

In-Store Influence on Purchaser in Jewelry Buying Process

M. Gnanasundari*

Ram Prabha .K**

T. Frank Sunil Justus***

1. Consumer Jewelry Buying
2. In-store environment
3. Purchase Behavior

Abstract

A store's atmosphere affects the shoppers' mood/emotions and willingness to visit and linger. It also influences the consumers' judgments of the quality of the store and the store's image. Jewelry is the ultimate luxury and today's jewelry shopper, is driven by an experimental passion that goes far beyond the item's features and benefits. Consumers buy jewelry, based upon emotions not reasons. In-store environment includes design features such as decor, sounds, lighting, weather, and configuration of merchandise or other materials surrounding the stimulus object. It influences the consumer at the point of purchase which in turn influence purchase behavior. It shows an influence on the shoppers' moods and their willingness to visit and linger. This paper takes a look at the in-store environment that tends to influence the purchasing behavior of jewelry buyers.

Jewelry is the ultimate luxury and today's jewelry shopper, is driven by an experimental passion that goes far beyond the item's features and benefits. Consumers buy jewelry, based upon emotions not reasons. Indian jewelry market is the largest market in the world next to China. India has consumed 977 tonnes of gold in the year 2013 for jewelry and other uses. Approximately 3000 tons of gold produced in the world of which approximately 750-800 tons of gold have been imported by India every year. In the gold market around 80 percent of the gold imported is used for gold fabrication, 15 percent for investment demand and 5 percent for industrial use. Indian wedding generates fifty percent of the world annual gold demand. According to world gold council estimation southern states of India viz., Tamil Nadu, Kerala, Andhra Pradesh and Karnataka account for a significant portion of the total gold market in India, because Tamil Nadu, Kerala, Andhra Pradesh and Karnataka states have a large number of gold jewelry buyers. The gold jewelry consumers of these states used to buy jewelry frequently. In-store environment has an important factor that influence on consumer shopping behavior. (www.gold-eagle.com) A store's atmosphere affects the shoppers' mood/emotions and willingness to visit and linger. It also influences the consumers' judgments of the

quality of the store and the store's image. A number of factors influence the consumer purchasing decision inside the jewelry store including store layout (atmosphere), merchandise (product display and shelving), pricing strategies, social surroundings, store staff and customer services. This paper takes a look at the in-store environment that tends to influence the purchasing behavior of jewelry buyers. Several factors influence the consumer purchasing process inside the jewelry store, viz., Atmospherics, Merchandize, Pricing, Sales personnel, Customer service and Social factors.

In-store environment includes design features such as store layout, aisle placement, carpeting, architecture as well as physical facilities such as elevators, lighting, air-conditioning, comfortable seats and washrooms. Store merchandize involves the following attributes such as quality, product assortment, styling or fashion, guarantees etc. Pricing is broadly conceived as everything a consumer receives in paying for his product. Clientele is based on the premise that consumers tend to patronize stores where persons similar to them are perceived to be shopping. In-store merchandizing techniques are continuously changing as marketers seek to discover new ways of reaching consumers with their promotional messages close to the point of purchase.

Tirunelveli is a major town in the South Indian state of Tamil Nadu. The city covers an area of 108.65km² (41.95 sq mi) and has a population of 473,637 million. The sex ratio constitutes 1,027 females for every 1000 males. There are around 500 jewelry stores small and big in Tirunelveli city, in

* Department of Business Administration, Annamalai University and can be reached at sundaridheivu@yahoo.co.in

** Department of Business Administration, Annamalai University and can be reached at prabha_kvel@yahoo.co.in

*** Assistant Professor, Department of business Administration, Annamalai University and can be reached at tfsuniljustus@yahoo.co.in



which few popular jewelry stores are also present.

OBJECTIVES

- 1.To find the influence of in-store environment factors towards the consumer jewelry purchasing behavior inside the jewelry store.
- 2.To find out the extent to which consumer perceptions of in-store environment (attributes) vary by the selected demographic characteristics that include customers' age, gender, qualification and income.

LITERATURE REVIEW

Truly and Milliman (2000) stated that atmospherics is the process managers use to manipulate the physical retail environment to create specific mood responses in shoppers. Buttle (1984) revealed that the merchandising techniques are the important factor that influence the consumer shopping behavior. Sherman, Mathur and Smith (1997) identified that all physical aspects of the store, including lighting, layout, presentation of merchandise, fixtures, floor coverings, colors, sounds, odors, and dress

and behavior of sales personnel, combine to produce these feelings, which in turn influence purchase tendencies. Bargh, (2002) illustrated that behavioral and cognitive goals of consumers can be directly activated by the environment without conscious choice or awareness of activation and this automatic activation behavior play a decisive role in shaping impulse purchase behavior. Zimmers (2000) said that the environments where sounds, video, lighting and architecture blend together to give a brand a voice, creating emotional attachments that encourage consumers to shop longer, increase spending and return often. Palanisamy et al. (2002) reinforced the findings that the store size has a positive impact on impulse purchasing behavior.

RESEARCH METHODOLOGY

In this study descriptive research design has been adopted as the research objective is to describe the nature of variables under study. The population of the study involved consumers of selected jewelry stores at Tirunelveli city in

DATA ANALYSIS AND INTERPRETATION

Table 1: IN-STORE MERCHANDISING FACTORS

In-store features	Mean	Std. Deviation
Store atmospheric factor		
Humidification	4.03	1.00
Seating arrangements	4.05	1.13
Light arrangements	4.18	.92
Background music	3.08	1.19
Product assortment factor		
Attractive displays	3.86	1.03
'Different models	3.46	1.23
Variety of metal assortment viz. silver, platinum, white gold, diamond	3.55	1.31
Separate section for traditional jewelry, new fashion jewelry etc.	3.66	1.23
Pricing factor		
Clear pricing tag attachment with every jewel	4.23	.92
Least wastage charges	3.53	1.37
Old jewelry exchange options	3.47	1.34
Customer service factor		
Use of carat meter.	3.66	1.27
Catalog option for fashion jewelry	3.94	1.15
Refreshment options	3.25	1.16



In-store features	Mean	Std. Deviation
Kids entertainment	3.47	1.37
Useful gifts for every purchase.	3.46	1.17
Response to customer feedback.	3.71	1.25
Sales personnel factor		
Helpful and friendly sales personnel	3.88	1.17
Female salespersons.	3.46	1.16
Social factor		
My family's preference	4.00	1.07
Meet my acquaintance	3.88	1.19
Enhancement of self-image	3.87	1.15
Matching clientele	3.76	1.21

The above table exhibits the mean values for various in-store features. The maximum and minimum possible average preference ratings for purchasing jewelry are 5 and 1 respectively. The customers give more importance to in store environmental factors in the following order. They are

as follows, (1).Clear pricing tag, (2).Lighting arrangements, (3).Seating arrangements, (4).Humidification and (5).Family's preference factors. Areni and Kim (1994) suggested that lighting can influence both the examination and handling of merchandise and the store image

Table 2: Influence of Gender on in-Store merchandising Factors.

Gender	N	Atmospheric Factor		Product Assortment Factor		Pricing Factor		Customer Service Factor		Sales Personnel Factor		Social Factor	
		Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D
Male	102	3.76	.73	3.64	.78	3.87	.72	3.68	.48	3.70	.71	3.77	.61
Female	158	3.84	.68	3.63	.87	3.66	.86	3.61	.50	3.65	.96	3.75	.53
F-value		.585		.0032		.931		.192		.141		.083	
P Value		.44		.95		.08		.27		.70		.77	

The above table shows the influence of in-store factors based on the gender of the respondents is not significant at any level. Hence the gender does not influence the purchasing behavior of the respondents inside the jewelry store. This result is in conflict with Noble, Griffith & Adjei (2006) who identified gender to significantly influence shopping motives and that shopping motivation differences

influence local merchant loyalty. Fischer & Arnold (1990) suggested that women are more involved than men in the gift shopping activity and the difference between men and women about expectation, want, need, life-style etc. reflect their consumption behavior

Table 3: Influence of Qualification on in-Store merchandising Factors

Qualification	N	Atmospheric Factor		Product Assortment Factor		Pricing Factor		Customer Service Factor		Sales Personnel Factor		Social Factor	
		Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D
Schooling	38	3.33	.69	2.81	1.03	3.52	1.04	3.48	.50	3.46	.72	3.78	.36
Graduate	75	3.87	.65	3.69	.74	3.84	.83	3.64	.50	3.86	.82	3.82	.47
Postgraduate	101	3.92	.73	3.78	.78	3.77	.75	3.69	.52	3.62	.93	3.64	.65
Professional	46	3.86	.54	3.89	.46	3.71	.69	3.69	.40	3.61	.89	3.90	.59
F value		19.49		29.19		3.85		5.54		8.16		7.96	
P Value		.000		.000		.277		.136		.043		.047	

From the above table the F values of 19.49 and 29.19 which is significant at 1% level, which indicates that qualification of the respondents has an influence on the jewelry purchasing behavior based on in-store merchandizing factors. The F values are 8.16 and 7.96 for sales personnel and social factors which is significant at 5% level. Among 180 respondents, the respondents who are postgraduates give importance on store atmosphere and the respondents who are professionally qualified give more importance to product assortment and social factors inside the jewelry store. Baker, levy & Grewal (1992) found that social factors influenced arousal and that social-ambiance interaction occurred

for pleasure and willingness to buy. Graeth (1997) revealed shopping as a highly visible activity, and the use of many publicly consumed brands are subjected to social influences. Hawkins, Mothersbaugh & Mookerjee (2010) stated that education influences what one can purchase by partially determining one's income and occupation. It also influences how one thinks, makes decisions and relates to others. The manuscript revealed that postgraduate respondents are giving more importance to factors like air-conditioning and mild background music. Milliman (1982) demonstrated that music tempo affected the speed with which consumers moved around a store.

Table 4: Influence of Family Income on in-Store merchandising Factors

Income	N	Atmospheric Factor		Product Assortment Factor		Pricing Factor		Customer Service Factor		Sales Personnel Factor		Social Factor	
		Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D
Below10000	60	3.47	.72	3.051	.01	3.56	.85	3.44	.43	3.52	.80	3.86	.49
10001-25000	78	3.94	.67	3.77	.66	3.73	.94	3.65	.55	3.92	.81	3.81	.51
25001-50000	71	3.99	.68	3.69	.79	3.89	.60	3.77	.43	3.59	.75	3.71	.62
Above 50000	51	3.76	.59	4.03	.52	3.77	.81	3.68	.49	3.551	.11	3.62	.61
F value		22.00		32.03		4.79		16.64		11.23		5.68	
P Value		.000		.000		.187		.001		.010		.128	

The table reveals the F values 22.00 for store atmospherics, 32.03 for product assortment and 16.64 for customer service, which are significant at 1% levels. Among 180 respondents those with family income of Rs. 25001-50000 give more importance to store atmosphere and customer service when purchasing jewelry. They like the mild background music playing inside the jewelry shop and Air conditioning setup inside the store. Turley & Milliman (2000) revealed that store atmospheric variables such as store interior, store layout, interior display, employees and customer characteristics influence a wide variety of customer evaluations and behaviors. Among 180 respondents those who have the

family income above Rs. 50000 give more importance to the assortments of jewels in the store. Loudon referred that the education, occupation, and income tend to be closely correlated in almost a cause-and-effect relationship. High-level occupations that produce high incomes usually require advanced educational training. The F value is 16.64 for sales personnel factor, which is significant at 5% level. The respondent with family income of Rs. 10001- 25000 are more satisfied with the store personnel approach.

Table 5: Influence of Age on in-Store merchandising Factors

Age	N	Atmospheric Factor		Product Assortment Factor		Pricing Factor		Customer Service Factor		Sales Personnel Factor		Social Factor	
		Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D	Mean	S.D
Below 30	140	3.82	.64	3.67	.68	3.77	.84	3.66	.47	3.74	.78	3.79	.51
31- 40	52	3.84	.72	3.61	.99	3.75	.81	3.67	.49	3.59	1.03	3.72	.51
41 -50	33	3.91	.78	3.76	.75	3.65	.67	3.66	.49	3.31	.89	3.84	.48
Above 50	35	3.64	.80	3.39	1.14	3.75	.89	3.51	.59	3.81	.85	3.61	.59
F value		2.73		2.14		.842		.016		.793		.66	
P Value		.434		.544		.840		.570		.079		.300	

From the above table, the obtained F values are not significant at any level. Hence the age does not influence the purchase behavior of the respondents inside the jewelry store. Yalith & Spangenberg (1990) revealed that customers preferred foreground to background music across age groups. Younger shoppers reported increased time in the store with background music, while older shoppers reacted the other way to foreground music. When purposefully shopping, shoppers made fewer impulse purchases with foreground music. Shopping behavior and music have a complex interaction. From the study it is observed that respondents aged below 30 years were influenced by the mild background music playing inside the jewelry store. Gulas & Schewe (1994) identified that music can influence behavior even when consumer are not consciously aware of it. However, the impact of music can be mediated by age of the shopper.

FINDINGS

It is found that gender does not influence the in-store purchasing behavior. It is observed that there is a significant influence of store atmospherics, product assortment, sales personnel and social factors with the respondents' qualification. It is noticed that there is a significant difference among different income level of consumers on the factors of store atmospherics, product assortment, customer service and sales personnel factor inside the jewelry store when purchasing jewelry.

It is observed that there is no significant influence between the different age group of consumers and in-store merchandizing factors. It is noticed that the respondents aged below 30 years liked the mild background music playing inside the store. It is found that respondents of income level above 25,000 give importance to background music and the air-conditioning inside the store.

It is noticed that respondents aged above 50 years dislike background music playing inside the store as they find it distracting during the purchase process.

It is also found that male respondents like background music more than the female respondents, since female respondents are usually engage in selecting the right jewelry and men who accompany them usually sit idle, feel the background music entertaining them.

SUGGESTIONS

Provision of the above said in-store environment factors are common for all the jewellery stores. To make a jewelry store more distinctive from others following few can be added so as to enhance their in store environment features. Provision of vending machines for gold and silver coins may create a different approach for the customers who come to stores for buying such products. Loyalty cards are available at present but the jewelry stores can offer gift cards for every purchase or for any occasion, so that the customers can also have a chance to purchase from other stores using the gift cards. Though jewelry shops like Joy Allukas, SreeKumaran etc., have the option of screening their store ads inside the shops, traditional jewelers can also adopt the same to improve the in-store environment features.

Since men are more attracted to background music, provision of customer lounge in jewelry shops can entertain them during their wives' purchase inside the store.

In western countries provision of boutique within a jewelry store is a growing trend. Indian jewelers can also adapt them by selling clutches, handbags, shoes, sunglasses, belts, fashion watches etc., that match the jewelry the customer purchases. The jewelers can move the slow selling merchandise to more prominent or focal areas to improve the sale of the jewelry in addition to enriching the environmental ambience. Colors are important in the in store environment features. Use of strong colours and deeper solids enhances the jewelry display. Traditional jewelers can maintain neutral colours in their store but the front window display can be a place to pop something bright and eye catching.

Good lighting is critical from display to overall ambience.

Highlighting jewelry like masking of a display window can draw eye to the lighted box.

CONCLUSION

In today's highly competitive retail environment, retailers cannot afford to consider merchandizing as simply an arrangement of products on the shelf. The presentation of merchandise is the integral part of the brand image and the overall marketing strategy. Physical surroundings of a store are made up of many elements, including music, lights, layout, directional signage and other human elements. The effects of in store environmental elements influence buyer's behavior through their effects on buyer's emotion, cognition and physiological state etc. merchandizing has become such an important element in retailing by combining products, environments and spaces into stimulating and engaging displays that encourage sales. In jewelry market the general rule for displays are adding height and using layering techniques with the idea of creating a symmetrical, balanced visual that are unexpected and always changing which will engage the customers in having fun with the incredible range of jewelry. Shoppers don't take everything in just one visit. The store should have more pieces, collections and displays around the store to keep things fresh. The jewelers' major goal should be making the shopping experience more comfortable, convenient and customer friendly. Thus the major purpose of this paper is resolved by studying the influence of in-store variables towards jewelry buyers and ideas to improve them. This accurate prediction about the in-store variables towards the jewelry buyers may lead the retailers to success.

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T. Frank Sunil Justus was senior operation engineer, Tuticorin Alkali Chemicals, Tuticorin and presently working as an Assistant Professor, Department of business Administration, Annamalai University

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