Understanding the Importance of Visual Merchandising on Store Image and Shopper Behaviours in Home Furnishings Retail Setting

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Abstract

The present study attempts to identify the important visual merchandising factors and examine the relationships of those factors with store images and shopper behaviours in the context of home furnishings retail setting. Factor analysis was employed to identify dimensions of the importance of visual merchandising and correlation analyses were implemented to examine the relationships among the variables in this study. Of four store image dimensions, *Store Environment* was significantly related to *Layout/Organization* and *Creative/Inspirational Coordination* factors of visual merchandising. *New Style/Trend Information* aspect of store image was significantly related to *Window/Merchandise Display* and *Creative/Inspirational Coordination* of visual merchandising factors. *Merchandise Assortment* construct of store image was significantly related to *Layout/Organization* and *Creative/Inspirational Coordination* aspects of visual merchandising. A*ppealing Exhibition* dimension of store image was significantly related to *Layout/Organization* and *Creative/Inspirational Coordination* aspects of visual merchandising. Among five constructs, creative/inspirational coordination of the store was significantly and positively related to visit frequency. However, none of the importance of visual merchandising constructs was correlated to either amount of time spent shopping or the number of items purchased at one time shopping at home furnishings store. Based on the findings of the study, discussions and implications were provided.

Key words: home furnishings retail store, visual merchandising, store image, shopper behaviours.

1. Introduction

Over the past few decades, the retail store environment encountered by customers while shopping has been prominent in marketing (Gilboa and Fafaeli, 2003) and has gained a growing amount of attention from both industry and academia. Both practitioners and academics particularly have long considered visual stimulation and communication as important aspects of retail store environment (Kerfoot et al., 2003). According to Lea-Greenwood (1998), retailers have commonly— and often effectively— responded to the increased competition with a strategic review of how the offer is communicated visually. Lea-Greenwood again asserted that visual merchandising is not merely one part of the total design and merchandising concept, but an extremely important element as the first visual cue that affects a consumer's decision to enter or not enter the retail store. Swanson and Everret (2000) also noted that visual merchandising is becoming one of the prominent avenues to obtain differential advantage over their competitors.

In 2002, Bell and Ternus proposed that effective visual merchandising techniques establish and maintain the store image in the customer's mind and provide support for the rest of the store's selling effort. That is, merchandise at the store can sell itself with effective display and signage even without the assistance of a sales associate and thus, visual merchandising can aid retailers in lowering their operating costs. Similarly, Levy and Weitz (2004) maintained that visual communications in the store can provide necessary product information and suggest items or special purchases, and thereby help boost retail sales. Whereas the display department was once charged with simply   making pretty,   the visual merchandising department is now confronted with the challenge of   making sales   (Bell and Ternus, 2002). Therefore, it is not surprising that the work of the visual merchandiser has become far more demanding than that of a window trimmer in the past. Likewise, their responsibility has become more and more important in a time of extreme competition. In this vein, it is critical

that marketers understand consumers' evaluation of visual merchandising aspects and its relationship with their shopping behaviours.

Consumers today tend to place considerable importance on the home as a place to live, relax, and enjoy life with their families – a reflection of the current lifestyle trend toward casual expression in fashionable home furnishings as well as in apparel (Sloan, 2007). Today the inventory of home furnishings available to the consumer seems almost endless, with well-designed home products including everything from kitchen items, such as pots, pans, and pepper mills, to items for the bedroom, such as bedding and blankets (Bell and Ternus, 2002). However, the boundaries of both home furnishings and furniture retail industries have recently blurred as the home furnishings stores have carried furniture as well. For instance, the home furnishing stores such as Pottery Barn, Crate and Barrel, West elm, Restoration Hardware, etc. have carried furniture as one of the major merchandise. Hereby, consumers have been able to purchase furniture in the home furnishings stores. As consumers have placed more and more importance on their home (Forney et al., 2005), more attention has been given to home furnishings retail setting, especially in industry literature; however, far too little attention has been paid to home furnishings retail setting in the academic literature stream. Thus, the current study attempts to contribute to the academic literature by focusing specifically on examining the importance of visual merchandising in home furnishings retail setting. The purpose of the present study is to identify the important visual merchandising factors and examine the relationships of those factors with store images and shopper behaviours in the context of home furnishings retail setting. This study will provide home furnishings store executives and managers in determining the ultimate visual merchandising components to create effective store environments that affect positive shopper behaviours at home furnishings stores.

2. Literature Review

2.1 Visual Merchandising (VMD) and Store Image

Visual merchandising is the presentation of a store and its merchandise to the customer through the teamwork of the store's advertising, display, special events, fashion coordination, and merchandising departments in order to sell the goods and services offered by the store (Mills et al., 1995, p.1). In 1998, Pegler argued, Visual merchandising is no longer just a matter of making merchandise look attractive for the customer. It is the actual selling of merchandise through a visual medium (p.1) . In addition, Bell and Ternus (2002) asserted that visual merchandising, once called 'display,' has evolved from its origins as a store's decorative arts department to its current status as a sales-supportive entity, which impacts store design, store signing, departmental merchandise placement and display, store atmospherics, and store image (p.18). Visual merchandising is therefore concerned with both how the product and/or brand is visually communicated to the customer and also whether this message is decoded appropriately in the context affecting a positive psychological or behavioural outcome, ultimately leading to purchase (Kerfoot et al., 2003). According to Wright et al. (2006), atmospheric stimuli please the actual and emotional needs of consumers and enhance the degree of consumer participation in a store, leading to favourable purchasing behaviours. More recently, Law et al. (2010) also asserted that visual merchandising that covers the store exterior and interior that are involved in creating a favourable shopping atmosphere can enhances consumers' perceived image of the store. The term *visual merchandising* tends to be interchangeably used with the term *display*. Nevertheless, visual merchandising involves much more in terms of practices and responsibilities than simply displaying merchandise (Swanson and Everett, 2000).

According to Pegler (1998), visual merchandising involves a number of technical and artistic components: colour, texture, lighting, mannequins, fixture, graphics, signage and so on. Other researchers asserted that of all the atmospheric cues, colour is the strongest motivator for shopping (Mills et al., 1995). Kerfoot et al. (2003) suggested that the use of a wide variety of colours is deemed to produce attractive and appealing display and had the potential to positively impact on a respondent's propensity to browse. Many researchers also have considered lighting as one of the major contributing factors of visual merchandising in the retail setting (Bell and Ternus, 2002; Berman and Evans, 2004; Levy and Weitz, 2004). More recently, Park and Farr's research (2007) revealed that the colour quality of lighting in a retail store environment such as colour temperature and

colour appearance affects consumers' emotional states and the behavioural intention of approach-avoidance. Bell and Ternus (2002) further described the range of visual merchandising, such as window and interior display, promotional signing, store layouts and interior décor, fixture layouts, displaying merchandise on walls and fixtures. Window display, according to the findings of Lea-Greenwood (1998), is a vitally important visual communication tool used in retailing. Edwards and Shackley (1992) reported that sales increase when window displays are used, particularly for new products, and well- known brands need effective elements of a window display. Similar to the previous research, Omar (1999) asserted that the careful selection of merchandise for the display− items that are distinctive, timely, stylish, or particularly good value― contributes to the successful sale of those items. At the same time, the use of appropriate merchandise, careful choice of the right fixtures, and tastes and imagination in designing and executing the display contributes greatly to the overall store image. Signs are silent sales associates and are often the first contact that customers have with a store, a department, and the merchandise (Colborne, 1982). Signs provide important information which the customer can use in making purchase decisions (Mills et al., 1995); for example, effective signs identify departments, describe the merchandise and its price, inform customers of special sales events, alert customers to advertised merchandise, and determine the theme of special window and interior displays (Colborne, 1982). As further evidence of signage effects, Levy and Weitz (2004) claimed that sings as one of the visual communication media help boost sales by providing information on products and suggesting items or special purchases. More recently, Cant, M.C. and Hefer, Y. (2012) also asserted that visual merchandising enhances store image and consumer shopping experience at the store, adding value to the store character. They found, in particular, that spatial orientation within the store and well-designed visual merchandising display affects consumers' perception on the retail store. Furthermore, results of their study indicated that consumers perceive visual merchandising as a promotional tool.

As store environmental cues represent the most imperative channel through which retailers can communicate their images with consumers, it is critical to understand how consumers infer images from such environmental cues. According to Dickson and MacLachlan (1990), consumers employ store image to determine how suitable they are as customers for a particular store. Bell and Ternus (2002) suggested that effective visual merchandising establishes and maintains the store's physical and mental image in the consumers' mind. A number of previous studies indicated that store atmospheric cues create the overall context within which shoppers make purchase decisions and are likely to significantly impact shaping store image. However, surprisingly, there has been a lack of studies on how visual merchandising is related to the perception of store image, whereas many researchers have considered the visual aspects of store environment as one of the components of store image. Therefore, the current study will address visual merchandising as a separate variable in relation to the perception of store image.

2.2 Visual Merchandising (VMD) and Shopper Behaviours

Retail store atmospherics may impact shopper behaviour. According to *Chain Store Age* (2004), the majority of consumers (63%) remember occasions when the store atmosphere caused them to buy more or spend more time at a store. Moreover, among those influenced by store atmosphere, almost half (45%) report that they spent not only more money in the store but, more time. As noted in Turley and Milliman's (2000) review on the effect of atmospherics on consumer behaviour, the influence of store atmosphere on time spent in the store has received attention from researchers and, therefore, merits further discussion. Time spent in the store is related to the desire to stay in or to get out of the store environment and is also related to the decision to shop or not to shop at the store (Kellaris and Altsech, 1992). In their landmark article introducing the Mehrabian-Russell (M-R) environmental psychology model to the study of store environment, Donovan and Rossiter (1982) suggested that store-induced pleasure plays a significant role as a determinant of approach-avoidance behaviour within the store, including spending behaviour, and that store-induced feelings of alertness and excitement could result in increased time spent in the store. More than a decade later, Donovan et al. (1994) replicated and extended the Donovan and Rossiter's study, confirming that pleasure engendered by store atmosphere contributes to extra time spent in the store and unplanned spending. In 2003, Babin et al. found that the combination of colours and lighting plays a critical role in influencing the purchase intention of consumers' store patronage. Kouchekian

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and Gharibpoor (2012) found that store layout, color, lighting, store design, cleanliness and height of shelves are the significant determinants of consumer buying decision at a grocery store.

As such, despite the important role of visual merchandising in shaping shopper behaviours in the store, there has been little discussion about visual store atmospheric cues relating to shopper behaviours in academic research. Rather, most of the research investigating the effects of store environment on time spent in the store focused on musical atmospheric cues, such as types of music (Yalch and Spangenberg, 1990), loudness or volume (Smith & Curnow, 1966) and tempo (Milliman, 1982), while a few of them focused on the olfactory cues of store atmosphere (Spangenberg et al., 1996). Hence, the current study will particularly identify the dimensionality of visual merchandising in terms of its relative importance evaluated by consumers in the home furnishings retail setting and investigate its overall relationships with perception of store image and shopping behaviours in the home furnishing retail setting. From the previous literature on importance of visual merchandising, store image, consumer shopping behaviours, the following research hypotheses were formulated for the study.

H1: There are multi-dimensions of the importance of visual merchandising in the home furnishings retail setting.

H2: There are multi-dimensions of the perception of store image in the home furnishings retail setting.

H3: The importance of visual merchandising will be significantly related to the perception of store image in the home furnishings retail setting.

H4: The importance of visual merchandising will be significantly related to time spent shopping in the home furnishings retail stores.

H5: The importance of visual merchandising will be significantly related to store visit frequency in the home furnishings retail stores.

H6: The importance of visual merchandising will be significantly related to the number of items purchased in the home furnishings retail stores.

3. Research Methods

3.1 Sample and Data Collection

A structured questionnaire was developed to collect data and distributed to a convenience sample of 600 females, whose ages range from 25 to 55, residing in a South-eastern state of the United States. A convenience sample included female consumers who have shopped in one or more home furnishings stores at least once over the past year. In order to collect data, the researchers contacted various local organizations such as offices at a university campus, community organizations, churches, retail stores, and so forth. Of the six hundreds of questionnaires, 263 surveys were returned, indicating a return rate of 43.83 percent. After scrutinizing the returned questionnaires, 70 among 263 questionnaires were discarded: 3 respondents did not provide the demographic information, 2 were male respondents, 22 respondents have not shopped in home furnishings store(s) within the past year, and 43 participants returned incompletely answered questionnaires. As a result, only 193 questionnaires were usable and included in the data analysis, yielding a usage rate of 32.17 percent. Slightly over half of respondents were between the ages of 25 to 30 (50.80 %) and this age group encompassed the largest proportion of the respondents, followed by the 31-40 age group (16.90 %). The next largest age group was the 41 to 50 group (13.00 %) and the over-50 age group was at 9.3 %. More than half (71.00 %) of the respondents were Caucasian, followed by Asian/Pacific islanders (16.10 %) and the rest of the race group accounted for less than 5 %. The income frequency revealed that 29.3 percent of the respondents reported annual household incomes of less than $20,000 before taxes, while 23 percent reported annual household incomes over $80,000.

3.2 Measurement

The questionnaire consisted of three sections. The first section consisted of two parts. The purpose of the first part was to screen out unqualified respondents who have not shopped in a home furnishings store over the past year. The second part comprising 25 items was designed to identify multi-dimensions of the importance of

visual merchandising. The statements were adopted and modified from Spies, Hesse, and Loesch's research (1997) conducted in two IKEA home furnishings stores. This part specifically concerned an evaluation of the relative importance of visual merchandising based on respondents' shopping experiences in the home furnishings stores. Requiring respondents to recall their shopping experiences in the home furnishings stores while they are participating in this survey, respondents were asked to assess the importance of visual merchandising on a 5-point Likert-type scale, with 1 (not important at all) to 5 (very important).

The second section was divided into three parts. The first part was to obtain information on the respondents' favourite home furnishings stores. Eight home furnishings stores were chosen in the area. Respondents could select one or more home furnishings stores as their favourite store(s); in addition, they had an opportunity to name their other favourite store(s) (other than the presented home furnishings stores) with another option, Others. The second part consisted of 13 statements was structured to elicit the perception of store image of the favourite home furnishings stores. The statements were adopted and modified from the previous research (Baker et al., 1994; Marzursky and Jacoby, 1986). Respondents were required to respond as to whether or not they agree with each statement on their favourite stores. A 5-point Likert scale with 1 corresponding to strongly disagree to 5 strongly agree , was used to measure responses to each statement in the questionnaire. The last part of the second section of the survey concerned consumer shopping behaviours at their favourite home furnishings stores. Respondents were first asked how much time they stayed in the home furnishings store, while shopping in the home furnishings store in order to estimate the approximate actual shopping time. Five options are given with an interval of 30 minutes: less than 30 minutes, 30 minutes to less than 1 hour, 1 hour to less than 1 and half hours, 1 and half hours to less than 2 hours, and 2 hours and more. Respondents were also asked about store visit frequency and the number of items purchased at one time shopping at their favourite store. Lastly, in the third section of the survey, respondents' demographic data was collected, such as age, gender, race, annual household income, and the number of people in household.

A pilot test of the measurement instrument was requisite to validate the items and scales in the questionnaire. For the current study, the pilot test was based on 35 respondents. The 35 respondents were female consumers, whose ages range from 25 to 55 and were asked to not only complete the questionnaire but also point out any wording problems, unclear statements, and confusing instructions. As a result of the pilot test, two statements were deleted in the first section because of confusing wording resulting in 25 items on the importance of visual merchandising. Cronbach's alpha value for the internal consistency aspect of reliability of the visual merchandising measure was 0.84.

4.   Data Analysis and Results

Data gathered from the survey was analyzed using the Statistical Package for Social Science (SPSS) program.

4.1 Factor Analysis of Visual Merchandising and Store Image

A principle component of factor analysis with varimax rotation was used to identify the underlying dimensions of the importance of visual merchandising. Prior to conducting factor analysis, Bartlett's test of sphericity and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy (MSA) was performed to determine whether the EFA was an appropriate statistical technique for this study. Only components with eigenvalues greater than 1.0 and items with rotated factor loadings of 0.50 or greater were retained because factor loadings of 0.50 or greater are considered statistically and practically significant (Hair et al., 1998). Furthermore, any item loading on more than one factor with a loading score equal to or greater than 0.40 on each factor was discarded to confirm that each factor would have only one dimension and that each attribute would load on only one factor (Chen and Hsu, 2001). Variables with communalities less than 0.40 were also omitted from the further analysis as the communality of a variable refers to the amount of variance accounted for by the variable in the factor solution: Low communalities may mean insufficient contribution to explaining the variance. Lastly, factors consisting of only a single item were discarded as well.

The Kaiser-Meyer-Olkin measure of sampling adequacy was 0.77 and the Bartlett's test of sphericity was significant (X^2 = 1982.43, 496, p = 0.000), indicating the appropriateness of the factor analysis for the data on the importance of visual merchandising. According to the aforementioned criteria for the factor analysis, 10 out of 25 items in the importance of visual merchandising scale did not meet the criteria as mentioned above and were dropped for further analysis. After deleting those 10 items, the Cronbach's alpha value was 0.77, indicating sufficient reliability. The results of the principal component analysis with varimax rotation yielded four underlying factors, accounting for 58.26 % of the total variance (See Table 1).

A principle component of factor analysis with varimax rotation was used to identify the underlying dimensions of the perception of store image in the home furnishings retail setting. The Kaiser-Meyer-Olkin measure of sampling adequacy was 0.79 and the Bartlett's test of sphericity was significant (X^2 = 749.13, 105, p = 0.000), indicating the appropriateness of the factor analysis for the data on the importance of visual merchandising. The same criteria with the factor analysis for the importance of visual merchandising were set. According to the criteria for the factor analysis, 1 out of 12 items in the perception of store image scale was dropped and four underlying constructs emerged: *Store Environment, New Style/ Trend Information, Merchandise Assortment, and Appealing Exhibition*, explaining 68.14 % of the total variance (see Table 2). Cronbach's alpha value for the scale was 0.80.

4.2 Correlations between Importance of Visual Merchandising and Store Image Constructs in the Home Furnishings Stores

Correlation analyses were conducted to examine the relationship between four constructs of importance of visual merchandising and four store images dimensions (see Table 3). Of four store image dimensions, *Store Environment* was significantly related to *Layout/Organization* (r = .21, p < .01) and *Creative/Inspirational Coordination* (r = .25, p < .01) factors of importance of visual merchandising; those who appreciated store environment at their favourite home furnishings store placed significantly greater importance on layout/organization and creative/inspirational coordination of the store than other factors of visual merchandising. *New Style/Trend Information* aspect of store image was significantly related to *Window/Merchandise Display* (r = .33, p < .001) and *Creative/Inspirational Coordination* (r = .31, p < .001) of visual merchandising factors; those who valued new style and trend information of their favourite store placed significantly greater importance on window/merchandise display and creative/inspirational coordination of visual merchandising factors. *Merchandise Assortment* construct of store image was significantly related to *Layout/Organization* (r = .17, p < .05) and *Creative/Inspirational Coordination* (r = .19, p < .05) aspects of visual merchandising; those who evaluated their favourite home furnishings stores offer good variety of merchandise assortment believed window/merchandise display and creative/inspirational coordination of visual merchandising aspects are significantly more important than other aspects of visual merchandising. *Appealing Exhibition* dimension of store image was significantly related to *Layout/Organization* (r = .17, p < .05) and *Creative/Inspirational Coordination* (r = .23, p < .01) aspects of visual merchandising; those who appreciate appealing exhibition of their favourite home furnishings store believed store layout/organization and creative and inspirational coordination of visual merchandising aspects are significantly more important than other visual merchandising factors.

4.3 Correlations between Importance of Visual Merchandising and Shopper Behaviours in the Home Furnishings Stores

Correlation analyses were conducted to examine the relationship between four constructs of importance of visual merchandising and consumer shopping behaviours in home furnishings retail setting (see Table 4). Consumer shopping behaviours in this study included the amount of time spent shopping in the store, visit frequency and the number of items purchased at one time shopping at the store. None of the importance of visual merchandising constructs was correlated with time spent shopping in home furnishings stores. Among five constructs, creative/inspirational coordination of the store was significantly and positively related to visit

frequency; those who visited the store more frequently placed greater importance of creative/inspirational coordination of the store (r = .17, p < .05). However, other constructs of the importance of visual merchandising were not related to visit frequency. In addition, none of the importance of visual merchandising constructs was related to the number of items purchased at one time shopping at home furnishings store.

5. Discussion and Implications

The major thrust of the current study is to better understand the relationship of the importance of visual merchandising and consumer shopping behaviours, specifically in the home furnishings retail setting. Two characteristics distinguish the current study from prior research on store environment-related topics. First, perhaps most important, is that this study addresses the importance of visual merchandising as the most crucial variable for this study. Although marketing literature is replete with research on store environment in this area, visual merchandising was virtually unexplored in the extant literature. Second, the home furnishings retail setting is of critical concern in the current study. As a result of the consumers' ever-increasing interest in their homes as relaxed places, the home furnishings setting has been becoming one of the most focused areas in both marketing and retailing fields (Forney et al., 2005). However, the home furnishing retailing setting is still an undiscovered frontier in both fields. Accordingly, tackling both attributes of this study— the visual merchandising and the home furnishings retailing setting— might be not only critical but painstaking task to accomplish in this study; nevertheless, through various consecutive processes, the current study came to the conclusions that will be addressed in detail later.

Exploratory factor analysis was conducted to identify the underlying dimensions of the importance of visual merchandising in the home furnishings retail stores. Even though there were assertions by some scholars (Bell and Ternus, 2002; Pegler, 1998) on the dimensions of the visual merchandising, they all were not empirically supported ones and were from a practical perspective rather than an academic point of view. The factor analysis of the importance of visual merchandising discovered four importance of visual merchandising constructs: *Window/Merchandise Display, Layout/Organization, Creative/Inspirational Coordination,* and *Price Signage*. These four constructs accounted for 58.26% of the total variance. Given the scarcity of research addressing this topic, those four constructs might provide a relatively comprehensive and complete picture of the relative importance of visual merchandising. In the home furnishings setting, consumers evaluated the four dimensions as the most prominent among all the visual merchandising attributes presented in this study. Mean values and standard deviations of four importance of visual merchandising constructs identified through the factor analysis indicated the relative importance of visual merchandising to consumers in the home furnishings store. According to the mean values, consumers assessed the price-related cues (M = 4.11) as the most important among the four key attributes of the importance of visual merchandising, followed by layout/organization (M = 3.92) and coordination providing creative and inspiration idea (M = 3.88). Therefore, the ranked evaluations of the importance of visual merchandising may be worthy of the attention of managers in the home furnishings store as it may impart them what aspects of visual merchandising should be emphasized more in the home furnishings setting. However, all the four factors may be already worthwhile in operating visual merchandising in the home furnishings store due to the fact that the importance of those visual merchandising factors were identified and given priorities as key diagnostic guidelines to improve the competitive edge of the retail store. In fact, despite the importance of visual merchandising, the theoretical dimensions of visual merchandising have not yet been firmly delineated in the home furnishings setting. From the managerial perspective, the dimensions of the visual merchandising presented in this study allow managers to determine, with some precision, exactly what visual attributes of the store are perceived as appealing to customers in the home furnishings setting.

To identify the dimensions of the perception of store image in the home furnishing setting, factor analysis was also performed. Four underlying constructs emerged: *Store Environment, New Style/ Trend Information, Merchandise Assortment, and Appealing Exhibition*, explaining 68.14 % of the total variance. Consumers perceived those four dimensions as key determinants of store image, while shopping in their favourite home furnishings store(s). Also reported were the mean values and standard deviations for the perception of store image constructs. As the store image descriptors expressed consumers' perceptions of their favourite home

furnishings store(s), the results may exhibit the reasons for their selection of priority stores over other home furnishings stores. Based on the mean values, it was found that appealing exhibition (M = 4.14) facilitating consumers' browsing and exploring the store was the major reason for their predilection toward their favourite stores, followed by good variety and assortment of merchandise (M = 4.10) and overall store environment (M = 4.09) for shopping. Yet, the rest of the dimensions — namely, imparting new styles and current trends— should not be neglected. The reason is that not only the difference in the mean values was comparatively marginal but also they all were valuable findings, considering a deficiency of attention to the home furnishings retailing setting from retail academics. In fact, despite the importance of being able to establish the store image, the theoretical dimensions of store image has not yet been firmly delineated in the home furnishings setting. From the managerial perspective, the dimensions of the perception of store image presented in this study allow managers to determine, with some precision, exactly what attributes of the store are perceived as appealing to customers in the home furnishings setting. The relationships between the four factors of importance of visual merchandising and each dimension of the perception of store image were examined. The results demonstrated that *Creative/Inspirational Coordination* of visual merchandising factors was positively related to each of the four perceptions of store image dimensions. *Layout/Organization* of visual merchandising factors was positively related to the *Store Environment, Merchandise Assortment* and *Appealing Exhibition* dimensions of store image. Of the four factors of the importance of visual merchandising, *Window/Merchandise Display* of visual merchandising constructs was related only to *New Style/Trend Information*. However, *Sale Price Signage* had no relationships with perception of store image. The importance of visual merchandising was reflected in the aforementioned findings of this study, which suggested that consumers count on different sets of the importance of visual merchandising cues to infer different image aspects. For instance, managers in the home furnishings setting may have to focus on the *Store Layout/Organization* and *Creative/Inspirational Coordination* visual merchandising cues in order to create an enjoyable and pleasant store atmosphere impression. Considering the characteristics of each dimension, most of the findings were logical and consistent with those of previous studies, suggesting that some of store environment's visual cues have an impact on the formation of store image (Bell and Ternus, 2002; Smith and Burns, 1996). Contrary to previous research (Spansenberg et al., 1996; Tuley and Milliman, 2000) and the common belief of managers in the retail setting, the current study suggested that there was no significant relationship between the importance of visual merchandising and the amount of time spent shopping in the home furnishings store. There might be other attributes of the importance of visual merchandising that may explain the inconsistent findings with previous research, and the findings may be attributable to the unique conditions of the home furnishings setting different from other retailing settings, such as consumers more task-oriented or sensitive to such other environmental cues as scent, music, personnel services, etc. Hence, examining which visual merchandising attributes affect the amount of time spent shopping in the home furnishings store deserves attention in the future research. Out of all four visual merchandising factors, only *Creative/Inspirational Coordination* was significantly related to store visit frequency. None of the importance of visual merchandising factors were significantly related to the number of items purchased at one time shopping at consumers' favourite stores. Unexpectedly, yet interestingly, *Sale Price Signage* visual merchandising cue was not significantly related to any of shopping behaviours at the home furnishings retail settings. One application of the findings to managers in the home furnishings setting is that price signage may not be the vital component that shoppers in home furnishing stores consider important. Rather, they may be more hedonic-oriented and more sensitive to idea or trend shopping. Such unexpected findings may be attributable to the unique nature of the home furnishings retail setting different from other retail settings.

In conclusion, the current study has both managerial and research implications. From a research perspective, the findings emanating from the multidimensional scaling analysis empirically supported the assertions by some scholars that the importance of visual merchandising can be characterized as several core facets. Taking into account that the current study is only the beginning of examining the relationships between importance of visual merchandising factors and store image perceptions and shopping behaviours in the home furnishings retail setting, the findings provide initial evidence of the relationship between the variables of the study and a basis for the further study on visual merchandising in the home furnishings retail settings. This study also provides crucial implications for retail management in the home furnishings retail setting. Confronting the present ever-dynamic home furnishings retailing atmosphere, it gives managers in the home furnishings stores a

better understanding of the visual merchandising attributes affecting shopper behaviours. Based on the findings of the present study, management will hence be able to benchmark the cues of the importance of visual merchandising that are best to emphasize in reinforcing their retail strategies. For example, management in the home furnishings setting can stimulate customers to actively browse and explore their stores by creative, inspiration and unique presentation of merchandise with appealing colours. Retailers in the home furnishings setting need to understand that the importance of visual merchandising reported here may be different from that suggested in other retailing settings. In addition, regrettably, little research has been conducted in the home furnishings setting in academic and practical research. Therefore, the findings may encourage practitioners and scholars to focus more attention on the home furnishings retailing setting. This study included several limitations. While some of them are general limitations accompanying most of studies conducted by individual researchers, others should be addressed in the future research.   First of all, the current study was conducted in a south-eastern part of the United States using convenience sample. Thus, the result presented in this study is quite limited and far away from being generalizable to the population across the United State. Although the current study concluded that some of the importance of visual merchandising elements is related to store image and shopping behaviours, there must be uncontrollable contaminators affecting the results, such as other store environmental attributes: music, scent, crowding, etc.

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Table 1. Factor Analysis Results: The Importance of Visual Merchandising Constructs

Factor	Statement	Mean	Eigen value	Factor loading	Variance explained	Cronbach's alpha
Total					59.67 %	
Factor 1 *Window/ Merchandise Display*	The store offers a seasonal window display.	2.97	2.58	0.82	18.40	0.80
	The store offers an eye-catching window display.			0.79		
	New items are presented noticeably to draw the customers' attention.			0.76		
	There are many striking signs in different colors.			0.72		
Factor 2 *Layout/ Organization*	Aisles are uncrowded.	3.92	2.21	0.77	15.75	0.71
	Merchandise display is not cramped or jumbled.			0.77		
	The route through the store is well-structured so that consumers have no difficulty finding their way.			0.72		
	Shelf space is appropriately occupied (proportionately arranged).			0.62		
Factor 3 *Creative/ Inspirational Coordination*	The presentation of merchandise gives me inspiration on how to furnish my own home.	3.88	2.06	0.79	14.73	0.68
	Creative combinations of colors give me new design ideas for home.			0.74		
	Color coordination creates an appealing store atmosphere.			0.65		
	The presentation of merchandise is creative and unique.			0.60		
Factor 4 *Sales Price Signage*	Discount or clearance items are displayed together in a specific area of the store.	4.11	1.51	0.85	10.79	0.59
	Signs clearly identify items on sale.			0.79		

Table 2. Factor Analysis Results: Store Image Constructs

Factor	Statement	Mean	Eigen value	Factor loading	Variance explained	Cronbach's alpha
Total					68.14%	
Factor 1 *Store Environment*	The store offers comfortable shopping environment.	4.09	2.31	0.79	20.95	0.76
	The store offers an enjoyable shopping environment.			0.73		
	The store offers shopping ease.			0.72		
	The store offers a pleasant shopping environment			0.70		
Factor 2 *New Style/Trend Information*	The store displays newest styles of home furnishings.	3.96	1.93	0.84	17.52	0.71
	The store offers useful and accurate information about current trends and items.			0.76		
	The store offers new idea for my home decoration or furnishings			0.67		
Factor 3 *Merchandise Assortment*	The store offers good variety of merchandise.	4.10	1.65	0.89	14.96	0.75
	The store offers good assortment of merchandise.			0.84		
Factor 4 *Appealing Exhibition*	The store makes me active in browsing and exploring the store.	4.14	1.62	0.85	14.71	0.65
	The store offers an appealing exhibition.			0.71		

Table 3. Correlations among Importance of Visual Merchandising and Store Image Factors

	Store Environment	New Style/Trend Information	Merchandise Assortment	Appealing Exhibition
Window/Merchandise Display	0.11	0.33***	0.01	0.14
Layout/ Organization	0.21**	0.13	0.17*	0.17*
Creative/Inspirational Coordination	0.25**	0.31***	0.19*	0.23**
Sales Price Signage	0.00	0.06	0.07	0.00
Note: *P < .05, **p < .01, ***p < .001				

Table 4. Correlations between Importance of Visual Merchandising Factors and Shopper Behaviors at Home Furnishings Retail Stores

	Mean	Time Spent Shopping	Visit Frequency	Number of Items purchased
Window/Merchandise Display	2.99	0.11	0.04	0.01
Layout/ Organization	3.92	0.00	-0.1	0.02
Creative/Inspirational Coordination	3.88	-0.00	0.17*	0.03
Sales Price Signage	4.11	-0.05	-0.11	-0.04
Note: *P < .05, **p < .01, ***p < .001				