THE EFFECTS OF RETAIL INTERIOR ENVIRONMENT ON CUSTOMER SHOPPING BEHAVIOR WITH SPECIAL REFERENCE TO FASHION MARKET IN SRI LANKA

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DECLARATION

I declare that this is my own work and this dissertation does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any other University or institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text.

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The above candidate has carried out research for the Masters dissertation under my supervision.

Signature of the supervisor: Date

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Abstract

Traditional retail activities, ‘pola' and ‘kade' have also upgraded in order to compete with the modern retail format in Sri Lanka. The scale of the Sri Lankan retail market is anticipated at in between 25-30 billion (USD), out of which organized players constitute only three percent.

At present Sri Lanka’s spending patterns resemble western nations, whose populace needs extra way of life merchandise and aspiration of luxury items. Sri Lankan customer has been stimulated with international lifestyle and need more requirements. The rising living standards of Sri Lankans' are converting their spending styles and choices in the direction of greater first-class branded goods and services.

Customer needs fuels the modern-day retailing and the heart of the growth of modern-day retailing is the 'Customer'.

The significance of environments in retail context has for long been identified both among practitioners and researchers.

The research problem of this study was "How the interior environment genuinely affects the customer behaviour in designing fashion retail stores in Sri Lanka?”

The study explored interior environments and their effects on consumer behaviour with special reference to retail fashion design market in Sri Lanka. It provided a systematic over view of concept of interior designed atmospheres and their effects on consumer behaviour in fashion design retail context by employing Stimulus-Organism-Response (S-O-R) model.

In addition to the traditional store stimuli of social factors, design factors and ambient factors, study introduced merchandise factors as a stimulus within fashion design retail stores.
Further it incorporated with both intellectual and intuitive evaluations as customers ‘internal states.
The specific research objectives of the study were to investigate:

- The effects of store environmental factors and merchandise factors on intellectual evaluation toward store and merchandise, respectively;
- The effects of intellectual evaluation toward store and merchandise on intuitive evaluation toward store and merchandise, respectively;
- The effects of intellectual and evaluation towards store and merchandise on approach-avoidance behaviours.

The study conducted in the context of fashion design retail market in Sri Lanka and shopping intercept survey methodology employed to collect the data and data analyzed by using a structural equation modelling approach.

Further the study provided research implications, managerial implications, and avenues for future research.

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