanchers' statements by concluding that retailer's can increase sales and profits by better managing the existing shelf space. The effectiveness of shelf design is often determined in terms of shelf space elasticity. This elasticity is a parameter that indicates to what extend additional shelf space has influence on product sales. Eisend, (2015). In their research on the impact of shelf space allocation on products' sales, Desmet and Renaudin (1998) came up with some pertinent conclusions on shelf space elasticity i.e., the type of product purchase influences the effect of shelf space allocated to a particular product and shelf space allocation is most effective on impulse purchases, which implies that shelf space has a causal effect on sales. This is because an efficient shelf space allocation will decrease the chance of products being out of stock Lim et al., (2004).

Background of the Study

Indian retail is one of the fastest growing markets in the world due to economic growth and rising income coupled with demand for quality products which has boosted consumer expenditure. It is estimated that India's modern retail will grow thrice in next 5 years. As reported by IBEF (Retail Report – 2017), by the year 2020, retail market in India is projected to reach USD 1.3 trillion from USD 672 billion in 2016. At the same time, consumer expenditure estimated to increase to USD3.6 trillion by 2020 vis-à-vis USD 1.25 trillion in 2016. Owing to the related growth, the modern retail market in India is expected to grow from USD 60 billion to USD 180 billion during the fiscal year 2016 to 2020. The reason for the growth can be attributed to strong consumption in rural



markets increasing the FMCG sector, increasing participation from foreign & private players to boost retail infrastructure and rising number of retail outlets tier-2 & tier-3 cities enhance retail penetration in the country.

Today, convenience in terms of store layout and location has become increasingly important to Indian consumers. Shopper habits are constantly evolving, along with developments in retail offerings. Many factors affect the store patronage decision, like the store location, service levels, pricing policies, merchandise assortment, store environment and store layout. All the mentioned factors impact the store image criteria of the consumer which significantly impact the store loyalty. The present research aims to analyze, specifically the impact of store location and store layout on the consumer purchase decision. Further, the research study empirically narrows down the significant sub-factors of store layout and location impacting purchase decision.

Research Problem

Although a number of research has been conducted on the impact of store related attributes impacting consumer purchase decision, there exists uncertainties about the behaviors of customers pertaining to store layout and store location. As stated by Terblanche, (1998) the most crucial aspect with regards to the location of a store is that it should be suitably accessible to the target market. The target market must be able to visit the store without making any special effort.

Vrechopoulos et al. (2004) found that store layout is an important factor affecting consumer behavior and a critical determinant towards the creation of store image. Well designed layouts are very important as they influence in-store traffic flow, shopping atmosphere, shopping behavior, and operational efficiency.

The study investigates the impact of store layout and store location on consumer purchasing behavior and intends to present suggestions to aid managerial implications to improve the retail service delivery.

Study Objective

This study explores the effect of store location and store layout on consumer's purchase behavior in retail store. The main objective of this research study is to:

- 1. Measure and analyze the significant aspects and components store layout impacting Consumer purchase behaviour.
- 2. Measure and analyze the significant aspects and components store location impacting Consumer purchase behaviour.

Data Collection, Analysis and Findings

The current research aims to study, measure and analyze the relevant factors pertaining to store layout and location that impacts the consumer buying decision. Through extensive literature review a structured questionnaire was prepared, intended to receive consumer feedback in which responses were measured by a 5-point Likerttype scale ranging from 1 = strongly disagree to 5= strongly agree. The final questionnaire was developed and administered to 304 respondents randomly selected from different locations of Bhubaneswar city, who had exhaustive retail shopping experience. The questionnaires were prepared in two parts. One part of the questionnaire comprised the demographic information of the respondents and the other part was related to their perception towards online consumer reviews. A total of 350 questionnaires were distributed to the selected samples, of which 304 (86.8%) were completed by the respondents. The data analysis was carried out using SPSS 20.0 package. For data reduction and variable classification, factor analysis was applied, which is considered to be one of the appropriate tools used to authenticate the construct validation for a model. Prior to factor analysis, the adequacy of data for factor analysis should be examined. For this purpose, Kaiser-Meyer-Olkin (KMO) and Bartlett test were conducted. KMO value is calculated as 0.604 for sample adequacy. Kaiser (1974) recommends values greater than 0.5 as acceptable. The KMO value validates that the data is suitable for factor analysis. According to the results of Bartlett test, approx. Chi-Square was calculated as 1088.380 and highly significant level was p=000. The results show that the sample and data are acceptable for factor analysis.



Findings

Table 2 – Demographic Details (N= 304)							
Characteristics	Fre	quency					
Demographics	Number	Percentage					
Age							
< 20	81	21.32					
20 - 25	92	24.21					
26 - 30	69	18.16					
30 - 35	34	8.95					
> 35	28	7.37					
Gende	r						
Male	212	55.79					
Female	92	24.21					
Monthly In	Monthly Income						
< Rs 5000	44	11.58					
Rs 5000 - Rs 15000	73	19.21					
Rs 15001 -Rs 25000	114	30.00					
Rs 25001 - Rs 35000	46	12.11					
> Rs 35001	w27	7.11					
Educational Qua	alification						
Under Graduate	62	16.32					
Graduate	98	25.79					
Post Graduate	126	33.16					
PhD	17	4.47					
Post Doc	1	0.26					
Frequency of Retail vis	sit per Fortnigh	t					
1 - 5 Hrs.	9	2.37					
6 - 10 Hrs.	63	16.58					
11 - 15 Hrs.	164	43.16					
16 - 20 Hrs.	57	15.00					
> 20 Hrs.	11	2.89					

Out of the total of 304 respondents 212 (55.79%) were male and 92 (24.21%) were female. Most (N= 92, 24.21%) were 20 – 25 years old. A significant number of respondents (N=126, 33.16%) were Post Graduates in varied fields. The highest frequency of retail visit was 11 - 15 hours in a fortnight, which constitutes 43.16%. Approximately (N= 114, 30%) belonged to an income group of 15001 – 25000 (INR).

Factor Analysis

A factor analysis was conducted to study the impact of store location and store layout on

consumer purchase decision. As a first result of the analysis, the KMO test has a value of 0.604 that is higher than the needed 0.5 and can be classified as acceptable. This validates the factorial analysis model (Bartlett, 1954; Kaiser, 1970) and allows proceeding of the factor analysis extraction. A varimax rotation was used on factors with eigenvalues above 1.0, leading minimization of the number of items having high loadings on a particular factor. As a result, four factors were identified and constitute 60.470% of the variance. To describe the relationship between the factors and variables, Principal Components Analysis



was conducted. As a result of the component analysis, rotated component matrix and analysis of variance table was formed. Magnitude of the factors that influence the consumer buying process is depicted through descriptive statistics table.

Table 3 - KMO and Bartlett's Test					
Kaiser-Meyer-Olkin Measure of Sampling Ac	lequacy.	.604			
	Approx. Chi-Square	1088.380			
Bartlett's Test of Sphericity	df	153			
	Sig.	.000			

According to the results shown in the above table, the KMO test has a value of 0.604 that is higher than the needed 0.5 and can be classified as acceptable. Bartlett's test is another indication of the strength of the relationship among variables.

Table 4 – Factor Loadings (Rotated Component Matrix)							
Variables	Component						
	1	2	3	4	5	6	
Appropriate navigation	0.655	-0.382	0.065	-0.279	-0.026	0.134	
Visual Merchandising	0.624	-0.018	0.338	-0.27	0.012	-0.099	
Visibility from the traffic point	0.572	-0.386	-0.015	-0.195	-0.089	0.256	
Design of the storefront	0.423	0.349	0.32	-0.252	0.148	-0.268	
Space between Gondolas	0.219	0.615	0.021	-0.201	-0.208	0.334	
Number of passers-by	0.473	-0.518	0.139	-0.131	-0.076	-0.146	
Location of the billing counter	0.32	0.513	0.452	0.021	-0.052	-0.087	
Appropriate sanitation facilities	0.325	0.199	-0.555	-0.2	0.023	-0.075	
Handling rush hour	0.375	0.162	-0.527	-0.132	0.395	-0.297	
Location Convenience	0.224	-0.019	0.596	0.177	0.409	-0.254	
Multiple store locations	-0.051	0.282	0.488	0.286	0.544	0.138	
Elevator	0.379	0.319	-0.455	-0.098	0.379	0.067	
Store accessibility	0.336	0.045	-0.174	0.646	-0.204	-0.283	
Public Transport	0.450	-0.016	-0.001	0.512	-0.400	-0.217	
Dead Areas	0.220	0.252	-0.247	0.415	0.262	0.336	
Parking facility	0.374	-0.310	-0.171	0.412	0.175	-0.031	
The product assortment	0.288	0.528	-0.029	-0.016	-0.554	-0.019	
Store composition	0.418	-0.110	0.130	0.254	0.029	0.660	
Extraction Method: Principal Con	nponent Analys	sis.					
a. 6 components extracted							

In the table given above (Table – 4) Factor loadings only above 0.5 have been considered and highlighted. We can see that "Store Composition" (0.660) is substantially loaded on Factor (Component) 6 while "Multiple Store Locations" (0.544) is substantially loaded on Factor (Component) 5. Furthermore "Store accessibility" (0.646) and "Public Transport" (0.512) are substantially loaded on Factor (Component) 4."Space between Gondolas" and "Location of Billing Counter" are highly loaded on Factor 2. Finally "Appropriate navigation" (0.655), "Visual Merchandising" (0.624) and "Visibility from Traffic Point" (0.572) are substantially loaded on Factor (Component) 1.



Table 5 – Analysis of Variance									
Total Variance Explained									
Component	Ir	nitial Eigenva	llues	Extraction	Sums of Sq	uared Loadings	Rotation Sums of Squared Loadingsa		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total		
1	2.901	16.116	16.116	2.901	16.116	16.116	2.479		
2	2.028	11.264	27.380	2.028	11.264	27.380	1.890		
3	1.861	10.337	37.717	1.861	10.337	37.717	2.004		
4	1.576	8.756	46.473	1.576	8.756	46.473	1.819		
5	1.355	7.529	54.002	1.355	7.529	54.002	1.785		
6	1.164	6.468	60.470	1.164	6.468	60.470	1.361		

The above table (Table 4) depicts all the factors extractable from the analysis along with their eigenvalues. The Eigenvalue table has been divided into three sub-sections, i.e. Initial Eigen Values, Extracted Sums of Squared Loadings and Rotation of Sums of Squared Loadings. For analysis and further interpretation we are only concerned with Extracted Sums of Squared Loadings. It is observed that the first factor component accounts for 16.116% of the variance, the second factor component accounts for 11.264%, the third factor component accounts for 10.337%, the fourth factor accounts for 8.756%, the fifth factor accounts for 7.529% and finally the fourth factor component accounts for 6.468% of the variance. All the remaining factors are have eigenvalues below 1.0 and are therefore not significant (Table 4).

Table 6 – Factors Explained					
Factor	Name of Factor	Variables			
1	Store Visibility	Navigation, Visual Merchandising & Visibility from traffic			
2	Store Design	Space between gondolas, location of billing desk & product assortment			
3	Location convenience	Location convenience			
4	Accessibility	Store accessibility & Public Transport			
5	Retail Chain	Multi store locations			
6	Store Composition	Store composition			

From the above table (Table 6), we can see that the variables Navigation, Visual Merchandising & Visibility from traffic lead to the Factor-1 **"Store Visibility"**, the variables Space between gondolas, location of billing desk & product assortment deal with the Factor-2 **"Store Design"**, the variables Store accessibility & Public Transport lead to the Factor-4 **"Accessibility"**.



Table 7 – Model Summary								
Model R R Square Adjusted R Std. Error of t								
			Square	Estimate				
1	.992ª	.984	.984	.046359909643403				
a. Predictors: (Constant), Store Composition, Retail Chain, Accessibility, Location convenience, Store Design, Store Visibility								

The model summary table (Table - 7) provides the R and R-square values. The R value is 0.992, which indicates a high degree of correlation. The R-square value is 0.984 which indicates that the dependent variable, "Store Location & Layout", can be explained by the independent variables, i. e. "Store Visibility, Store Design, Location convenience, Accessibility, Retail Chain and Store Composition "by 98.4 percent, which is a very strong representation.

Table 8 – Summary of Store location & Layout (ANOVA ^a)									
Model		Sum of Squares	df	Mean Square	F	Sig.			
1	Regression	40.173	6	6.695	3115.259	.000 ^b			
	Residual	.638	297	.002					
	Total	40.811	303						
a. Dependent Variable: L & L									
b. Predict	tors: (Constant),	Store Composition, Reta	il Chain, Ac	ccessibility, Locati	on				

convenience, Store Design, Store Visibility

Table 9 – Regression Coefficientsa (Store location & layout)									
Model		Unstandardized C	Coefficients	Standardized Coefficients	t	Sig.			
		В	Std. Error	Beta		-			
	(Constant)	3.851	.003		1448.491	.000			
	Store Visibility	.190	.003	.518	71.398	.000			
1	Store Design	.151	.003	.412	56.823	.000			
	Location convenience	.120	.003	.328	45.194	.000			
	Accessibility	.156	.003	.425	58.578	.000			
	Retail Chain	.125	.003	.342	47.076	.000			
	Store Composition	.138	.003	.375	51.720	.000			
a. Depe	a. Dependent Variable: Store Location & Layout								

The F-test (ANOVA) table (Table-8) indicates that the regression model predicts the outcome variable significantly well. The significance of F-statistics is 0.000 (p< 0.05) which indicates that overall, this model can statistically significantly predict the outcome variable.

From the above Regression coefficient (Table – 9), we found that all the six independent variables (Store Visibility, Store Design, Location

convenience, Accessibility, Retail Chain and Store Composition) contribute significantly to the dependent variables i.e. Store Location and Layout.

Conclusion and Recommendations

As a crucial factor in the consumer buying decision, the consumers allot utmost importance to the store location and layout, attributing to



this reason this study aims at investigating the impact of the same on purchasing decisions in the organized retail environment. Conclusions drawn from statistical analyses reveal the importance of related variables, which affect the retail purchase decision. The result of the research has revealed that there were significant main effects of store layout and location impacting consumer purchase decision in retail. The results signify that store location as an important aspect of consumer purchase decision is the interplay of essential factor combinations. Data analysis confirms crucial factors related to store location are: Location convenience, Store accessibility & Availability of public transport, Multi store locations and Store visibility from traffic point. The study further statically proves that, Appropriate Navigation, Visual Merchandising, Space between gondolas, Location of billing counter, Product Assortment and Store composition are the pivotal store layout components, which influence and facilitate the consumer purchase behavior.

As indicated by outcomes of the analysis, location of store should be a major consideration especially if it is accessible using local transportation facilities. As real estate prices at busy commercial areas are unaffordable, stand-alone stores in wellconnected areas should be preferred. A sound store format is a critical consideration for a shopper. To make it look simple, complimentary items or items having a place with related classes, (for example, dairy items, confections, bread rolls and cakes and so on.) ought to be kept together and signs and headings ought to be shown at suitable spots. The store design ought to guarantee that shopper movement stream is smooth and the client visits all parts of the store at any rate once. Another imperative point is that there ought to be adequate space around the billing desk, with the goal that customers don't need to stand in a queue for generating and paying their bills.

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