

Paper summary

1. music

summary: “The study Broekemier, Marquardt, and Gentry (2008) sought to determine which of the two dimensions of music, happy/sad or within the popular music/non-popular, had significant effects on the purchase intention. The research showed that when respondents were exposed to the dimension happy/sad, there was a direct effect on purchase intent, purchase intent however was higher when played happy music/popular music.”

→ another factor that might influence the result: the gender of the customers (women respond more to the music compared to men), and the number of people present in the store (researchers found out that customers tend to feel more entertained when there were more people), and the environment of playing it.

2. visual merchandising

summary: Retailers need to engage with customers emotionally, psychologically, and behaviorally, which requires a new experiential paradigm shift in shopping toward how well retailers play to the emotions, psychology, and feelings of the shoppers and shoppers' behavior. Hokkanen (2012) states that effective visual merchandising techniques help in establishing and maintaining store image in the customer's mind and provide support for the rest of the store's selling effort. Merchandise at the store can sell itself with effective display and signage even without the assistance of a sales associate and visual merchandising can aid retailers in lowering their operating costs. Distribution of the survey was done in a manner that each of the customers was approached upon completion of the purchase at the store payment counter. Secondly, observation was conducted using a checklist to describe the physical conditions of the store such as the ambient conditions, cleanliness, signage, spatial layout, facilities and mannequin display, and shopper's behavior in the store. Four rounds of observations were done in the store to collect a narrative description of how the layout of the store was arranged and managed. The questionnaire was divided into seven sections. Section A identified the demographic profile, Section B addressed the window display, Section C checked the mannequin display, Section D referred to floor merchandising, Section E assessed promotional signage, Section F explored the lighting and finally, Section G looked into the customers' impulse buying behavior. The scale of response was the 5 Likert Scale and the questions were adapted from various studies on visual merchandising and impulse buying behavior (e.g. Kim, 2003; Karbasivar & Yarahmadi. Based on the statistical analysis results, there are three determinants of customers' impulse buying behavior. First, window displays are vital in attracting customers to the store. It was observed that the store implemented an open back window display. Second, observations found numerous mannequin heads with different facial expressions were arranged in various corners and places around the store. Third, the promotional signage influenced the decision made by the customers on impulse buying. From observations done at the store, it was found that the manager used

attractive signage which displayed attractive keywords such as “buy one free one”, “clearance sales” and non-rounded big price tags. However, floor merchandising and lighting were found to be insignificant in influencing impulse buying behavior. Observations of the physical condition of the store on both elements found them to be less organized and maintained. In conclusion, they need to focus on enhancing the friendliness of store employees, presenting appropriate window displays, designing proper promotional signage, and having well-arranged mannequin displays to encourage impulse buying. The results are encouraging in helping managers to grab the opportunity in gaining better sales volume with proper arrangements of products. To a certain degree, in a chaotic shopping environment, floor merchandising and lighting are less likely to affect impulse buying behavior. In this study, floor merchandising and lighting were insignificant in influencing customers' impulse buying behavior.

→ further questions: impulse buying in different gender and age groups, the influence of visual merchandising in other retail categories such as food, toys, accessories, and IT Products.

3. Physics Placement

Summary: Physical retailers seek effective shelf management strategies, e.g. optimizing product assortment and placement to raise shoppers' awareness and their purchase impulsiveness. We are able to assign incoming books into a treatment group, in which books are placed at the edge of the table, and a control group, in which books are placed at the center of the table. First, we experiment with new books and thus shoppers have little prior information about the products and tend to rely on the in-store information available to them for evaluation purposes. Second, our setting alleviates the “showrooming” effect, that is, shoppers evaluate the products at the physical store but buy them later at a lower price at a competing online retailer. Third, in our setting, products are placed on a flat display table where all covers are facing shoppers in the same manner, thus mimicking closely online recommender systems used in most e-commerce websites. The result is that books placed at the edge of the table are more likely to be picked and taken than those placed at the center of the table. This is unsurprising as shoppers are usually more attracted to reach out to books that are placed in prominent spots when browsing over a display due to the salience effect. More interesting, we also show that conditional on being picked, shoppers are equally likely to take books placed at the edge and at the center of the table. This suggests that book placement affects consumer choice through its effect on the search decision and not through its effect on the purchase decision

4. Brand

Summary: Brand image remains the dominant impact factor on consumption decisions. On the other hand, some researchers believe that brand equity should be evaluated in terms of market share, market value, and cash flow. Keller (1993), and Lassar et al. (1995) held the opinion that brand equity came from the customers' confidence in a brand. This confidence stems from five important considerations: first, the brand performs its functions as designed; second, the social image is associated with purchasing or owning the brand; third, consumers' recognition and sentimental attachment with the brand; fourth, the balance between the brand's value and its functionalities; fifth, consumers trust in the brand. Specifically, when the product performance exceeds expectation, customer satisfaction increases; when expectation exceeds the product performance, customer satisfaction decreases. Generally, customer loyalty stems from customers' approval of a brand, which leads to their continuously purchasing behavior of the brand and thus generates profits for the company. (ex: apple company). As suggested by Roberts (2004), brand emotion is the cultural implication embodied in a brand, and emotional branding is a highly effective way to cause customer reaction, sentiments, and moods, ultimately forming a connection and loyalty with the brand. → in the future, the emotional bonding with the product will be more important

→ Future studies: discuss the interrelationships among brand image, customer satisfaction, and customer loyalty, and identify a more comprehensive indicator for consumer behavior. hotel, supermarket, bank, etc. Whether the results generated from the service industry can be applied to other contexts remains to be examined.

5. Product placement

Summary: Product placement is used in today's marketing strategy. In a study, researchers focus on the consumer's attitude toward product placement in different Hollywood movies, e.g. a scene in which Tom Cruise is chewing Hollywood chewing gum and using a BMW car. They got the result and the result was that 70 percent have a positive attitude toward this sort of marketing communication strategy, so analyzed that it was preferable for them to watch a commercial of any product before watching a movie. We can focus on two parts: consumer identification with program celebrity and consumer purchase intention, and a simpler relationship between product placement and consumers' purchase intention. By using a survey in this experience, they found out that the reliability of the variable Consumer identification with program celebrity (0.81) and Consumer purchase intention (0.75) shows they are strongly reliable. We can see in James Bond movies that they promoted many cars and we can see that these cars were from bigger brands like Mercedes, BMW, Bentley, etc. So this also proves the relationship between consumer identification with the program celebrity and customer purchase intention. In the other

experiment about more simple product placement, the reliability of the variable Product placement (0.93) and Consumer purchase intention (0.75) shows they are strongly reliable. Apple is now focusing more on product placement and this strategy is increasing 100 times annually which shows that product placement has an impact on consumers so that is the reason Apple is using this strategy because it enhances customer purchase intention.