

The Impact of Visual Merchandising on Customer Buying Decisions with Special Reference to Fashion Retailing Stores in Sri Lanka

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Fashion retailing industry is one of the fast growing industries in Sri Lanka. Visual Merchandising is an emerging concept, which was focused in this study and the problem centered here is that the extent to which the visual merchandising impact on customer buying decisions.

The primary objective of this study is to identify the extent to which visual merchandising makes impact on customer buying decision in fashion retailing stores in Sri Lanka.

This study was based on both primary and secondary data. The primary data were collected from the sample survey conducted in seven selected areas in Kandy District. 175 respondents were selected for the sample. Based on the literature, researcher selected five variables namely, Window display, Store Design layout, Mannequin display, Background music and promotional signage. Both inferential and descriptive statistical tools used to analyze the data.

The study revealed that, the influence made from Window display and Promotional signage on consumer buying decision is very significant and the mannequins moderately influenced on customer buying decision. The overall conclusion is that, Visual Merchandising has a significant impact on buying decisions of customers in fashion retailing stores in Sri Lanka and it was further suggested that, retailers must strategically allocate their resources wisely towards these tools of visual merchandising to generate a greater appeal to the prospective customers.

Key words: *Visual merchandising, Customer buying decisions, Fashion Retail*