THE IMPACT OF VISUAL MERCHANDISING ON CONSUMER BUYING BEHAVIOUR: EVIDENCE FROM THE FASHION RETAIL INDUSTRY IN BANGLADESH

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DECLARATION

I declare that this dissertation is my own creation and has been completed according to the academic requirements of my programme. All sources of information used in this study have been recognized and cited in the dissertation. This work has not been submitted either wholly or in part for any other degree or qualification at this or any other institution.

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ABSTRACT

This dissertation examines how visual merchandising influences consumer buying behaviour in Bangladesh's fashion retail sector, with store image treated as the key mechanism linking in-store cues to behavioural responses. The study addresses a practical problem in a fast-growing, highly competitive market where retailers face intense seasonal demand spikes (especially Ramadan–Eid) and rising expectations for organised, experience-led shopping environments. Using a pragmatic, abductive approach, the research applies the Stimulus–Organism–Response logic to a secondary-data multiple case study of three prominent retailers: Aarong, Bata Bangladesh, and YELLOW. Evidence was drawn from publicly available sources, including company announcements and websites, annual reports where available, and reputable media coverage, and was analysed through within-case explanation building and cross-case synthesis to compare how storefront cues, layout, lighting and colour, and product display are implemented in different formats. Findings show that visual merchandising works best as a coordinated system rather than isolated design choices. Across cases, window display and frontage acted as the first decision gate that shaped store entry and expectations, while layout mattered most under crowd pressure by reducing friction and supporting smoother browsing and fitting-room flow. Lighting and colour generally functioned as a "quality baseline" that reinforced professionalism and product confidence, becoming a differentiator mainly when used strategically to guide attention. Product display influenced behaviour by reducing decision effort through clear grouping, controlled density, and easier navigation. Overall, store image emerged as the connecting judgement that translated these cues into trust, perceived value, and stronger purchase likelihood. The dissertation concludes that retailers can manage visual merchandising as an operational system with measurable outcomes, supported by practical recommendations on frontage routines, friction-reducing layouts, minimum lighting standards, display discipline, and chain-level governance, while noting limitations from reliance on secondary data and limited access to store-level KPIs.

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LIST OF ABBREVIATIONS

Abbreviation	Full Form
VM	Visual Merchandising
S–O–R	Stimulus–Organism–Response
GDP	Gross Domestic Product
KPI	Key Performance Indicator
BDT	Bangladeshi Taka
BRAC	Bangladesh Rural Advancement Committee
TBS	The Business Standard
Beximco	Beximco Group
BIDA	Bangladesh Investment Development Authority
SEM	Structural Equation Modeling
PLS-SEM	Partial Least Squares Structural Equation Modeling

CHAPTER 1: INTRODUCTION

1.0 CHAPTER OVERVIEW

This chapter introduces the study on the impact of visual merchandising on consumer buying behaviour in the fashion retail industry, with particular attention to the Bangladeshi context. It first outlines the wider economic and retail landscape, highlighting the growth of the Bangladeshi consumer market and the rise of organised fashion retail. It then explains why visual merchandising has become a strategic tool for creating appealing store environments and supporting brand image. Next, the chapter presents the research rationale. It summarises what is known from international and regional literature on store atmospherics and consumer behaviour and identifies key gaps, especially the limited evidence explaining how visual merchandising operates in practice within emerging markets such as Bangladesh. These theoretical and practical arguments lead to a clear research gap that justifies a structured secondary-data, multiple case study design. To address this gap, the study adopts a multiple case study approach using publicly available secondary evidence to examine how leading Bangladeshi fashion and lifestyle retailers apply visual merchandising cues and how these cues relate to store image and observable consumer responses. Finally, the chapter sets out the research aim, objectives, and research question and provides an overview of the dissertation structure.

1.1 BACKGROUND OF THE STUDY

Bangladesh has transformed from a low-income to a fast-growing emerging economy, recording average annual GDP growth of about 6.4% between 2016 and 2021, compared with a global average of 2.9% (Munir et al., 2023). The country is projected to become the 9th largest consumer market by 2030, with the middle and affluent class expected to reach about 34 million people by the mid-2020s, and domestic consumption already accounting for nearly 70% of GDP (Munir et al., 2023; BIDA, 2024). A young, urbanising population is reshaping consumption patterns and driving demand for branded fashion, lifestyle products and modern retail experiences (Munir et al., 2023).

FIGURE 1.1: TOP TEN TEXTILE MANUFACTURING COUNTRIES BY EXPORT VALUE, 2024 (SOURCE: ECONOMICS OBSERVATORY, 2025)

The textile and apparel sector sits at the centre of this change. Bangladesh is now the world's second-largest apparel exporter, with the ready-made garment industry generating tens of billions of dollars in export earnings and employing more than four million workers (Economics Observatory, 2025). Alongside export success, domestic fashion retail is expanding as organised formats such as shopping malls, branded chain stores and lifestyle showrooms grow in major cities like Dhaka and Chattogram, supported by the spread of fashion e-commerce and social commerce platforms (Khan et al., 2023).

Globally, the fashion industry faces slower growth, margin pressure and more value-conscious consumers, which pushes brands to compete on experience as well as price and product (McKinsey & Company, 2023). In this context, the physical store remains important as a place where brands create emotional connection, tell stories and support omnichannel journeys. Visual merchandising (VM) sits at the heart of this effort and includes window displays, store layout, lighting, colour schemes, mannequins, fixtures and digital displays that shape how customers feel and behave in the store (Mondol et al., 2021; Enock and Srinivasan, 2025). Research in different countries shows that well-designed VM can increase store entry, time spent in store, impulse buying and purchase intention, although its effects may vary by culture, income level, retail maturity and product category (Nyagba and Tsetim, 2022; Singh and Basu, 2022; Khan et al., 2023; Turley and Milliman, 2000; Vieira, 2013).

In Bangladesh, most academic work still focuses on export-oriented garment manufacturing rather than domestic fashion retail. Only a small number of studies examine how VM shapes local consumers' buying decisions, and these often treat the store environment in a broad way without unpacking specific visual elements or psychological mechanisms such as store image (Abdul, 2023; Khisa et al., 2020). This creates an opportunity to study VM more systematically

in Bangladeshi fashion stores and to explore not only whether it matters but how and why it affects consumer buying behaviour.

1.2 RESEARCH RATIONALE

1.2.1 THEORETICAL RATIONALE AND FRAMEWORK

A large body of research shows that the physical store environment influences consumer emotions, evaluations and behaviour. Early work on atmospherics and environmental psychology argues that cues such as layout, colour, lighting, music and design act as stimuli that shape emotional states and approach or avoidance responses, a view formalised in the Stimulus–Organism–Response (S–O–R) framework, where stimuli (S) affect internal states (O), such as affect and perceptions, which then drive behavioural responses (R) like time spent, purchases and loyalty (Mehrabian and Russell, 1974; Turley and Milliman, 2000; Vieira, 2013; Hochreiter et al., 2022).

Within this stream, visual merchandising is a key set of store stimuli. It is described as the planned presentation of products, fixtures and the retail environment to attract attention, communicate brand image and motivate purchase (Mondol et al., 2021; Arun and Satsangi, 2025; Enock and Srinivasan, 2025). Empirical work shows that dimensions such as window display, store layout, lighting and product display positively influence purchase intention, impulse buying and overall buying behaviour (Nyagba and Tsetim, 2022; Singh and Basu, 2022; Khan et al., 2023; Wanniachchi and Kumara, 2016).

Store image is another central construct, defined as the overall impression or attitude that consumers hold about a store based on attributes such as ambience, merchandise quality, price, service and convenience (Balaji and Maheswari, 2021; Turley and Milliman, 2000). Favourable store image is consistently linked to higher perceived value, satisfaction, loyalty and purchase intention (Balaji and Maheswari, 2021; Mondol et al., 2021; Ramya and Jangid, 2025), and VM is frequently identified as a major tool for building and expressing this image, especially in fashion and lifestyle retail (Khan et al., 2023; Akhilendra & Aravendan, 2023).

Despite this evidence, several aspects of the store environment–behaviour link remain unclear. Many studies treat atmospherics or VM as a broad package rather than isolating the effects of specific dimensions such as window display, layout, lighting, colour and product display (Turley and Milliman, 2000; Vieira, 2013; Nyagba and Tsetim, 2022). The psychological mechanisms through which VM affects behaviour are also not always modelled explicitly: store

image is often treated either as a broad outcome of the environment or as a direct predictor of purchase intention, rather than as a mediating variable that carries the effects of visual cues to behavioural responses (Balaji and Maheswari, 2021; Vieira, 2013; Singh and Basu, 2022).

The literature is also dominated by work from developed markets or a small set of large emerging economies such as India and Malaysia, with relatively little evidence from lower-middle-income countries like Bangladesh, where retail infrastructure, consumer expectations and cultural norms may shape how VM and store image influence behaviour (Mondol et al., 2021; Khan et al., 2023; Abdul, 2023). This study therefore addresses a specific gap: the lack of integrated, context-specific models that link distinct VM dimensions, store image and consumer buying behaviour in Bangladeshi fashion retail. Existing studies show that VM matters, but they do not systematically test how window display, store layout, lighting and colour, and product display work together to influence buying behaviour in this setting, and most Bangladeshi research either looks at retailing in general or focuses on direct effects of store design without modelling store image as a mediating mechanism (Mondol et al., 2021; Nyagba and Tsetim, 2022; Abdul, 2023; Khisa et al., 2020).

This gap matters theoretically because it limits understanding of how S–O–R processes operate in emerging-market fashion retail, where brand image, social signalling and rapid growth in organised retail may make visual cues especially important (Mehrabian and Russell, 1974; Vieira, 2013; Akhilendra and Aravendan, 2023). Without mediation analysis, it remains unclear whether VM affects behaviour directly or mainly through shaping store image. Addressing this gap can refine theory by clarifying the role of store image as the "organism" in the S–O–R chain and by identifying which visual elements are most consequential in a fast-growing but under-researched retail market, responding to calls for more context-sensitive and mechanism-focused research in non-Western settings (Turley and Milliman, 2000; Vieira, 2013; Khan et al., 2023).

1.2.2 PRACTICAL JUSTIFICATION

The theoretical gap has direct practical implications for fashion retailers and other stakeholders in Bangladesh. As the country moves towards becoming one of the world's largest consumer markets, domestic consumption already exceeds US$130 billion and is expected to grow further as the middle and affluent classes expand (Munir et al., 2023; BIDA, 2024). These consumers increasingly seek branded products and modern shopping environments, especially in fashion, where purchases are closely linked to identity, status and lifestyle.

Competition in the fashion sector is intensifying. Local brands such as Aarong, Cats Eye, Ecstasy and Sailor are expanding their store networks, while fast-fashion and online players are growing. Global reports show that fashion companies face slower top-line growth and more value-conscious shoppers, which pushes them to differentiate through customer experience and brand strength rather than price alone (McKinsey & Company, 2023). For Bangladeshi fashion retailers, how the store looks and feels can therefore be as important as what it sells.

Yet many managers still make VM decisions based on intuition, imitation of foreign chains or ad-hoc advice from designers rather than on empirical evidence about local consumers' responses. Without clear insights into which visual elements are most effective and how they build store image and buying behaviour, retailers may over-invest in expensive but low-impact features or under-invest in simple changes that could significantly improve customer experience, leading to missed sales, weak brand positioning and poor returns on store refurbishment.

A modern, efficient retail sector can also support urban development, jobs and tax revenues, but if fashion retailers fail to develop competitive, customer-centred store environments they may struggle against international entrants and online platforms, limiting the sector's contribution to inclusive growth. Evidence-based knowledge on how VM influences behaviour in local conditions can therefore inform training programmes, retail standards and support services for small and medium-sized fashion businesses.

From a managerial point of view, the key pain points include uncertainty about which aspects of store design to prioritise, difficulty in justifying VM budgets to owners and a lack of clear metrics linking store image and design decisions to sales and loyalty. By providing robust empirical evidence on the relationships between specific VM dimensions, store image and consumer buying behaviour, this study aims to reduce that uncertainty and help managers allocate resources more effectively.

1.3 RESEARCH CONTRIBUTION AND MOTIVATION

This study contributes to both academic knowledge and managerial practice by addressing the gap identified above. Theoretically, it extends Stimulus–Organism–Response based retail atmospherics theory to Bangladeshi fashion retail by modelling specific VM elements (window display, store layout, lighting and colour, product display) as stimuli, store image as the organism and consumer buying behaviour as the response. By testing the mediating role of

store image, the study clarifies whether VM works mainly through shaping overall perceptions of the store or also through direct behavioural effects, responding to calls for more mechanism-focused and context-sensitive research on store environments in non-Western settings (Turley and Milliman, 2000; Vieira, 2013; Khan et al., 2023).

Empirically, the study adds new quantitative evidence from an under-researched market by using a structured questionnaire survey of fashion shoppers in Bangladesh and applying multiple regression and mediation analysis (using the PROCESS Macro) to test the proposed relationships. This contrasts with much existing Bangladeshi retail research, which often relies on small, descriptive studies or simple correlations, and offers a more integrated picture of how the in-store environment influences buying behaviour.

Practically, the study provides fashion retailers with evidence-based guidance on which aspects of VM are most important for building positive store image and encouraging buying behaviour. The findings can help with decisions on store layout, window display design, lighting schemes and the display of products, and can help managers to justify investments in VM to owners and other stakeholders. The motivation for the research comes from the fact that the Bangladeshi fashion retail business is growing rapidly and it was noticed that many local retailers still rely heavily on price promotions and the basic store layout, even when the consumers were becoming more brand and experience conscious and thus more customer centred stores are required to keep up with the changing market and thus become more appealing to the consumer.

1.4 RESEARCH AIM, OBJECTIVES, AND QUESTIONS

1.4.1 RESEARCH AIM

The aim of this research is to examine how visual merchandising influences consumer buying behaviour in the fashion retail industry of Bangladesh, considering the mediating role of store image.

1.4.2 RESEARCH OBJECTIVES

The study is guided by the following objectives:

- To evaluate the impact of key visual merchandising elements (window display, store layout, lighting and colour, and product display) on consumer buying behaviour in Bangladesh's fashion retail industry.

- To examine whether store image mediates the relationship between visual merchandising elements and consumer buying behaviour in Bangladesh's fashion retail industry.

1.4.3 RESEARCH QUESTION

In line with the above objectives, the study seeks to answer the following question:

- How do visual merchandising elements, directly and indirectly through store image, influence consumer buying behaviour in Bangladesh's fashion retail industry?

1.5 DISSERTATION STRUCTURE

The remainder of this dissertation is structured as follows.

- **Chapter 2: Literature Review**, reviews key theories and previous studies on visual merchandising, store image and consumer buying behaviour. It critiques existing evidence, identifies gaps in the literature and formulates the conceptual framework and hypotheses of the study.
- **Chapter 3: Research Methodology,** outlines the research philosophy, research design, sampling strategy, questionnaire development, data collection procedures, data analysis techniques and ethical considerations.
- **Chapter 4: Data Analysis and Findings**, illustrates the survey results in the form of tables and figures. It includes descriptive statistics, reliability analysis, correlation analysis, regression analysis and the mediation test for the store image.
- **Chapter 5: Discussion,** interprets the findings of the research in light of literature, give explanations to how the results may be relevant to the theory and the associated practice, and reflect on the results and their importance.
- **Chapter 6: Conclusion and Recommendations,** provides summary of major findings of the research, main theoretical and practical contribution of the study and also limitation of the study and recommendations for the fashion retailers and future research.

CHAPTER 2: LITERATURE REVIEW

2.0 CHAPTER OVERVIEW

This chapter reviews the main theories and empirical studies related to visual merchandising, store image and consumer buying behaviour in fashion retail. It aims to build a clear conceptual base for the study and to show where gaps remain, especially in relation to Bangladeshi fashion retailers. The chapter first explains the concept of visual merchandising and then discusses its key dimensions. It then explores the idea of store image and its possible mediating role, followed by a review of consumer buying behaviour in fashion settings. After that, empirical studies from global, South Asian and Bangladeshi contexts are examined. Finally, the chapter identifies specific research gaps and presents the conceptual framework that guides the secondary-data case analysis in Chapters 4 and 5.

2.1 CONCEPT OF VISUAL MERCHANDISING

Visual merchandising (VM) is usually described as both a creative practice and a strategic tool that shapes how customers experience a retail store. Arun and Satsangi (2025) define visual merchandising as the planned presentation of products and the retail environment to attract customers, hold their attention and motivate them to buy. They stress that VM now covers the full store environment, from windows and exterior design to interior fixtures and digital displays. Enock and Srinivasan (2025) call VM the "art and science" of presenting products in a way that entices customers and strengthens sales, and they list product arrangement, window displays, layout, lighting and signage as core elements.

Many authors treat VM as a non-verbal communication tool. Nyagba and Tsetim (2022) argue that everything the customer sees, inside and outside the store, sends messages about style, quality and value. Khisa et al. (2020) make a similar point in the Bangladeshi apparel context, describing VM as the use of window displays, mannequins and floor merchandising to move customers from simple observation to purchase. Ramya and Jangid (2025) describe VM as a "silent salesperson" that shapes perceptions through layout, colour, lighting and product organisation.

Recent work also emphasises VM as a way to express brand personality and create a store "story". Mondol et al. (2021) argue that visual merchandising does not just improve store design, it also expresses store personality and reinforces brand image, which can increase customers' willingness to buy. A recent review by Akhilendra & Aravendan (2023) on apparel

fashion trends and VM shows that well-designed displays help communicate trends, encourage store entry and influence how customers perceive the store and the merchandise. Arun and Satsangi (2025) and Enock and Srinivasan (2025) both suggest that VM helps build meaningful and memorable shopping experiences that can lead to repeat visits and loyalty.

Conceptually, many of these authors place VM within the broader idea of retail atmospherics. Early work on store atmospherics and environmental psychology shows that environmental cues such as layout, colour, lighting and design act as stimuli that shape emotional states and approach or avoidance responses (Mehrabian and Russell, 1974; Turley and Milliman, 2000). A meta-analytic review by Vieira (2013) confirms that retailers can influence emotions and behaviour by managing physical stimuli. Recent reviews by Basu et al. (2022) also show that VM as a product-driven display function is closely linked to store atmosphere as a store-wide display function.

The Stimulus–Organism–Response (S–O–R) framework is often used to explain these relationships. In this view, VM cues are stimuli that influence consumers' internal evaluations and emotions (organism), such as store image and mood, which then drive responses such as time spent, purchases and loyalty (Vieira, 2013). Khan et al. (2023) link VM to store design and atmosphere and use the Mehrabian–Russell model to explain how visual stimuli such as window and mannequin displays, layout and lighting influence shoppers' emotional states. Singh and Basu (2022) also use an S–O–R lens and treat VM cues as environmental stimuli that trigger emotional reactions and impulse buying. In this thesis, VM is therefore understood as a set of planned visual stimuli that communicate brand messages, shape store image and influence consumer buying behaviour.

2.2 DIMENSIONS OF VISUAL MERCHANDISING

Although VM is often discussed as a single concept, empirical studies usually break it into specific dimensions that can be measured and managed. Across fashion, sports and supermarket research, four dimensions appear consistently and are particularly relevant to this study: window display, store layout, lighting and colour, and product display. A systematic review of VM practices by Dhillon et al. (2024) also shows that these elements form the core in-store VM toolkit across many formats.

2.2.1 WINDOW DISPLAY

Window display refers to the way products, mannequins and props are arranged in the front windows and exterior façade of a store. It is often described as the store's "first impression." Singh and Basu (2022) classify window display as part of exterior visual merchandising and argue that it must be impactful because it creates the first mental picture of the store. Their study of sports retail in India shows that window display is a strong predictor of impulse buying intention.

Nyagba and Tsetim (2022) describe how attractive show windows in Nigerian supermarkets prove "irresistible" for many shoppers and report a significant positive effect of window display on buying behaviour. A study of fashion retail stores finds that window and in-store displays are among the main VM elements that influence willingness to purchase, because they catch attention and help customers imagine how outfits will look. In the fashion context, Khan et al. (2023) find that window and mannequin displays significantly affect purchase decisions in Delhi–NCR retail chains, while Khisa et al. (2020) note that appealing windows increase the likelihood that Bangladeshi clothing shoppers will enter the store.

Research comparing high-end and fast-fashion window displays also indicates that windows are used differently based on brand positioning in the market, although in both instances they are important for storytelling and brand identity (Adhanom & Alvaro, 2023). Overall, these studies suggest that windows serve a function as selection device: they help consumers to decide whether the store is their taste, and whether it is worth going into.

2.2.2 STORE LAYOUT

Store layout refers to the arrangement of space, aisles, fixtures and departments. It affects the traffic flow, visibility and searchability. Nyagba and Tsetim (2022) view layout as an important component of VM which describes the process of allocating merchandise to the appropriate space and arranging the merchandise in a manner that helps to sell it.

Ramya and Rithika (2024) emphasize that the layout influences the movement of customers in hypermarkets and influences shopping comfort and satisfaction. In their study, a clean and logical layout is linked to a better shopping experience. Ramya and Jangid (2025) also conclude that layout, ambience and product arrangement affect buying decisions and revisit intentions at an Indian supermarket.

In terms of the effect of store layout on customer behaviour, Mondol et al. (2021) report positive and significant effect of store layout of purchase intention and argue that store layout can promote browsing behaviour by exposing customers to more sections and items. A recent study of European fashion retailers shows that store layout and VM together influence customers' shopping paths, time spent in store and purchase likelihood (Florea, 2025). Singh and Basu (2022) show that layout contributes to impulse buying for sports products by creating exposure to additional merchandise. These findings suggest that layout supports both planned and unplanned buying by reducing confusion and creating more opportunities to see products.

2.2.3 LIGHTING AND COLOUR

Lighting and colour are atmospheric tools that set mood, direct attention and reinforce brand identity. Ramya and Rithika (2024) describe lighting as a way to highlight products and create a pleasant atmosphere, while colour schemes convey different moods that must match the store's image.

Nyagba and Tsetim (2022) find that lighting and illumination have a strong positive effect on buying behaviour in Nigerian supermarkets. They explain that good lighting reveals the colour and details of merchandise and "pre-sells" the product before any staff contact. Singh and Basu (2022) also report that lighting affects impulse buying intention, although in their model its effect is weaker than that of window display.

Khan et al. (2023) show a more mixed picture. In their Delhi–NCR fashion study, lighting and colour have a relatively small impact on purchase decisions compared with other variables such as store design and atmosphere. A systematic review of VM suggests that this variation may reflect differences in store format, product type and customer segment: in some contexts lighting functions mainly as a hygiene factor, while in others it is a strong differentiator (Dhillon & Joshi, 2024). For fashion retailers in Bangladesh, lighting and colour are likely to work best when they support other VM elements and reflect the target brand personality, for example by using warmer tones and focused lighting to highlight key collections.

2.2.4 PRODUCT DISPLAY

Product display covers how items are arranged on shelves, racks, tables and mannequins. It includes decisions about grouping, facing, density and whether outfits or complementary items are coordinated.

Mondol et al. (2021) find that product display significantly increases purchase intention in fashion stores, because well organised displays signal quality and care. Ramya and Jangid (2025) report that product positioning and arrangement in supermarkets influence buying behaviour and satisfaction and note that customers respond positively to clear organisation and visually appealing shelf structures.

Enock and Srinivasan (2025) also highlight the role of product display. Their qualitative study shows that mannequins, thematic displays and in-store promotional stands help customers imagine how products will look or be used, which reduces decision effort and can lead to unplanned purchases. A recent study by Gagarin et al., (2025) from the Philippines finds that product display, packaging, signage and layout design together have a strong effect on purchase decisions, confirming that display is a central VM lever. In Bangladesh, Khisa et al. (2020) find that floor merchandising and product grouping in clothing stores influence shoppers' choices and perceptions of professionalism.

Taken together, these studies support the use of the four dimensions in this research. They suggest that window display, store layout, lighting and colour, and product display each have distinct but related effects on how customers experience the store and decide whether to buy.

2.3 STORE IMAGE AND ITS MEDIATING ROLE

Store image is the overall impression or mental picture that customers hold about a store. It is formed over time from multiple cues such as layout, décor, merchandise, price and service. Balaji and Maheswari (2021) describe store image as an attitude that arises from the combined evaluation of store attributes and show that it strongly affects shoppers perceived value and purchase intentions.

The literature suggests that store image is multi-dimensional. Physical environment includes layout, cleanliness, lighting and décor. Merchandise quality and assortment affect whether customers see the store as fashionable and reliable. Price perceptions, service quality and convenience also contribute to the image. Studies in apparel and supermarket contexts indicate that helpful staff, clear signage and easy navigation are part of a favourable store image (Khan et al., 2023; Ramya and Jangid, 2025). Research on store image in other sectors also confirms that clear in-store communication and consistent design support positive brand evaluations and loyalty (Bryden, 2022).

A number of studies link visual merchandising to store image. Nyagba and Tsetim (2022) argue that window displays, interior signage, shelf allocation and colour schemes help create and enhance the store's image in customers' minds. A systematic review of VM practices notes that layout, lighting and display, when consistently managed, become part of a recognisable store identity that shapes customer perceptions before any purchase is made (Dhillon and Joshi, 2024). Ramya and Rithika (2024) view VM as a key tool for shaping positive image and differentiating one retail outlet from another. Singh and Basu (2022) show that a combination of window displays, layout and lighting improves store attractiveness and atmosphere, which in turn supports impulse buying. Khan et al. (2023) show that store design and atmosphere, which include VM elements, significantly influence purchase decisions, which implies a strong role for perceived image.

Store image also affects downstream outcomes such as satisfaction, loyalty and purchase intention. Balaji and Maheswari (2021) find that a favourable store image increases both perceived value and intention to buy. Ramya and Jangid (2025) note that ambience, arrangement and service quality are key reasons for satisfaction and repeat visits. Research summarised by Mondol et al. (2021) shows that boutique store atmosphere influences customer loyalty and repurchase intention in fashion retailing. A more recent review by Bryden (2022) on store image and brand perceptions confirms that positive store image strengthens brand equity and long-term customer relationships.

These findings point to a likely mediating role. Visual merchandising shapes how shoppers see the store, and this store image then influences buying behaviour. However, most studies either treat store image as a direct predictor of behaviour or as a broad outcome of VM, without testing its formal role as a mediator. This gap is especially clear in Bangladeshi work such as Khisa et al. (2020), where VM and buying behaviour are linked directly and store image is not included in the model.

2.4 CONSUMER BUYING BEHAVIOUR IN FASHION RETAIL

Consumer buying behaviour in fashion retail refers to the cognitive, emotional and behavioural processes through which shoppers recognise a need, search for information, evaluate options, make purchases and reflect afterwards. It includes both rational and emotional factors.

From a rational side, consumers consider price, perceived quality, assortment and convenience. Studies in supermarket and general retail settings show that customers pay attention to value

for money and ease of finding products, and that layout and product organisation matter because they reduce search costs (Ramya and Jangid, 2025; Nyagba and Tsetim, 2022). Ramya and Rithika (2024) find that clear layout and information in hypermarkets improve shopping comfort and satisfaction, which are closely linked to purchase decisions.

Fashion buying also has strong emotional and symbolic aspects. Clothing and accessory's express identity, taste and status. Enock and Srinivasan (2025) note that visual elements such as colour schemes, lighting and signage appeal to customers' senses and feelings, which then shape decisions. Krishna Kumar's work, discussed by Enock and Srinivasan (2025), shows that attractive layouts and lighting increase the aesthetic appeal of apparel and make customers more likely to buy. A qualitative study of apparel retailers finds that VM displays guide consumers towards products they are seeking and influence buying behaviour on a subconscious level (Hefer & Can't, 2013). Window and mannequin displays in fashion stores can steer consumers towards certain brands and styles and support self-expression.

Many authors distinguish between planned and impulse buying. Singh and Basu (2022) define impulse buying as unplanned, quick decision-making driven by an immediate urge to purchase. Their Indian study finds that window display, layout and lighting all increase impulse buying intention for sports goods, with window display having the strongest effect. Enock and Srinivasan (2025) also report on spontaneous purchasing from window displays, signage and product arrangement, especially in younger purchasers. Studies from Sudan and Sri Lanka point to similar trends: Attractive VM and hedonic shopping motivations are triggers of impulse purchase across both apparel and general retail stores. At the same time, these elements facilitate planned buying by making information better and making comparison easier.

The store environment and emotional responses are important links between the visual stimuli and behaviour. Singh and Basu (2022) use a Stimulus - Response model in which VM is stimulus and the intention to buy is the response with affective reactions and perceived atmosphere in between. Enock and Srinivasan (2025) say that attractive displays and a nice environment make customers stay longer in store and therefore lead to higher exposure time of products and higher chance of a purchase. A recent study by Florea et al. (2025) on fashion retailers also shows that VM and store layout influence shopping decisions via perceived enjoyment and engagement, reinforcing the importance of emotional processes.

In emerging markets, similar patterns appear. Mondol et al. (2021) show that in fashion stores, layout and product display significantly affect purchase intention. A study in Makurdi, Nigeria,

finds that window displays, lighting and signage are key VM success factors and have a positive effect on consumer buying behaviour. Khisa et al. (2020) find that Bangladeshi apparel shoppers associate good visual presentation with higher product quality and professionalism. These results suggest that in fashion retail, buying behaviour is shaped by a mix of rational evaluation and emotional reactions to the visual and atmospheric qualities of the store.

2.5 EMPIRICAL STUDIES ON VM, STORE IMAGE AND CBB

Empirical work on visual merchandising, store image and consumer buying behaviour spans many countries and retail formats. This section groups key studies into global and emerging-market evidence, South Asian evidence and Bangladesh-specific work.

2.5.1 GLOBAL AND EMERGING-MARKET EVIDENCE

Mondol et al. (2021) investigate Malaysian fashion stores using a survey and PLS-SEM. They find that store layout, product display and cleanliness all have positive and significant effects on purchase intention, while colour and lighting also contribute to perceived store attractiveness. A related study on fashion retail stores shows that window display, mannequin display and shelf arrangement are among the main elements that influence willingness to purchase. Nyagba and Tsetim (2022) analyse supermarkets in Nigeria with regression analysis and report that window displays, layout, lighting and interior displays all significantly influence buying behaviour.

Ramya and Rithika (2024) and Ramya and Jangid (2025) study hypermarkets and a supermarket in India using descriptive surveys. Both show that store ambience, layout, promotions and product arrangement influence satisfaction, impulse buying and revisit intentions, although the analysis is mainly descriptive. Enock and Srinivasan (2025) use qualitative surveys in Indian retail stores and note that product arrangement, promotional materials and visual communication act as triggers for unplanned purchases.

Some recent studies focus more directly on store image and customer outcomes. Balaji and Maheswari (2021) use SEM to show that store image, measured through ambience, layout, merchandise and service, has a strong positive effect on perceived value and purchase intention. A 2023 review of fashion trends and VM by Akhilendra and Aravendan (2023a) highlights that store image and display strategies are central to building brand experience and long-term loyalty. However, in most of these studies, store image is treated as a predictor or broad outcome, rather than as a mediator between specific VM dimensions and behaviour.

2.5.2 SOUTH ASIA AND SIMILAR CONTEXTS

In South Asia, Singh and Basu (2022) examine VM and impulse buying intention for sports products. Using survey data and multivariate analysis, they find that window display, layout and lighting all significantly increase impulse buying, with window display the strongest driver. Khan et al. (2023) study fashion retail chains in Delhi–NCR using SEM. They show that window and mannequin displays, visual merchandising and store design and atmosphere have strong effects on purchase decisions, while lighting and colour, music and signage have smaller or non-significant effects.

A systematic review by Dhillon and Joshi (2024) of VM practices notes that in Indian and regional studies, VM is used to differentiate retailers in crowded markets, especially through mannequins, themed displays and re-modelled lighting. Other South Asian work, summarised by Ramya and Jangid (2025), reaches similar conclusions. Castelino's work on grocery stores and Bist and Mehta's study on multi-brand outlets both highlight the importance of atmospherics, displays and mannequins in differentiating retailers and driving impulse purchases (Bist and Mehta, 2023). Across this regional literature, VM is clearly important, but models tend to focus on direct effects and rarely include mediators such as store image or emotional responses.

2.5.3 BANGLADESH-SPECIFIC EVIDENCE

There is still limited empirical work on VM, store image and consumer buying behaviour in Bangladesh. Khisa et al. (2020) provide one of the few direct studies. Using a survey of clothing shoppers, they find that exterior design, window displays, interior layout, lighting and cleanliness significantly affect customers' buying decisions. Their results indicate that Bangladeshi consumers respond strongly to well-designed retail spaces. However, the study focuses on direct relationships and does not include store image or other mediating variables.

Other Bangladeshi research tends to look at retailing more broadly. Abdul (2023), for example, notes that store appearance, convenience, product quality and service quality are major drivers of store loyalty in urban Bangladesh and that price alone is no longer enough to keep customers. This aligns with international research on atmospherics but still does not provide a detailed model linking specific VM elements, store image and buying behaviour.

Across the empirical literature, several patterns stand out. Many studies use convenience samples from single cities or stores, which limits generalisability. A large number rely on descriptive analysis or simple regression, and only a few apply more advanced methods such

as SEM or mediation analysis. Most importantly, there is almost no work in Bangladesh that models store image as a mediator between VM and consumer buying behaviour, even though theory and foreign studies suggest that this pathway is likely.

2.6 RESEARCH GAPS AND JUSTIFICATION

The review shows consistent support for the idea that visual merchandising influences consumer buying behaviour in different retail contexts. However, three clear gaps remain, especially in relation to Bangladeshi fashion retail.

First, there is limited Bangladesh-focused research that examines how the core VM dimensions are implemented and experienced in real stores using verifiable evidence across major retailers. While international studies provide strong general patterns, fewer studies explain how these cues operate in Bangladesh's organised fashion retail environment and how execution differs by store format and brand positioning.

Second, there is little or no Bangladesh-based work that clearly explains store image as a mechanism linking VM cues to buying behaviour. Although store image is widely recognised as important, many models treat it either as a direct predictor or a broad outcome, rather than explaining how VM cues build store image and how that image then supports purchase-related behaviour in practice.

Third, existing evidence often relies on single-setting or single-format perspectives, which limits the ability to compare patterns across retailers and to explain contextual differences such as flagship versus chain formats, multi-category lifestyle versus footwear retail, and peak seasonal conditions such as Ramadan–Eid shopping pressure.

This study is designed to address these gaps through a secondary-data, multiple case study of three Bangladeshi retailers (Aarong, Bata Bangladesh, and YELLOW). Using a consistent analytical framework, the study examines how VM cues (window/frontage, layout, lighting and colour, and product display) shape store image attributes such as perceived quality, trust, comfort, and professionalism, and how these perceptions relate to consumer buying behaviour. Instead of statistical hypothesis testing, the dissertation uses triangulated case evidence and cross-case synthesis to refine theory-based explanations and identify practical, context-specific implications for Bangladeshi fashion retail.

2.7 CHAPTER SUMMARY

This chapter has reviewed the literature on visual merchandising. It defined VM and its main dimensions, discussed the concept of store image and its potential mediating role, and examined how consumers behave in fashion stores. It then reviewed empirical studies from global, South Asian and Bangladeshi contexts, highlighting consistent findings and important gaps.

The review showed that VM is a powerful tool that influences how consumers perceive stores and make buying decisions, but also revealed a lack of integrated models that connect VM, store image and behaviour in Bangladeshi fashion retail. In response, the chapter developed a conceptual framework that will be used as an analytical lens for the secondary-data case studies. The next chapter explains the research methodology and the procedures used to collect and analyse secondary evidence for within-case and cross-case comparison.

CHAPTER 3: RESEARCH METHODOLOGY

3.0 CHAPTER OVERVIEW

This chapter explains and justifies the methodology used to address the dissertation aim and questions on how visual merchandising (VM) in Bangladeshi fashion retail shapes store image and influences consumer buying behaviour. It gives a clear and transparent account of the methodological choices made, the cases selected, the data sources used, and the analysis approach, so the study is replicable and academically defensible. The research is designed as a secondary-data, multiple case study. This approach fits the topic because VM is experienced inside real stores and is shaped by brand position, store format, and market context. The chapter is organised as follows. Section 3.2 explains the research philosophy, approach, and design using Saunders et al.'s Research Onion. Section 3.3 justifies the case study strategy and the use of secondary data. Section 3.4 explains case selection and sampling. Section 3.5 describes data sources and collection. Section 3.6 explains the analysis process. Sections 3.7 and 3.8 cover research quality and ethics. The chapter closes with a short summary in Section 3.9.

3.1 RESEARCH ONION

Research Onion is used to structure the main methodological choices in a logical order, from research philosophy to practical methods (Saunders et al., 2019). Figure 3.1 presents the Research Onion farmwork to show the alignment between the philosophical stance, the research approach, the strategy, and the analytical methods.

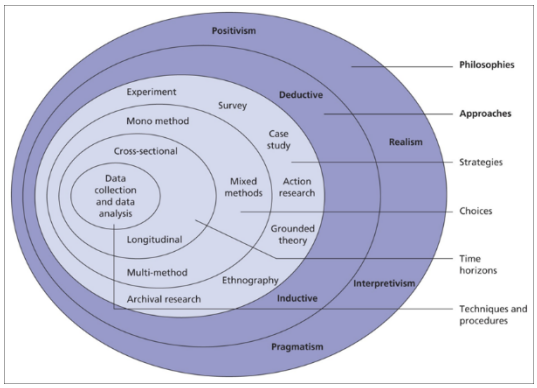

FIGURE 3.1: RESEARCH ONION FARMWORK

3.1.1 RESEARCH PHILOSOPHY

This dissertation adopts the research philosophy of pragmatism. Pragmatism emphasizes the most appropriate methods and evidence to answer the research question; it values practical insight without disregard to theory. This position is appropriate because VM is a business

practice designed by retailers under actual constraints such as space, cost, customer traffic and competition. A pragmatic approach supports the use of multiple public sources (e.g., annual reports, store launch news, brand communications, and credible commentary) to develop a grounded explanation of the workings of VM cues as they will play out in context.

At the same time, pragmatism requires careful judgement about evidence quality. Company materials may highlight success and brand ideals, while press or commentary may focus on headline events rather than daily store execution. The study therefore treats all sources critically and relies on triangulation to reduce one-sided interpretation.

3.1.2 RESEARCH APPROACH

The study follows an abductive approach. Abduction starts from a theory-guided framework (developed in Chapter 2) and then uses real-world evidence to confirm, refine, or qualify what theory predicts. This fits the VM topic because the literature suggests general relationships, for example, VM cues (stimuli) influence internal evaluations such as store image (organism), which then shape behavioural outcomes (response), as explained by the S–O–R logic and retail atmospherics work (Mehrabian and Russell, 1974; Vieira, 2013).

However, the literature also shows boundary conditions. Some cues (like window displays) often act as strong attention triggers, while others (like lighting) may be a "hygiene factor" in some formats and a differentiator in others. An abductive approach supports this by allowing the analysis to move between theory and case evidence and explain differences across brands and store formats rather than forcing one fixed pattern onto every case.

3.1.3 RESEARCH DESIGN AND TIME HORIZON

The research design is a multiple case study based on secondary data. Case study research is suitable when the aim is to understand a phenomenon in its real setting and to answer "how" and "why" questions where the phenomenon cannot be separated neatly from context (Yin, 2018). This matches VM because layout, lighting, product presentation, and brand identity operate together as one store experience.

The time horizon is mainly cross-sectional because data collection and analysis were carried out within one defined dissertation period (Saunders et al., 2019). Still, many of the documents used in each case span more than one year (for example, store concept descriptions, recurring campaigns, and annual reporting cycles). This gives richer context about how VM practices are

maintained or updated, even though the study does not track numerical performance over time as a formal longitudinal design.

3.2 RESEARCH STRATEGY: CASE STUDY METHODOLOGY

A case study strategy is appropriate because the research questions focus on how VM is implemented and how it shapes store image and buying behaviour in practice. Case studies permit deep, contextual understanding and exploring mechanisms and contingencies instead of just measuring variables at a distance. They also are used to support theory building or refinement by comparing what is found with what the literature predicts.

Secondary data is suitable for two reasons. First, it allows access to evidence that would be difficult to obtain through primary research, especially when studying well-known retailers where store design decisions and brand narratives are distributed across public channels rather than available through interviews. Second, secondary data supports triangulation because the same store initiative or format change can often be checked across company materials, independent reporting, and sector commentary, which strengthens credibility.

A multiple case design strengthens the analysis through replication logic. When similar patterns appear across different retailers, confidence in the explanation improves. When patterns differ, the differences help explain how context (brand position, category focus, store format, customer segment) shapes VM effectiveness. The study also recognises limits of secondary data, including incomplete detail and potential success-story bias, and these limitations are addressed later under research quality and limitations.

3.3 CASE SELECTION AND SAMPLING STRATEGY

Case selection followed purposive (theoretical) sampling. This is appropriate for case study research because the goal is not statistical representation but selecting information-rich cases that illuminate the phenomenon and allow analytical generalisation to theory (Eisenhardt, 1989; Yin, 2018).

Three Bangladeshi fashion and lifestyle retailers were selected: Aarong, Bata Bangladesh, and YELLOW. These cases were chosen using explicit criteria recommended for rigorous case selection: relevance, information richness, diversity, currency, and credibility.

- **Relevance:** All three retailers operate physical stores where VM is central to the customer experience and brand communication.

- **Information richness:** Each retailer has sufficient public material (websites, campaigns, store descriptions, reporting, and credible press coverage) to support structured analysis.
- **Diversity:** Diversity is present in the brands and retail formats of the cases, making contingency analysis possible. Aarong is a heritage and craft-led lifestyle retail chain; Bata is a large national footwear chain with multiple formats; YELLOW is an organised lifestyle fashion chain inhabiting the malls and high streets. This variation tests whether or not VM effects are dependent on positioning and contextual store.
- **Currency:** The cases are not an old store concept, but are relevant to modern retail practice which has relevance to today's urban Bangladeshi retail environment.
- **Credibility:** Priority was given to verifiable sources (for example, annual reports where available, official announcements, and reputable business press) to reduce misinformation risk.

3.4 DATA SOURCES AND DATA COLLECTION

This research uses secondary data that is available to the public. Sources were classified into three categories: those published by the companies, reliable business press, and supporting information from the market context. Company sources included official websites, press releases and announcements from campaigns, descriptions of stores, and annual reports or integrated reports where available. These sources offer direct statement of store strategy and VM intend though they may reflect marketing objectives, so they were not considered as neutral evidence by themselves (Bowen, 2009). Reputable business press and credible national reporting were used to get more independent reporting of store launches, store formats, brand positioning and market response. Sector and market context sources helped to explain competitive conditions, but case conclusions were based primarily on case-specific evidence rather than on broad market averages. Data collection was a process which followed a structured format: documents were identified (using consistent search terms) and screened to determine relevance to the research question, logged with details of the source material, and extracted into a standard case template to enable within-case and cross-case analysis (Yin, 2018). Triangulation was used by verifying important claims within various source types (Bowen, 2009; Yin, 2018).

3.5 DATA ANALYSIS PROCEDURES

Data analysis was carried out in a designed order to connect the case evidence with the conceptual framework in Chapter 2 as VM cues are stimuli that shape store image and subsequently consumer responses (Mehrabian and Russell, 1974; Vieira, 2013). First, within-case analysis was carried out for each retailer around a standard template, consisting of case context, key challenge/opportunity, VM approach and implementation evidence, and observable outcomes (Yin, 2018). Evidence was then mapped to the four aspects of VM: window display (frontage, storytelling, campaign visuals), store layout (zoning, circulation, navigation cues), lighting and colour (atmosphere and visibility cues) and product display (fixtures, mannequins, grouping, density). The analysis focused on how these cues signalled the store image attributes such as quality, brand identity, professionalism, comfort and ease of browsing (Balaji and Maheswari, 2021; Bryden, 2022). Finally, cross-case comparison revealed repeating patterns and meaningful differences supported by pattern matching and explanation building to link actions to outcomes (Yin, 2018).

3.6 RESEARCH QUALITY AND TRUSTWORTHINESS

Research quality was ensured using recognised case study criteria (Yin, 2018). Construct validity was strengthened by using clear literature-based definitions of VM dimensions and store image and by triangulating key claims across multiple sources (Mehrabian and Russell, 1974; Vieira, 2013; Yin, 2018). Internal validity was supported through careful reasoning, consistent case templates, and consideration of alternative explanations such as promotions, pricing, seasonality, and wider economic conditions when interpreting outcomes (Yin, 2018). External validity was addressed through analytical generalisation, using the cases to refine theory-based understanding rather than claiming statistical representativeness for all Bangladeshi retailers (Yin, 2018). Reliability was supported by documenting data sources, extraction steps, and the analysis process so the approach is traceable. Trustworthiness was also considered through credibility, transferability, dependability, and confirmability, achieved via triangulation, clear case context, consistent methods, and organised evidence record (Lincoln and Guba, 1985).

3.7 ETHICAL CONSIDERATIONS

This dissertation is not a direct involvement of individuals, and it makes use of public secondary data, which does not include information that is personal or private. Even so, ethics

in practice is important. All sources were referenced correctly so as to avoid plagiarism and allow readers to track the evidence. The dissertation also aimed to be fair to companies through not making unsupported claims and through separating evidence and interpretation. Where outcomes were not directly measured in public sources, the study was cautious in its language and used credible proxy indicators instead of making strong causal claims. This approach is in line with ethical principles on responsible research reporting (Yin, 2018; Bowen, 2009).

3.8 METHODOLOGICAL LIMITATIONS

This study has limitations that are related to secondary data and case study design. First, public sources are not always detailed enough regarding store-level performance indicators such as conversion rate or average basket size. This can play a limiting role in relating the changes in the VM to the results in the sales. Second, the company sources may be positive and press coverage may be focused on major events rather than day-to-day practice in stores. Third, the study is unable to measure the consumer's internal feelings, as it has not utilized primary surveys or interviews. Instead, it makes inferences such as store image and perceived quality by relating case evidence to established theory and previous research (Mehrabian and Russell, 1974; Turley and Milliman, 2000; Vieira, 2013).

These limits were reduced through triangulation, careful interpretation, and transparent writing. However, they remain part of the study's boundaries, and they are considered when drawing conclusions and recommendations in later chapters (Yin, 2018).

3.9 CHAPTER SUMMARY

This chapter explained the methodology used in the dissertation. The study adopted a pragmatic philosophy and an abductive approach, using a secondary-data multiple case study design. Three Bangladeshi fashion and lifestyle retailers were selected purposively to support theory-linked analysis and cross-case comparison. Data were collected from credible public sources and analysed through within-case analysis and cross-case synthesis using the VM framework from Chapter 2. Research quality was supported through triangulation, consistent case structure, and transparent evidence-based reasoning. Ethical practice was maintained through accurate referencing and fair reporting, and key limitations of secondary case research were acknowledged. The next chapter presents the findings from the three cases in a structured and comparable way.

CHAPTER 4: FINDINGS

4.1 CHAPTER OVERVIEW

This chapter presents the findings from a secondary-data case study approach, using publicly available evidence to examine how Bangladeshi fashion and lifestyle retailers use store environment and visual merchandising (VM) to attract customers, guide shopping behaviour, and strengthen brand positioning. The findings are organised into three focused case studies from Bangladesh: Aarong (a craft-led, heritage lifestyle retailer and BRAC social enterprise), Bata Bangladesh (a large national footwear chain with multi-format retail concepts), and YELLOW (an organised lifestyle fashion chain under Beximco).

The cases were selected because (i) they operate in highly competitive urban retail environments, (ii) they face strong seasonal demand spikes (especially Ramadan–Eid), and (iii) there is enough credible public information (company disclosures, annual reports, and reputable media coverage) to describe store format decisions and VM-related practices. Each case study follows a consistent structure: background and context, the core challenge or opportunity, the VM-related approach and implementation evidence (frontage, layout, lighting/colour, and product presentation), and observable outcomes (using disclosed metrics where available, or proxy indicators when store-level KPIs are not published).

4.2 CASE STUDY 1: AARONG (BANGLADESH)

4.2.1 INTRODUCTION AND BACKGROUND

Aarong is a Bangladesh-based fashion and lifestyle retailer and a BRAC social enterprise founded to connect rural artisans with urban markets through fair trading arrangements. It is widely positioned as a leading fair-trade brand that supports large artisan networks, with BRAC-linked sources reporting support for over 87,000 artisans and a national store footprint (store-count statements vary by source and timing). (BRAC USA, 2025; Aarong, 2025).

FIGURE 4.1: LOGO OF AARONG

This case focuses on Aarong's Dhanmondi flagship outlet in Dhaka, opened on 7 March 2025. The flagship is described by Aarong and major national media as the "world's largest craft store," spanning about 60,000 square feet across eight floors, and replacing the previous Dhanmondi 2 outlet located roughly 400 metres away. This indicates a

format upgrade within the same trade area rather than a relocation to a new catchment. (Aarong, 2025; The Daily Star, 2025; TBS, 2025).

FIGURE 4.2: AARONG DHANMONDI FLAGSHIP EXTERIOR (DHAKA). (SOURCE: AARONG, 2025A).

4.2.2 CONTEXT (MARKET POSITION AND COMPETITIVE SETTING)

Organised fashion retail market of Dhaka has become more experience-based especially during high-intensity seasonal days. Ramadan-Eid shopping inevitably creates extreme pressure on time and crowding of stores, the value of store visibility, clarity of navigation, and the "destination" value of flagship formats. In Eid period reporting from the malls in Dhaka, brands outlets such as Aarong are mentioned many times as high activity stores, thus paving way for intense competition in attention and footfall. (TBS, 2025). For Aarong, the timing of the flagship launch (just in the run-up to Ramadan-Eid rush) was a great high-stake moment: the store needed to signal "specialness" instantly, change seasonal traffic into longer dwell times, and reassert the craft leadership of the brand.

4.2.3 THE CHALLENGE OR OPPORTUNITY

The fundamental opportunity was to shift the peak seasonal demand into a destination visit through the scale of the store format and the brand's craft-led identity through immersion in VM and store experience. National media reporting framed the new outlet as a major “flagship” move, implying that Aarong was competing not only on assortment, but also on store theatre and brand symbolism. (The Daily Star, 2025; Aarong, 2025a).

The risk was reputational and competitive. In a crowded market, a flagship that feels “ordinary” can lose footfall to nearby alternatives, reduce browsing time, and weaken the perceived value of the brand during the most commercially important weeks of the year (The Daily Star, 2025).

4.2.4 APPROACH AND IMPLEMENTATION (VM EVIDENCE)

Aarong's Dhanmondi flagship adopts a destination-store VM strategy based on (i) landmark scale, (ii) vertical zoning of spaces across floors and (iii) massive craft installations that serve as visual anchors and "shareable" brand symbols.

WINDOW DISPLAY AND FRONTAGE

Detailed window planograms are not publicly available, but the official launch framing positions the flagship as a landmark craft destination, suggesting that the building façade, exterior branding, and first-glance messaging are designed to communicate craft authenticity and seasonal relevance quickly. (Aarong, 2025; The Daily Star, 2025).

FIGURE 4.3 FLAGSHIP FAÇADE/FRONT ELEVATION AS A VISUAL IDENTITY CUE (SOURCE: TBS, 2025).

STORE LAYOUT

The eight-floor structure of the store allows for vertical zoning and "portfolio merchandising," bringing different categories and sub-brands together in a single location. Aarong's official contents include the sub brands that include TAAGA and TAAGA MAN, HERSTORY by Aarong, and Aarong Earth under the flagship ecosystem. (Aarong, 2025).

A defining layout element is the use of a large-scale craft installation as an interior "anchor." BRAC's feature on the flagship describes "The Great Arena", a multi-storey nakshi kantha installation created by 250 artisans over six months. This functions as a central visual magnet, supporting wayfinding ("the big thing you orient around"), brand storytelling, and social sharing behaviour. (BRAC, 2025).

FIGURE 4.4: "THE GREAT ARENA" (FOUR-STOREY NAKSHI KANTHA INSTALLATION) INSIDE THE FLAGSHIP

LIGHTING AND COLOUR

Public descriptions of the flagship are repeatedly stressing in-curated interior design and crafted atmosphere, which is indicative of an ambience being created rather than strictly functional lighting. While technical lighting plans are not disclosed, the installation-led approach implies the use of focal lighting to highlight craft “hero” elements and feature zones, supported by ambient lighting for comfortable browsing across dense assortments. (TBS, 2025).

FIGURE 4.5: ***INTERIOR CRAFT INSTALLATION UNDER SPOTLIGHT/FOCAL LIGHTING***

PRODUCT DISPLAY

Aarong's merchandising is supported by its extensive network of artisans and craft clusters, and helps the store to offer products as fashion/lifestyle products as well as cultural artefacts. This reinforces "story value" at the point of display, which is particularly important if the consumer decision is affected by authenticity and heritage. (BRAC USA, 2025; Aarong, 2025).

FIGURE 4.6: PRODUCT DISPLAY DENSITY AND FIXTURE TYPES

In practice, the flagship format suggests a curated mix of: (i) feature displays that spotlight seasonal stories, (ii) category bays for efficient shopping, and (iii) craft-led installations that connect “maker narratives” to the products. The intended outcome is to increase dwell time and create a memorable destination experience rather than a purely transactional visit.

4.2.5 OUTCOMES AND RESULTS

Aarong doesn't report store-level KPIs (footfall uplift, conversion rate, basket size). However, several valid outcome indicators can be seen. First, national reporting immediately after launch covered strong customer interest in the Ramadan shopping rush - which serves as a public proxy for strong footfall. (The Daily Star, 2025).

Second, the store later received third-party verification through Guinness World Records, listing the Dhanmondi outlet as the largest craft and artisanal retail store at 2,636 m², achieved on 30 October 2025, with the store initially opened on 7 March 2025. Guinness also reports operational details such as staffing and opening hours, strengthening the credibility of the "largest" claim as an externally validated outcome. (Guinness World Records, 2025).

4.2.6 CASE EVIDENCE SNAPSHOT

Evidence used included: Aarong's official flagship announcement; BRAC's feature describing "The Great Arena" production; reputable national coverage on store scale and launch timing; and Guinness World Records as third-party validation.

4.3 CASE STUDY 2: BATA BANGLADESH (BATA SHOE COMPANY (BANGLADESH) LIMITED)

4.3.1 INTRODUCTION AND BACKGROUND

Bata Shoe Company (Bangladesh) Limited ("Bata Bangladesh") is one of Bangladesh's most established branded footwear retailers and manufacturers. Public reporting and company materials commonly note operations in Bangladesh since 1962, and Bata Bangladesh is also a listed company that publishes an Integrated Annual Report (Bata Bangladesh, 2025).

Bata Bangladesh reports a large national footprint, stating a network of 261 retail outlets across the country. It also explains that its "City Stores" are designed with spacious floor space and modern interior décor supported by shelving systems, fittings, fixtures, and lighting, indicating a planned store-experience model rather than purely product stocking. (Bata Bangladesh, 2025).

FIGURE 4.8: BATA BANGLADESH

This case examines Bata at company level, focusing on how a national chain documents and standardises store experience and VM-relevant practices across diverse formats and customer segments.

4.3.2 CONTEXT (MARKET POSITION AND COMPETITIVE SETTING)

Bangladesh's market for footwear has increased competition with urban mall culture, fashion-led buying and consumer expectations to be organised in retailing. In addition, macroeconomic pressure is relevant: Bata's 2024 annual report identifies the performance of the business to inflationary pressures and economic constraints in general, influencing the equilibrium between price sensitivity and experience upgrade by retailers. (Bata Annual report,).

4.3.3 THE CHALLENGE OR OPPORTUNITY

The central opportunity for Bata Bangladesh is to turn the reach across the country into a consistent and easy-to-shop-in-store experience, which will help drive the brand perception and higher conversion for the different segments. Bata explicitly mentions customer experience as a priority, mentioning ongoing efforts to improve the customer experience and encourage them to spend more time in-store to select products with care, which is indeed VM's role in assisting browsing and decision making (Bata Annual report, 2024).

At the same time, Bata works across multiple customer needs and brand lines (formal, casual, sports, lifestyle) so the challenge of execution is consistency. The store needs to be recognisably "Bata," but also navigable by category and brand segmentation at speed.

4.3.4 APPROACH AND IMPLEMENTATION (VM EVIDENCE)

WINDOW DISPLAY AND SEASONAL CAMPAIGNS

Bata's annual report describes large seasonal campaigns such as Eid, done through an integrated "360-degree" approach across channels and supported by nationwide branding. While window planograms are not published, the campaign model strongly implies to have coordinated storefront and in-store visuals sets across the retail network to drive seasonal relevance and footfall (Bata Annual report, 2024).

FIGURE 4.9: BATA BANGLADESH SEASONAL WINDOW DISPLAY (EID CAMPAIGN EXAMPLE).

STORE LAYOUT

Bata documents format logic in the form of store concepts like City Stores, and provides a spatial support for them. The “spacious floor space” claim suggests a VM strategy that prioritises comfortable browsing, circulation space, and guided selection rather than dense stacking (Bata Bangladesh, 2025).

FIGURE 4.10: BATA BANGLADESH STORE LAYOUT WITH CENTRAL ISLANDS AND PERIMETER WALL DISPLAYS

LIGHTING AND COLOUR

Bata’s store description explicitly references modern interior décor and lighting as part of the City Store concept, indicating that lighting is treated as a designed element that supports product visibility, perceived quality, and store mood. (Bata Bangladesh, 2025).

FIGURE 4.11: BATA BANGLADESH IN-STORE LIGHTING AND BRAND COLOUR CUES (CEILING LINEAR LIGHTING AND SPOTLIGHTING).

4.3.4.4 Product Display

Bata merchandises across multiple brands and lines, which supports lifestyle and price segmentation at fixture level. The brand listings shown on the Bata Bangladesh site (e.g., Bata, Hush Puppies, Power, North Star, Weinbrenner, Marie Claire, Adidas, Scholl) demonstrate that VM must make brand architecture understandable in-store, not only online. (Bata Bangladesh, 2025).

FIGURE 4.12: MULTI-FIXTURE MERCHANDISING (FEATURE TABLES PLUS WALL BAYS).

4.3.5 OUTCOMES AND RESULTS

Bata's published outcomes are strongest at company level. The 2024 Integrated Annual Report reports revenue of BDT 9,275.14 million (down from BDT 9,877.69 million in 2023), and net profit after tax of BDT 295.74 million (vs BDT 400.99 million in 2023), with EPS of BDT 21.62. (Bata Shoe Company (Bangladesh) Limited, 2024) (Bata Annual report, 2024).

Operationally, the report records capital expenditure of BDT 166 million in 2024 and indicates that most investment related to retail stores, which aligns with a refurbishment and store-experience upgrade orientation (Bata Annual report, 2024).

For engagement, Bata reports that active Bata Club members grew 5.9% year-on-year, which acts as a proxy indicator of retention and customer relationship strength (though it does not directly measure in-store conversion) (Bata Annual report, 2024).

4.3.6 CASE EVIDENCE SNAPSHOT

Evidence used included: Bata Bangladesh "About Us" store concept description and outlet count; the 2024 Integrated Annual Report (financial results, campaign approach, loyalty indicator, and retail investment direction); and reputable national business reporting for context.

4.4 CASE STUDY 3: YELLOW (BANGLADESH)

4.4.1 INTRODUCTION AND BACKGROUND

YELLOW is a Bangladesh-based fashion and lifestyle retail brand under Beximco, positioned as an organised modern retail chain offering ready-to-wear and accessories for men, women, and children. Press coverage and brand communications commonly describe the chain as bringing contemporary lifestyle fashion into the domestic market through dedicated outlets. (Beximco, 2005; The Financial Express, 2018).

YELLOW's brand positioning is typically linked to trend-led design and accessibility for urban shoppers, and it operates through a distributed store network across Dhaka and other major cities (as shown in its store list/store locator), indicating a scalable chain-format model rather than a single boutique concept. (YELLOW, 2025).

FIGURE 4.13: YELLOW STOREFRONT WITH GLASS FRONTAGE AND STRONG BRAND SIGNAGE

4.4.2 CONTEXT (MARKET POSITION AND COMPETITIVE SETTING)

YELLOW competes in Bangladesh's organised fashion retail space where malls and branded outlets dominate peak seasonal shopping. During Eid shopping periods, national reporting shows that shoppers move quickly between multiple competing brand outlets (including YELLOW), which intensifies the need for strong storefront capture and fast, intuitive in-store navigation. (Rayhan, 2025).

4.4.3 THE CHALLENGE OR OPPORTUNITY

For a multi-city lifestyle chain, the key opportunity is to convert wide reach into a consistent and recognisable brand experience across different store sizes and locations. The challenge becomes sharper during Ramadan–Eid, when comparison shopping is highest. In that environment, VM must work quickly: (i) persuade customers to enter, (ii) reduce friction in browsing, and (iii) make newness and seasonality obvious without confusing navigation.

4.4.4 APPROACH AND IMPLEMENTATION (VM EVIDENCE)

WINDOW DISPLAY AND FRONTAGE

YELLOW does not publish window planograms. However, corporate communication and early imagery emphasised dedicated outlets designed to attract walk-in traffic through prominent signage and a clear retail façade, signalling that frontage visibility is a core capture mechanism. (Beximco, 2005).

FIGURE 4.14: YELLOW FRONTAGE WITH ILLUMINATED BRAND SIGNAGE AND WINDOW DISPLAY

STORE LAYOUT

A clear example of format strategy is documented through flagship-scale store planning. Coverage of YELLOW's Gulshan flagship reported a 10,000 sq. ft store designed to showcase the full offer (men, women, kids, western and ethnic apparel, plus accessories). (The Financial Express, 2018).

The Daily Star's coverage of the same flagship also highlighted eight trial rooms and a "Personal Shopping Corner," which suggests a layout geared toward convenience, fitting-room capacity, and assisted selection rather than only fast pick-and-go shopping. (The Daily Star, 2018).

FIGURE 4.15: YELLOW OPEN-PLAN STORE LAYOUT SHOWING CIRCULATION SPACE AND CATEGORY ZONING.

LIGHTING AND COLOUR

Flagship coverage described an "elegantly" presented store environment, implying deliberate environment design to elevate product presentation. While technical lighting specifications are not disclosed, the flagship narrative supports the use of bright ambient lighting plus focal lighting to support feature tables and new-season stories, consistent with modern lifestyle retail norms. (The Financial Express, 2018).

FIGURE 4.16: IN-STORE LIGHTING AND WARM-TONED VISUAL ATMOSPHERE SUPPORTING APPAREL PRESENTATION

PRODUCT DISPLAY

Across credible sources, YELLOW is consistently described as offering breadth across men, women, and kids, plus western and ethnic options. This implies VM execution through category zoning and fixture variety (wall bays, rails, and mid-floor tables) that help shoppers navigate quickly by gender/age and style need. (The Financial Express, 2018; The Daily Star, 2018).

FIGURE 4.17: RACK-BASED PRODUCT DISPLAY USING COLOUR BLOCKING AND MID-FLOOR FIXTURES.

4.4.5 OUTCOMES AND RESULTS

YELLOW does not publish store-level KPIs such as conversion rate or average transaction value. Outcomes are therefore evidenced through credible proxies. First, the brand maintains an ongoing multi-location footprint across Dhaka and other major cities as shown in its store list, suggesting sustained investment in physical retail distribution. (YELLOW, 2025a).

Second, the flagship investment itself is an observable outcome: launching a 10,000 sq. ft premium-zone store with high fitting-room capacity and personal-shopping features indicates a deliberate "experience upgrade" in a high-status retail location. (The Financial Express, 2018; The Daily Star, 2018).

Third, during peak Eid shopping reporting, YELLOW is repeatedly listed among busy brand outlets, which works as a public indicator of market relevance during the most competitive period. (TBS, 2025).

4.4.6 CASE EVIDENCE SNAPSHOT

Evidence used included: Beximco corporate communication on retail outlet framing; reputable national media coverage on flagship format details; and YELLOW's store list for footprint evidence, supported by seasonal retail reporting for competitive context.

4.5 DATA SOURCES AND EVIDENCE QUALITY

Across the three cases, secondary evidence came from (i) company websites and official announcements, (ii) annual report disclosures (where available), and (iii) reputable national business media coverage. The strongest "hard metrics" were available for Bata Bangladesh through its 2024 Integrated Annual Report, including revenue, profit, EPS, and loyalty indicators.

4.6 CROSS-CASE SUMMARY OF VISUAL MERCHANDISING FINDINGS

TABLE 4.1: CROSS-CASE SUMMARY

Case study	Challenges	Opportunity	Layout	Design	Complementation	Outcome
Aarong (Dhanmondi flagship, Dhaka)	Peak-season crowd pressure, risk of a flagship feeling "ordinary" in a competitive zone, need for easy navigation across a huge store	Turn Ramadan–Eid rush into a destination visit, increase dwell time, strengthen craft-led brand identity	8-floor vertical zoning, "anchor" installation as a wayfinding point, multi-category portfolio under one roof	Landmark façade cues, craft storytelling as theatre, implied focal lighting on hero craft elements, curated atmosphere	Flagship upgrade in same trade area, large-scale craft installation ("The Great Arena" by BRAC feature), sub-brand zones (TAAGA, etc.), experience-led presentation rather than pure transactional layout	Strong footfall proxy during launch/seasonal rush, plus third-party validation via Guinness World Records for "largest craft store"; store-level KPIs not published
Bata Bangladesh (national chain, multi-format)	Consistency challenge across 261 outlets, inflation/market pressure, must keep navigation clear across many brands/segments	Convert nationwide reach into a predictable, easy-to-shop experience, improve browsing time and conversion, strengthen loyalty	"City Store" concept stresses spacious browsing, clearer circulation, category/brand segmentation using perimeter walls + central tables	Explicit modern interior décor and designed lighting, clean brand cues, visibility and perceived quality support	360-degree seasonal campaigns (Eid), standardised store concept roll-out, retail-focused investment/refurbishment direction, multi-brand merchandising (Bata, Hush Puppies, Power, etc.)	Strongest measurable outcomes at company level (revenue/profit/EPS reported), retail capex reported, loyalty proxy reported (active Bata Club members growth); store-level VM KPIs not disclosed
YELLOW (chain, flagship evidence from Gulshan)	Comparison-shopping peaks during Eid, must capture attention fast and reduce browsing friction across categories	Build a consistent lifestyle-chain experience across locations, make "newness" and seasonality obvious, support faster decisions	Open-plan category zoning (men/women/kids), high trial-room capacity, personal shopping corner for assisted selection	Strong signage and glass frontage, "elegant" store feel, implied bright ambient + focal lighting, colour blocking in fixtures	Flagship-scale store (reported ~10,000 sq ft), 8 trial rooms, dedicated experience features, scalable layout logic for chain roll-out under Beximco brand umbrella	Outcomes mostly proxy-based: continued multi-location footprint, visible flagship investment signal, mentions among busy Eid outlets; store-level KPIs not published

Table 4.1 presents the cross-case summary, the cross-case pattern is clear. Aarong uses the flagship as a destination experience, anchored by scale and craft storytelling. Bata focuses on consistency and ease of shopping at national scale, supported by standardised layouts, modern décor, and planned lighting. YELLOW positions a lifestyle chain experience, using strong frontage capture and flagship features (trial rooms, personal shopping) to reduce friction and support fast decision-making during peak seasons.

4.6 CHAPTER SUMMARY

The three cases show how Bangladeshi organised retailers use VM and store environment as competitive tools, especially during Ramadan–Eid peaks. Aarong demonstrates destination-format VM through landmark scale, vertical zoning, and craft installations that turn shopping into cultural storytelling, reinforced by later third-party "largest store" validation. Bata Bangladesh illustrates chain-level consistency, linking store concepts, spacious layouts, modern fixtures and lighting, campaign-led visuals, and loyalty engagement while reporting clear financial and retention indicators at company level. YELLOW reflects the logic of organised lifestyle retail in mall-heavy competition, using high-visibility storefronts and flagship format features (large floorplate, multiple trial rooms, assisted shopping cues) to reduce shopping friction and support fast decision-making.

CHAPTER 5: DISCUSSION

5.1 CHAPTER OVERVIEW

This chapter explains what the Chapter 4 case evidence means and why it matters. Chapter 4 presented three Bangladesh-focused cases, Aarong, Bata Bangladesh, and YELLOW, to show how retailers use visual merchandising (VM) to attract shoppers, shape store image, and influence buying behaviour in real store environments. The goal here is not to repeat the case descriptions. The goal is to interpret the patterns across the cases and connect them back to the theories reviewed in Chapter 2. Chapter 2 argued that VM works like a "silent salesperson" because it communicates style, quality, value, and identity through non-verbal cues. It also framed VM within retail atmospherics and environmental psychology, where store cues influence perceptions and emotions and then shape behavioural. Using that logic, this chapter discusses (1) how each VM dimension shapes consumer responses, (2) how VM builds store image, and (3) why store image helps explain how VM turns into purchase-related behaviour in Bangladesh's organised fashion retail market.

5.2 ANALYTICAL FRAMEWORK AND LOGIC

This study is best understood through the Stimulus–Organism–Response (S–O–R) framework. In this view, shoppers respond to stimuli in the retail environment, such as storefront visuals, layout cues, lighting, colour, and product presentation. These cues shape internal evaluations and feelings, the organism stage, which then drive behavioural responses such as store entry, browsing, time spent in store, and purchase behaviour (Vieira, 2013). In this dissertation, the four VM dimensions represent the main stimuli that retailers can design and control: window display/frontage, store layout, lighting and colour, and product display. Store image represents a key organism outcome because it summarises how shoppers judge the store in terms of attractiveness, quality, trust, and professionalism (Balaji and Maheswari, 2021). Buying behaviour is the response, reflected in behaviours such as entering the store, browsing more categories, and converting interest into purchases.

The case approach helps deepen this framework. Instead of treating VM as a set of isolated variables, the cases show how cues work together in context. A retailer's VM choices are shaped by positioning, store format, crowd pressure, and competition. That is why this chapter is structured around the four VM dimensions and the role of store image, then integrates them into a refined explanation of how VM works in Bangladeshi fashion retail.

5.3 DISCUSSION OF KEY FINDINGS IN RELATION TO LITERATURE

5.3.1 WINDOW DISPLAY AS THE FIRST "DECISION GATE"

Across the cases, window display and frontage worked as the first decision gate, shaping whether shoppers entered and how they framed the store before browsing. This aligns with research that treats window display as a first impression cue that drives attention and store entry (Singh and Basu, 2022). In fashion retail, the storefront does more than decorate. It filters. Shoppers often decide quickly whether the store matches their taste, budget expectations, and identity goals. That is why window display is frequently linked to impulse purchase and purchase intention in other contexts (Nyagba and Tsetim, 2022; Khan et al., 2023).

The case evidence supports the importance of message clarity. When the storefront communicates a clear seasonal story, a newness cue, or a strong brand identity, shoppers face less uncertainty. This reduces decision effort and supports the view of VM as non-verbal communication that guides consumer judgement (Nyagba and Tsetim, 2022). In Bangladesh's dense retail clusters, where multiple brands compete in the same mall corridors or commercial streets, frontage visibility also becomes a differentiation tool. Attractive windows help a store "win" the first few seconds, which can be the difference between entry and pass-by.

At the same time, the cases suggest that window effectiveness depends on context. Frontage cues are most powerful in high-footfall zones and during peak seasons when shoppers compare many stores under time pressure. They may be less decisive when shoppers already have a planned purchase or follow the brand online and visit with strong intent. This points to a boundary condition: window display is a strong entry trigger when demand includes browsing and walk-ins, but it is less central when demand is mostly planned.

Interim takeaway: Window display and storefront cues act as rapid filters that shape store entry and expectations, supporting store image formation and early purchase-related behaviour, especially in busy locations and peak periods.

5.3.2 STORE LAYOUT AND THE BALANCE BETWEEN COMFORT AND EXPOSURE

The cases also highlight store layout as a driver of (both) buying behaviour and store image. This is consistent with previous studies which indicate that layout influences traffic flow, ease of search and visibility of products (Ramya and Rithika, 2024). Layout determines the feel of the store - simple or stressful. When the layout makes sense, customers will find products quicker and there is less friction and the customer can browse without being confused. This

promotes planned buying as shopping becomes efficient and unplanned buying as shoppers spend more time and come across more items while moving through the store (Mondol et al., 2021; Singh and Basu, 2022).

One of the important mechanisms is time in store. When people feel comfortable in navigating, they browse more and are exposed to more categories which increases the likelihood of purchase. This fits the wider argument which says that store environment have influence on behaviour through engagement and enjoy (Florea, et al., 2025). In Bangladesh, layout appears to be particularly important in periods of seasonal peak when crowding increases stress levels and diminishes patience. Clear circulation, visible category zoning and adequate fitting room flow can help decrease bottlenecks and ensure that shoppers keep moving. This enhances the shopping experience and reinforces the image of the store as "professional" and "easy to shop."

However, layout does not work in the same way in every format. A flagship store may use a larger footprint and multiple floors to create a destination experience, while a chain store may rely on a repeatable format that prioritises speed and clarity. Layout also interacts with service. Even a well-planned layout can fail if signage is unclear, shelves are overfilled, or staff are not positioned to support customers. So layout must be viewed as a system element requiring operational discipline and not a once-in-a-lifetime design choice.

Interim takeaway: Layout supports buying behaviour by reducing friction and increasing browsing opportunities, but its impact depends on store format, crowd pressure, and how well navigation and service support the intended flow.

5.3.3 LIGHTING AND COLOUR AS BASELINE REQUIREMENTS AND DIFFERENTIATORS

The cases suggest that lighting and colour do influence store image and buying behaviour, but often in an indirect way. This is similar to mixed results in the literature. Some studies have reported the strong effect of lighting on consumer response and others have reported minor effects compared with layout and product presentation (Nyagba and Tsetim, 2022; Khan et al., 2023). One reason is that lighting may serve as a baseline requirement. As long as lighting is acceptable, customers may not notice it. When it is poor, customers notice it immediately (Dhillon and Joshi, 2024). This makes lighting important and easy to underestimate.

A practical interpretation is that lighting and colour provide "trust in what I see." In the case of fashion retail, colour accuracy is important. If lighting causes distortion of colours, the

perceived risk increases if shoppers think the product will look different once outside the store. Good lighting also facilitates mood and perceived quality. It can make the store feel comfortable, clean and premium which makes the store image strong (Balaji and Maheswari, 2021). Colour consistency also aids to reinforce the brand identification, in particular when the store is trying to signify a certain lifestyle position.

Real constraints are added by Bangladesh. Stores can be under cost pressure and have limited space and operational challenges that will restrict how far light design can go. This explains why lighting may not always be the "main driver." Still, the cases indicate that lighting provides support to other VM cues. A good window story can lose power if the interior is dark or uncomfortable. A well-designed product display cannot perform effectively if major items are not visible or do not look good. In that sense, lighting and colour may not always be the most visible driving force, but they may often dictate whether other choices of VM achieve their full effect.

Interim takeaway: Lighting and colour determine store image through comfort, perceived quality and product confidence. They may serve as baseline expectations in many stores, but they enhance other VM effects and can become differentiators if they are done well.

5.3.4 PRODUCT DISPLAY AND THE REDUCTION OF DECISION EFFORT

Product display came out as a powerful in-store cue, given that it directly influences the decision effort and shopping enjoyment. This is in line with research indicating that well-organised displays make a purchase more likely and indicate care and quality (Mondol et al., 2021). In the case of fashion stores, the presentation of a product assists the customer in imagining the use. Setting up an assortment in a coordinated way, manikin styling, and the grouping of items let customers envision the manner in which pieces cooperate, decreasing the exertion of decision-making and quickening choices (Enock and Srinivasan, 2025).

Product display is also helpful to cross-sell. When complementary items are shown together, shoppers are more likely to be thinking of "complete looks" and add additional items, which can increase basket size. This is important in impulse buying because visual cues may help everyone make a quick purchase decision especially when customers perceive the display to be related to a season or event (Singh and Basu, 2022). Unlike window display which works primarily at the entry stage, product display works all through the store. It can form behaviour over and over as customers move through categories.

The cases also point to a risk that more display is not necessarily better. Overcrowded racks may decrease the perceived quality and make browsing tiring. This is particularly applicable in emerging markets where retailers will sometimes attempt to indicate variety through density. The most important is display discipline. Clear grouping, legible spacing, pricing and consistent folding or hanging standards mean less friction. This also supports store image because order and clarity are indicative of professionalism and trust.

Interim takeaway: Product display does affect buying behaviour in terms of reducing buying decision effort and facilitating cross-selling, but needs discipline and clarity to ensure that it does not become too cluttered and does not overload buyers.

5.3.5 STORE IMAGE AS THE "BRIDGE" BETWEEN VM AND BUYING BEHAVIOUR

A key understanding to emerge from this research is the role of store image as the link between VM cues and buying behaviour. Store image is the total evaluation that the shopper holds about the store, which is based on various cues combined like communication from the window, ease of navigation, comfort of lighting and professionalism of the display (Balaji and Maheswani, 2021; Bryden, 2022). The case evidence is consistent with the notion that VM affects behaviour, in part through building store image, and store image then affects willingness to browse and buy.

This is relevant because store image is not formed from a single cue. It is a composite impression. A store can generate entry with a good window display, but if the store is confusing or quality is low inside, store image may get weaker and purchases may not follow. Conversely, a store may not have the most dramatic windows, but if it is a comfortable layout with good light and with disciplined displays, a strong image is created, helping to build repeat visits and greater confidence in spending. In the fashion retail sector, where purchases can be linked to an identity and emotion, the store image helps mitigate the risk and makes the shoppers more willing to buy (Enock and Srinivasan, 2025).

The store image pathway also gives some support for a layered explanation of VM. Some cues may influence the behaviour directly, such as a strong seasonal display that will stimulate impulse buying. Other cues may work primarily by enhancing store image, e.g. lighting which increases perceived quality and comfort. This is one reason why it can be too simple to consider VM as one single factor. The cases support a more realistic view in which VM cues work via both direct triggers and store-image-building mechanisms, with strength depending on the context.

Interim takeaway: Store image helps to explain how VM turns into buying behaviour through shaping trust, perceived value, and confidence. In organisers retail market of Bangladesh, store image is one of the mechanisms behind converting investment in VM to purchase outcomes.

5.4 INTEGRATION AND REFINED EXPLANATION OF THE CONCEPTUAL MODEL

Overall, the findings from Chapter 4 support the idea that VM is both an operational tool and a strategic driver of consumer behaviour. Across the cases, the four VM dimensions contributed to buying behaviour through two connected routes.

First, a direct route exists where VM cues trigger quick attention and entry, then increase browsing exposure and impulse tendencies. This route is most visible in storefront storytelling and strong product presentation, where shoppers react quickly to relevance, newness, and visual attractiveness (Singh and Basu, 2022; Enock and Srinivasan, 2025). Second, an indirect route operates through store image. VM cues build a favourable store image over time by improving perceived quality, professionalism, comfort, and trust, which increases willingness to buy and supports repeat visits (Balaji and Maheswari, 2021; Bryden, 2022).

The refined model also indicates differences across dimensions of the VM. Window display has often a strong effect as an entry and attention cue. Product display has an effect on decision ease and cross selling during the course of the visit. Layout has an impact on browsing as well as stress, and is particularly important when there is crowd pressure. Lighting and colour often reinforce the system through contributing to perceived quality and product confidence, even though these are not necessarily the most obvious driver. This well-tuned explanation suits the world of fashion retail in Bangladesh where competition is fierce, seasonal highs induce time crunches and customer trust and professionalism signals a huge part in store selection.

5.5 ROBUSTNESS AND ALTERNATIVE EXPLANATIONS

Although the cross-case patterns reflect theorizing well, they must be interpreted with care because case evidence does not establish simple cause-and-effect links. Several factors might influence the buying behaviour together with VM. Promotions, prices, seasonal discounts, and product availability can be used to drive purchase creation at even average VM execution. Peak season crowd levels may also determine behaviour on their own, because customers may purchase quickly because of the urgency, not because the environment is appealing. Wider economic conditions can impact on confidence to spend and sensitivity to value cues, which can increase or decrease the impact of store image.

The study also relies on public secondary sources. Company materials may highlight ideal brand narratives, while media coverage may focus on major events like flagship launches rather than everyday execution. Store-level KPIs such as conversion rate and basket size are not always available, which limits direct performance attribution. These issues do not cancel the findings, but they narrow what can be claimed. The most defensible conclusion is that VM cues shape store image and shopping responses in ways that match S–O–R logic and retail atmospherics theory, and the cases provide plausible mechanisms that explain how and why this happens in Bangladesh's organised fashion retail context.

5.6 PRACTICAL SYNTHESIS

The discussion points to four practical insights that shape the recommendations in Chapter 6. First, VM works best as a consistent system. Window display attracts, layout supports flow, lighting supports comfort and perceived quality, and product display reduces decision effort. The strongest outcomes appear when these elements reinforce the same brand message. Second, VM should be used to build store image, not only to stimulate short-term sales. A stronger store image can increase trust and willingness to spend beyond a single visit. Third, clarity and comfort are critical in Bangladesh's high-traffic retail conditions. Clear navigation, readable displays, and strong visual storytelling reduce stress and increase browsing. Fourth, VM performance should be managed with simple, realistic indicators such as entry rate, browsing time, conversion proxies, basket size signals, and repeat-visit or loyalty engagement where available.

5.7 CHAPTER SUMMARY

This chapter interpreted the Chapter 4 case evidence through the literature and the S–O–R framework. The discussion shows that VM influences buying behaviour in Bangladesh's organised fashion retail sector through both direct triggers and indirect effects via store image. Window display and storefront cues shape entry and early expectations, layout reduces friction and supports browsing, lighting and colour reinforce quality and comfort cues, and product display reduces decision effort while supporting cross-selling. Together, these cues form store image, which helps convert store experience into purchase-related behaviour (Mehrabian and Russell, 1974; Turley and Milliman, 2000; Vieira, 2013). The next chapter translates these insights into conclusions and managerial recommendations, while also outlining limitations and future research directions.

CHAPTER 6: CONCLUSION

6.1 CHAPTER OVERVIEW

This chapter concludes the dissertation by drawing together the key insights from the secondary-data, multiple case study of Bangladeshi fashion and lifestyle retailers. The study set out to explain how visual merchandising (VM) cues, across window display/frontage, store layout, lighting and colour, and product display, shape store image and influence consumer buying behaviour in practice. Using three contrasting cases, Aarong, Bata Bangladesh, and YELLOW, the dissertation examined VM as an in-store and front-of-store system that communicates brand meaning, reduces shopping friction, and supports purchase decisions in competitive urban retail settings. The chapter summarises the main cross-case findings, explains the theoretical contributions to retail atmospherics and S–O–R logic, outlines practical implications for managers, and closes with limitations and suggestions for future research (Saunders et al., 2019; Yin, 2018).

6.2 BRIEF SUMMARY OF KEY FINDINGS

Across the three cases, visual merchandising worked as a connected set of cues that shaped store image and influenced purchase behaviour, but the importance of each cue changed with format and positioning. Window display and frontage acted as the first decision gate, particularly in high-footfall locations and during Ramadan–Eid peaks, because clear external signalling helps shoppers decide fast in a crowded retail scene. Store layout became most critical under crowd pressure and time constraints. Strong zoning, easy circulation, and adequate fitting-room capacity reduced friction and supported longer browsing, which increases purchase likelihood (Turley and Milliman, 2000). Lighting and colour functioned as both a baseline quality requirement and, in some cases, a differentiator. Even when not the most visible driver, they strengthened perceived professionalism and product attractiveness, helping customers form positive store impressions. Product display then decreased decision effort by enhancing visibility, coordination of outfits and category navigation. The evidence indicates that display discipline, good grouping, controlled density, and consistent fixture logic were more important than simply displaying more stock. Overall, store image worked as the linking mechanism between VM cues and confidence, perceived value and willingness to buy, matching internal evaluations mediating behavioural responses as in environmental psychology (Mehrabian and Russell, 1974; Vieira, 2013).

6.3 THEORETICAL IMPLICATIONS

The findings add further strength to the Stimulus-Organism-Response (S-O-R) explanation as a realistic way of understanding the working of visual merchandising for Bangladeshi fashion retail. Across the cases, VM cues are used as stimuli that are processed rapidly and frequently as the shopper moves through the store from the storefront to layout, lighting and product presentation. These stimuli influence the stage of this organism based on internal assessments such as trust, perceived quality, comfortable, and sense of the overall store image. Those internal judgements help to support the response stage by enhancing browsing, purchase intention, impulse tendency, and, ultimately, conversion behaviours (Mehrabian and Russell, 1974; Vieira, 2013). A key insight is that VM operates as a system rather than a single lever. A strong frontage message can lose impact if the layout creates stress or if poor lighting reduces confidence in product quality, which supports the view that cue interaction matters more than isolated effects (Turley and Milliman, 2000).

The cross-case analysis also positions store image as the mechanism that links VM to buying behaviour, not just an end result. Store image forms through repeated multi-cue exposure: first impressions from the outside, ease of navigation inside, the clarity and discipline of product display, and whether the environment signals professionalism and care. In practice, Aarong's flagship scale and storytelling installations, Bata's standardised formats and modern fittings, and YELLOW's convenience-focused flagship features each contributed to a combined store-image judgement that supported purchase confidence. This aligns with research that treats store image as a cognitive and affective summary influencing willingness to buy (Balaji and Maheswari, 2021).

Finally, the cases highlight boundary conditions that explain when VM cues matter more or less. Format and scale shape cue salience, peak seasons increase the value of friction reduction, and category structure changes what shoppers need most, such as fast trial and segmentation in footwear versus storytelling and "complete look" presentation in lifestyle fashion. Overall, the refined model suggests a direct route where high-impact cues capture attention and trigger entry and browsing, and an indirect route where consistent cues build store image, strengthening trust and willingness to buy. Lighting and colour often reinforce the indirect route, while layout and product display influence both routes by shaping decision effort and browsing exposure (Turley and Milliman, 2000; Balaji and Maheswari, 2021; Saunders et al., 2019; Yin, 2018).

6.4 MANAGERIAL IMPLICATIONS

The cases indicate that managers should consider visual merchandising as an operational system that has measurable outcomes, rather than as a purely creative activity. Across Aarong, Bata and YELLOW, VM worked best when planned, routinely done and in line with what shoppers need when under time pressure and with heavy footfall. In Bangladeshi fashion retail, especially during Ramadan–Eid, the storefront behaves like an entry engine. Retailers can improve performance by running a simple refresh calendar for window stories and frontage messages so the store always communicates what is new and relevant at first glance. Standardising a few frontage rules, such as message clarity, hero looks, seasonal storytelling, and value cues where appropriate, also helps reduce inconsistency across branches. This can be monitored using walk-by to walk-in rates, entry counts during peak weeks, and basic engagement signals linked to campaigns.

Inside the store, layout should be designed primarily to reduce friction rather than only to increase product exposure. The evidence across cases points to the value of clear zoning, intuitive pathways, and smooth fitting-room flow in high-traffic outlets, because these features affect dwell time and purchase completion. A practical approach is to map the customer journey by store format, observe peak-hour bottlenecks, and then add simple wayfinding cues and queue control points where congestion forms. Lighting should be treated as a quality-control. Consistent brightness and accurate colour rendering increase trust in the product, while focal lighting can guide attention to hero zones and new-season collections. Retailers can set minimum lighting standards by format, audit them quarterly, and use low-cost upgrades like spotlighting feature tables.

Product display discipline also emerged as a repeatable lever to reduce decision effort and increase cross-selling. Clear grouping, controlled density, outfit-based feature tables, and legible pricing and sizing cues matter more than showing more stock. Finally, multi-store retailers benefit from governing VM through a simple playbook and routine audits, supported by photo evidence and feedback loops, so the store image stays consistent across locations while allowing controlled local adaptation. Audit scores, mystery shopper ratings, loyalty sign-ups, repeat visits, basket metrics, and conversion indicators can be used to track progress over time.

6.5 LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

This study relied on public secondary data, which limits access to store-level performance indicators such as conversion rate, average basket size, and dwell time. Where hard KPIs were not disclosed, the analysis used credible proxies and triangulation, but proxy indicators cannot fully establish causality. Public company materials can also reflect positive brand narratives, while media coverage may emphasise headline events rather than everyday VM execution, creating potential evidence imbalance (Bowen, 2009). In addition, the study examined three organised retailers in mainly urban contexts, which constrains generalisability to informal retail or rural markets. Finally, without primary research, consumer emotions and internal evaluations were inferred through theory and observed evidence rather than measured directly (Yin, 2018).

Future work can strengthen evidence by combining case studies with store observations, short intercept interviews, or digital behavioural data to capture consumer evaluations more directly. A longitudinal design across multiple Ramadan–Eid cycles would help isolate seasonal effects and assess whether VM investments build store image over time. Expanding the sample to include value-focused local brands and smaller formats would also test whether the same VM mechanisms hold under different constraints. Where possible, collaboration with retailers to access store-level KPIs would allow stronger pattern testing of the VM → store image → behaviour pathway (Yin, 2018; Lincoln and Guba, 1985).

6.6 CLOSING STATEMENT

This dissertation shows that VM in Bangladeshi organised fashion retail operates as a practical system that shapes store image and supports buying behaviour through attention capture, friction reduction, and perceived professionalism. The three cases demonstrate that strong results come from consistent cue alignment across frontage, layout, lighting, and display discipline, rather than from isolated aesthetic upgrades. By refining S–O–R logic with clear boundary conditions, the study provides both theory-linked explanation and implementable guidance for retailers seeking competitive advantage in high-pressure urban and seasonal shopping environments.

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