

Tools of Visual Merchandising in Slovenian Grocery Stores in Practice

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Abstract:

Research Question (RQ): Distribution of products in stores should contribute to better selling. In the article we want to test if such methods are used in the case of selected Slovenian grocery stores.

Purpose: The article tries to demonstrate on two case studies presence of merchandising in Slovenian grocery stores.

Method: Based on literature review experiment with observation is carried out in two grocery stores.

Results: Merchandising methods are psychological trick that count on individuals' impulsiveness to increase the selling. Testing them on selected cases in Slovenia shows existence of such "tricks" also in Slovenian grocery stores, despite merchandising tactics are not consistently applied.

Organization: The research results can contribute to organisational awareness of potential sloppiness in execution of merchandising.

Society: The article potentially raises awareness of selling strategies implemented by stores and consequently should lead to more conscious buying.

Originality: Article contributes to observational study in the field and can serve as a pilot study for further development of methodology for more systemic approach.

Limitations / further research: Empirical research was conducted only on two cases which makes results demonstrative but not conclusive, the approach should be implemented on bigger sample.

Keywords: merchandising, store layout, arrangement of goods, purchase management, impulse purchase.

1 Introduction

Nowadays, number of small stores is getting reduced, and people are more and more often forced to buy in large shopping malls and "super-stores", which are offering all from freshly baked bread to clothing and electric appliances. On the one hand, it is very convenient to buy everything at one location at the same time, but at the same time

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people often return from the store with everything, but not with what they originally wanted to buy. Impulsive purchases can, in principle, be prevented by writing a shopping list in advance and strictly following it. However, not all people come to the store with a list, and even if, they can still see, for example, seasonal cherries, and impulsively buy them. And the Hollandaise sauce standing next to the asparagus, one wants to say “thank you” to the workers of this store, because there was no need to search for it all around the store, even if there was no initial intention to buy it.

Such coincidences are actually premeditated rules by which stores are organised. They go under the name of merchandising. Merchandising is optimisation of the trade system related to the preparation of goods, their advertising, as well as stimulations of trade activities (price, discounts, benefits, bonuses, etc.). By applying the rules of merchandising in practice, store can make itself more interesting for buyers, stimulate impulsive purchases, and inform the buyer about a new product. Merchandising gives imaginary freedom of choice to consumers, but applies psychological tricks that guide customers purchase decisions in a way to overbuy or to buy overpriced (see Dziamski, 2011). According to merchandising principles entrance, check-outs and music are organised; one can feel certain odour and the flow of people is organised so that people, walking through the store, cover as much space with goods as possible.

Within this article, we will try to check application of merchandising principles in the case of two hypermarket stores in Slovenia and based on the results explain to which degree the merchandising practices are used.

2 Theoretical framework

2.1 Principles of merchandising – overview

There are no merchandising rules in traditional sense, comparable to punctuation in languages. Stores are very different and not every store applies the same strategy to sell its products. But at the same moment there are specific ways, which can influence buyers' decision in a particular store.

Everything can be planned and written by buyers, and they could strictly follow their lists of goods that they need. If this statement would work correctly and absolutely, there would be most likely no space for merchandising. Merchandising performs two main large-scale tasks. The first task is to attract customers with the goal to establish that particular store their usual place for everyday purchases. Second goal is to drive customers into maximisation of unplanned purchases. The store cannot manage

customers' purchases directly, but, as we indicated before, there are certain methods to influence customers behaviour.

There are people who are going around without list of needed goods and even if buyers have shopping lists, they can make unplanned decisions, like buying products different from planned ones. Historically, there was a lot of research producing different results regarding unplanned buying. According to the Popai/Du (1977), as cited in Abratt and Goodey (1990: 113), 65% of all supermarket purchase decisions were made in store with over 50% of these being unplanned). According to the Johnson and Williams study (1984), as cited in Abratt and Goodey (1990: 113), 20% of purchasing decisions were made in the store. The Kollat and Willett (1967), as cited in Abratt, Goodey (1990: 113), study showed that 50,5% of the products on an unplanned basis. The Choudhary (2014) indicated that more than 60 per cent of purchases in an organized retail outlet are unplanned, Wood (2005) says that a majority (71 per cent) made no unplanned purchases. Of those mall shoppers who made unplanned purchases, a majority (66 per cent) could be classified as 'impulsive'. Such numbers suggest that there is significant amount of buyers who can be directed in their shopping.

The research of merchandising in clothing stores shows that the prices in clothing stores are the most influential visual merchandising element, whereas celebrity endorsements were of no significant importance. The study also revealed that gender and age factors do not have any significant influence on the preference of visual merchandising elements and consumers' buying behaviour (see Jelani et al, 2022). On the other hand, the atmosphere of the store influences the choice of purchasing location for planned purchase (e.g. Köseoğlu, 2022; Fachri & Farhan, 2023).

For the purpose of this article, we will determine some key factors of merchandising that we will further evaluate in the case study of selected Slovenian stores. Different authors (see Franjković et al., 2022) analyse different key factors as crucial. Franjković et al. (2022) define as key factors, the following: store layout, store design and cleanliness, regular promotion signage, in-store product displays, in-store price promotional labels, out-of-store price promotions, in-store colours, in-store music, store employees. All these factors are considered important, but for the purposes of the article we will concentrate on the layout of the store and logic of placing goods on the shelves in the store.

2.2. Store layout

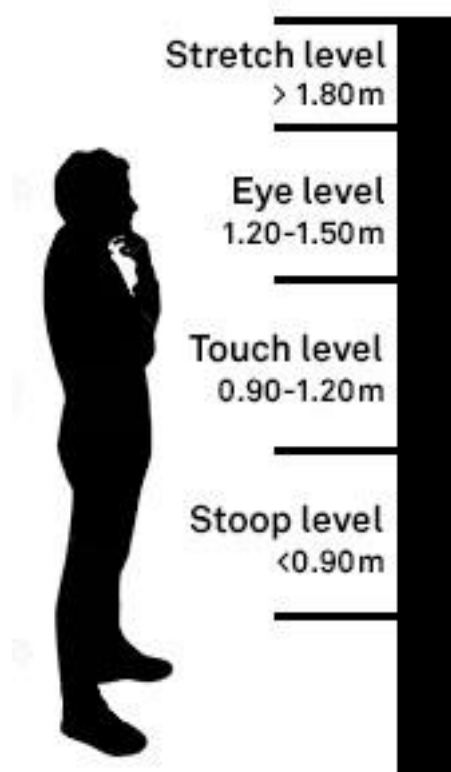
Research results imply that retailers need to create stimulating atmosphere and appealing layout in order to trigger consumer's buying decision (Štulec et al., 2018).

Buyers are pleased to enter a well-organized, spacious and bright room, where there is a large space between the shopping rows. In the future we will check whether the selected stores meet these requirements. According to the Wei and Yazdanifard (2014), store layout or arrangement of departments or groupings of merchandise has to be organized in a way to provide ease of customers' movement through the store and to provide maximum exposure and attractive display of merchandise. It would be strange if, at the entrance to the store, each customer was greeted by an employee, who would guide the customer around the store. That is one of the reasons why the store is structured in a way to guide the buyer where and how to move. The most striking example is Ikea, where, before getting to the warehouse store, the buyer ideally goes through all the departments, directed by visual signs. Of course there are also shortcuts, and direct way to the warehouse. However, it is safe to say that Ikea puts lots of effort for customers not to easily find the shortest way to requested department and to the exit. At the same time, groceries stores are also not alien to such techniques. Most shops guide customers through the store in an anti - clockwise direction. This is generally justified by the fact that costumers are for the most part right-handed (Groepel-Klein & Bartmann, 2008). However, unlike Ikea, most of the stores have free-form layout. There can be still some layout tricks, but customers are much more independent in their movement. Customers in this situation feel less rushed and thus are more likely to make unplanned purchase. Paths are often organized by "landmarks" that will attract customer attention. Whenever customer reach a focus point, another focus point should already be in their field of vision. The most visited places in the store are the entrance, the central alley and the aisles near the cash registers (Guzelevich, 2010). At the entrance, the store often places perishable goods, which include for example vegetables and fruits. Other "necessary" products are often placed on the remote locations. The technique of separating the necessary products when planning a store is quite often used. Most people buy vegetables, fruits, bread, meat, fish, dairy products, eggs. Separating products means finding some needed products on one side of the store and others on the other. Since the number of buyers are vegans or vegetarians the fruits and vegetables section is also distant to other non-meat products. There is a theory of "Golden triangle" (see Naumova &, Sboeva, 2014) that puts the entrance and checkout of the supermarket on different sides on the same line, and any necessary goods are located in the middle at the end of the store. Thus, to purchase this product you will need to go through the entire store. In children's store the path to children's clothing leads through toys (Guzelevich, 2010). In order to reach all the "necessary goods" spots, the buyers will inevitably pass through products that are not considered essential, but have high impulsive buy potential (e.g. sweets, alcohol, etc.). Along the main shopping path, necessary goods can be interspersed with optional goods, reminding of their existence.

2.3 The arrangement of goods on the shelves

According to the research of Solovyova and Boldyreva (2017) the most recognizable brands are located in a manner to catch the most attention; individual brands are grouped in rectangular blocks and the density of product presentation should be uniform; each brand is placed with the same spacing and the so-called eye level is considered to be best-selling option.

Figure 1
Organisation of the shelf level



Adapted from SBShoppingBasket by
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Figure 1 shows which heights are used for which categories of reach. Interesting part is that for kids' eye level will be a bit different, which would result in different product placement logic in sections attractive to kids (toys, sweets). Our empirical part of empirical analysis will use shelf positioning from Figure 1 as a methodological base of analysis. Manipulating the shelf positions of the products resulted in positive sales performance variation only for "eye level" shelves, keeping the other variables that may affect the sales constant (Kamaşak, 2008). According to Drèze et al. (1994) location had a large impact on sales, whereas changes in the number of spaces allocated to a brand had much less impact as long as a minimum threshold (to avoid out-of-stocks) was

maintained. According to Ebster and Graus (2011) customers primarily search for products horizontally since most of our eye muscle are made for horizontal movement.

The probability of choosing the eye level placed product over similar ones at other heights is increased (Varghese, 2021). However, there is also different perspective, according to which eye level is not “buy level” and greatest propensity to capture shoppers’ attention is approximately 14.7 inches *below* eye level (which is around chest level). (Chen et al., 2021)

Goods can be placed vertically or horizontally. Vertical merchandising refers to displaying a product, or branded range of products, from top to bottom in a vertical line. Horizontal merchandising is displaying a product, or branded range of products, left to right in a horizontal line. In both types there are pluses and minuses (see Kiselev et al., 2007)

Figure 2
Graphical representation of shelf organisation



Source: Own representation based on “Store design and visual merchandising: Creating store space that encourages buying”, by C. Ebster and M. Garaus, 2011. Copyright 2011 by C. Ebster and M. Garaus.

3 Method

For the purposes of analysis, we will use two Slovenian shopping mall size grocery stores of different brands in medium-sized urban centre with about 13.000 inhabitants and potential to attract about additional 50.000 people from the gravitational area. Initially, we will present the basic the layout of stores and will try to compare them to the general rules of store path navigation as described in theoretical part. Attention will be paid to the existence any special paths that buyers are encouraged to take through these stores, in which direction the movement takes place in the store, how are distributed the departments, whether the most important goods are divided between locations, are the necessary or most needed goods interspersed with those that can

easily be dispensed with, whether the goods, that are presumably purchased together, are located next to each other. We will also evaluate the arrangement of sets of goods on the shelves. For our research we will take shelves with tomato paste and analogies, dry red wine, dish-washing liquid and olive oil. These products were selected in the perspective that there is relatively big amount of same kind of product available on a concentrated space. This allows fair possibility of amassment of the principles implemented in practice. Similar could be achieved in the cosmetics department but the products in this field often vary already too much in the size of the shelf. Due to the small sample of the stores, we cannot generalize, but we can indicate potential existence of the merchandizing principles in selected stores, further assuming the existence of merchandizing principles in selected store chains. Selection of sets of products ensure also validity and reliability of the test. Results can be under same conditions reproduced, not only in selected stores but in all stores of given store chains at the same level (mall size grocery store of selected chain in Slovenia). Reliability of the test is derived from the principals of merchandizing and its implication in practice, while we are monitoring the practice and compare it to the established theoretical principles. In this manner, we understand the method and results as valid.

4 Results

4.1 Layout of the selected stores

During analysis of the store A, as well as for the store B, it was established that there are no specially noted paths for buyers. Entrance to the store A is situated on the right side of the store and there is vegetables and seasonable products next to it. Given the fact of where is the entrance, it is possible to assume that people would predominantly move around the store anticlockwise. On the other hand, store B has two entrances into the area, where main entrance (more exposed and broader one) is on the left side, indicating less movement control approach.

In the store A, after vegetables and bread there are departments with meat, cheese, fish continuing towards oil. Then there are aisles of preprepared food and frozen meat and fish, then starts long shelves deep in store with meat products (sausages, salami, prosciutto), pasta, rice, sweets, coffee, tea, corn flakes, honey, canned vegetables, fish and pate, alcohol production, healthy food, snacks. On the main path it is oil and snacks. After snacks there is big department with soft drinks and on the side opposite of entrance it is milk products, eggs, closer to the cashiers there are technic and toys. On the aisles closer to the exit are clothes, diapers, products for children, hygiene items, shampoos and shower gels, toothbrushes and pastes, deodorants and shaving products. There is also stand with toilet paper, washing powders and liquids, laundry

softeners and dishwashing liquids. Seasonal entertainment products are located closer to the toys, such as sea slippers and water pistols. Gift bags and candles, and on the next line - goods for office and school. Vegetables, bread and meat are separated from milk products and eggs with whole store. And if you need milk, eggs, kefir or vegan products (which are also on the opposite side from entrance) you will need to walk through whole store (potentially taking interest in the products). In some cases, they use approach of related products proximity, for example, next to the pasta there was tomato and pesto sauce for pasta. The store is light, cool and spacious. Based on the aforementioned theories of store layout, this store uses the logic of merchandising behind.

Concerning arrangement of goods on the shelves, the density of product presentation was uniform with most of products. Detailed analysis of shelves organisation will be provided in the next part.

As it was pointed out earlier, in the store B the main entrance to the store is located on the left side which suggest predominant clockwise circulation of customers. No special markings were found for the route of movement of customers in the store. Some of the product shelves, such as a shelf with corn flakes, are much lower than in store A. Also, in terms of fullness of shelves and neatness of product placement, store B is visually inferior to store A (e.g. there is less light, some shelves seem to be unorganized and untidy). As you enter, there are vegetables and fruits on the right side and prepared food and backed bread on the left, then bread product, eggs, corn flakes, muesli and snacks continue on the left, but in between there are pallets of non-alcoholic beer. Dairy products begin along the left wall of the store and then occupying big part of wall which is opposite of the entrance. On the right side of main alley there are floor refrigerators with cheese, meat product and sausages. On the left wall then it is fresh meat and fish. On the right side there are going long lines of products (perpendicular to the wall on which the main entrance is located) which start with dry meat and salami, then there are alcoholic drinks. Then there is long line with pasta and different sauces for it. On the corner of shelf (possible to see it from the main alley) there are farmer's dairy products and next corner has farmer's meat products. Next perpendicular to wall with main entrance line has flavour and everything what is needed for backing sweet products. On the corner of it is small island with action goods and behind on the corner are sweet water and champagne. This is followed by horizontal shelves with different types of oil, salt, vinegar. On the left wall (right from the main alley) when meat and fish are finished, there are glass jars with cucumbers, ajvar and different other canned vegetables. In front of the canned vegetables there is again an isle with summer light alcoholic drinks such as beer. There are also several stands around the store with white wine common in

summer. It is followed horizontal line with coffee and tea. On the corner there are common cookies, jam and porridge. Then there are small isles with chocolate, cacao, cookies. The main alley is further going to the right, and on the left side there is huge amount of space which all full of different type of non-alcoholic drinks. On the left side there are electric devices, different staff for cooking. On the corners of horizontal shelf, we can see equipment for summer grill on the first one and on the second one there are different types of glass jar to make canned vegetables at home. Then there are shelves with dishes and various cutlery, and further, closer to the exit, there is a department with school supplies and toys. The main alley turns right again and further on there are also long shelves located perpendicular to the wall with the entrance. They contain cutting boards, flowerpots, and then products related to body care and cleaning products. These floors end with a refrigerator with frozen vegetables and semi-finished products. With this store layout, we see that the main products such as milk, bread, meat, fruits, vegetables, and cereals are located on one side of the store. This rather hectic organisation has however certain logic that requires buyer to go all around while searching for products.

To analyse the arrangement of products on shelves, the following products were selected in stores A and B. It is wines, tomato pastes and analogues, dishwashing liquids and olive oils. As mentioned before, this selection is chosen due to comparability between store A and B and because of significant amount of products that they can be compared. Below, we tried to convey through the tables what the shelves selected for analysis look like in the stores.

4.2 Organisation of selected shelves: representation of data with analysis

This subsection presents the organisation of selected shelves in both analysed stores, not only by price ranges on different levels, but also as graphical representation of diversity and product placement. “Ac” marks product in action with action price written.

Figure 3
Wine shelf, store A

9,39€	13.89€	18,78€	35,49€	34.49€	16.69€	15.99€	14.79€	14.59€	28,79€	28.79€	22,59€	22.38€	13,69€	13.69€	
13.98€	12,98€	12,98€	17,98€	18,19€	16,25€	16,29€	14,68€	37,19€	28,28€	17,59€	4,99€ Ac	4,79€ Ac	4,79€ Ac	5,59€ Ac	
4,39€ Ac	21,45€	6,29€	13,99€	16,49€	17,58€	17,38€	15,38€	12,88€	12,04€	14,45€	14,88€	15,19€	16,99€		
4,39€ Ac	3,89€ Ac	4,99€ Ac	6,49€	13,99€	7,49€	17,19€	17,19€	8,98€	11,15€	10,88€	11,89€	13,43€	22,05€	16,85€	28,08€
5,88€	5,88€	6,29€	7,29€	5,98€	8,79€	5,69€	5,99€	10,28€	9,43€	12,78€	10,99€ Ac				

Figure 4
Wine shelf, store B

24,99€	37,38€	13,28€	13,49€	12,99€	11,15€ Ac	20,99€	14,69€	14,99€	14,69€	28,29€	15,49€	17,39€	17,59€	4,99€	7,49€	8,59€
14,69€	12,69€	12,99€	4,98€ Ac	13,69€	15,59€	18,19€	10,89€	11,49€	12,99€ Ac	15,39€	13,39€ Ac	5,39€ Ac	10,29€	3,99€Ac		
7,39€	9,99€	7,99€	14,09€	6,49€	7,59€	12,59€	8,49€	9,99€	15,99€	7,99€	4,99€	6,29€	13,39€	12,49€Ac	4,58€ Ac	
7,99€	4,79€ Ac	6,29€	11,29€ Ac	5,49€	4,99€ Ac	5,39€ Ac	4,49€	5,89€ Ac	5,39€	3,77€ Ac	3,99€	6,99€	6,29€	3,39€	3,49€	
	3,78€	4,59€	3,29€	2,39€	4,13€ Ac	5,39€	4,99€	7,99€	5,19€ Ac							

The wine shelves in store A and B look fully stocked. We did not indicate the names of the brands, because, in our opinion, none of the brands distinguished from the other in terms of popularity. Singling out any brand for analysis will require an explanation of the selection criteria, of something that does not contribute to the purpose of this work. As already mentioned above, product that stand on the shelf at eye-level and at touch level are popular with buyers (or are pushed forward by the store). According to merchandising rules, in this case, stores should have placed the most expensive bottles at eye level. In order to confirm that we analysed the averages of shelves.

Store A: 18,59€; 14,43€; 14,24€; 12.4€; 7,94€

Store B: 16,38€; 11,78€; 9,40€; 5,62€; 6,20€.

In general, wine in store B is cheaper than in store A. In both cases we see that prices of wine on the top level are the most expensive. And bottles on the bottom shelves in both cases are the cheapest. This calculation shows that on the bottom shelf still staying

bottles which are much cheaper than bottles on the eye-level or on the top. Putting the most expensive goods on the top slightly deviates from the perspective of rules of merchandising.

Figure 5
Tomato paste shelf, store A

1,29€ SP	0,99€ SP	1,79€ SP	1,35€ SP	3,39€ SP	3,56€ BIO	5,49€ SP	2,99€ SP	1,99€ S	1,49€ Natureta	3,88€ Natureta	1,30€ Victoria	0,98 Fructal	Podravka
2,15€ DS				0,99€ SP					Mutti 1,59€	Mutti 2,48€	Mutti 3,88€		DS 0,79€
2,43€ DS	SB 0,55€	SP 0,75€		SB 0,59€	DS 1,29€	1,48€/ 1,38€ Vapore			1,99€ Muti				
Mutti 1,68€/2,58€/2,18€/4,69€						Natureta 1,59€			Mutti 2,98€				
Mutti 1,78€/1,79€/2,34€/2,58€/5,98€						Podravka, 1,28€	Podravka, 1,58€	Victoria 1,62€/1,30€		Victoria 1,79€/2,89€		Natureta 2,19€	
SB 0,99€		SB 0,99€	Natureta 1,95€			Podravka 1,38€/1,88€			Mutti 1,89€/2,78€				

Figure 6
Tomato paste shelf, store B

Garden good 0,79€	Podravka 1,29€	Natureta 1,69€	Vapore 1,49€/4,19€	2,99€ SP	Mutti 2,59€/1,49€ Ac/2,19€								
Garden good 0,69€		Natureta 1,59€		Vapore 1,39€	Mutti 1,89€/2,69€								
Rosso 1,45€		Rosso 1,29€		Mutti 4,69€				Vapore 2,49€		Natureta Ac	2,49€		
Garden good 1,39€	Garden good 1,39€		Podravka 1,39€/1,99€		Natureta 20,19€ (price for whole box)	Mutti, 189€	Pomi, 2,49€	Star 1,99€	Mutti 3,69€				
Garden goods, 1,19€	Podravka 2,39€	BIO 3,49€	Natureta 2,19€		Vapore, 3,49€/1,39€		Mutti 2,14€/2,89€/2,99€/2,39€						
		Garden good, 0,84€	Podravka 1,44€		Pomi 2,19€	Fractal 0,99€	Mutti 1,99€						
Golden good 1,39€		Golden good 1,39€	Podravka 2,29€		Valfrutta 1,19€/1,59€				Mutti 4,49€ Ac				

The shelves with tomato paste and analogues differed in both cases in a large number of different brand options, volume and shapes of the products. When examining these shelves, there was not a big difference in price depending on the location on the

shelves, however in store A it is clearly visible that at eye level and stretch there are slightly more expensive products, and at touch level there are products branded by the store. Also, in the store A shelves are fully stocked and in the store B there is lots of free space. Checking average price (the highest shelf goes first) gives some additional insight.

Store A: 2,35€; 1,98€; 1,3€; 2,61€; 2,26€; 1,69€

Store B: 2,07€; 1,65€; 2,03€; 2,46€; 2,45€; 1,49€; 2,05€

This confirms the rules of merchandising. The store, wanting to sell its own products, places it on the most popular shelves and provides significant quantity of shelves covered with it.

Figure 7
Olive oil shelf, store A

Gea 5,99€/10,97€/18,89€/20,74€				Bio Gea 7,67€/14,89€
Zvezda 19,98€	Zvezda 19,98€	Gea 12,07€	Belica 14,89€/14,79€	Greg lisjak 16,99€/18,99€
SP 7,98€	SP 13,65€			Olum 17,98€/17,89€
SB 6,67€	SB 6,67€			Cekin 9,98€

Figure 8
Olive oil shelf, store B

Zvijezda 15,99€	Zvijezda 19,99€	Monini 14,99€/17,99€	Borges 15,44€ Action/14,99€	Action/17,84€	Kalamata 18,99€
Kmetija 18,39€	Metlika	Monini 17,99€/17,99€	Filippo 10,79€	Berio, Epulon, 18,99€	Farchioni, 15,49€

Shelves with olive oil repeating this logic. In the store A on the stretch level are most expensive products, and on the same time on touch level there are products from their own store brand. In the case of store B, olive oil is staying only on the two top shelves, touch level and shelves below occupied with sunflower oil of the same brand.

Store A: 13,19€; 16,80€; 14,38€; 7,73€,

Store B: 17,03€; 16,61€.

We see in the store A products on the eye - level are the most expensive, which again follows the principles of merchandising.

In the case of shelves with dishwashing liquid, the logic of both stores is quite similar. On the top shelf, both stores place quite specific brands, and the most of the shelves are given to wee-known brands.

Figure 9
Dishwashing liquid shelf, store A

Nana 3,49€	Frosh 2,29€/2,99€	Dual 3,99€
Splend0,95€/1,50€	Jar 4,79€/7,29€	Dual 3,99€
Spend 1,48€	Vio 1,69€/2,79€ Jar 1,99€/ 4,79€/7,29€/8,99€	Pril 1,99€ Ac/3,99€
Spend 0,95€/1,49€	Vio 1,69€/2,79€ Jar 1,99€/ 4,79€/8,99€	Pril 1,99€ Ac/3,99€
Spend 0,95€/1,49€	Vio 1,69€/2,79€ Jar 1,99€/ 4,79€/8,99€	Carli 0.92€

Figure 10
Dishwashing liquid shelf, store B

Dax 0.89€	Carli, 1,11€	Nana, 2,79€ Ac	Frosch 1,61€ Ac	Dax 1,79€ Ac
	Pril 2,99€ Ac /2,59€/2,99€ Ac		Jar 3,99€ Ac/2,40€ Ac	
Dax 0.89€	Pril 2,99€ Ac /2,59€/3,99€ Ac		Jar 4,79€/4,79€/5,49€ Ac	
Dax 0,89€	Pril 3,29€/2,99€ Ac /3,99€ Ac		Jar 4,79€/4,79€/5,49€ Ac	
Daisy 1,35€	Pril 2,59€/2,99€ Ac /2,99€ Ac /2,99€ Ac		Jar 1,99€ Ac/5,49€ Ac	

In the case of store A, we were analysing the part of the shelves one meter long, next to them there were also shelves with dishwashing liquid and the same volume of shelves was occupied exclusively by one very known brand. Both store places recognisable purchased at eye and level of touch. They occupy most of it. However, there are other brands, their products are located vertically bellow each other, but compared to well-known brands, their quantity is so small that the eye does not catch it unless buyer has interest in that specific product.

Average price store A: 3,19€; 3,7€; 3,89€; 3,19€; 2,95€

Average price store B: 1,64€; 2,99€; 3,65€; 3,75€; 2,91€

In the case of the store A we see that on eye-level and touch level are the most expensive products. In the case of store B, top level is the most expensive, but on the same moment the emptiest. Store A again very strictly follows the merchandising principles.

5 Discussion and conclusions

By correctly applying merchandising methods, principles and tools, a company can attract the attention of consumers to its products and encourage them to purchase the product, regardless of whether this purchase was planned or not (Brineva et al., 2021). The main task of every company is to sell their own goods, and merchandising principles can help a lot with this. According to research, there are different principles that apply to different customers. Some methods are only of limited use and highly depending on various preconditions. We tried to establish if major grocery stores in Slovenia use merchandising principles, we selected two different hypermarkets. We assessed such criteria as store layout, which includes also customer movement patterns in the store, and the logic of placing goods on shelves. During practical analysis in stores, we found that in Slovenia stores do not necessarily follow the principles of merchandising. In one store the movement of customers is clockwise, while in another counterclockwise. The arrangement the products on the shelves according to their price usually occurs from top to bottom, with the most expensive products on the top. Top level is stretch level, which means that people will less likely buy these products unless moved to the reach or eye levels. In one case, at the reach level there are products branded by the store. Which follows the principles merchandising.

Merchandising is important set of psychological “trickery” that counts on gullibility of the people and their impulsive nature when it comes to daily shopping decisions. Empirical cases from Slovenian cases show that stores do apply some of it, despite rather non-systematically. We can say that analysed store A uses the merchandising principle more intensively and to greater extent than analysed store B. They are following the ambient principles more visibly, the rule of golden triangle as well as more systematic placement of preferred products on the level, that, according to studies, sell better. However, merchandising is set of various approaches, and that some of them are actually mutually excluding, so they cannot be used together. This study is, according to our knowledge, first empirical study of the type in the case of Slovenia, that gives deeper insight into the question.

Sellers can maximize their profits using merchandizing principles. Additionally, some of those principles can also help them to improve the actual organisation of the store, which can be considered positive side-effect of the desire for profit. Our case (despite not presented here as part of the analysis) indicates that the store which uses principles of merchandizing more effectively gives the impression of better organisation. From the perspective of customers, raising the awareness of merchandizing is important in the perspective of financial literacy in order to limit psychological effect of the merchandizing principles. These principles should be explained already in youth as well as in school within the household management course.

Further research should be directed towards improving the data collection method and especially to gathering bigger sample of observations, which would enable us to more confidently describe practices of merchandising in the case of Slovenian grocery shops. Additionally, this would enable us also to see the patterns clearer. At the same time, it would be interesting to connect the use of merchandising principles with the financial result of the individual stores to see potential financial effectiveness of the measure.

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Povzetek:

Orodja vizualnega trženja v živilskih trgovinah v Sloveniji v praksi

Raziskovalno vprašanje (RV): Razporeditev produktov v trgovinah naj bi doprinesla k boljši prodaji. V članku želimo preveriti ali so tovrstne metode spodbujanja prodaje uporabljene v izbranih slovenskih živilskih trgovinah.

Namen: Članek poskuša prikazati na dveh primerih prisotnost vizualnega trženja v slovenskih živilskih trgovinah.

Metoda: Na osnovi pregleda literature je bil izveden eksperiment z opazovanjem v dveh izbranih živilskih trgovinah.

Rezultati: Vizualno trženje kot metoda je psihološki trik, ki računa na impulzivnost posameznikov z namenom povečanja obsega profita. Testiranje prisotnosti tovrstnih trikov v izbranih primerih kaže na prisotnost tovrstnih praks tudi v Slovenskih živilskih trgovinah, čeprav se ne izvajajo konsistentno.

Organizacija: Raziskovalni rezultati lahko doprinesejo k organizacijski ozaveščenosti o potencialni nedoslednosti pri izvajanju trženjskih strategij.

Družba: Članek potencialno dviguje zavest o prodajnih strategijah, ki jih uporabljajo trgovine kar naj bi posledično pripeljalo do bolj ozaveščenega kupovanja.

Originalnost: Članek doprinese na področju študij z opazovanjem na opredeljenem področju in lahko služi kot pilotna študija za potrebe nadaljnjega raziskovanja.

Omejitve/nadaljnje raziskovanje: Empirični del je bil izveden zgolj v dveh primerih, kar dela rezultate zgolj demonstrativne ne pa definitivne. Pristop bi bilo v nadaljevanju potrebno testirati na večjem vzorcu.

Ključne besede: vizualno trženje, postavitve trgovine, razporejanje produktov, upravljanje nakupovanja, impulzivno nakupovanje.

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