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The Impact of Store Layout on Consumer Buying Behaviour: A Case of Convenience Stores from a Selected Township in Kwazulu Natal

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ABSTRACT

The layout of a store is an important aspect influencing consumer buying behaviour and a significant determinant in the formation of a retail image. Well-designed store layouts are critical because they have a strong influence on in-store movement designs, shopping environment, shopping behaviour, and operational productivity (Behera and Mishra, 2017). When there is inconsistency in the layout of the store, some clients will abandon that establishment in search of one that delivers faster, more convenient, and better services. Taking a more thoughtful approach to retail layout can pay huge returns in terms of higher sales, customer loyalty, and, ultimately, turnover (Clark, 2003). The overarching study goal was to determine whether independent convenience stores in Kwa Mashu are aware of the effects of store layout on consumer purchasing patterns. To achieve the study's aims, a quantitative study was undertaken at Kwa Mashu convenience stores using self-administered questionnaires. A total sample of 400 respondents participated in the study. Non-probability sampling was used to select the respondents, and convenience sampling was utilized. Following that, conclusions and recommendations were derived from the literature and the study's findings. According to the findings of this survey, consumers have issues with store layout. It was discovered that the appearance of the store, merchandise display, retail atmosphere, in-store service, and accessibility are the key contributors to this pain. As a result, it is recommended that convenience shop owners in Kwa Mashu attend to the above-highlighted areas and ensure that strategies are implemented to assist customers where there is a need.

Keywords: Consumer Buying Behaviour, Merchandise Display, Merchandise Mix, Retail Strategy, Store Layout
JEL Classifications: M3, M30, M31, M310

1. INTRODUCTION

Despite the commercial and academic research that has been conducted, there are still many unknowns about customer buying behaviour and routines concerning store layout (Newman and Foxall, 2003). This study will therefore explore store layout attributes and their effects on consumer purchasing behaviour and investigate whether consumers are satisfied with the level of service they receive from convenience stores in terms of accessibility, quality, and value. This conceptual approach emphasizes the significance of examining store layout characteristics in understanding consumer purchasing behaviour, which has ramifications for loyalty behaviour.

The retail landscape is changing at a faster rate than it has ever before. It is marked by increased competition and more sophisticated and demanding customers with higher expectations for their shopping experiences. According to Yoon and Park (2018), customers' evaluations of service quality are influenced by their shopping experiences, which include not only the act of purchasing desired products, but also the shopping experiences of customers before purchase, such as finding the merchandise they want, interacting with several store personnel along the way, and returning merchandise.

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In retailing, store layout is an important factor in driving consumer elaboration and response. While much attention has been paid to store layout in regards to physical and mortar selling, store layout has been almost disregarded in retailing research. A retail store's layout has been found to have a significant impact on a retailer's overall success through influencing information processing, purchase intentions, and attitude toward the firm. As a result of retailer store layout, consumer elaboration and positive results are increased (Griffith, 2005).

2. LITERATURE REVIEW

2.1. Store Layout

Store layout serves as the foundation for retail operations. Retailers utilize store layout to guide customers through the store and improve sales (Levy and Weitz, 2012). Retail store layout designing is a difficult task. The overarching goal is to maximize sales while maintaining customer satisfaction and minimizing overall costs. Many elements influence store layout planning, including customer arrival patterns, building design, desired service level, merchandise mix, adjacency requirements, and many more (Singh et al., 2014).

The layout of a store has been found to have a major impact on consumer behaviour in both traditional and online settings (Krasonikolakis et al., 2018), and it has the ability to enhance shopper traffic, average transaction values, profitability, and optimize consumers' shopping experiences to boost revenue and profitability (Hwangbo et al., 2017). Vrechopoulos et al. (2004. 13) also discovered that store layout is a major predictor in the construction of the retail image. The importance of well-designed layouts cannot be overstated because they have a significant impact on in-store traffic patterns, shopping atmosphere, shopping behaviour, and operational efficiency.

Retailers should strive to design store layouts that entice customers to move throughout the store and buy more than they expected (Levy and Weitz, 2007). This activity will improve store performance, influence consumer impressions of service providers, and assist customers in categorizing service businesses (Baker et al., 2002).

2.2. Consumer Buying Behaviour

The purchasing patterns of the ultimate consumer are referred to as consumer buying behaviour. It refers to the process of choosing, purchasing, and consuming products and services to fulfill one's desires. Many factors and characteristics influence a consumer's decision-making process, including buying habits, purchasing behaviour, and brand preferences (Ramya and Ali, 2016). The goal of consumer buying behaviour is to identify the factors that encourage consumers to act in a certain way in different situations (Niazi et al., 2012). According to Ahuja (2015), consumer purchasing behaviour considers the influence of groups such as family, friends, reference groups, and society in general. Cultural influences, social factors, personal factors, and psychological factors are also elements that influence consumer purchasing behaviour (Durmaz, 2014).

Two primary elements affect consumer purchasing behaviour. These factors are individual and environmental. Individual elements influencing consumer behaviour include demographics, consumer knowledge, perception, learning, motivation, personality, beliefs, attitudes, and lifestyles. The second type of factor is environmental factors. Environmental influences are objects outside of the individual that influences the decision-making process of the individual consumer. These factors include culture, socioeconomic status, reference group, family, and home. The aforementioned reasons are the primary motivators for consumers to choose a certain commodity or service (Sata, 2013).

To be successful in the retail industry, retailers must learn how to effectively promote their items and increase sales by utilizing the different factors that influence consumer purchasing behaviour. Overall, store layout should be considered an important component of consumer purchasing behaviour.

2.3. Retail Store Image and Appearance

Alić et al., (2017) describe store image and appearance as the way the store is defined in the shopper's mind, partially by its practical qualities and partly by an atmosphere of psychological traits. Alamsyah et al., (2017) further allude that store image and appearance are the totality of a consumer's information and emotional response to a store's attributes, as well as other long-term impressions. A customer's total perception of a store is based on store qualities, and a store image is a mentality based on that impression. Shoppers make opinions based on their assessments of store features (Balaji and Maheswari, 2021).

A firm can build a growing and loyal customer base by focusing on its store image and appearance (Burlison and Oe, 2018). This can be done by classifying Store image and appearance into two main categories namely functional characteristics and psychological characteristics. The functional aspect refers to the store's objective functions such as merchandise classification and retail layout. The psychological aspect refers to the intangible sentiments that a business gives consumers, such as familiarity, excitement, warmth, and friendliness when they come into contact with that store (Ho et al., 2021).

Store image and appearance, according to Estelami and Bergstein (2006), contribute to generate consumer expectations, which can then impact a consumer's opinion of the retailer's behaviour and actions in future transactions. As a result, the appearance associated with the business may influence consumer assessments of essential retailer attributes such as value perceptions, evaluations of employee behaviour, and satisfaction judgments. The appearance of a store gives a set of criteria by which a customer might evaluate a business.

The image and appearance of a store have the biggest impact on total service quality, enhanced client retention, and increased future consumption. The A S–O–R Model of Consumer Retail Buying Behaviour focuses on the most crucial components for success with store design and image. Management must be conversant with all of the components in the model to become a customer-oriented enterprise. The components of a store's image and appearance are

depicted in the diagram below, along with how they can influence a customer's preference for stores.

The main principle underlying the S–O–R paradigm, as shown in Figure 1, is that according to the stimulus organism response theory, a stimulus causes an organism's internal feelings or behavior to produce a reaction. This internal input processing can be conscious or unconscious. It also elicits a feeling, which prompts a response, in the retail context this response is the preference for the stores.

Store image and appearance are important to retailers because they provide market distinctiveness and enhanced client purchasing intent for the products or services on offer (Graciola et al., 2020). As a result, a retailer can attract new customers by establishing a retail image that meets or surpasses the expectations of its customers.

2.4. Merchandise Display

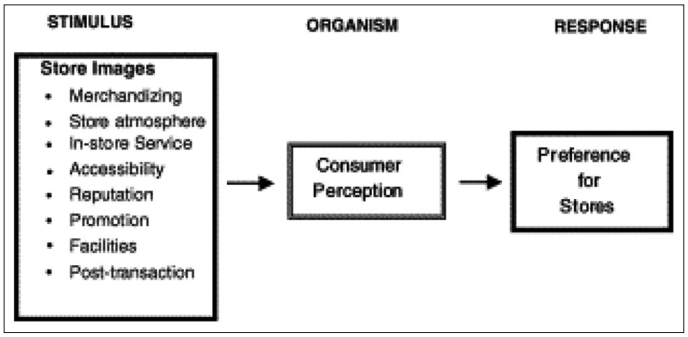
Merchandise display refers to the manner in which products are displayed at a store. This relates to the store fixtures and product display methods, as well as the overall store design, layout, and other components of the store environment. According to Huddleston et al. (2015) merchandise display has the ability to boost sales and improve the shopping experience for customers. Merchandise display operates as a silent salesperson, luring customers into the store and encouraging them to touch, evaluate, and make purchases.

Merchandise displays may employ a variety of cues to capture customers' attention, including color, lighting, music, ease of movement, information signs, and price tags (Behe et al., 2013). The store's interior design, layout, atmospherics, and merchandising displays are all the retailer uses to communicate and interact with their customers (Hefer and Cant, 2013). In the eyes of customers, merchandise display boosts a store's appeal and perceived image. Color and lighting combinations have a major impact on purchasing intentions, leading to beneficial consumer purchase behavior and store patronage (Law et al., 2012).

3. METHODOLOGY

The study was exploratory and quantitative in nature, since it was undertaken to better understand the nature of the problem and because very few studies on convenience store layout in Kwa Mashu had been undertaken. According to Sekaran (2003), exploratory research is conducted when little is known about the situation at hand or when no information is accessible on how similar problems or research concerns have been solved in the past. The research also included the use of structured questions with predetermined response alternatives, as well as a high number of respondents, to generate scientific, concrete, and projectable numerical data that could be statistically analyzed from large samples.

Figure 1: A S–O–R Model of consumer retail purchase behaviour



Source: Thang and Tan (2003)

The survey method was used to collect data, which is a systematic approach to gathering data from a large number of people using questionnaires. As a result, personal interviews were conducted, utilizing questionnaires to the selected sample. Convenience sampling method since practically everyone shops at the convenience stores, and samples are easier to set up, less expensive in terms of money, and appropriate in terms of representativeness within the intended scope of the defined research. From the 40 convenience stores in Kwa Mashu, a total of 400 participants were recruited to participate in the study.

A cross-sectional study was conducted because it measured units from a random sample of the population at a single point in time. The main benefit of cross-sectional research was that it allowed for the collection of data from a diverse group of people in a short space of time. The survey method was used to gather primary data through self-administered questionnaires that were closed-ended. Some of the questions were multiple-choice, while others were structured on a Likert scale. Likert scales and multiple-choice questions were chosen because they are easy to code and analyze. The questionnaire was pre-tested before being distributed to ensure that the content and sequence of questions were correct. Any necessary revisions were done before the start of the research.

To reduce errors, the data were coded and edited, making it easier to capture the data into the latest SPSS package. The questionnaires were counted and re-counted several times to confirm that all respondents had satisfactorily answered and finished the questions. To guarantee that there were no data capture issues, the data were double-checked. After the data was gathered, it was subjected to a variety of analyses. The variables were used to calculate descriptive statistics, such as frequencies and percentages. Bar and pie charts were used to display the results graphically. The sample was rather large, with 400 responses, to strengthen the reliability of the findings.

4. RESULTS

Figure 2 shows that 30% of the respondents were between the ages of 18 and 29, 34% were between the ages of 30 and 40, and 22.25% were between the ages of 41 and 55. 13.75% of those polled were over the age of 56. As a result, the bulk of customers (64%) are between the ages of 18 and 40 (young and middle-aged). Senior citizens make up a small percentage of convenience store patrons. According to the results, the 18–40 age group has an impact on convenience stores.

36.5% of the participants in the study were men, while 63.5% were women. Women are the primary shoppers, according to the findings (Figure 3).

Figure 4 depicts that 14.75% of respondents shop once a week, 53% shop twice a week, and 32.25% shop three times a week or more. According to the findings, a large percentage of respondents (85.25%) go shopping twice or more per week. Consumers shop frequently, as evidenced by the results.

Figure 2: Age of respondents

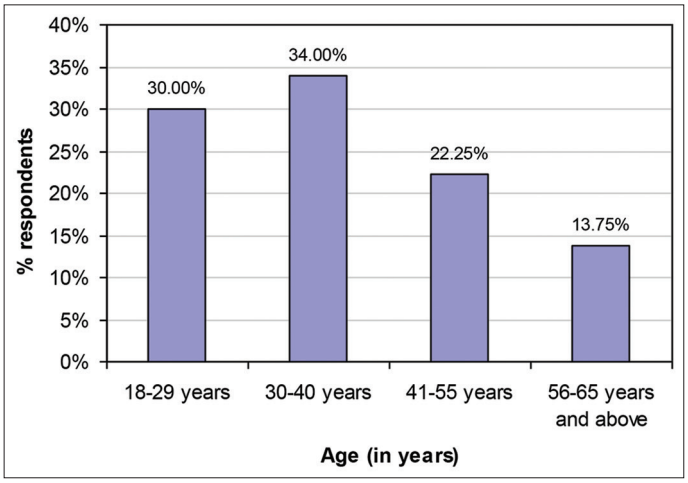


Figure 3: Gender of respondents

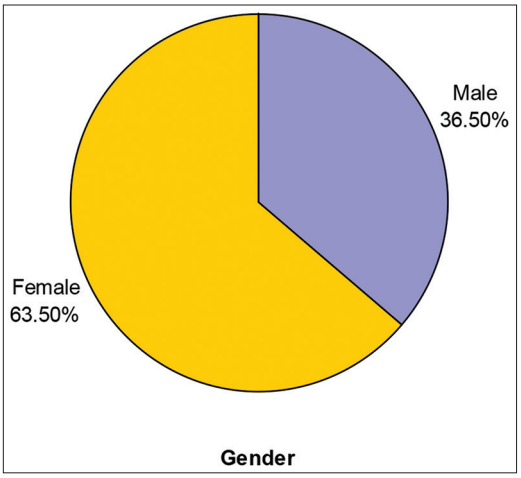


Figure 4: Frequency of shopping

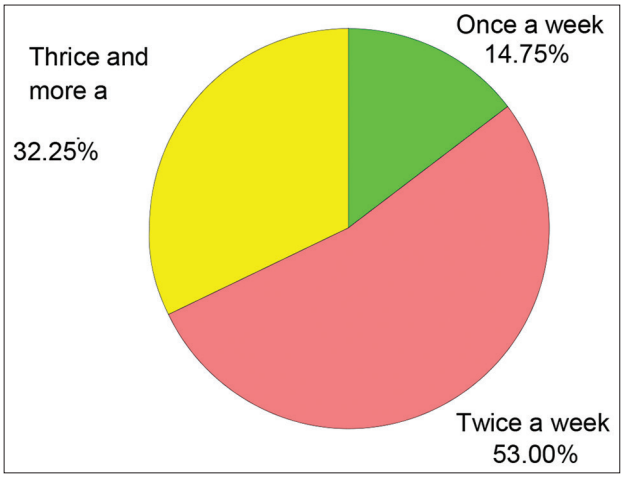


Figure 5 shows that 4.75% of respondents strongly disagreed that they encounter problems with merchandise display, 15.5% disagreed, 11.5% were unsure, 42.5% agreed that they encounter problems with merchandise display, and 25.75% strongly agreed. As a result, the majority of respondents (68.25%) had issues with merchandise display in convenience stores. As a result, it is reasonable to infer that, because customers have issues with merchandise display, convenience shop patronage would suffer as a result.

Figure 6 shows that 17% of convenience store respondents strongly disagreed, 36% disagreed, 6% were uncertain, 23.25% agreed, and 17.75% strongly agreed that they found floor space adequate in convenience stores. As a result, the findings show that a large percentage of respondents (53%) thought the convenience store floor area in Kwa Mashu was inadequate.

Figure 7 shows that 16% disagreed that convenience stores in Kwa Mashu were poorly planned, while 26.25% disagreed, 2% were unsure, 31.75% agreed that convenience stores in Kwa Mashu were poorly planned, and 24% strongly agreed. Overall, the data show that a large number of the respondents (55.75%) thought convenience stores in Kwa Mashu were poorly designed.

Figure 5: Encountering problems with merchandise display in stores

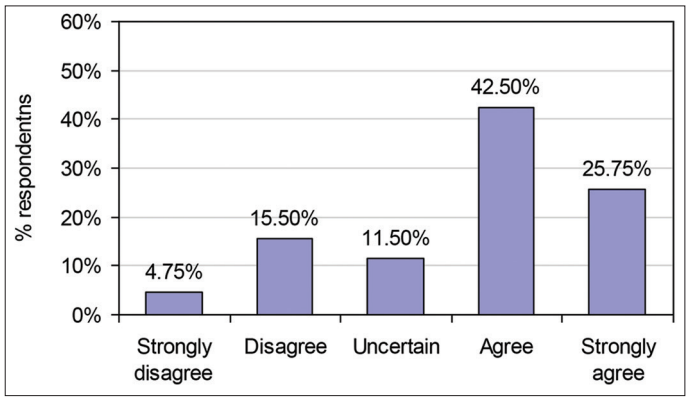
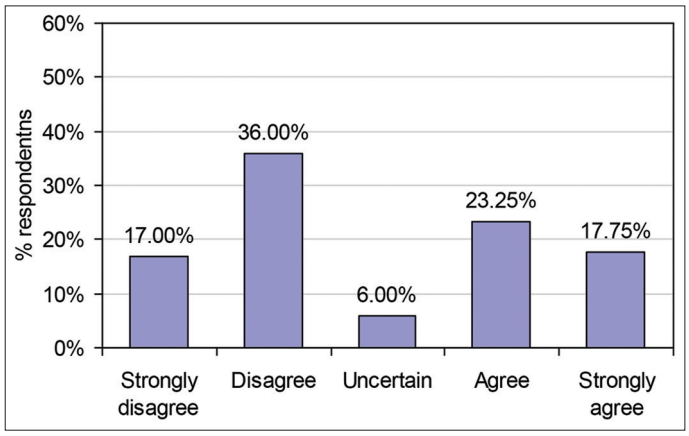


Figure 6: Adequacy of the floor space



As a result, the layout and patronage of a store are affected by its design.

Figure 8 illustrates that good store entrances were regarded as one of the important components of store layout by 23.31% of the respondents, while good merchandise display was regarded as the important component by 33.84%, store appearance was regarded as the best component by 29.07%, and easy accessibility was regarded as the best component by 13.78%. The most important aspect of a good retail layout was the merchandise display.

Figure 7: Store is badly designed

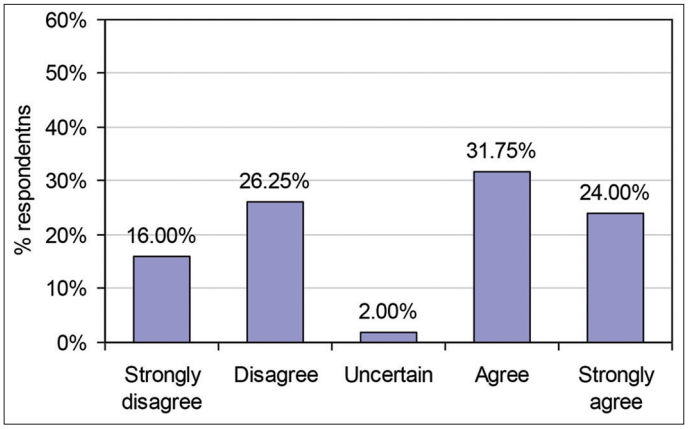


Figure 8: Important components of a good store layout

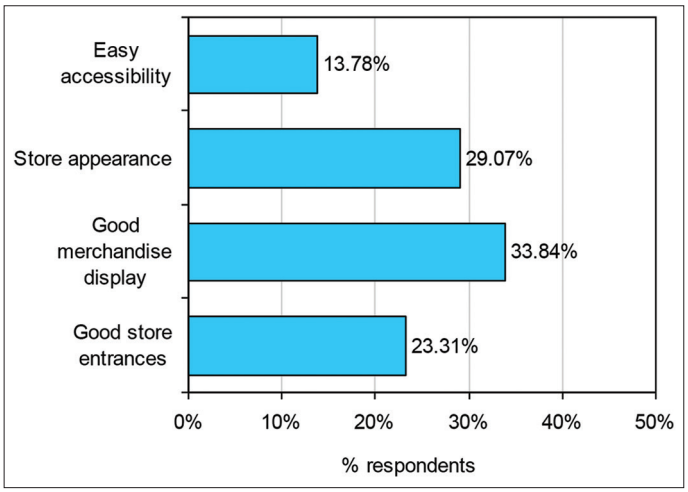


Figure 9: Repeat Shopping at convenience stores

The shopping dispersion of the responders to shop again is shown in Figure 9. In the sample, 82% said they would definitely buy from convenience stores in Kwa Mashu again, while % said they would not. As a result, Kwa Mashu's convenience stores have a high rate of return business.

5. CONCLUSION

In this study, the impact of store layout and consumer purchasing behaviors at convenience stores in Kwa Mashu was highlighted. It can be concluded that retailers must implement a retail strategy, which includes targeting potential customers, understanding what products they purchase, and determining which forms of advertising will be most effective in reaching this essential target group. Retailers must understand their store's location to deliver the greatest service levels, pricing policies, goods assortment, store environment, and store image. Retailers should strive to sell products or services that meet the demands of their customers. A retail strategy can assist in providing day-to-day operational guidance.

Consumers may compare their thoughts, beliefs, attitudes, and behaviours to those of others in society in the context of consumer buying behaviour. After deciding on a brand and a retail location, customers must complete the transaction. This method includes what is typically known as product acquisition. Convenience stores should make it as simple as possible for customers to purchase items. This includes simple strategies such as keeping track of how much time you spend in line at the checkout counter. Many businesses seemed to forget that the actual purchase act is frequently the consumer's last contact with the store on that particular trip.

Retailers should work to improve the appearance and image of their establishments. It was also revealed that store layout has a big influence on customer behaviour and is a big factor in how a business looks. In-store traffic patterns, shopping atmosphere, shopping behaviour, and operational efficiency are all influenced by layouts. Most respondents in Kwa Mashu were concerned about crowd density and insufficient retail traffic flow, therefore improving traffic flow is particularly crucial at convenience stores.

It is also suggested that convenience stores in Kwa Mashu evaluate the importance of merchandise display and assortment, as data reveal that customers have difficulty discovering items while shopping. Store layout and visual merchandising are two aspects that contribute to a store's distinctiveness. Retailers must develop the "leanest" and "agile" methods for delivering the right product at the right place at the right time in lower consignment amounts with increasing frequency.

It is suggested that a qualitative study be conducted to learn more about store layout and its effects on consumer purchasing behaviour in convenience stores. Some respondents wanted to

say more about the store layout and their purchase habits, but the questionnaire was not written in such a way that they could. As a result, additional research, such as qualitative study, is advised.

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