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# **Impact of Para Social Interaction and Visual** Merchandising in Customer Shopping Experience.

<sup>1</sup>Abin John, <sup>2</sup>Jithin Paul <sup>1</sup>Student, <sup>2</sup>Student <sup>1</sup>Institute of Management, Christ <sup>1</sup>Christ University, Bangalore, India

Abstract: This study focuses on the impact of Para social interaction and visual merchandising in customer shopping experience. The purpose of the study is to identify the relationship between para social interaction, visual merchandising, promotional signage and customer shopping experience. The present study is exploratory as well as descriptive in nature. Primary method has been used for collecting the data. Structured questionnaire has been administered for the purpose of collecting primary data. This finding suggests that there will be a significant influence of Para social interaction which enhances persuasiveness of customer shopping experience. This can be used by managers at various retail outlets, health cares, banking sectors. The focus of the study is mainly on the gap between experience of Para social interaction, visual merchandising and its effect on the customer shopping experience.

Keywords - Customer Shopping Experience, Para social Interaction, Visual Merchandising, Promotional Signage.

#### I. INTRODUCTION

The purchase behavior of the customers is changed due to various factors in the current era. In the traditional days we use to see that customers will be buying things depending upon the decisions which are made by them before visiting shops. So, these decisions were depending upon the values hold by them or depending upon the product quality or the quality of service which is provided. Static consumption suggests that, a specific gathering of consumers lean toward or show specific interest to advertisements, ads found in the shop or the para social interaction they come across while entering into the shop. As soon as the customers come in contact with the attractive ads, features, floor design, and arrangement of products which are available in the shop there may be a chance of getting their purchase intention to get changed.

There are people who go for purchase of normal or non-branded goods. However, there are customers who goes to the shop and decide what to buy depending upon the interaction they came across over there. In this case, the advantage lies to the marketer who can happily introduce new luxurious commodities and products in the shop in a very attractive manner. In such case we can clearly know about the customer intentions to buy the products.

Today, consumers can find a lot of information about products, prices and stores through the internet. Thus, the role of store reputation, brand names and price discounts are likely to become more pronounced in the next decade. How much a customer can get impressed by the ways of Visual Merchandising, Promotional Signage. People buy brand name products for a variety of reasons. From having good experiences with the brand in the past, to wanting to portray a certain image, many shoppers are extremely loyal to their beloved brands. People often have a desire to fit in, whether at school, work or in social circles. The present paper contributes to the literature by investigating para social interaction, visual merchandising, promotional signage with customer shopping experience.

- To identify the relationship between customer shopping experience and visual merchandising.
- To understand the relationship between promotional signage and visual merchandising.
- To analyze the experience of para social interaction on customer shopping experience.

#### **RATIONALE OF STUDY-**

The findings of this research will help the marketers understand the purchase behavior of their customers. It can also help them in understanding how important it is for them to create an environment which can make an impact on the customers visiting the shop. This environment can change the purchase intention of customers and can make them end up in buying the things which they are more attracted to or found to be more pleasing to their mind. The findings of this study hold importance for both marketers and academics.

#### LITERATURE REVIEW-

#### **CUSTOMER SHOPPING EXPERIENCE**

In today's retail environment, which is massively competitive, retailers need to continue to personalize the way in which they are appealing to customers. No longer can retailers be purely functional product vendors, they must offer a complete customer experience. Consumers expect this and those retailers who join up their online and offline experience will be the ones that thrive.

#### PARA SOCIAL INTERACTION

Para social interaction (PSI) is a term coined by Donald Horton and Richard Wohl in 1956 to refer to a kind of psychological relationship experienced by an audience in their mediated encounters with performers in the mass media, particularly on television. Viewers or listeners come to consider media personalities as friends, despite having limited interactions with them.

#### VISUAL MERCHANDISING

Visual merchandising is the practice in the retail industry of developing floor plans and three-dimensional displays in order to maximize sales. Both goods and services can be displayed to highlight their features and benefits.

#### PROMOTIONAL SIGNAGE

Typically, signage tends to serve a few common purposes: to promote, identify, provide information, and give directions or to raise safety awareness. Allow us to expand: Advertising & marketing: Firstly, signs are often used for advertising and marketing by companies or organizations. While advertising hoardings may initially present themselves as the obvious solution for companies, there are other signs that can be used for this purpose. Other outdoor signage solutions and building wraps are an alternative and successful way to advertise a brand.

#### **RESEARCH MODEL-**

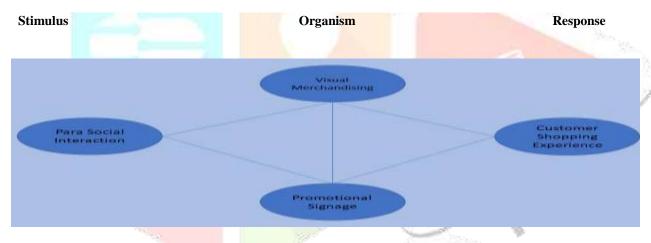


Fig.1- Conceptual model proposed for the study.

#### RESEARCH METHODOLOGY-

The data for this research was collected to Primary Sources. Primary data includes a structured questionnaire. Convenient sampling technique is adapted.

#### Measurement assessment

Measuring construct of this study is an adapted questionnaire. Responses required for each variable were based on a Likert scale from 1 to 5 where; 1 represents Strongly Disagree, 2 represents Disagree, 3 represents Neutral, 4 represents Agree and 5 represents Strongly Agree.

For the collection of primary data, convenience sampling was used. An online survey web link of the questionnaire was circulated among the respondents over a period of 2 weeks on WhatsApp and Facebook. In total 256 responses were gathered and were found to be useful for analysis.

#### Data analysis tools

After the collection of the responses, data was further analyzed by applying different statistical tools. Firstly, reliability analysis was used in order to generate Cronbach's Alpha value and frequency analysis was used in order to mean. This was done by using the option of Descriptive Analysis in IBM SPSS STATISTICS 25.0. After these analysis, Kaiser-Meyer-Olkin (KMO) and Bartlett's test has been run. Confirmatory factor analysis is then performed in order to determine the quality of data that is to be used for Factor Analysis. Hypotheses testing using Regression is performed. Regression is performed to predict the value of a dependent variable based on the value of an independent variable.

#### DATA ANALYSIS AND INTERPRETATION-

#### **Descriptive Analysis**

Table 1 represents the demographic profile of the respondents. From the following analysis, we can derive that 59% of the respondents are Female and 41% are Male. 78% (Majority) of the respondents are from the age bracket of 18-25 whereas 1.5% (Minority) respondents were from the age group 39-49.

Table 1: Frequency Distribution (Demographics)

Demographics:	Frequency	Percentage (%)	
AGE:			
18-25	199	77.7	
25-40	57	22.3	
Total	256	100.0	
Gender:			
Male	100	39.1	
Female	155	60.5	
Rather not say	1	4	
Total	256	100.0	
Occupation:			
House Wife Working	93 157	36.3 61.3	
Student	6 2.3		
Total	256	100	
Marital status:			
Single	231	90.2	
Married	21	8.2	
Other	4	1.6	
Total	256	100.0	

#### STUDY SPECIFIC PROFILE-

Table 2 represents the study specific questions which were required for our study collected from the respondents. These questions were asked on the basis of frequency of going for shopping, the amount of money spend for shopping, frequency of shopping, shops chosen based upon the brands.

Table 2: Frequency Distribution (Study specific)

Study specifie	Frequency	Percentage (%)
Prefer going to shop within		
1-5 km	155	60.5
5-10 km	65	25.4
10-15 km	24	9.4
Above 15 km	12	4.7
Total		
	256	100
The amount of money spends on shopping per visit		
Less than 1000	89	34.8
1000-5000	152	59.4
5000-10000	12	4.7
Above 10000	3	1,2
Total	256	100.0
requency of shopping		
Every one week	56	21.9
Every two week	47	18.4
Every three week	34	13.4
donthly	119	46.5
Total	256	100
shops which are mainly chosen for shopping		
Branded	81	31.6
Non-Branded	10	3.9
Both .	165	64.5
Total	256	100

#### **RELIABILITY ANALYSIS-**

Table 3 shows us the output of running the Cronbach's alpha test using the reliability command in SPSS to test the internal consistency of the collected data. This test was conducted after the transformation of the variables. The value of the Cronbach's alpha represents the internal consistency of the items. The value of the alpha should be greater than 0.6. From the table, we can see that the Cronbach's Alpha obtained is 0.793 which is greater than 0.6 and less than 0.9. Thus, the data is reliable and can further undergo analysis to prove the hypothesis.

Table 3: Reliability analysis

#### **Reliability Statistics**

Cronbach's Alpha	N of Items
.793	16

#### Sample Adequacy test (Kaiser-Meyer-Olkin (KMO) and Bartlett's test):

Table 4 is the representation of the Kaiser-Meyer-Olkin Measure of Sampling Adequacy which is a statistic that indicates the proportion of variance in the variables that may be caused by the underlying factors. Since the sample size of the present study is 256, this particular test has been run to confirm if it is adequate enough for further analysis. The table shows the value obtained for KMO and Bartlett's Test is 0.802 which is more than 0.50. Therefore, the data collected is adequate for the structure detection and for further analysis.

Table 4: KMO and Bartlett's test

#### **KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.802
Bartlett's Test of Sphericity	Approx. Chi-Square	1098.057
	Df	120
	Sig.	.000

#### **REGRESSION ANALYSIS-**

Regression analysis is a statistical tool used to measure the relationship between a dependent variable and an independent variable. Regression analysis was conducted on all the variables specified according to the hypothesis.

#### The stated hypothesis is:

H1a: There does not exist a significant relationship between Para Social Interaction and Visual Merchandising.

H1b: There exists a significant relationship between Para Social Interaction and Visual Merchandising.

.H2a: There does not exist a significant relationship between Para Social Interaction and Promotional Signage.

H2b: There exists a significant relationship between Para Social Interaction and Promotional Signage.

H3a: There does not exist a significant relationship between Visual Merchandising and Promotional Signage.

H3b: There exists a significant relationship between Visual Merchandising and Promotional Signage.

H4a: There does not exist a significant relationship between Visual Merchandising and Customer Shopping Experience.

H4b: There exists a significant relationship between Visual Merchandising and Customer Shopping Experience.

H5a: There doesn't exists a significant relationship between Promotional Signage and Customer Shopping Experience.

H5b: There exists a significant relationship between Promotional Signage and Customer Shopping Experience.

We reject the Null Hypothesis if the value of Significance is less than 0.05 and accept the Alternate hypothesis.

The variables in the table are as follows:

CSE- Customer shopping experience, PSI- Para Social Interaction, PS-Promotional Signage, VM- Visual Merchandising.

Table 5: Regression analysis

Regression Analysis						
Hypothesis	Relation	Unstandardized B	R square	Significance	Decision on null hypothesis	
HI	PSI>VM	.473	.169	.000	Reject Null	
H2	PSI>PS	.348	.104	.000	Reject Null	
Н3	VM>PS	.310	.109	.000	Reject Null	
H4	VM>CSE	.244	.041	.001	Reject Null	
H5	PS>CSE	.471	.136	.000	Reject Null	

Constant 1=0.984

The 5 Hypothesis are tested using Regression analysis, using the significance value from the test, we examine null hypothesis. P-value from the ANOVA table is 0.000 which is lesser than the significance 5% and this leads us to fail to accept the alternate hypothesis and say that there exists a significant impact of the para social interaction and promotional signage on customer shopping experience.

The regression equation is based upon the **Unstandardized Beta values**.

Customer Shopping Experience =  $\beta 1 \text{ VM} + \beta 2 \text{ PS} + \text{Constant}$ 

Therefore, Customer Shopping Experience= .244 VM + .471 PS + .984

#### RESULT-

From the above conducted tests, the hypothesis that are accepted are as follows:

H1b: There exists a significant relationship between Para Social Interaction and Visual Merchandising.

**H2b:** There exists a significant relationship between Para Social Interaction and Promotional Signage.

H3b: There exists a significant relationship between Visual Merchandising and Promotional Signage.

**H4b:** There exists a significant relationship between Visual Merchandising and Customer Shopping Experience.

H5b: There exists a significant relationship between Promotional Signage and Customer Shopping Experience.

#### **DISCUSSIONS-**

In order to better understand the background of what leads to Customer Shopping Experience, the study used Regression analysis after running Reliability tests and Sample Adequacy test on the collected primary data.

First, we have found that if the shops are having a good environment it can affect the customer experience. The customers are impressed by the way in which things are being arranged. The visual merchandising is having an impact on the customer shopping experience. The reasons are people do like different visual merchandising every time they visit. Keeping the shop aligned in the way every customer like is such a complicated task according to the people who are responsible for it. So, the study clearly shown that having a visual aids or advertisements can change the likes of customer.

Another finding from the study shows that para social interaction is having an effect on customer shopping experience. It can be of various reasons like the ads which are displayed on the screen when a customer is visiting the shop. It motivates to change the behavior of customers. Para social interaction will be making the mood change in the customer and can make the customer feel good due to the positive vibes that are being conveyed to them by the ads or techniques that are being used.

Typically, promotional signage tends to serve a few common purposes: to promote, identify, provide information, and give directions or to raise safety awareness. So, in the study we found out that promotional signage can cause effect on customer shopping experience. This helps in promotion of the products, able to identify and can pass on information accordingly. Customer will be passing on information to other known or unknown people be the experience which they have come across by the help of promotional signage.

## **IMPLICATIONS-**

The study basically helps the store people who wants to know how and by what medium a customer experience is changed or get influenced. Depending upon the results that is being be found out by study it will be easy for them to take decisions. Sometimes the store people will be confused to know whether the ads are having a positive impact on customers that can end by making them buy those products that are being shown in the ads. So, the study helps them how the customer experiences the things when he\she enters in the shop. By what means the customer shopping likes are being made better. When the customer is impressed by the visual merchandise, para social interaction and

promotional signage that means they can end up by buying the product. Thus, giving more importance on this factor can sometimes have sales than which is being experienced earlier. Nowadays we can see that people are more attracted towards technology and how well it is being used or made attractive. Sometimes even a small lovely music can make the customer feels good and better. In some cases, a customer can enter a shop with a negative attitude or may have some pre mind set what to buy or what to not buy. In such cases it is difficult to convey them the idea of other products found to be difficult, so the store can use the promotional signage and the customer shopping experience gets changed from the already made decisions.

Study can be used by the advertising and marketing departments of the specific company to know how effective is the ads which are given in market and can know whether it leads to make any buying decisions. Making of advertisement without knowing the impact that can be created by them is of waste of time and money.

#### **LIMITATIONS-**

Despite the interesting results found, this research has some limitations that could provide fruitful future research lines. First limitation is that customer who likes online shopping have expressed their view according to that context and it is not based on the experience they get after visiting a shop. The second limitation is that the study was conducted to study the customer shopping experience and not on whether it led to purchasing of the product. So, the study can be extended to know other factors likes the experience of para social interaction that customer come across branded shops and non-branded ones.

#### **CONCLUSION-**

Due to limited time and budget, the nature of research was basic in nature. It was helpful to know how a customer is getting influenced by the experience of para social interaction that are being used in shops. What all things a customer likes and whether having more visual merchandising techniques make the customer change his/her decisions. Which all are the areas to be concentrated while focusing to increase sales or change the views of customers have been partially being found out in the study. Results indicates that experience of para social interaction, visual merchandising and promotional signage are having an impact on Customer Shopping Experience This approach is a suitable framework for understanding the customer's satisfaction and customer shopping experience.

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