EVALUASI TATA BARANG DAGANGAN GAUDI MANADO TOWN SQUARE DENGAN MENGGUNAKAN ANALISA KEPENTINGAN DAN KINERJA

EVALUATING VISUAL MERCHANDISE OF GAUDI MANADO TOWN SQUARE BY USING IMPORTANCE AND PERFORMANCE ANALYSIS

by:
Rini Sanger[1]
Linda Lambey[2]
Merinda Pandowo[3]

[123]Faculty of Economics and Business, International Business Administration , Management Program
Sam Ratulangi University

E-mail:
[1]rinisanger@yahoo.com
[2]lindalambey@yahoo.com
[3]iinpan@yahoo.com

Abstrak: Industri fashion telah menjadi salah satu layanan pendorong utama dalam ekonomi kreatif di Indonesia. Industri fashion adalah salah satu industri yang banyak menarik perhatian di Indonesia, termasuk di Manado. PT. Dwi Laras Gaudi adalah perusahaan yang berkecimpung dalam fashion industry. Sehubungan dengan persaingan pada dunia fashion di Manado, marketer harus mampu untuk tetap kreatif dalam menciptakan ide-ide atau inovasi sebagai cara efektif dalam membedakan diri satu sama lain. Tujuan visual merchandise untuk menarik perhatian dari pelanggan potensial. Tujuan dari penelitian ini adalah untuk mengetahui tingkat kepentingan dari visual merchandise seperti window display, mannequin, signage, store layout color and lighting dengan menggunakan analisa kepentingan dan kinerja. Penelitian ini adalah studi pada umumnya yang mana datanya didapatkan dari kusioner. 100 responden adalah jumlah sampel dalam penelitian ini. Hasil dari penelitian ini menunjukan bahwa tampilan kaca depan (window display) berada di kuadran I, signage dan lighting ato pencahayaan berada di kuadran II, sedangkan manikin atau patung peraga, pengaturan tata toko, dan warna (color) berada di kuadran III.

Kata Kunci: *visual merchandise, window display, mannequin, signage, store layout, lighting, color, analisa kepentingan dan kinerja*

Abstract: *Fashion industry has become a significant driver in Indonesia's creative economy. Fashion industry is one of the exciting industries in Indonesia with no exception in Manado, PT. Dwi Laras Gaudi is a company engaged in the fashion industry. In connection with the fashion competition that occurs in Manado, marketers must be able to act creatively in the development. Visual merchandise is the only effective way of differentiating in fashion industry. Visual merchandising is the presentation of a store and its merchandise in such a manner that will attract the attention of potential customers. The aim of this study is to evaluate the importance and performance of visual merchandise attributes such as window display, mannequin, signage, store layout, color and lighting. This research is casual type of research, which uses primary data obtained through questionnaires and uses importance and Performance Analysis. 100 respondents are the sample size of this research. The result of this study shows that window display placed in quadrant I (very important but low performance), signage and lighting placed in quadrant II (very important and high performance), while mannequin, store layout and color placed in quadrant III (low importance and low performance).*

Keywords: *visual merchandise, window display, mannequin, signage, store layout, lighting, color, importance and performance analysis.*

INTRODUCTION

Research Background

Fashion is any mode of dressing that is popular during a particular time or in particular place. Fashion industry has become a significant driver in Indonesia's creative economy. Visual merchandise is important for strategic marketing decisions in fashion industry to increase the sales of the stores. In this era, the Asian apparel industry keeps growing in global markets while the global apparel industry becomes highly volatile with increasing internationalization (Lopez and Fan, 2009). Manado is famous as the city with the consumption level of society is high enough.

Gaudi is a local brand who has a great chance to grow into international market, because each product of Gaudi had own uniqueness and always follows the trends of latest fashion. Gaudi give a simple yet classy looks for their clothes that can fit to people from young people into older people for wearing Gaudi's own clothes. Carrying the local taste within in, wearing Gaudi products also give people the devotion feelings toward Indonesia original product. Gaudi has a strong competition with the other store and fashion clothing in Mantos, Manado.

In connection with the competition that occurs in the fashion in Manado, marketers must be able to act creatively in the development. It requires companies to build competitive advantage and develop or create effective and innovative marketing strategies in order to compete. Visual merchandise is the presentation of a store and merchandise in such a manner that will attract the attention of potential customers (Levy and Weitz, 2011). Visual merchandising is the only effective way of differentiating in apparel industry. Retailers by incorporating innovative usage of store space can match the consumers' expectations and give strong competition.

Realized that visual merchandise is a tool that retail store need to apply as one of the strategy, Gaudi also has applied these visual merchandise's dimensions in running their business. They have prepared persons that their main work only focus on visual merchandise. Based on the research background, it is interesting in conducting study on visual merchandise in this case is Gaudi of Manado Town Square.

Research Objectives

1. To know the importance of Visual Merchandise in Gaudi Manado Town Square.
2. To know the performance of Visual Merchandise in Gaudi Manado Town Square.

THEORETICAL REVIEW

Marketing

Marketing activities are design to spread the information of a product or service to target markets in order to earn more profit. According to Hair, Ringle, and Sarstedt (2011), marketing is the activity, set of institutions and process for creating, communicating and delivering and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing is design to manage the people especially the target market to build a profitable relationship. It also help people buy your product or service (Kotler, 2011).

Visual Merchandise

Visual merchandising is everything that customer sees both exterior and interior, that creates a positive image of the business and result in attention, interest, desire and action on the part of the customers (Passewitz, Stoop, Zetocha, 1991). In modern retail, visual merchandising is a key to encourage a customer to purchase the products. This idea has always triggered purchase decision as an oldest merchandising strategy (Gopal, 2006). Several attributes of visual merchandising in this context can be regarded in form of window display, mannequin, signage, store layout, color and lighting.

Consumer Buying Decision Behavior

The American Marketing Association (Peter and Olson, 2005) defined consumer behavior as the dynamic interaction of affect and cognition, behavior and environment by which human beings conduct the exchange aspects of their lives. In other words, internal and external factors are involved to shape a

certain behavior of a consumer. Consumer behavior is affected by the combination of the thoughts, feelings or emotion, and the environment to make a certain decision in consumption process.
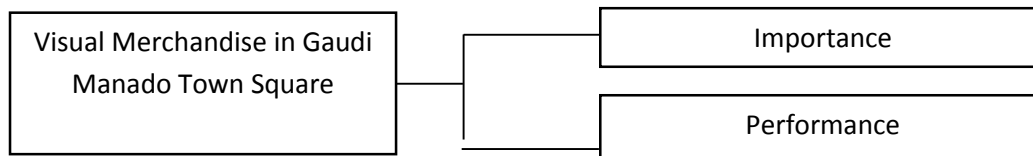
Conceptual Framework

| Visual Merchandise in Gaudi Manado Town Square | | Importance |
| | | Performance |

Figure 1 Conceptual Framework
Source: Data Processed, 2017

RESEARCH METHOD

Type of Research

The type of this research is descriptive research with quantitative approach. The method used in this research is Importance and Performance Analysis (IPA).

Place and Time of Research

This research conducted in Manado for approximately in two months, from April to May 2017.

Population and Sample

According to Malholtra (2010) population is the aggregate of all the elements, sharing some common set of characteristics that comprises the universe for the purpose of the marketing research problem. The sample size of this research is 100 and used convenience sampling.

Data Collection Method

Sekaran and Bougie (2009) defined primary data as "such data gathered for research from the actual site of occurrence of events". The primary data are collected by questionnaires distributed to the costumers of Gaudi Manado Town Square. A questionnaire is a pre-formulated written set of questions to which respondents record their answer (Sekaran, 2003).

Operational Definition of Research Variable
Visual Merchandising

Everything that customer sees both exterior and interior, that creates a positive image of Gaudi Manado Town Square and results in attention, interest, desire and action on the part of the customers.

Data Analysis Method
Validity and Reliability

Validity test is intended to confirm of measurement tools used to get the data. Validity test can be done with Factor Analysis technique. There is Measure of Sampling Adequacy (MSA) value. If the value less than 0.5, the data is considered valid. Reliability test is established by testing for both consistency and stability of the answer of questions. If reliability coefficient (alpha) > 0.6 means acceptable.

Importance and Performance Analysis

The IPA model is divided into four quadrants, with importance on the y-axis and performance on the x-axis. The four-quadrant IPA matrix is shown in figure below. Quadrant I is labeled "Concentrate Here", with high importance/low performance, which indicates that the attributes are perceived to be very important to respondent, but performance levels are fairly low. This sends a direct message that improvement effort should concentrate here. Quadrant II is labeled "Keep up the Good Work" with high importance/high performance, indicating that the attributes are perceived to be very important to respondent, and at the same time, the firm seems to have high level of performance on these actions. The message here is to keep up the good work. Quadrant III is labeled "Low Priority" with low

importance/low performance. Any attributes falling into this quadrant are non-important and pose no threat to organizations. Quadrant IV is labeled "Possible Overkill" with low importance/high performance, indicating that employees are satisfied with the performance, but the specific attribute is relatively non-
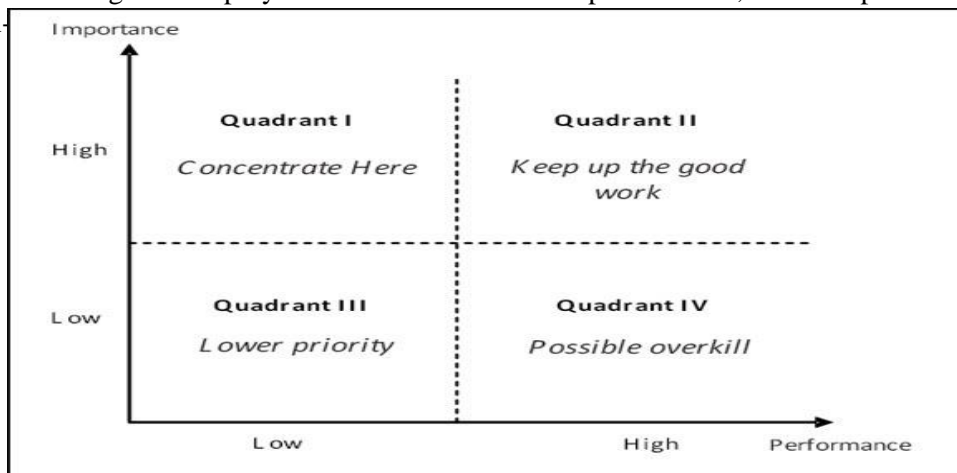

Figure 2 IPA Framework
Source: Martila and James (1977) The Importance and Performance

RESULTS AND DISCUSSIONS

Validity and Reliability Result
Table 1 Validity Test Result

		Performance	Importance	Importance Performance
Performance	Pearson Correlation	1	,553**	,890
	Sig. (2- tailed)		,000	,000
	N	100	100	100
Importance	Pearson Correlation	,553**	1	,872**
	Sig. (2- tailed)	,000		,000
	N	100	100	100
Importance	Pearson Correlation	,890**	,872**	1
Performance	Sig. (2- tailed)	,000	,000	
	N	100	100	100

   **. Correlation is significant at the 0.01 level (2-tailed)

Source: Data Processed, IBM SPSS 22 Output 2017

   Table 1 Shows that the pearson correlation index is higher than 0.3 and below the significance level of 5%. Therefore the data is considered valid.

Reliability Test

Table 2 Reliability Test Result

Cronbach's Alpha	N of Items
,883	3

Source: SPSS Output, 2017

Table 2 Shows that Alpha Cronbach is 0.883 which is above the acceptance limit of 0.6; therefore, the research instrument is reliable.

Importance Performance Analysis of Visual Merchandise

The results of analysis in this chapter attempts to answer the problem contained in this research. There are six attributes on measuring the level of importance and performance analysis, which are: (1) Window Display, (2) Mannequin, (3) Signage, (4) Store Layout, (5) color, and (6) Lighting. Data is based on questionnaires that are collected from respondents and is tabulated with Microsoft Excel. Table 3 is the result based on average value of importance and performance that set the visual merchandise in four quadrants as shown in Figure 3 below.

Table 3 Attributes, Importance Mean, Performance Mean, Quadrant

| Visual Merchandise	Importance Mean (Y)	Performance Mean (X)	Quadrant
Window Display	4.29	3.98	I
Mannequin	4.22	3.84	III
Signage	4.5	4.24	II
Store Layout	4.17	3.89	III
Color	3.97	3.88	III
Lighting	4.28	4.16	II
Average Value	4.24	4	

Source: Data Processed, 2017

Table 3 shows that the importance of Signage has the highest mean ($\bar{x} = 4.5$), followed by the importance of Window Displays ($\bar{x} = 4.29$). The importance of Lighting is ($\bar{x} = 4.28$), importance of Mannequin ($\bar{x} = 4.22$), the importance of Store Layout $\bar{x} = 4.17$, and the lowest is the importance of color ($\bar{x} = 3.97$).

Meanwhile the performance of Signage has the highest mean ($\bar{x} = 4.24$), followed by the performance of Lighting ($\bar{x} = 4.16$), the performance of Window Displays ($\bar{x} = 3.98$), the performance of Store Layout ($\bar{x} = 3.89$), the performance of Color ($\bar{x} = 3.88$), and the lowest is the performance of Mannequin ($\bar{x} = 3.84$).

After getting the point of the quadrant division axis in $\bar{x}$ = 4.24 (performance) and $\bar{y}$ = 4.0 (importance), the next step is to plot the point ($\bar{x}$ and $\bar{y}$) of each attributes into Cartesians graph as shown in the Figure 3

Figure 3

Data plotting of Visual Merchandise in Four Quadrants
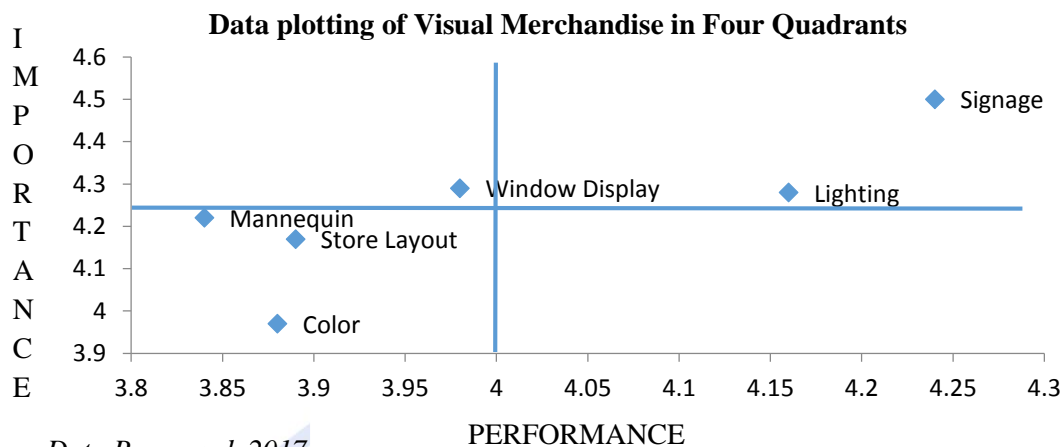
Source: Data Processed, 2017

In the Figure 3 shows that Window Display is located in Quadrant I. This Quadrant is labelled as 'concentrate here" this means that Window Display is perceived to be very important to the customers but the performance levels are assessed lower.

Signage and Lighting are located in Quadrant II which is "keep up the good work". Attributes that located in Quadrant II means that it has a high importance to the customer and the company also achieves high performance according to the customer. In short, attributes that are located in this quadrant means that the customer is already satisfied with company performance.

The next quadrant is Quadrant III or labelled as "low priority" and the attributes that are located in this quadrant are Mannequin, Store Layout, and Color. Attributes located in this quadrant have a low importance to the customers and the company also has low performance in those attributes. So, the attributes located in this quadrant are not a priority to the company.

The last one is Quadrant IV which is labelled as "possible overkill". None of this research attributes that are located in this Quadrant, means that it has low importance to the customers but the performance of the company in these attributes is high.

Discussions

The result of this research shows the importance of the attributes to the customers and how well the performance of the company is according to the customers as seen on the quadrant.

Quadrant I

This part summarizes the result of analysis as shown in Figure 3. The figure shows that there are four quadrant. There is one attribute that located in Quadrant I. Window Display, which is the first attribute, being very important because it created first impression of the store on them (Mehta and Chugan, 2013). Based on previous research, it was shown that window display significantly influenced customers' buying behavior.

Window displays can communicate style, content, and price of the store. It closely related to the easiness of the customers or passerby to enter the store. It may also be used to advertise seasonal sales or inform passerby of other current promotions. But unfortunately, the performance of this attributes is assessed low, it means that the customers still do not think that Gaudi perform really well to attract them or in other words they are not satisfied enough with the performance. The store needs to concentrate to this indicator performance, make some evaluation regarding to its realization and give more effort to make some improvement so it can meets the customers level of importance. Like change the displays regularly, because new displays indicate new up-to-date products are available.

Quadrant II

Signage and Lighting are attributes located in Quadrant II. It means that, the importance is high and the performance is high. This quadrant labelled as "keep up the good work". The assessed performance of Signage and Lighting shows that the performance of these attributes is high and it means that the customers finds that Signage and Lighting has perform well and good impression the customers. Fashion stores in Manado Town Square are much enough, but just some of them has good lighting and interesting signage.

Signage is the design or use of signs and symbols to communicate a message to a specific group, usually for the purpose of marketing just like usually (The American Heritage Dictionary of the English Language, 2000). Like in previous research, signage was significantly related with customer buying behavior. Signage is cost-effective gear for conveying a massage or informing the customer about the merchandise available in the retail store. It will increase awareness towards highlighted products and attract the customers to buy the products. Signs are any kind of visual graphics created to display information to a particular audience. Gaudi has been shown a proper signage because seen from the date, it already met the customer's level of importance.

According to Kotler (2001), lighting can be defined as "the medium of illumination that makes sight possible". Lighting is high performance because it simply means that it is the use of both artificial and natural light sources in order to make objects, figures, pictures et cetera visible, as all colors depends on any form of lighting. Without the use of proper lighting, color cannot be as effective as it is intended to be. It is thought the use of light that thing/objects become visible. Lighting also plays a critical role in the creation of an effective in-store atmosphere. Lighting is essential in calling attention to merchandise in a display. It will enhance the experience of the store. A shopper's eye is drawn automatically to the brightest item or area.

According to the result, the customers are satisfied with the performance of these indicators which is high performance. Seen from these fact, the result indicates that existing ways of signage and lighting have strengths and should continue being maintained. The management do not need to do much, just keep up the good work.

Quadrant III

Mannequin, Store Layout, and Color are attributes that located in Quadrant III which is labelled as "low priority". The customers find that these attributes to be low importance for them. While the performance of the store also assessed low.

Mannequins play a crucial role in pushing any merchandise off the shelf and help to convert slow moving merchandise to fast moving merchandise by using effective display techniques. Now, mannequins are involving as the tool of marketing and sales promotion. Research of this study shows the opposite results that most of Gaudi customers' feel mannequins are not too important to them. It is mainly caused by the belief that mannequin was too perfect sculpture displays and not represent their real body. They prefer to directly try the clothes on their body, than just being impress of the clothes on mannequins. Hence, respondents are not able to empathize with the mannequin display. There is no significantly correlation shown in this study that visual merchandising attribute which is mannequin and consumer buying behavior. While for the little part of customers, they really impress by the items being display on mannequin but the performance was not satisfied enough or below the standard.

Furthermore talk about Store layout, it is the design of a store's floor space and the placement of items within the store (Heap, 2014). Store layout helps influence a customer's behavior. A good store layout helps customers find and purchase merchandise. The result show that for majority of customers they are not really think that store layout is important, because they may think that if they really know what items that they want to search for, then they will explore the whole store. Still for minor customers, they think the store's layout will help them to find clothes with fastest and easiest way but the store's performance was not satisfied enough. The previous research revealed that store layout has significant influence to customer purchase behavior, but the result in this study was different which is in contrary. As it placed in quadrant III so it means lower priority for customer and low performance from Gaudi.

The last attribute is color. Color is one of the most powerful tools that can attract customers and delicately encourage them to buy. It can draw attention quickly, and inspire different feelings. Color in this case it related to rack/ gondolas color. From the data that gathered by the questionnaires, most of all

respondents not think color has a high influence for them. It may cause because customers' more being attract by signage as mentioned before. Still for other little part, customers love the interesting color rack/ gondolas. But if the background color is too strong, it can clash with main colors on the display or the product itself. The performance of color is low which means that the customers also do not feel satisfied with this attribute. But it was not a big deal, considering that those attributes such as mannequin, store layout and color are not important to the Gaudi's customers.

Quadrant IV

Quadrant IV or called as possible overkill, which is the customers thinks that it is not really important and the company is paying too much attention in these attributes. The result shows that there is none of six attributes mentioned before that located in this quadrant. It is means that, so far the company didn't spent the resources/money for unnecessary thing.

After conducting all the data processed, finally this research can concluded that there has a pivotal relationship between visual merchandise with consumers buying behavior in the previous research (chapter two). At all results, the importance average of all attributes is 4.24 and the performance average of all attributes is 4. The importance of visual merchandise attributes is high to the customer. While in general, all the previous research that support this research shown that visual merchandise program applied by stores, is important for them because it contributed to closing purchase that increasing sales of the store. Even though, this study revealed mannequin, store layout, and color did not significantly lead to customers' buying behavior, but the result still suggested that the other attributes are correlate.

In sum, there is one attribute that need to improve the performance by Gaudi which is Window Display because to the customer this attribute is really important. Two attributes that need to keep their performance by Gaudi which are Signage and Lighting, by the result it shown that these are important and the customers feel satisfied with the performance. Last but not least, there are three attributes that not so important or low priority to Gaudi because the customers' also think that these attributes are not too important which are Mannequin, Store Layout, and Color.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The conclusion drawn from this research are as follows:
1. Window display, signage, and lighting are some of Visual Merchandise attributes that important for the customer according to their perspective. Window display was placed in quadrant (concentrate here quadrant). It means that window display has high importance level for the customers. The second attributes that customer thinks importance is signage. It located in quadrant II (keep up the good work quadrant), signage has the highest importance level to the Gaudi customers. Followed by lighting as the second attribute that customers really think of its importance level. Lighting also located in quadrant II (keep up the good work quadrant). While in quadrant III (low priority quadrant) there are many attributes such as mannequin, store layout, and color that customers of Gaudi think has low importance level.
2. Window display is one of the attributes that has low performance level in Visual Merchandise of Gaudi Manado Town Square. The performance was not reach the level of what customers wants. It caused window display located in quadrant I (concentrate here quadrant). While signage is the attributes that perform really well according to Gaudi Customers. Signage located in Quadrant II (keep up the good work quadrant). Followed by lighting that also has performed well towards to Gaudi customer's perspective. It made lighting also located in quadrant I (keep up the good work quadrant). The rest of visual merchandising attributes in Gaudi are mannequin, store layout and Color were not really have high performance level to the Gaudi's customers, so they located on quadrant III (low priority quadrant).

Recommendations

These are the recommendations as listed that hopefully can be useful as suggestion:

Window Display has high importance but does not meet the customer expectation or not satisfied enough. Therefore, Gaudi should pay more attention to this attribute considering window display is the

very first thing that appear for passerby when they pass in front of the store. Gaudi should create a good first impression like put the best clothes and add some catchy stuffs or interesting wallpaper theme so it will attract the customer to step into the store and do some purchase decision. Gaudi advisable to change the window display in store twice a month to keep this attribute live and fresh. Also window display should be neat and tidy and lightings should be appropriate.

Signage and Lighting are the attributes that have high importance and also high performance or in the other words, meet the customer expectation. Therefore, Gaudi should keep maintain the good work of these attributes because these could be considered as Gaudi's key of success. Later, Gaudi also may increase the performance adjusting with time development.

Mannequin, Store Layout, and Color are the attributes that have low importance and also low performance. The importance itself might be low for some customers while others think those attributes are important but the performance is still not good by the company. So, it will more good for Gaudi Manado Town Square, to display mannequin in such interesting way and to display the latest style according to current trend. For the store layout it will much better if it has arrange in easiest way, at the eye reaching distance, and arranged in such a way that walking space is now crowded and way through the store well structured. The rest is color, it will affecting customers sight if those clothes placed in right color rack. Be aware, if the background color is too strong, it can clash with main colors on the display or the product itself. Still those three attributes are lower priority, so if the first priority has accomplished then it can be fulfill later.

Therefore, Gaudi Manado Town Square need to conduct further internal research, in terms of follow up the result of this research, in order to increase or maintain the performance of each visual merchandise attributes that have a high impact to the consumers buying behavior that resulting in attract the customers attention and increasing the sales. It needs a periodic assessment about the performance of visual merchandise attributes so the program that established always meets the customers' needs or expectation.

REFERENCES

Gopal, V. 2006. *Visual Merchandising: An Introduction*. ICFAI University Press

Hair, J.F., Ringle, C.M., Sarstedt, M. 2011. PLS-SEM: indeed a silver bullet. *Journal of Marketing Theory and Practicer* . p139-151

Dustin Heap. 2014. *https://www.signs.com/blog/store-layout-and-customer-flow-does-it-matter-for-smbs/*

Kotler. 2011. *Philip Kotler's Contributions to Marketing Theory and Practice*, in Naresh K. Malhotra (ed.) Review of Marketing Research: Special Issue – Marketing Legends (Review of Marketing Research, Volume 8). Emerald Group Publishing Limited, pp.87 – 120

Levi, E. and Weitz, S. 2011. *Retailing management*. 7thed. New York*:* McGraw Hill.

Lopez, C. and Ying, Fan. 2009. Internationalisation of the Spanish Fashion Brand Zara. *Journal of Fashion Marketing and Management*. Brunel Business School. https://doi.org/10.1108/13612020910957770. p279-296.

Malhotra, N.K. 2010. *Marketing research: An applied orientation*. 6thed. Upper Saddle River, New Jersey: Pearson.

Martilla, J. and James, J. 1977. 'Importance-Performance Analysis', *Journal of Marketing*, Vol. 41(1).

Mehta, Neha and Chugan, Pawan K., *Visual Merchandising: Impact on Consumer Behaviour (An Exploratory Study of Apparel Segment in Ahmedabad)*. 2012. "Mapping the Global Future: Evolution Through Innovation, and Excellence"

Passewitz, G. Stoop, H. Zetocha, D. 1991. *Visual Merchandising: A Guide for Small Retailers*. Ames: *Iowa State University*.

Peter, J. P., and Olson, J. C. 2005. *Consumer Behaviour and Marketing Strategy* (7th ed). New York: McGraw-Hill/Irwin.

Sekaran, U. 2003. *Research Methods for Business: A Skill-Building Approach*. 4th Edition, John Wiley and Sons, New York.

Sekaran, U. And Bougie, R. 2009. *Research Method for Business: A skill building approach*. 5th edition. John Wiley and Sons Ltd: United Kingdom