

## Why is Visual Merchandising Important in Retail?

What catches your eye first in a retail store? A display? The colors? A mess? In this lesson, we'll discuss why visual merchandising is so important in the retail environment and how, when done correctly, it keeps people spending.

### Looking Good

Amanda is walking down a busy New York City street, heading home from work with a million things waiting on her to-do list. Just as she ends a phone call with her sister, she stops dead in her tracks. No, it wasn't something her sister said that got Amanda's attention but rather a beautiful sweater in the window of her favorite retail store. The display is so appealing Amanda can immediately picture herself wearing the sweater, out on the town with her best friends. She pulls out her credit card to make the purchase.



*The goal of visual merchandising is to maximize sales.*

Much to the excitement of its owner and employees, the store's **visual merchandising** did exactly what they wanted it to do: it compelled Amanda to stop, engage, and ultimately make a purchase. Let's take a closer look at the importance of visual merchandising in the retail space.

### What Is It?

In its simplest form, visual merchandising is the act of making retail spaces attractive to customers so that they spend money. If a store is not attractive or eye-catching, or is perhaps confusing to navigate, dark, or smelly, consumers are likely to run - fast - in the opposite direction.

If however, you can make displays, racks, shelves, and other retail store designs pleasing to consumers, you've won half the battle of getting them in your store, snooping around, and finding things to buy.

But why is it so important? Surely if a customer wants something bad enough, they'll find it right? In some cases, yes. On the other hand, if you had a magic trick that would pull people in and get them to open their wallets, wouldn't you use it? That's where visual merchandising comes in. Humans are, by nature, visual creatures and we are drawn to things that look pretty, organized, and appealing.

## The Importance of Visual Merchandising

We know now that visual merchandising can make great things happen in a retail space. Let's look at five specific ways that visual merchandising can be beneficial.

### More Money

Usually, the more time people spend in a store, the more money they're going to throw down at the cash register. For the business owner, that's really the bottom line, isn't it? Getting customers to spend. Think of the last time you were in a furniture store. They probably didn't have row after row of couches, but instead, a couch, table, and arm chairs set up in a living room-type arrangement. This layout helps people to envision the products in their own homes and can also lead to additional sales (since you need that chair that matches your new couch so perfectly).

### Enhanced Brand Identity

The right type of visual merchandising can help build an **identity** around your brand. For example, when Victoria's Secret developed their PINK brand, they stepped away from the more mature and provocative nature of their lingerie merchandising and went with a more youthful and playful vibe. This decision has helped them to build an identity around the brand that appeals to their target audience of teenagers and young adults.

### Better Aesthetics

Who doesn't love to shop in a visually pleasing store? Everything from the colors used to how empty space is incorporated around the merchandise and even the easy-to-spot clearance section makes the entire shopping experience more enjoyable to consumers. The smallest **aesthetic** details, such as the type of music being played or the type of lighting, can have a profound effect on a shopper's mood and, ultimately, their spending.

### Increased Loyalty

Cosmetics counters such as Clinique and Estee Lauder are pros at building visual merchandising that helps instill a sense of loyalty between the consumer and the brand. If a cosmetics company is selling an anti-aging product to a more mature audience, they build visual displays that feature softer designs and age-appropriate models. Conversely, if the audience is a younger demographic, they might splash their displays with bright, vivid colors and big, bold fonts. To consumers, this type of attention to visual merchandising says that a brand gets its audience which makes the customer more comfortable and more willing to explore the brand's other products.

## Covering More Ground

Visual merchandising goes beyond just the colors and styles of displays. It also takes into account how customers navigate the store itself. IKEA is a master of the store layout. Some people have referred to their design as confusing or maze-like but it's that pattern that gets customers to walk every square inch of the store before they can exit. Not everyone can pull off the IKEA layout but exposing customers to as much merchandise as possible means they'll be inclined to buy more.

## Lesson Summary

**Visual merchandising** incorporates all the elements of design, from colors to store layouts to sales displays, and makes consumers sit up and take notice. The right visual merchandising enhances the shopping experience and engages customers in a way that draws them into a retail location. There are numerous benefits to consider when talking about the importance of visual merchandising in the retail space. For business owners, increased consumer spending probably tops the list. For consumers, it might come down to an easier shopping experience or better retail **aesthetics**. Visual merchandising can also mean good things for your brand's **identity** and the loyalty you build between yourself and your customers.