IMPACT OF ORGANIZED RETAIL STORE ATMOSPHERIC FACTORS ON CUSTOMER BEHAVIOR

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Abstract
This study is aimed to analyse the impact of organized retail store atmospherics factors on customer behavior. Here, organsied retail store atmospherics factors such as music, lighting, scent smell, in-store signage, store decoration, merchandise visibility, colour graphics, store layout, air-conditioning, promotional display and cleanliness are the store atmospherics factors considered as independent variables. Purchase intention is taken as a dependent variable. A sample of 580 customers is taken for the study based on the convenient sampling technique. Further, descriptive statistics, correlation and regression analysis are applied. It is found that store atmospherics factors are having relationship with purchase intention of the customers in the organized retail store. Where, air conditioning facilities lighting condition and merchandise visibility are positively influenced the customer purchase intention. However, scent smell,. Store decoration, color graphics factors and store layout are not influence the customer purchase intention. Hence, it is implied that the customers are having more expectation towards the promotional display boards and store signage in the organized retail store.

Key Words: Store Atmospherics Factors, Purchase Intention, Organized Retail Store, Customers, Purchase Intention.

Introduction
The retail industry in India is divided into unorganized and organized sectors. The unorganized retailing has been predominantly in the form of local kirana shops also called Mom-n-Pop stores, owner/manned general stores, paan/beedi shops, convenience stores, hand-cart and pavement vendors, etc. Organized retail on the other hand refers to licensed retailers, who are registered for sales tax, income tax, etc. including corporate-backed hypermarkets and retail chains besides the privately owned large retail businesses. The retail sector is expanding and modernizing rapidly in line with India's economic growth and recent Government of India's initiatives   (Urvashi, 2012). Over the last few years, Indian retail has witnessed rapid transformation in many areas of the business by setting scalable and profitable retail models across categories. Indian consumers are rapidly evolving and accepting modern retail formats. New and indigenised formats such as departmental stores, hypermarkets, supermarkets, speciality and convenience stores, and malls, multiplexes and fun zones are fast dotting the Indian retail landscape (Deloitte, 2013).

India has been operating the unique concept of retailing. Retailing in its initial period was witnessed at the weekly Haats or gathering in a market place where vendors put on displays their produce. This practice is still prevalent in many towns and cities in India. Later the market saw the emergence of the neighborhood Kirana shop. In fact these were the common local mummy-dady or multipurpose departmental stores generally located in the residential areas. Such shops stocked goods and multipurpose utility and were with the vision of providing convenience at the door step of the consumer. While barter system would be considered to be the oldest form of retail trade, since Independence, retail in India has evolved to support the unique needs of our country, given its size and complexity. Haats, mandis and melas have been a part of India's landscape. They will continue to be present in most parts of the country and form an essential part of life and trade in various areas. The following are various traditional retail formats of India (KPMCG, 2009).

Need for the Study
The review of literature drives to the conclusion that a few studies are conducted in organized retailing with a limited scope. A comprehensive study on retail store atmospherics and its impact on customers and retail store personnel were not carried out by the researchers to the extent required. Considering the importance of these two areas, the present study has been taken up. The findings of the study will be helpful to the organized retailers to identify their problem areas and to take measures for strengthening their store environment to face any kind of competitive threats. Also, the study will help policy makers to take measures to develop and promote retailing sector in the India on sound lines.

Objective of the Study: To study the impact of store atmospherics factors on the customers purchase intention in organized retailing.
Hypothesis of the Study: Store atmospherics factors are not influencing the customers purchase intention in the organized retail stores.

Methodology

For the purpose of the study, three retail outlets were selected in the Chennai city. Nilgiris, More and Reliance fresh retail stores are considered for this study. Store atmospheric factors such as music, lighting, Scent smell, in-store signage, merchandise visibility, graphics, store layout, air conditioning, promotional displays and cleanliness of the store are considered as the independent variables for this study. Customers purchase intention is treated as the dependent variable. These study variables are taken from the past studies. The research questionnaire is developed by the researcher based on the literature review. All the statements are measured in the likert five point scale, where 5 stands for strongly agree and one stands for strongly disagree. The sample respondents for this study are the customers, who are all coming for the shopping in these organized retail stores. The sample respondents are selected based on the purposive sampling techniques. A sample of 578 respondents is taken for this study. Further, descriptive statistics, correlation and regression test are applied to answer the research hypothesis.

Results and Discussion

Table 1. Customer's opinion towards store atmospherics factors

Store atmospheric factors	Mean	Std. Deviation
Music	3.41	0.89
Light	3.40	1.06
Scent	3.59	1.16
In-store signage	4.01	0.85
Store décor	4.04	0.67
Merchandise visibility	4.19	0.47
Color graphics	4.09	0.52
Store layout	4.10	0.47
Air conditioning	3.36	0.79
Promotional display	4.03	0.69
Cleanliness	3.97	0.65
Purchase intention	3.96	0.59

Source: Primary data computed

Table 1 shows the customers opinion towards the store atmospherics factors. 11 store atmospherics factors are considered for this study, such as music, lighting, scent smell, in-store signage, store decoration, merchandise visibility, graphics, store layout, air conditioning, promotional display and cleanliness. Mean and standard deviation values are calculated for each store atmospherics factors. The calculated mean values are ranged from 3.36 to 4.19. From the mean values, it is observed that the customers are given very much importance towards the merchandise visibility (4.19), followed by store layout (4.10), graphics (4.09), store decoration (4.04), promotional display (4.03), in-store signage (4.01), cleanliness (3.97), scent (3.59), music(3.41), lighting (3.40) and air-conditioning (3.36). From the descriptive analysis, it is noted that the customers are given more importance towards the merchandise visibility, store layout, graphics and store decoration. But, the customers are given the least level of importance towards the music and lighting store atmospheric factors.

Table 2. Store Atmospherics Factors and Purchase Intention

Store Atmospheric Factors	Purchase intention	
	r value	P value
Music	0.226	0.001*
Light	0.369	0.001*
Scent	0.170	0.001*
In-store signage	0.143	0.001*
Store décor	0.251	0.001*
Merchandise visibility	0.232	0.001*
Color/graphics	0.270	0.001*
Store layout	0.129	0.002**
Air conditioning	0.514	0.001*
Promotional display	0.137	0.001*
Cleanliness	0.146	0.001*

*Source: Primary data computed   * Significant at one percent level   ** Significant at five percent level*

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Table 2 indicates the customers opinion towards the relationship between store atmospherics factors and purchase intention in the organized retail store.

H_0: There is no relationship between store atmospherics factors in the store and purchase intention of the customers In order to examine the above hypotheses, Pearson correlation is employed. The calculated P-values are found to be significant. Hence, the stated hypothesis is rejected. It is inferred that various store atmospherics factors are having the relationship with purchase intention of the customers. Further, the calculated r-values are found to high for the air conditioning factors with purchase intention (0.514) followed by lighting factors (0.369), graphics factors (0.270), store decoration (0.251), merchandise visibility (0.232), music factors (0.226), scent smells (0.170), cleanliness factors (0.146), in-store signage (0.143), promotional display (0.137) and store layout (0.129).

Table 3. Impact of Store Atmospherics Factors on Purchase Intention

R-value	R-Square value	Adjusted R-Square value	F-value	P-value
0.651	0.424	0.413	37.974	0.001*

Predictors	B	Std. Error	Beta	t-value	P-value
(Constant)	2.482	0.283		8.760	0.001*
Music	0.094	0.030	0.142	3.177	0.002**
Lighting	0.172	0.020	0.306	8.537	0.001*
Scent smell	-0.051	0.027	-0.100	-1.907	0.057(NS)
In-store signage	-0.204	0.047	-0.293	-4.326	0.001*
Store decoration	0.030	0.045	0.034	0.665	0.506(NS)
Merchandise visibility	0.163	0.081	0.131	2.017	0.044**
Graphics	0.027	0.045	0.024	0.612	0.541(NS)
Store layout	-0.085	0.060	-0.067	-1.405	0.161(NS)
Air conditioning	0.478	0.036	0.632	13.440	0.001*
Promotional display	-0.122	0.049	-0.143	-2.494	0.013**
Cleanliness	-0.026	0.044	-0.028	-0.582	0.561(NS)

*Source: Primary data computed * Significant at one percent level   ** Significant at five percent level   NS Non Significant*

Table 3 explains the effect of store atmospherics factors on purchase intention among the customers in the organized retail store. Here, music, lighting, scent smell, in-store signage, store decoration, merchandise visibility, graphics, store layout, air conditioning, promotional display and cleanliness are the store atmospherics factors treated as independent variable and the purchase intention is treated as dependent variable.

H_0: Store atmospherics factors are not influencing the purchase intention of the customers in the organized retail store.To verify above stated hypothesis, multiple regressions is carried out. In the regression model summary, calculated F-value is 37.974 and P-value is 0.001, which is significant at one percent level. Hence, the stated hypothesis is rejected. It is inferred that the store atmospherics factors are influencing the customers purchase intention in the organised retail store. The measure of strength of association in the regression analysis is given by the co-efficient of regression determination denoted by R - value. Here, the R-value is 0.651. From the R-value, it is inferred that store atmospherics factors are influencing the customers purchase intention at 65.1 percent level.

In regression model summary, the unstandardized co-efficient beta value indicates the relative importance of the predictors (such as independent variables) on purchase intention. It is expressed in the following equation.

Purchase intention = 2.482 + 0.478 (air conditioning) + 0.172 (lighting) + 0.163 (merchandise visibility) + 0.094 (music) – 0.122 (promotional display) – 0.204 (in-store signage).

From the equation, it is inferred that air conditioning, lighting, merchandise visibility and music are the factors having the positively influenced the purchase intention. Whereas, promotional display and in-store signage are negatively influenced the purchase intention.

To have one unit increases in purchase intention, air conditioning factors are influenced by 0.478 level, when other factors remain constant. Similarly, lighting factors are influenced by 0.172 level on the purchase intention, merchandise visibility is influenced by 0.163 level on the purchase intention and music is influenced by 0.094 level on the purchase intention.

However, promotional display is negatively influenced at 0.122 level on the purchase intention and in-store signage is negatively influenced at 0.204 level on the purchase intention.

Findings of the study
Customers are given more importance towards the merchandise visibility, store layout, graphics and store decoration. But, the customers are given the least level of importance towards the music and lighting store atmospheric factors.

It is observed that the air conditioning, light and graphics are having higher level of relationship with purchase intention among the customers. But, store layout and promotional display are found to be the least level of relationship with purchase intention.

It is found that store atmospherics factors are influenced the purchase intention of the customers. Air conditioning, light, planogram and music are positively influenced the purchase intention. But, promotional display and in-store signage are negatively influenced the purchase intention. However, scent, store decoration, graphics and store layout are not influenced the purchase intention. It is showed that the customers are having more expectation towards the promotional display board and store signage in the retail store.

Conclusion
This study aims to analyzing the effect of organized retail store atmospherics factors in the customer purchase intention. 11 store atmospherics factors are taken for the analysis. It is found that the 11 store atmospherics factors having impact on the customer purchase intention. Hence, the organized retail store marketers try to give more concentration about this store atmospherics factors particularly the retail outlet owners should give more weightage on air conditioning facilities, lighting factors and merchandise visibility. Because these atmospherics factors highly contributing the purchase intention on the customers organized retailing stores.

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