

# How Does Visual Merchandising in Fashion Retail Stores Affect Consumers' Brand Experience and Behavior?

A qualitative study about psychological- and personal factors affecting customers' channel selection in-store vs. online when purchasing clothes.

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# **Abstract**

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**Title:** How Does Visual Merchandising in Fashion Retail Stores Affect Consumers' Brand Experience and Behavior?

**Research question:** How do psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers?

**Purpose:** The purpose of this study is to explore consumers' brand experience and behavior when buying in-store and online. Moreover, how psychological- and personal factors influence consumers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers.

**Method:** The study uses a qualitative research approach with data collection that took place in the form of semi-structured interviews. The qualitative data were collected with a result of 19 respondents. The interviews were answered by females between the ages of 23-35 who either are or have been customers of Zara's physical- and online stores in Stockholm. The responses were audiotaped, transcribed, and then analyzed.

Conclusion: The authors can with this study state that the results that have emerged contribute to new knowledge about how psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. Additionally, the authors can assess how the elements of customer experience, brand coherence, and perceived visual merchandising, affect the behavior among the consumer and their channel selection when purchasing clothes from fashion retailers. This study adds new information that increases understanding and the information that emerged is essential for companies to consider. The essay will be useful to fashion industry businesses, especially those with online and physical stores. The research methodology not only helps the businesses' marketing but also identifies the most important factors.

**Keywords:** Customer Experience, Consumer Behavior, Customer Perception, Visual Merchandising, Psychological Factors, Personal Factors, In-store, Online Retailing.

# Glossary

In this list of concepts, various concepts that are recurring in this thesis are presented and explained.

### **Consumer Behavior**

Consumer behavior is the research of the procedures that individuals go through while choosing products that fulfill their demands. Buying behavior frequently involves numerous forms of consumer decisions that can change depending on various aspects such as finances, demography, and cultural and social variables (Nassé, 2021).

# **Consumer Convenience**

Consumer convenience is a notion that depends on context, where customers perceive it would change depending on the circumstance. The ease of shopping online is one of the primary factors that force consumers to visit online retailers' websites (Ahmad, 2002; Jayawardhena et al., 2007), much prior research on e-commerce has treated the convenience construct as a component of the predictor variables, such as customer service and reliability, which influence outcome factors such as customer satisfaction and behavioral intentions (Colwell et al., 2008; Seiders et al., 2007).

# **Customer Experience**

Customer experience is based on interactions between the customer and the store and is acknowledged to provide value and improve satisfaction and buying intentions (Hur'e et al., 2017; Molinillo et al., 2020). The term "customer experience" refers to a broad, all-encompassing concept that encompasses the customer's cognitive, affective, emotional, social, and physical responses to the store.

# **Visual Merchandising**

To persuade customers to buy apparel, a method known as visual merchandising involves placing the correct products in the right locations at the appropriate times (Park et al., 2014). To sell goods or services, this procedure coordinates all advertising, display, special events, fashion promotions, and merchandising efforts. The goal of visual merchandising is to improve efficiency by fostering a positive shopping experience, efficiently organizing in-store inventory, and differentiating brands to boost sales.

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# 1. Introduction

The background of the study and the problematization is described in the introduction chapter. The following will outline the study's purpose and research question.

# 1.1 Background

Customers are growing more fashion-sensitive as a result of the fashion industry's constant demands, and fashion has a big impact on consumers' behavior. There are two: the first is competition, which emphasizes the need of maintaining the atmosphere, including what is happening in the store and how it is visualized; the second is the rise of online consumption. Historically, when choosing a store, customers tended to be more concerned with the features or qualities of the products (Turley & Milliman, 2000). To choose retail stores for their purchases, shoppers in today's world need additional advantageous features. According to Turley & Milliman (2002), one of the qualities that retail chain stores are highly sought after is an inviting atmosphere. Further, convenience, product selection, sufficient space, and affordable prices are all factors that make the retail chain industry more successful than traditional stores. Additionally, through cultural symbols and associations, strong visual design helps create a retail brand that is different from others (Park et al., 2014). Visuals in the retail environment have cognitive elements that affect brand recognition. In a conceptual framework for visual merchandising, product display, and store design are seen as tactics for staging product experiences and grabbing customers' attention in fashion retailers (Park et al., 2014). Over and above that, nowadays the phenomenon of online buying is expanding quickly. There is still a huge reservoir of market potential for e-commerce, as evidenced by a peek at the exponential rise of the major competitors in this business. Because it is so convenient, online shopping is becoming more and more popular with customers (Lim et al., 2016). The simplicity and quickness with which customers can get in contact with stores have a big impact on how they make decisions. Since today's consumer is more time-pressed than ever, it is necessary to think about the advantages of facilitating online shopping convenience. Retailers modify their shop operating systems and prioritize the effectiveness of the services they deliver as a result of the value customers place on expediency (Duarte et al., 2018). According to Kalakota and Whinston (1997), "With online retailing, constraints of time and space disappear," making it a desirable commercial platform for consumers and retailers. The atmospheric qualities of the medium through which consumers interact with the product or service offering are one of the key factors determining effectiveness. The different psychological and behavioral shopping outcomes are influenced by the physical surroundings just as they are in a traditional retail setting (Eroglu et al., 2001).

Fashion is a multi-billion-dollar sector that supports millions of jobs worldwide and has an impact on all societal consumers. One of, if not the most successful, fashion retail brands in the world is Zara. Since it was established in 1975 in Spain, Zara has dramatically advanced the idea of "fast fashion" retail. The idea of affordable fashion items being made widely accessible is known as high-street fashion or fast fashion. Zara and other high-street fashion brands share similar issues, however, for this thesis, the authors are looking at Zara as a case point. High-street fashion brands look for fashion trends and quickly produce comparable, yet less expensive, versions that are accessible to everyone. They are inspired by — or copy — high-end fashion companies. The goods are stylish, well-made, and offered in shops with a luxurious appearance (Hansen, 2012). The high-street fashion brand, Zara, concentrates its efforts on three key areas: 1) the stores that are situated on the most significant shopping streets and have an upscale vibe, 2) the selection that is influenced by high-end brands, and 3) the customer experience of both in-store and online (Hansen, 2012).

# 1.2 Problematization

Consumers are interacting with a brand and receive experiences across many channels. What transpires when clients interact differently (in-store vs. online) with the same brand when one of them is a physical store (in-store) and the other is an online platform? Do these encounters have any negative or positive spillovers?

Researchers have long studied how the surrounding atmosphere affects the character and results of shopping (Verhoef et al., 2009). Results indicated that customers' emotional states are influenced by retail environmental stimuli, which then cause them to approach or avoid the store. Moreover, clients seek the best possible shopping experiences while being satisfied with the goods and services they receive. The experience component becomes more crucial in assessing the success of a company's offerings as the Experience Economy takes hold (Pine & Gilmore, 1999). Numerous studies reveal that to survive in the current economic climate

and cut-throat retail environment, firms must emphasize the customer experience in addition to offering low pricing and cutting-edge items (Yang & He, 2011). According to a study by Shaw and Ivens (2005), 85% of senior business managers think that differentiating only on the traditional factors—price, product, and quality—no longer provides a sustainable competitive advantage. Even more senior managers see the customer experience as the next competition area. The key elements influencing the customer experience have been determined by a variety of qualitative investigations. As an illustration, Verhoef et al. (2009) present a conceptual model in which they explore the factors that affect customer experience, such as the social environment, the service interface, the retail atmosphere, the variety, the price, and promotions.

If a company is high-street and trendy, it should provide a consistent shopping experience to the customer both in-store and online. When choosing the type of brand image a company wants to convey, consumer perception is vital. The writers of this thesis wish to address this issue and research gap by using Zara as an example. Customers may think a brand is low-quality in this situation if, for example, clothes are placed on crammed racks with cheap plastic hangers, even though visiting the online store provides them with a positive perception and experience. This is an inconsistent contrast and negative spillover that can be seen at Zara's physical store and online. However, customers develop a different impression of the brand when the same clothing is presented well, including backlit mannequins, neatly arranged, and good quality attractive hangers. With this being said, there is a need for additional research about how visual merchandising, and customer experience both in-store and online, and other potential factors affect customers channel selection, as the combination of these topics is relatively unexplored. So how do the different experiences affect the character and results of customers shopping on other channels (in-store vs. online)?

In today's multi-channel world, a customer's experience in one channel, for example, a store, may be influenced by experiences in other channels (like the Internet) (Verhoef et al., 2009). From the standpoint of the retailer, using Internet commerce as a method of conducting business has several benefits. More retailers are considering going online as a means of conducting business as consumers place a premium on time efficiency and are less interested in traditional shopping formats. These factors, along with technological advancements that offer greater convenience and more information than traditional retailing, have led to this shift in consumer behavior (Verhoef et al., 2009), which may also be a contributing factor to

the problems and inconsistently coherent images that many high-street fashion firms come across.

# 1.3 Purpose

The purpose of this study is to explore consumers' experience and behavior when buying in-store and online. Moreover, how psychological- and personal factors influence consumers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. In this study, the psychological factors will be referring to the consumer's perception and attitude, while the personal factors refer to the consumer's age, lifestyle, economic status, and personality.

# 1.4 Research Question

• How do psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers?

# 2. Theoretical Framework

In the following chapter, the theoretical starting points connected to consumer behavior will be presented. Next, customer experience, consumer perception, visual merchandising, in-store marketing, online retailing, consumer behavior theory, and psychological- and personal factors will be presented based on previous research. The chapter ends with a presentation of the study's conceptual model.

# 2.1 Customer Experience

Midway through the 1980s, Holbrook and Hirschman (1982) developed a brand-new experiential approach to the study of consumer behavior, which led to the initial conception of the term "customer experience". Customer experience, which is acknowledged as providing value and enhancing satisfaction and purchase intentions (Hur'e et al., 2017; Molinillo et al., 2020), is built on the interactions between the consumer and the store. The concept of "customer experience" is multifaceted, and comprehensive, and it includes the customer's cognitive, affective, emotional, social, and physical reactions to the retailer. Getting people to perceive, feel, think, act, and relate to your business and brands is essentially what this phrase refers to (Yang & He, 2011). The customer's involvement on various levels (intellectual, emotional, sensory, physical, and spiritual) is implied by this strictly private endorsement (Gentile et al., 2007). The five experiences suggested by Schmitt (1999) are sense, feel, think, act, and relate. Aesthetic and sensory aspects are part of the sensory experience. Emotions and moods are part of the feel experience. Convergent/analytical and divergent/imaginative thinking are both parts of the thought process. The term "act experience" relates to behavioral and motor experience. The term "related experience" describes a social experience, such as relating to a reference group. The term "sensory experience" describes the aesthetics and sensory perceptions of the setting, mood, goods, and services of a store. The sentiments and emotions that are produced when shopping is included in the emotional experience (Yang & He, 2011). Along with a variety of sensory touchpoints, the physical retail environment also offers cues that describe the ambiance of the business (Yang & He, 2011). Recent studies have positioned digital technology as a point-of-purchase variable within store atmospherics and proposed that

consumer-facing technologies can enhance the attractiveness and aesthetic appeal of stores, thereby positively impacting purchasing behavior. Innovative technology can also fundamentally alter the customer experience (Alexander & Kent, 2020).

# 2.1.1 Consumer Perception

Consumers evaluate a product's quality using a variety of factors. The consumers' perceptions of these qualities are key (Agyekum et al., 2015). What one customer may perceive to be of great quality may be of lower quality to another. Even though many consumers consider price as a criterion for product quality (Kotler, 2001), consumers have questions about the relationship between price, value, and product quality. In addition, pricing is a reliable predictor of product quality in the absence of other information. In the consumer's daily life, perception is crucial (Agyekum et al., 2015). Numerous stimuli are everywhere in our environment, competing for our attention. How we analyze and interpret the sensations or information entering our senses determines the accuracy of our perception. The process of perception is how a person chooses, arranges, and interprets information inputs to generate a meaningful picture of the outside world. The manufacturer or producer must have a thorough understanding of the perception process (Agyekum et al., 2015). This is because a successful marketer will be able to give or lend the product an attribute through advertising, packing, manufacturing, country of origin, and other promotional techniques that in some ways determine product quality. Numerous elements that are crucial in influencing the focus of attention have been successfully identified by psychologists. They can broadly be categorized as internal and external forces. While internal factors such as our goals and expectations can influence how consumers judge the quality of a product, external elements are related to the physical qualities of stimuli (Agyekum et al., 2015).

Furthermore, researchers have mainly looked at how environmental factors affect how consumers perceive a store's appearance. These studies have discovered a connection between consumers' perceptions of store windows (advertising, merchandise, and fashion) and consumer behavior (Yildirim et al., 2007). According to Cant & Hefer (2012), the shoppers' buying objectives influence how they perceive the environment of a store. When customers buy items they view as unfulfilling tasks, they prefer to be in a soothing and peaceful atmosphere; but, when they shop for pleasure, they prefer to be in an exciting environment. Thus, it can be concluded that how customers perceive a store and its offerings

may affect how they interact with it. Consequently, visual merchandising displays might affect a customer's decision to enter or return to an apparel retail company. Customers can choose to visit the store again if they have a favorable impression of the visual merchandising displays, but they might not do so if they have an unfavorable one. As a result, the retail setting produced by the use of visual merchandising displays can influence customers' perception of the quality of the goods, the level of service, and the overall experience in the store (Cant & Hefer, 2012).

In this study, "Consumer Perception" is referred to as "Brand Coherence" for more clarity and specification. This will be seen in the conceptual model and later in the thesis.

# 2.2 Visual Merchandising

To persuade customers to buy apparel, a method known as visual merchandising involves placing the correct products in the right locations at the appropriate times (Park et al., 2014). To sell goods or services, this procedure coordinates all advertising, display, special events, fashion promotions, and merchandising efforts. The goal of visual merchandising is to improve efficiency by fostering a positive shopping experience, efficiently organizing in-store inventory, and differentiating brands to boost sales. The store facade, store windows, logo, color, arrangement, and fixtures, are examples of sensory and functional components of visual stimuli (Park et al., 2014). Furthermore, to improve a customer's purchasing experience, visual merchandising displays are described as visual elements that draw interest or enjoyment in a store (Cant & Hefer, 2012). The retailer's goal in using visual merchandise displays is to first use window displays to get consumers inside the store, and then use those same displays to either produce or improve sales. Retailers are aware that the way they employ visual merchandising displays can influence future consumer behavior and impressions of the product and brand by implanting psychological images of the products in the minds of consumers (Cant & Hefer, 2012).

The use of visual elements in branding initiatives is essential. Visual cues help distinguish products and help establish successful brands (Park et al., 2014). The atmosphere should convey the brand image throughout the entire store, from the leasing line to the back wall and everything in between. All fixtures, signs, and retail displays must be consistent with the

brand. Customers should be able to recognize where they are by looking at the cash wrap, lighting fixtures, wall, and floor coverings. Customers have expectations for visual displays, and when displays fall short of those expectations, consumers may reconsider a brand (Park et al., 2014). One of the first empirical studies on customer behavior by Mehrabian and Russell (1974) examines the emotional influence. In connection to the affective quality of a setting, they investigate three emotional dimensions: pleasure-displeasure, arousal-nonarousal, and dominance-submissiveness. Approach and avoidance behaviors, in particular, are thought to be influenced by emotional reactions or mood states, which is seen as the main mediator in these connections. In-store behavior is substantially influenced by a store's atmosphere factors (Groeppel-Klein, 2005). Following a purchase, a customer's affective response is significantly influenced by store attributes. The retail setting should therefore provide stimuli that are appropriate for customers who are interested in both psychological and emotional fashion (Park et al., 2014).

In this study, "Visual Merchandising" is referred to as "Perceived Visual Merchandising" to get an understanding of the consumer perspective and for more clarity and specification. This will be seen in the conceptual model and later in the thesis.

# 2.2.1 In-store Marketing

A fascinating area of research for more than 20 years has been the empirical analysis of customer responses to store environments and visual merchandising ideas. It is now generally acknowledged that a welcoming store environment significantly affects customers' in-store behavior and opinions of the store (Groeppel-Klein, 2005). In summary, the findings unquestionably show that a pleasant retail environment can boost customers' time spent in the store, desire to return, and recommend the store to others. Due to the significance of decisions made in stores, the retailer must understand the variables that affect these choices. Price reductions, in-store promotions, displays, retail ambiance, service, product shortages, and store layout are among the most frequently mentioned issues (Fam et al., 2010). Kotler (2001) brought the idea that store atmosphere affects consumer behavior to marketing research. At first, he described the atmosphere as a part of the store image together with other factors like brightness and crowding (Bohl, 2012). Since Donovan and Rossiter (1982) brought the idea of environmental psychology to marketing research, the impact of environmental cues on customer behavior has received extensive discussion in the scientific

literature. Environmental psychology is interested in two things: "(1) the direct impact of physical stimuli on human emotions and (2) the effect of the physical stimuli on a variety of behaviors, such as work performance or social interaction." (Mehrabian & Russell, 1974, p.4). Their fundamental hypothesis is that consumers' emotional states can be influenced by the environment (stimulus) in one of three ways: through pleasure, arousal, or dominance (organism). The three emotional states control and mediate how the environment affects the reaction, which may involve behaviors of the approach or avoidance variety. Customers who are responding favorably, for instance, will want to stay longer in the area, look about, and engage with other visitors. It will result in better performance or fulfillment (Bohl, 2012).

# 2.2.2 Online Retailing

Digital marketing is any marketing initiative that makes use of an electronic device or the Internet. Companies use online platforms such as search engines, social media, email, and their websites to engage with present and prospective clients (Desai, 2019). This is also known as "online marketing," or "web marketing", moreover, digital marketing is characterized by the use of various digital strategies and websites for communicating with customers to whom they dedicate the majority of their time which is online. The term "digital marketing" refers to a range of strategies used to promote a business's online presence, including its website and other assets for online branding (Desai, 2019). Furthermore, e-commerce has expanded the online shopping industry's broadness (Hyun, Thavisay, & Lee, 2022). Global online retail sales reached 585 billion in 2021, increasing 68% during the COVID-19 pandemic (Chevalier, 2021). To a significant part, the structure of an online shop determines customer navigation inside the website. According to Vrechopoulos et al. (2004), customers see the open-ended style to be considerably more beneficial in finding the goods on their shopping list within the online store.

# 2.3 Consumer Behavior Theory

Consumer behavior has continuously been a topic of research in marketing, and it has developed over time. One goal of studying consumer behavior is to give marketers the information and skills needed to conduct extensive consumer studies that can be utilized to understand markets and design marketing strategies (Barmola & Srivastava 2010). Consumer

behavior is the research of the procedures that individuals go through while choosing products that fulfill their demands. Buying behavior frequently involves numerous forms of consumer decisions that can change depending on various aspects such as finances, demography, and cultural and social variables (Nassé, 2021). Buying behavior frequently involves numerous forms of consumer decisions that can change depending on various aspects such as finances, demography, and cultural and social variables. Aside from the basic internal components that are thought to influence purchasing behavior, there is also a collection of factors that are replicated by external situations in the consumer's surroundings. However, it is important to note that consumer behavior is a consequence of a mix of the customer's buying knowledge and external motivators to cause a shift in the consumer's behavior (Nassé, 2021). As consumer behavior is a broad phenomenon, this thesis will use a consumer behavior theory that will help to gain better knowledge about the topic and also make it easier to understand which area in consumer behavior is being investigated.

The theory of planned behavior, which is an advancement on the notion of reasoned action (Ajzen, 1991; Smith et al, 2008; Foxall Yani-de-Soriano, 2005), is an established theory that explains consumer behavior (Ajzen, 2020). According to Smith et al. (2008) & Foxall Yani-de-Soriano (2005), the theory focuses on the correlation between attitude and behavior and is predicated on the premise that consumers act reasonably and logically by making use of the information that they consider essential. Furthermore, the theory is based on the basis that attitude towards behavior and subjective regulations are two factors that influence behavior subsequently within intent (Ajzen, 1991; Smith et al, 2008), whilst believed control of behavior is an additional variable that influences behavior through intentions (Ajzen, 2020). The consumer's assessment of the beneficial or detrimental effects of engaging in certain conduct is what is known as their attitude towards that behavior, which means that behavioral belief influences or initiates the attitude in the first place. The subjective norm is the second component determining behavior, it considers the perceived impact of society on consumer behavior. Consumers' motivations and social expectations determine how much they will give in to societal pressure (Ajzen, 2020). In addition, normative concepts provide social pressure that molds subjective norms which could influence behavior. Moreover, the third component is perceived behavioral control, which refers to how much control a customer believes to have over their conduct. This emphasizes the notion that individuals are more inclined to engage in conduct if they believe they have the means to accomplish it. Additionally, if someone believes there is no equipment to assist individuals to behave in a specific manner, or if they believe their ability is insufficient, they are less inclined to take action. These elements either directly or indirectly influence conduct through intention (Ajzen, 2020).

# 2.3.1 Psychological Factors

Perception and attitudes are significant psychological elements that influence consumer behavior (Gajjar, 2013). Each individual has unique requirements such as physiological needs, biological needs, and social needs. Perception is the process of selecting, organizing, and comprehending information to construct an insightful understanding of the world. In the instance of selective distortion, consumers try to comprehend information in a way that supports what they already think. Comparably, companies attempt to keep information that confirms their opinions in the instance of selective preservation. Additionally, every consumer has a unique set of perceptions and perspectives towards distinct things. Companies are interested in such ideas and attitudes because they shape brand image and influence consumer behavior. However, different brands may influence customers' thoughts and attitudes by creating unique initiatives in this area (Gajjar, 2013).

# 2.3.2 Personal Factors

Consumer behavior can also be influenced by personal traits, whereas lifestyle, economic status, age, and personality, are all significant factors that impact purchases (Gajjar, 2013). Age can influence consumer purchasing behavior. Customers' purchases of products and services vary over time. Moreover, a person's profession substantially influences their purchasing behavior (Gajjar, 2013). A marketing manager, for instance, will strive to buy business suits, whilst a low-level employee in the same organization will buy cheap work clothing. The consumer's financial situation has a significant impact on their purchasing behavior. If a consumer has a big income and savings, he will buy more costly things. A person with a low income and savings, on the other hand, will buy affordable items. Furthermore, another important aspect influencing consumer purchasing behavior is the customer's lifestyle. A person's lifestyle is characterized by what is present in his or her immediate surroundings and describes how they live in a given culture. It influences the customer's whole pattern of behavior and interactions with the outside world by taking into account his interests, views, and other activities. However, personality varies from individual

to individual, across time, and from location to location. As a result, it has a significant impact on consumer behavior (Gajjar, 2013).

# 2.4 Conceptual Model

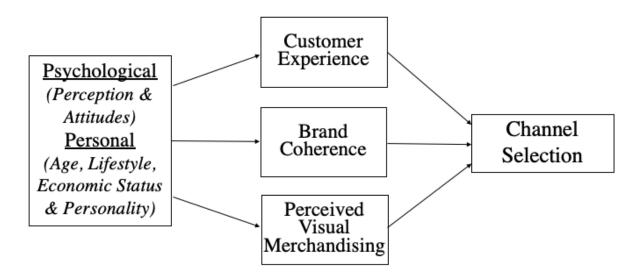


Figure 1. Conceptual model

The theoretical framework used in this study will be connected and built on this conceptual model. Based on the literature mentioned above, an individual's psychological and personal factors will determine their *customer experience*, *brand coherence*, and *perceived visual merchandising* that will select which channel to use when purchasing clothes from fashion retailers in this case in-store or online. The relationship between the mentioned variables will lead to a better understanding of customers' buying behavior and the psychological- and personal factors that influence customers' channel selection when purchasing clothes in-store and online.

# 3. Methodology

In this section, the research philosophy and research design of a qualitative positivist- and interpretive approach are presented. Following that, primary and secondary data of an inductive and deductive methodology are applied; the primary data consist of semi-structured interviews for the participants using non-probability sampling, while the secondary data are based on previously acquired literature reviews. Furthermore, four elements are employed to evaluate the validity of this qualitative study in the methodological discussion. The ethics of this approach is also discussed. Additionally, a methodological conclusion is given to conclude this part of the thesis.

# 3.1 Research Philosophy

Ontology is defined as the fundamental assumptions a researcher holds on the nature of reality. Alternatively put, how the researcher interprets reality (Thorpe et al., 2021). The researcher's approach affects the research methodology and process of a study (Pervez, Ghauri, et al., 2022). Non-numeric data, interpretation-oriented, ontological viewpoint and deductive technique are four general components that a qualitative study could have (Bryman & Bell, 2019). For the researcher to comprehend the reality of the individuals being examined, qualitative research focuses more on words than numbers (Lee, 2014). For this study, qualitative research and a positivist stance have been taken and will involve conducting interviews to ensure that this is accomplished.

The ontological viewpoint pertains to how the outside world is perceived and should have an impact on how the study's findings are interpreted. The study's findings—the experiences and viewpoints expressed by the respondents during the conversational interviews—are used as the basis. This study will bring an interpretative method, in which data will be evaluated to build a co-understanding between previous knowledge and interview responses. This is because interpretivism looks at how each individual interprets their environment, which leads to participants' subjective ideas and perceptions regarding their personal and psychological behavior (Saunders et al., 2019). According to Ahrne and Svensson (2011), semi-structured interviews serve as the basis for the majority of qualitative interviews. These interviews include some predetermined, standardized questions that are asked at every interview as well

as follow-up questions based on the issues that are brought up during the interview. The themes for the interview questions have therefore been defined and recognized.

# 3.2 Research Design

Qualitative research is frequently linked to an interpretive philosophy (Saunders et al., 2019). Because researchers must make sense of the varying, socially created interpretations of the event under study, interpretation is a key component of research. Since this type of research must be conducted in a natural environment, or research context, to build trust, involvement, access to meanings, and in-depth understanding, it is frequently referred to as naturalistic research. A naturalistic and emergent research design is employed to construct a theory or to develop a deeper theoretical viewpoint than what is currently there in the literature in many different types of qualitative research (Saunders et al., 2019). According to Blomkvist et al. (2018), using empirical data from the respondents' stories, a qualitative method is appropriate for gaining a deeper understanding of a phenomenon. By asking respondents about their experiences with a phenomenon, it is possible to conduct an extensive study of their experiences and viewpoints. When examining people's perceptions of a particular phenomenon, the study will adhere to the constructivist scientific tradition (Thorpe et al., 2021). So it makes sense to follow the scientific tradition where prior knowledge and understanding are valued as assets and where overall understanding is the main goal. As a result, the constructivist perspective on knowledge is a suitable strategy that enables a more logical understanding of people's emotions. Additionally, it can describe social reality experiences and advance knowledge of the topic (Thorpe et al., 2021).

According to Bryman and Bell (2017), the need for impartiality in the interpretations is a drawback of respondents sharing their experiences and qualitative researchers analyzing the empirical data. The argument against qualitative research is that it leaves an opportunity for interpretive viewpoints and that personal preferences for particular aspects of a topic can be emphasized or downplayed depending on the author's methodology (Bryman & Bell, 2017). The theory has served as the basis for the interviews and the interview questions in this study, where the authors decided to use an abductive approach, to obtain insight into how psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. To get answers to our queries, it is necessary to gather pertinent empirical data that is then compared to accepted theories to

identify patterns and derive conclusions from them (Bryman & Bell, 2019). It is still possible to maintain the interviews semi-structured, according to Bryman and Bell's (2017) explanation of how a deductive method provides more regulated questions where the themes of conversation become more restricted. According to Blomkvist et al. (2018), the theories serve as the study's starting point, which the authors must then interpret and use to create an analysis based on the empirical data. This allows the study's authors to get answers to queries they had about interesting areas of focus they had discovered while gathering theoretical data. According to Bryman and Bell (2017), using a deductive strategy can help you learn more about a subject by persuading the respondent to talk about it precisely.

The interviews will be taped as much as is practical. To make the analytical task easier, the material will then be transcribed. Additionally, it makes it simpler to obtain a precise transcription of what was said. Research is a public activity, thus it helps if the information has to be verified by others afterward. The written and spoken words in recorded content are always reliable. This is valid for discussing various points as well as analyses carried out by other researchers (Bryman & Bell, 2019).

# 3.3 Primary Data

The research will be carried out as an interview guide using conversational interviews. The respondent can contribute their perspectives and experiences during a conversational interview (Thorpe et al., 2021). This allows for in-depth information where the statements of the respondents can be gathered, producing empirical evidence. A qualitative interview study is preferred because the authors want to develop an in-depth understanding of the experiences of the consumers. It is helpful to address using a qualitative method in studies that seek to understand how a phenomenon is experienced (Bryman & Bell, 2019).

Semi-structured interviews with the interview subject will be conducted to collect trustworthy empirical evidence relevant to our inquiry and to further describe the method of choice. This is done to be able to direct the respondents to the appropriate subject without excessively affecting their responses. The authors will make use of an interview guide (appendix 1) which is typically referred to as a form with ready-made questions that effortlessly steer the respondent to the appropriate topic without preventing the ability to provide in-depth

descriptions. Additionally, the approach invites follow-up inquiries and an adaptable conversation (Bryman & Bell, 2019).

# 3.3.1 Sampling

Sampling is appropriate in the qualitative research approach, claim Bryman and Bell (2017). The term "target-driven selection" refers to a process in which the authors choose the respondents after first considering the study's goals and its research questions. Goal-directed sampling and criterion-driven sampling, which Saunders et al. (2019) define as a sample where particular criteria determine whether respondents are suitable, have been used in this work by the authors.

For this study's convenience, women who live in the Stockholm area and have visited Zara stores in Stockholm will only be eligible to participate in the study. The Zara stores in Stockholm are chosen, for the reason that the closest stores are located in the Stockholm district. Further, the female respondents will range in age from 23 to 35, the reason behind this is that it is found that women between the ages of 23 and 35 currently shop 59% more frequently than men (Iddenden, 2022). This is done to gain multiple viewpoints and experiences on the Stockholm stores as well as to enable the essay's eventual findings and outcomes. The study's restrictions—respondents must be females between the ages of 23-35, Zara customers and they must reside in Stockholm—lead to a reduced sample size. With this as a prerequisite, the study's selection process will be goal-directed, where respondents who satisfy the selection criteria are actively contacted, putting the research questions front and center (Thorpe et al., 2021). This causes us to include groups that have been most impacted and to remove those that are likely to have been least impacted by various psychological- and personal variables of consumer behavior (Thorpe et al., 2021).

Respondent	Gender	Age	Background	Occupation	Minutes
Respondent 1	Female	26	From Stockholm & studied Marketing	Marketing Science Partner	32
Respondent 2	Female	23	From Stockholm & is currently a master student	Student	40
Respondent 3	Female	25	From Stockholm	Tax Accountant	28

Respondent 4	Female	24	From Stockholm	Customer Service Agent	31
Respondent 5	Female	28	From Stockholm	Teacher	37
Respondent 6	Female	24	From Stockholm, worked in the retail industry & have a master degree in economics	Economist	24
Respondent 7	Female	27	From Stockholm & have a bachelor degree in international marketing	Sales & Marketing Coordinator	27
Respondent 8	Female	35	From Stockholm & has worked in the retail industry	Marketing Assistant	35
Respondent 9	Female	23	From Stockholm	Sales Coordinator	17
Respondent 10	Female	32	From Stockholm & have a master degree in marketing	Marketing Coordinator	18
Respondent 11	Female	28	From Stockholm	Accountant Consultant	22
Respondent 12	Female	24	From Stockholm	Student	28
Respondent 13	Female	26	From Stockholm & have a bachelor degree in HR	Talent Acquisition Specialist	36
Respondent 14	Female	30	From Stockholm	Liberal Education	33
Respondent 15	Female	25	From Stockholm	Inbound Marketing Specialist	24
Respondent 16	Female	24	From Stockholm & have a bachelor degree in HR	Recruiter	25
Respondent 17	Female	27	From Stockholm & studied international business management and master in international marketing	IT-technician	28
Respondent 18	Female	23	From Stockholm	Student	31

Respondent 19 Femal	27	From Stockholm & have a bachelor in sociology	Sociologist	23
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Table 1. Sampling Table

# 3.4 Secondary Sources

Scientific sources for this study are gathered from trustworthy databases and literature reviews that include, for example, the discovery service for Mälardalen University, Primo, Google Scholar, and Research Gate. As a result, the way of acquiring the required information for this study is credible and reliable. Furthermore, using the verification of numerous data sources and peer reviews, the data-gathering procedure has transmitted an unbiased depiction to build a basis for the theoretical framework (Saunders et al., 2019). Hence, by utilizing various sources, this study has taken into account potential interpretations for secondary sources. This is done to reduce the amount of uncertainty that might arise from the utilization of multiple sources. Therefore, the writers gained a better comprehension of the study terms and previously obtained findings (Saunders et al., 2019). As a result, the secondary data collected in this study served as a foundation for constructing the ideas of customers' consumer behavior. This assisted in the development of the article by linking the subjects and creating semi-structured interviews. As a result, prior knowledge offered a comparative and contextual foundation for the research subject (Saunders et al., 2019).

# 3.5 Criteria for Evaluating Qualitative Research

To ensure the high quality of the study and the result in qualitative research, a set of quality criteria should be followed (Bryman & Bell, 2019). Since this study is qualitative, appropriate quality standards will be applied. Credibility and authenticity are most suited for a qualitative investigation using a constructivist methodology, as will be discussed below (Thorpe et al., 2021). The *reliability*, *transferability*, and *confirmation* criteria make up the credibility criterion. A sufficient number of data must be gathered to increase the validity of the conclusions and findings reached via the examination of the empirical data. Additionally, the method selection needs to be well-suited to the goal of the research (Bryman & Bell, 2019). The authors employed a research methodology that was tailored to the purpose and research question, recorded and transcribed the data acquired, and ensured the method's validity. In

this thesis, 19 interviews were conducted to establish the validity of the amount of empirical data needed to obtain saturation.

A study must be transferable to other sample groups to pass the criteria for transferability (Bryman & Bell, 2019). The authors have provided comprehensive descriptions of every step of our research procedure to support this requirement. As a result, the study can be successfully replicated in later studies. The entire research procedure should be documented in detail, and after that, the study should be examined by people who were not involved in any of the study's components (Bryman & Bell, 2019). The authors have detailed every step of the study's methodology to meet this criterion. The study has also been examined by supervisors, seminar attendees, and a few outsiders like friends and acquaintances.

Moreover, the investigation must be conducted objectively, without being influenced by the author's own opinions and views, to meet the credibility requirement of confirmation (Bryman & Bell, 2019). As a result, the authors have made every effort to be objective during the entire investigation. The authors are conscious, however, that the interpretation of the empirical evidence will vary depending on the person performing the study. A fair representation of what came out in the interviews must be given to satisfy the authenticity quality requirement. This can be achieved by making sure that all of the acquired data can be reliably duplicated. This is done to make sure that the information reproduced in the study is accurate (Bryman & Bell, 2019). The interviews will all be fully transcribed to meet this condition, and the authors have then conducted a descriptive analysis. The outcome ought to be able to sufficiently support the authenticity requirement in this way.

# 3.5.1 Trustworthiness

It is important to always collect and confirm high-quality data while trying to answer a research topic in a qualitative study (Guba & Lincoln, 1994). That will help construct a more significant understanding of how psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. Furthermore, the interviewees' responses serve as primary data since they significantly influence the conclusions and outcomes. The interviews were conducted objectively and unbiasedly throughout the process, and variables including brand familiarity and loyalty were neutralized to authenticate the results. Furthermore, this study employs an abductive

approach, as previously stated, this research cannot be exclusively deductive or inductive (Ritchie et al., 2014). The data gathered for the inductive approach of interview replies was augmented with the knowledge necessary to analyze and develop the interview questions. Finding data that can improve external validity is possible, according to the indication of transferability quality (Sinkovics et al., 2008).

# 3.5.2 Validity

The most critical factor for scientific research is said to be validated because it determines how credible an investigation is. Validity is an important consideration when writing a thesis since it helps authors obtain the most relevant data related to the research problematization (Bryman & Bell, 2017). This adds a new dimension to the thesis's probabilistic reasoning; as a result, the research investigates several ways, lending validity to the study and the method (Zikmund et al., 2013). When choosing this approach, the goal was to collect interviews from women between 23-35 living in Sweden and gain various experiences and viewpoints. The purpose was to interview as many individuals as possible to maximize the study's relevance and get a broad perception. The information provided to the respondent before the beginning of the interviews needed to be clear to ensure belief in their responses. To prevent measurement mistakes, it is crucial to have clear information on the target group that the study is focused on (Bryman & Bell, 2017).

# 3.5.3 Reliability

A abductive approach for this study was established by completing a literature review according to reliable literature reviews relating to the topic at hand, and the databases utilized were Primo, Google Scholar, and ResearchGate. This is because peer-reviewed papers are widely available and have a high level of reliability. These articles in the review of literature increased knowledge and provided a thorough review of important topics including consumer perception, customer experience, visual merchandising, and consumer behavior (Bell et al., 2019).

A pilot interview has been done to ensure that the interview guide produces accurate data without producing any extraneous or redundant data. According to Saunders et al. (2019), the goal of the pilot test is to make the questionnaire better so that respondents will have no

trouble responding to the questions and that data collection will go smoothly. Additionally, it will allow you to assess the validity of the questions and the likelihood that the data will be reliable, both for the individual questions and, when appropriate, scales made up of several questions. To make sure that the data gathered will allow you to find the answers to your research questions, preliminary analysis utilizing the pilot test data can be carried out. Further, a pilot interview can help develop the habit of using the equipment and can help determine how the respondent will reply to the questions and whether they are asked in the proper order based on how they are received (Bryman & Bell, 2019). As a result, a question that did not produce data that was beneficial for the study was eliminated, and the order of the questions was changed to improve the conversation. The study does not include any empirical data from the pilot project.

### 3.6 Ethics

It is essential to get consent when managing personal data, thus participants were told how the interview was going to be managed and how their personal information, such as names, would be secured. The participants gave their consent for interviewing and were assured that they would remain anonymous throughout the procedure. The interview was held in a peaceful setting to ensure the interviewees could solely focus on answering questions. Furthermore, the confidentiality of the interview setting may give the participants a sense of security that encourages them to give more sincere responses (Saunders et al., 2019). The interview questions were also the same for each of the participants to avoid any prejudice throughout the interview. The interview outline continued to be followed throughout the conversation, but because it was semi-structured, the follow-up questions were customized for every interviewee. While conducting the interviews, an impartial and unbiased approach was used to ensure that the responses were as genuine as possible (Hair et al., 2016).

## 3.7 Method Criticism

Due to the small number of participants and the decision to only look at one particular gender between the ages of 23 and 35, the approach used might be considered as a limitation to maximizing the study. Moreover, geographical location can serve as an obstacle since different nations may have different knowledge of consumer behavior, and psychological and personal issues may affect various cultures differentially (Saunders et al., 2019). Furthermore,

because the study only focuses on one fashion retail store, the findings obtained may be limited in their relevance to other fashion retail stores. However, because the study employs a deductive strategy in which knowledge is gathered from previously obtained findings of a similar issue, the data gathered in this research can, to a certain extent, provide a clear conclusion.

# 3.8 Methodology Conclusion

When a researcher seeks to explore people's perceptions and experiences about a specific issue, a qualitative study is utilized (Fejes & Thornberg 2015). But excessively impressionistic and subjective qualitative research is also criticized. This indicates that the research is too much influenced by the researchers' frequently ad hoc opinions of what is essential and important, as well as by the intimate personal relationships they develop with their research participants (Bryman & Bell, 2019).

To conclude, the methodology in this qualitative research is based on interviews and literature from secondary sources, where the interview questions followed the same structure, and women between 23-35 were targeted. The variables, customer experience, brand coherence, and perceived visual merchandising are considered during the data collection and analysis stage. Hence, the gathered data will create a greater understanding of how psychological- and personal factors influence customers' channel selection when purchasing clothes from fashion retailers.

# 4. Empirical Findings

In this section, the authors of the study will present the empirical findings based on the themes identified with the background of the interview guide (see Appendix 1). This is to be able to analyze and draw conclusions for the study.

# 4.1 Customer Experience

Customer experience is something that is classified as important, and consuming a great experience for the customer is understanding the entire journey a customer takes. Essentially, it is the outcome of a series of reactions resulting from a customer's interactions with a company or its components. A customer experience can be both negative and positive depending on the different channels and situations the customer is facing and is located and positioned on. This is something that has been proven to be accurate by almost every respondent. Customer experience gets affected by the surroundings, the store atmosphere and environment, and where you purchase your fashion retail store, if it is either in-store or online. Many respondents emphasize that during sales periods, the customer experience is very unpleasant in-store at Zara, and where they try to avoid the physical store during those times.

"During a sale period, it's very different. I tend to avoid the Zara store during the sales period. Even though I know that I can get a very good deal, the messy and stressful environment has caused me to turn around and leave a couple of times." – Respondent 1, a 26-year-old woman from Stockholm.

"The Zara store looks completely different during sales time, which means that it is double the traffic than on usual days and it also means that the store looks so much more different. It looks messy, it is clothing on the floor, clothes are dirty and broken, and if you came to the store to buy something that you already planned, it is impossible to find your size. If you want to ask an employee to help you, the employee can sometimes be rude. So, in those times, the stores look very different, and the customer experience is so much different in a negative way than regular days when you come and shop at Zara." - Respondent 2, a 23-year-old woman from Stockholm.

Respondents 4, 5, and 6 describe that Zara's in-store experience is very crowded, stressful, and unorganized which also affects their channel selection when purchasing clothes. This is one of many reasons why they rather visit and purchase from the online store, and for that matter avoid the in-store.

"Zara's in-store experience I would explain as; crowded, unorganized and kind of sterile." – Respondent 4, a 24-year-old woman from Stockholm.

Furthermore, the respondents explain that this often also causes them to not try on the clothes because there are big queues to the fitting room and lines to the cash desks. For this matter, they either buy the item in-store and try it at home or go to the online store and purchase it there instead. A pattern that was noticed was that the employees that plan their shopping usually prefer the in-store as a channel choice to purchase their clothes rather than online. However, the two main reasons for that are that they feel that they get more of a fair representation of the clothes, and they can decide on the spot if they want it or not. As well as, if it is a comfortable environment and on "regular days", which is not on sales periods or weekends.

"If I do find something I like, and it has my size I usually do not try on the clothes in the store only if there's no queue or a very short line to the fitting rooms." – Respondent 6, a 24-year-old woman from Stockholm.

"Since the queues also are pretty long every time at Zara, I avoid shopping in-store. If I find something I like, I usually order it online once I get home." – Respondent 4, a 24-year-old woman from Stockholm.

"I prefer in-store because I think that I get a better feel and a fairer representation of the clothes that way." – Respondent 1, a 26-year-old woman from Stockholm.

"In-store you feel much more pressured by the people that are around you, and you are more pressured to find the clothing in a short period of time, and also If you want to go try the clothing and it is a line behind you or in front of you, you feel so much more pressured than when you go to the online store." – Respondent 2, a 23-year- old woman from Stockholm.

When it comes to the in-store experience at Zara, the respondents have a clear and somewhat common customer experience. It is always crowded, the clothes are all over the place, the clothes on different occasions have stains (makeup/dirt) and are broken and ripped, the staff is rude and unpleasant, and overall it is stressful and you feel pressured to be there. However, on occasion, it can be a pleasant and comfortable setting that also brings satisfaction, inspiration, and clarity to the product offering according to the respondents. Yet, it all depends on the day you go shopping.

The in-store customer experience vs. the online customer experience has their differences and is noticed through the respondents' answers. The online store according to many of the respondents is hard to navigate through, it is complicated, and the models that are presenting their clothes do not match with reality. The consequence of this is that most of the time they have to return the clothes. However, the respondents emphasized that the online store makes the customer experience better in which they feel less pressured and stressed and it is more convenient in that they save more time.

"The online experience can vary. To begin with, it is hard to navigate through the website due to their trying to be a luxurious brand, but it does minimize the stress and pressure that occurs when you visit in-store. The downside, and what kind of ruins the experience is that you often must return items since the sizing differs and the models are thinner than a normal size girl." — Respondent 10, a 32-year-old woman from Stockholm.

### **4.2 Brand Coherence**

Several respondents emphasize that the in-store vs. online gives them two different perceptions as well as how the price and the quality do not match up with how Zara perceives itself. Further, the respondents acknowledge that Zara perceives itself as more of a luxury brand and that the quality of its clothes shows the true colors of a high-street, fast-fashion retail brand.

"Zara perceives themselves as a more fashionable and luxurious type of store in my eyes. In my opinion, their quality doesn't live up to that." - Respondent 11, a 28-year-old woman from Stockholm.

When asked if Zara perceives itself in terms of quality and price in-store vs. online, the respondents had a unified and strong opinion on their customer perception and how the quality is undesirable, clothes have signs of wear and tear, where the prices vary, and where the price equals the quality in some cases. As a result, according to the respondents, the consumer perception of quality aligns better with Zara's in-store perception than with the online store.

"The quality can vary depending on what product it is, but it is almost the same quality as the other high-end and fast-fashion stores in Sweden. The price varies as well, where some products are higher in price, a little bit too high, but then you can always find lower price products so when it comes to Zara, they adapt their prices depending on the product, so it fits every type of target group" — Respondent 6, a 24-year-old woman from Stockholm.

"It varies a lot, sometimes the quality is great, and the price is affordable. Sometimes the price is excessive, and the item has signs of wear and tear." – Respondent 1, a 26-year-old woman from Stockholm.

"It depends on the clothing and material you choose. And in my experience, it feels like the basic pieces that they produce every year have better quality than for example seasonal clothing, which is only this season, and they will never produce again. I would say that the quality kind of matches the price, because Zara is an affordable brand, so the quality equals the price." - Respondent 2, a 23-year-old woman from Stockholm.

"The perception in-store differs greatly from the perception online. Their clothes are on the floor, hanging on plastic hangers on crowded racks or tables, and are frequently broken in some areas or stained. Because of this, you receive the same perception of their quality in-store." – Respondent 8, a 35-year-old woman from Stockholm.

Furthermore, respondents highlight how the online store obscures the sense and perception of Zara as a fast-fashion retailer. The online store portrays a high-end luxurious brand, with visual merchandising that is simple and clean, minimalistic, editorial and vogue, as well as creative. The results of this show and tell that many respondents that want to get a better customer experience and do not want to oversee the negative perception that can come with the in-store, choose online as their channel selection. It also shows the inconsistent brand coherence in-store vs. online.

"The online store feels very editorial and vogue. The store has a clean feel to it, but I wouldn't say that the store feels vogue." – Respondent 1, a 26-year-old woman from Stockholm.

"Online is calmer even if I don't like the website 100%. They are trying way too hard in being aesthetic so it just is a bit unlogical to navigate. As well as the presentation for the products is a bit repetitive." - Respondent 17, a 27-year-old woman from Stockholm.

"Online you get a feeling that they are more high quality and that they are more of a high-luxury brand rather than fast-fashion, so online I perceive them as more luxurious than what they are." – Respondent 9, a 23-year-old woman from Stockholm.

"Zara does not perceive themselves the same as their quality/price. The products and their brand radiate more luxury than what it really is, and I believe that people buy from Zara despite the quality and price because it is a trend. Also how they coordinate and use visual merchandising makes it more luxurious if you compare it to other stores like H&M. In-store it is more chaotic and there is more movement because they have a lot of customers." - Respondent 3, 25-year-old woman from Stockholm.

# 4.3 Perceived Visual Merchandising

Most of the respondents felt that the interior of the Zara stores does not match the online store. They feel like the in-store interior is very unpleasant and look the same as every other Zara store that has been visited all over the world. Moreover, the visual design of the online

store confuses individuals because the strange posing of the models does not give the clothing items a normal view. This makes it harder for the customers to see the layout of the clothes and it becomes harder to decide to purchase the items. Moreover, when asked if external appearance is a motivation factor to visit the store, the majority answered that it was not. As the respondents had already mentioned, the store is often very crowded, unorganized, and stressful which makes it hard for the external appearance to act as a motivation factor to visit the store.

"The interior inside the store is quite bland. Very bright lights and the same layout in almost every Zara store I have ever been to. The same goes for the online store, very white and boring." - Respondent 12, a 26-year-old woman from Stockholm.

"I do feel like the interior in the Zara stores does not match the online store. The visual design of the online store is confusing because the models look strange when posing for the items."- Respondent 13, a 28-year-old woman from Stockholm

When asking the respondents to describe the in-store with three words the most common words that were used were; "Crowded", "exhausting", and "messy". While the words that were used to describe the online shop were; "less exhausting", "chic" and "high-end". With this being said, the perception of the appearance of in-store and online are highly different and the brand is shown in two different ways.

"My opinion is that the in-store is messy, crowded, and bright"- Respondent 12, a 26-year-old woman from Stockholm.

"I would describe the online store as editorial, modern and high-end" - Respondent 17, a 27-year-old woman from Stockholm.

Moreover, the prevalence of the responses mentioned that they spend more time in an attractive store atmosphere because it calms them down and is more pleasant to spend time in. However, there was not a strong correlation between if a more attractive store atmosphere makes the interviewees purchase more but it makes them spend more time when the retail environment is pleasant.

"I'm not sure if there is a direct correlation between those factors but I do spend more time in calmer stores which then makes me more open to maybe buying more."

- Respondent 14, a 30- year-old woman from Stockholm.

I want to stroll longer if it is nice and clean. I can go section by section and take my time instead of finding things in the wrong places cause then I can not look for my size.

- Respondent 15, a 25-year-old woman from Stockholm.

# 4.4 Psychological & Personal Factors

The environment and store atmosphere of Zara do have different influences on the respondents. Some did state that their emotional state gets very influenced, for example, they get annoyed and irritated after visiting the store. They continued and stated that the emotional state was much calmer online compared to the store. While others expressed that they did not get emotionally affected by the environment and the store atmosphere, they claim that the Zara store has always been crowded which does not affect them emotionally.

"I do get more stressed and annoyed after I have been to the Zara store. Especially if the store has been crowded or during their big sales. The emotions after are usually relief and happiness to be out of the store." - Respondent 12, a 26-year-old woman from Stockholm.

"I usually do not get emotionally influenced by the environment and the atmosphere in a Zara store, however, I can get a bit frustrated when the staff are rude to me. Since they are known for having rude and unhelpful staff members."- Respondent 15, a 25-year-old woman from Stockholm.

"I would say the emotional state that I can get in-store is a kind of stress or anxiety. I deal with anxiety generally and don't like to stay too long in crowded places, especially if I am supposed to do something at the same time (in this case to look for clothes). Online I don't feel that way, which is why I generally have started shopping online more." - Respondent 4, a 24-year-old woman from Stockholm

Furthermore, the majority of the respondents noted that their emotional state did not get influenced at all when scrolling and purchasing on the online store. They further explained that their consumer behavior did not get affected by their website, and that is because they have learned how the website works even though it can be confusing for some.

When asking about if the respondents believe visual merchandising has a positive or negative effect on their customer behavior the answers were different from each other. The argument that came up during many interviews was that if the consumer is satisfied with the virtual merchandising of a company then it has a positive effect on customer behavior. However, if the company's virtual merchandise does not satisfy the consumer then it will highly harm the asserted company. Not specifically on consumer behavior in general, just a different attitude towards the company, for example, if the staff is rude or if the store is messy and dirty.

"I believe if we are mentally satisfied with the visual merchandising from a certain company then I believe that it will have a positive effect." - Respondent 13, a 28-year-old woman from Stockholm.

Lastly, when questioning if the respondent's lifestyle, economic status, age, and personality determine how they buy and from what channel they mostly choose when purchasing from Zara it all depends on their occupation and their lifestyle. Depending on their life situation, they choose either to shop online or in-store for the whole shopping experience.

"Since I am a student, my life is not very hectic which makes it easy to decide when to visit the store and when to visit the website. If something is out of stock in-store then I usually visit the online store to see if it is in stock and then I purchase it online."-Respondent 16, a 24-year-old woman from Stockholm.

"The biggest thing I have noticed is that the older I get the more I turn to the online store more often." - Respondent 12, a 26-year-old woman from Stockholm.

"If my lifestyle changes in the future, I still believe that I will always choose the online platform when shopping at Zara."- Respondent 14, a 30-year-old woman from Stockholm.

"I select and choose products that I can afford, but then I also only buy clothes that I will be using and that fit my profession and lifestyle as an economist. My personality plays a big role as well in which I buy things that coordinate with my personality." - Respondent 6, a 24-year-old woman from Stockholm.

"As for my lifestyle, living in a smaller area in Stockholm I don't have the option to regularly go to the in-store and therefore I shop at their online store. However, If I lived in the central city I would prefer to go to the in-store because of my personality, as I like to be around people and I like to socialize and widen my network, I think that is why I prefer in-store rather than online. In-store you can meet people, or bring friends, share opinions, ask employees for help and feedback." - Respondent 2, a 23-year-old woman from Stockholm.

"I think now I am becoming more in an age and economic state where I buy more online than in-store. When I was younger, I preferred in-store shopping because I got a nice feeling and it was cool to be in a Zara store to shop and show off the bags you got after your purchase. However, not that I am older and have a full-time job and I like when things are more convenient and easy to shop if I especially look for something in particular, therefore I prefer to shop more online for now. It is more clean, and simpler that way." - Respondent 9, a 23-year-old woman from Stockholm.

"My lifestyle affects my channel choice since I don't live close enough to a Zara store, the online store is more frequently used for just visiting but also purchases. Also, it is nice when you have extra time to sit and just see what news they have got and so, which can be any time of the day. Meaning that online is more convenient." - Respondent 17, a 27-year-old woman from Stockholm.

"As of right now, my age and economic status as well as lifestyle prompts me to first and foremost focus on finding a good deal and secondly keep up with fashion trends. The platform I chose to shop on is highly dependent on the fact that I don't live close to a Zara store. I don't have the energy or the will to go after work and I rather not go into the city central Zara (which is the closest) on my weekends when I know that it's going to be busy and stressful/exhausting. This means that I tend to look at their website for things I like, check if it is available in-store, and then drop by quickly when I'm in town

to check on those specific times." - Respondent 1, a 26-year-old woman from Stockholm.

# **4.5 Summary of Empirical Findings**

Respondent	Personal Factors	Psychological factors	Channel
Respondent 1	Age: 26  Economic state: Medium  Lifestyle: Marketing Science Partner, like to keep up with fashion trends and find good deals  Personality: Social and lively	Perception: There are occasions when both the price and the quality are excellent. Sometimes an item's price is too high and it shows wear, and tear according to respondent 1.  Attitude: Respondent 1 favors shopping in-store. That approach, in her opinion, gives the clothing a better impression and a more accurate picture. Depending on when you purchase, the in-store experience can be either very nice or quite awful.	In-store
Respondent 2	Age: 23  Economic state: Low  Lifestyle: Master student living in a smaller area in Stockholm  Personality: In need of a social environment and communicating with others	Perception: Zara perceives themselves in terms of their quality and price. 90% of the time, respondent 2 would say that Zara perceives itself as having the same quality and pricing as its competitors since sometimes their prices are higher for particular things (limited edition, seasonal shoes, and apparel), and the price does not match the product's quality.  Attitude: Respondent 2 prefers shopping in-store since you can try on the clothing there, determine immediately whether it fits you or not, and either buy it or return it. But with an online store, you have to order something, wait for it, try it on, and	In-store

		then decide whether you want to keep it or even whether it fits your size.	
Respondent 10	Age: 32  Economic state: Medium  Lifestyle: Marketing Coordinator living in the city	Perception: According to respondent 10, Zara presents itself as a high-end luxurious brand both in-store and online, despite the fact that the quality is poor and their items do not last for long. Their prices vary, but this is because they are a fast-fashion brand.	In-store
	Personality: In need of socialization and meeting people	Attitude: Respondent 10 prefers in-store because it is more convenient since she lives very close to one of their stores in the city. Also, she thinks their online store is too complicated. Due to their attempt to be a luxurious brand, the website is challenging to browse, yet it lessens the pressure and stress experienced when visiting an in-store location. The drawback, which somewhat ruins the experience and her attitude, is that you frequently have to return products because of how the sizes are different.	
Respondent 11	Age: 28  Economic state: Medium  Lifestyle: Accountant Consultant, living in the city and enjoys being outside  Personality: Social and outgoing	Perception: According to respondent 11 Zara perceives itself as a more premium and fashionable type of retailer. Although she does not think their quality measures up to that, most of their products have reasonable prices.  Attitude: Respondent 11 likes shopping in-store since it is more convenient, and she only ventures outdoors when she has other plans that call for it. Since she can try on the clothing in person and avoid the return process and sizing challenges that arise online, her attitude toward in-store shopping is more favorable.	In-store
Respondent 12	Age: 24  Economic state: Medium	Perception: Respondent 12 consider it to be overwhelming to shop at Zara since their stores usually are very packed with people. She does not think Zara	In-store

	Lifestyle: Master's Student living in Stockholm  Personality: Extrovert and social	perceives itself the same in-store and online.  Attitude: She does not visit the store when it is crowded. However, she does not have any issues with the online store but does prefer to purchase in-store just for convenience.	
Respondent 15	Age: 25  Economic state: Medium  Lifestyle: Marketing inbounder living in Stockholm  Personality: Social and riant	Perception: Respondent 15 considers the quality at Zara to be relatively good, she believes that you can find items in every price class. She, moreover, thinks that the stores are a bit too messy and crowded.  Attitude:  Prefers to purchase in-store because of the uncertainties with the different sizing and considers it to be more accurate and easier to see the clothes in real life before buying them.	In-store
Respondent 16	Age: 24  Economic state: Medium  Lifestyle: Recruiter living in a suburb outside Stockholm City  Personality: Extrovert	Perception: Respondent 16 perceives the online store to be extremely confusing and too exclusive for a fast fashion company. The main issue for her is the sizing which can be remarkably incorrect.  Attitude: Prefers to do shopping in-store, however, she does avoid shopping at Zara when it is crowded just because of the mess in the store and the exhausting feeling she gets every time entering the store.	In-store
Respondent 18	Age: 23  Economic state: Medium  Lifestyle: A teacher-student living in a suburb outside Stockholm City  Personality:	Perception: Respondent 18 thinks the customer experience is considerably better at for example H&M because the staff there is much friendlier and more helpful than they are at Zara. Moreover, she would say that the online store is visually far more appealing than the in-store.  Attitude: The respondent prefers to do more shopping in physical stores, and usually	In-store

Outgoing and Social	has planned to buy a certain item that she has seen online when she enters a Zara store.	
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 Table 2. In-store consumers

Respondent	Personal factors	Psychological factors	Channel
Respondent 3	Age: 25  Economic state: Medium  Lifestyle: Tax accountant living 15 minutes from the city central  Personality: Analytical, Skeptical and likes calm environments	Respondent 3 thinks that people buy from Zara despite the quality and price because it is a trend, even if the company's products and brand appear to be more luxurious than they are. When compared	
Respondent 4  Age: 24  Economic state:  Medium  Lifestyle: Customer Service Agent living 20 minutes from the city center, interested in the environment, and looking for cheap options when shopping.  Respondent 4  Perception: According to the respondent Zara perceives itself to be a higher-end and trendy type of retailer. They do not match that in her opinion in terms of quality. Compared to other clothing companies, this one has a more complicated website and less pleasant in-store staff, but the quality is the same.  Attitude: Respondent 4 prefers to purchase online because she avoids going into Zara stores because of the unfriendly personnel and consistently large lines and crowded environment that cause her tension and		Online	

	Personality: Introvert and likes calm environments	anxiety. When she gets home, she typically orders the item she likes online. She does not feel anxious when buying online, so she has usually started doing more of it.	
Respondent 5	Age: 28  Economic state: Medium  Lifestyle: Teacher from Stockholm, enjoys reading and drinking wine with close friends  Personality: Social, calm, and grounded	Perception:  Zara price equals their quality. However, they perceived themselves as high-end rather than fast-fashion. According to respondent 5, you get more of the fast-fashion atmosphere in-store rather than online. The reason for this is because in-store it is more messy and crowded, and where the clothes have stains or are broken.  Attitude: Respondent 5 prefers online shopping because she values a calm environment when she purchases clothes. This is something she finds online at Zara and not in-store. Her attitude and experience have always been negative towards the in-store because she feels pressured and leaves frustrated every time. This is because of unpleasant staff, not being able to find anything because the clothes are unorganized or the sizes are not available. Therefore, she turns to the online store.	Online
Respondent 6	Age: 24  Economic state: Medium  Lifestyle: Master Student and Economist from Stockholm  Personality: Introvert, proper, and calm.	Perception: Depending on the product, the quality can vary, but it is generally comparable to that of other fast-fashion retailers in Sweden. Price varies as well; some items are more expensive, perhaps a bit too expensive, but there are always items available at lesser costs. When it comes to Zara, prices are adjusted according to the item to accommodate various target markets. Also, they do not perceive themselves as equivalent to their quality and price. Because of their use of visual merchandising, their items and brand come off as more luxurious than they actually are.  Attitude: Respondent 6 prefers the online store for	Online

		the reason that it is easier, she saves more time and she can try on the clothes in peace after she has received them since she does not like to try on clothes in their store. Moreover, her attitude towards the in-store is that it is a crowded, stressful environment both for the employees and customers but then it depends on what day you visit the store according to respondent 6.	
Respondent 7	Age: 27  Economic state: Medium  Lifestyle: Sales & Marketing Coordinator living 20 minutes from the city center, likes to hang out with friends and socialize  Personality: Extrovert and lively	Perception: The price and the quality varies depending on what product it is. But most of the time the price is affordable but the quality is poor, according to respondent 7.  Attitude: Respondent 7 favors the online store because it makes shopping more enjoyable and gives her a better buying experience. This is due to how pleasant and clean the internet store is. She also finds it more practical because it's 20 minutes to the closest Zara store from where she lives. Normally, she prefers to be in-store since she enjoys being around people, but at Zara's in-stores, she only feels stressed and wants to leave right away.	Online
Respondent 8	Age: 35  Economic state: Medium  Lifestyle: Marketing Assistant from Stockholm, studied international marketing  Personality: Social, calm, and selective	Perception: According to respondent 8, the quality is poor and the price is affordable. However, the perception of Zara is different in-store vs. online, where you get the perception of Zara being low quality and fast-fashion in-store, especially during sales periods. Online you do not get that perception, since it is more luxurious and aesthetically pleasing.  Attitude: Respondent 8 prefers online shopping because she needs a calm setting to purchase clothing. She is selective as well, and when faced with difficult or distressing stimuli, she becomes uncomfortable. This attitude and experience can be seen in stores at Zara.	Online

		Therefore, she decides to visit the online store instead.	
Respondent 9	Age: 23  Economic state: Medium  Lifestyle: Sales Coordinator, living in Stockholm, likes to hang out with friends  Personality: Intro-extrovert	Perception: Respondent 9 believes that the price has increased and the quality has decreased. She believes that Zara is fast fashion and that the items of clothing are easily broken and wear out quickly, leading her to believe that the quality has declined as well. Moreover, she emphasizes that online, you get the impression that they are higher quality and more of a high-luxury brand than a fast-fashion one. As a result, you think they are more expensive than they truly are.	
Respondent 13	Age: 26  Economic state: Medium  Lifestyle: Talent Acquisitier, living 10 minutes from the city center.  Personality: Collected and calm	Perception: Respondent 13 does feel like the interior in the Zara stores does not frankly match the online store. The visual design of the online store confuses her since the models pose very strangely and the brand looks very high-end.  Attitude: Respondent 13 has noticed that she prefers to shop online just because of the mess in-store and the convenience to purchase from home.	Online
Respondent 14	Age: 30  Economic state: Medium	Perception: Respondent 14 gets very overwhelmed when entering a physical store. She does feel like the online store is more sorted and easier to find the right item. She	Online

	Lifestyle: Liberal Educator and a mother. Living 15 minutes from the center of Stockholm. Has newly become a mother  Personality: Outgoing and social	believes that the interior and the visual design are quite the same on both channels, very bland.  Attitudes: She prefers to do her shopping online for convenience in her new life as a mother but also because of the stressful experience in online stores.	
Respondent 17	Age: 27  Economic state: Medium  Lifestyle: Master student, mother, and IT-Technician living outside of Stockholm  Personality: Calm, selective, and analytical.	Perception: According to Respondent 17, the price is reasonable but the quality is not always the best. Nevertheless, quality can occasionally be very high while remaining reasonably priced. The perception of online is that it is calmer and more aesthetically pleasing and inspiring according to respondent 17.  Attitude: Respondent 17 favors online shopping. She prefers to shop online because she does not live close to a Zara store. She has a more favorable view toward the online store than she does the physical stores. She likes shopping online since it inspires her more and spares her from the hectic and cluttered environment that comes with going to a physical store.	Online
Respondent 19	Age: 27  Economic state: Medium  Lifestyle: Sociologist living 10 minutes from Stockholm City  Personality: Collected and calm.	Perception: Respondent 19 believes the store to be highly exhausting to visit, which makes her avoid entering it. She highly enjoys the online experience since it lets her take her time and do her shopping in a calm setting. She believes the quality is quite good and the pricing is fair and acceptable for the quality of the clothing items.  Attitude: She tends to only purchase from the online store, because of convenience and the peaceful atmosphere. The respondent can be very indecisive with her purchases and she needs time to think before making	Online

1 1 *	e. Therefore, the online channel option for her.
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 Table 3. Online consumers

## 5. Analysis

The authors analyze the empirical findings in the analysis chapter using the theoretical frame of reference. The format is a descriptive analysis based on proper headlines to improve the section's clarity and understanding.

#### **5.1 Customer Experience - Descriptive Analysis**

According to Molinillo et al. (2020), the contacts between the consumer and the retailer are the foundation of customer experience, which is recognized as giving value and increasing satisfaction and purchase intention. The term "customer experience" encompasses the customer's cognitive, affective, emotional, social, and physical reactions to the shop, which according to Yang & He (2011) means a concept that relates to getting people to perceive, feel, think, act, and relate to a business and brands. The customer experience is the consequence of a chain of events triggered by a consumer's interactions with a product, a company, or a component of its organization. According to Schmitt (1999), there are five different experiences within the customer experience, where emotions and moods are aspects of the feel experience. The cognitive process includes both convergent/analytical and divergent/imaginative thinking. "Act experience" refers to both behavioral and motor experiences. A "related experience" is a social experience, such as being a member of a reference group. "Sensory experience" refers to the aesthetics and sensory perceptions of a store's location, mood, items, and services. These are different experiences that the respondents acknowledged and experienced. To begin with, the sensory experience and the feel experience were two phenomenons that were frequently brought up by the respondents where the in-store customer experience at Zara, especially during sales times, had an impact on their emotions and moods as well as how the aesthetic qualities of the store, during those times, impacted their customer experience negatively. The respondents emphasized different emotions and moods such as feeling pressured, stressed, frustrated, irritated, and not relaxed. In addition, the store was crowded, disorganized, and messy with clothes spread out on the floors and in the wrong places. The result of this was that the sensory experience and the feel experience in-store got negatively affected. However, when respondents visited the online

store, they had a positive impact on these two encounters. This channel selection enhanced the sensory experience by making the retail atmosphere more appealing in terms of luxury, clean, high-end, and editorial. According to the respondents, this increased their purchases and made them spend more time browsing because the channel relieved their anxiety, pressure, and stress. Alexander & Kent (2020) highlights that digital technology was considered a point-of-purchase variable within store atmospherics, and consumer-facing technologies can improve the attractiveness and visual appeal of stores, thereby positively altering purchasing behavior. Innovative technology has the potential to significantly impact the customer experience.

Furthermore, the responders noted *the act experience* (behavioral and physical sensations) as well as *the related experience* (social experience). As mentioned above, the sensory and feel experience had both a negative and positive impact on the consumers, and respondents, depending on the channel selection (in-store vs. online) causing people to act and behave in accordance with their emotions and moods. They purchased more and spent more time browsing and selecting goods if their emotions and attitude were pleasant (relaxed, not stressed, at peace, etc.). If their emotions and mood were negatively influenced (stressed, pressured, angered, etc.), they avoided the store and instead purchased the things they desired online or waited until "regular days" when the store atmosphere was calmer. The related experience was noticed by the respondents that preferred the in-store as their channel selection for purchasing clothes. These were consumers that mostly planned their shopping and needed a social environment where they could get feedback and inspiration from employees, friends, or other individuals in the store. As Verhoef et al. (2009) indicate in their study, the social environment, the service interface, and the retail atmosphere are some aspects that influence customer experience and have also been confirmed by the respondents.

### **5.2** Consumer Perception - Descriptive Analysis

To evaluate a product's quality, consumers use a variety of factors (Agyekum et al., 2015). Kotler (2001) further explains that what one consumer considers to be of high quality may be of poor quality to another. Even though many consumers believe pricing to be a criterion for product quality. Agyekum et al. (2015) continue to emphasize that consumers have concerns

about the link between price, value, and product quality. Moreover, in the absence of any other information, cost is a reliable predictor of product quality. This is a correlation that the respondents confirmed when being asked about their perception of Zara's quality and price in which most of the respondents thought that the quality is poor, but where the price is affordable. However, this differs based on the product and the material used, according to the respondents. Furthermore, for some responders, the quality of every product is poor, with the garment readily breaking and wearing off quickly, and for others, the price equals the quality. According to Agyekum et al. (2015), perception is the process by which a person selects, arranges, and analyzes information inputs to build a meaningful picture of what is real. The authors then continue to highlight that the company or producer must have a solid comprehension of the perception process. This is because a successful marketer will be able to provide or lend the product an attribute through advertising, packaging, production, country of origin, and other promotional strategies that in some ways define the product quality. When the respondents were asked if Zara perceived themselves as their quality/price on their channels (in-store vs. online) the answers were both yes and no. These answers were explained and justified by the fact that consumers have various perceptions depending on what channel they are located on. When people shop online, they form an internal picture of a high-end luxury brand that provides high-quality products. According to the responses, this is due to the online store being editorial, high-end, and trendy. This is also the perception consumers have in-store, although only in rare instances when the store environment is calm and the products are nicely ordered and placed. According to Agyekum et al. (2015), psychologists have effectively discovered numerous elements that are critical in influencing the focus of attention. They are broadly classified as internal and external factors. While internal factors such as our aims and expectations might influence how customers perceive the quality of a product, which has been proven by the respondents, and where external factors are associated with the physical properties of stimuli. Yildrim et al. (2007) state that there is a connection between consumer perceptions of store windows (advertising, merchandise, and fashion) and consumer behavior.

Furthermore, many of the respondents said that impulse shopping usually tends to make them buy more than what they are supposed to, and where they visit the in-store to do so. This is in times when they are in the city with their friends and where they seek confirmation and validation and are in a social and exciting environment. However, when the respondents shop for something they need and want, they require a peaceful atmosphere with no stress nor

pressure and that is mostly found online where they are not disturbed and have all the time that they require to find the desired items they are looking for. According to Cant and Hefer (2012), shoppers' purchasing intentions influence how they perceive the environment of a store. When customers buy products they see as unfulfilling tasks, they like to be in a calming and peaceful environment; nevertheless, when they shop for pleasure, they prefer to be in an exciting environment. As a result, it is possible to determine how customers perceive a store, and its offerings may influence how they engage with it. Additionally, it was noted on occasion that respondents avoid the in-store due to the stress, chaos, pressure, and unfriendly staff that comes with it, while others perceive the online store to be too complicated because of how the brand tries to be too aesthetic, and can also influence perceptions and channel selections. A customer's decision to enter or return to a clothing retail company can be and has now been proven by the respondents, influenced by visual merchandising presentations. Customers may return to the store if they have a favorable image of the visual merchandising displays, but they might not do so if they have an unfavorable one (Cant & Heifer, 2012). As a result, the retail environment created by the employment of visual merchandising representation has the potential to affect customers' perceptions of the quality of items, the level of service, and the overall experience in the store.

### 5.3 Perceived Visual Merchandising - Descriptive Analysis

According to Park et al., (2014), the goal of visual merchandising is to improve efficiency by promoting a positive shopping experience, efficiently organizing in-store inventory, and differentiating brands to boost sales. The store facade, store windows, logo, color, arrangement, and fixtures, are examples of sensory and functional components of visual stimuli. The gathered answers from the interviewees showed that Zara's interior design and visual merchandising in their stores do not match their online store. The clothing items are not efficiently organized in-store, and the stores are often very crowded and messy. The overall shopping experience does not bring a positive experience. Moreover, as stated in the theoretical framework, the store atmosphere affects customers' consumer behavior (Bohl, 2012), whereas other factors for example, brightness and crowding are a part of the store image. The respondents expressed that the Zara stores are usually very bright, crowded, exhausting, and overwhelming which causes them to avoid entering the store. Furthermore, a pleasant retail environment can boost customers' spending, time spent in the store, and the desire to return and recommend the store (Fam et al., 2010). Also, to improve a customers's

purchasing experience, visual merchandising displays are described as visual elements that draw interest or enjoyment in a store (Cant & Hefer, 2012). Hence, when questioning the respondents if they tend to buy more when entering an attractive store atmosphere, the majority of the answers did state that the store atmosphere and the visuals in the store make them spend more time in a store which can make them purchase more. Therefore, the interior design and the visuals inside Zara should be appealing and attractive to get customers to spend more time which can result in wanting to purchase from the store. According to Groeppel-Klein (2005), in-store behavior is considerably influenced by a store's atmosphere factors and, the majority of respondents did mention that the atmosphere in Zara does affect their behavior towards the physical store by either avoiding entering or not wanting to spend a long time inside the store. Donovan and Rossiter (1982) brought the idea of environmental psychology and the impact of environmental cues on customer behavior and as stated above, the respondent did mention that the environment inside a Zara store does influence their consumer behavior. As stated in the theoretical framework, environmental psychology is interested in the direct impact of physical stimuli on human emotions and the effect of the physical stimuli on a variety of behaviors, such as work performance or social interaction (Mehrabian & Russell, 1974, p.4). Some of the answers gathered from the interviewees revealed that the store can be crowded, and messy, and the clothing items can sometimes be dirty which does affect the physical stimuli. Also, the employees can be unhelpful and have a rude approach toward their customers. This leaves the emotions to be negative as it affects their decisions to avoid the store and their behavior towards Zara.

Nonetheless, visual merchandising for the online store is as important as it is in-store, as a result of the COVID-19 pandemic online retail sales have increased extensively (Chevalier, 2021). This makes visual merchandising a significant strategy to promote a business's online presence, including its website and other assets for online branding (Desai, 2019). The respondents did comment that the online store of Zara is visually far more appealing than the physical stores. The words used to describe the online store were chic, simple, high-end, and editorial which is a result of a thrived visual merchandising. The online store was more appreciated since it is a calmer shopping experience than the in-store and 11 of the 19 respondents did state that they do prefer to purchase online at Zara. However, a reason why the online store was considered to be more high-end and classy is because of how it portrays the clothing and how the models are posing. This as a result has made the customers appear

confounded since the physical store does not have the same exclusive feeling since Zara is after all a fast fashion company.

#### 5.4 Psychological & Personal Factors - Descriptive Analysis

Referring back to the theoretical framework, perception, and attitudes are psychological elements that influence consumer behavior (Gajjar,2013), where individuals have unique requirements such as physiological, biological, and social needs. The collected answers from the interviews showed that the perception and the attitude to Zara were very unique among all the individuals. For example, regarding the perception of Zara, the respondent claimed that Zara's prices and quality did not match how the brand perceived itself. As the brand is portrayed as luxurious when its quality is relatively poor and since they are a fast fashion brand the prices can be fairly high for a fast fashion brand. Moreover, the majority of the respondents did believe that Zara presents itself as a high-end luxurious online store that does not match their physical stores, and since they are a fast fashion company the expectations are not ridiculously high. The in-store is frequently mentioned to be exhausting and crowded which is not equivalent to their online store. It is easy to draw a correlation that the perception of the brand is almost the same amongst the targeted group.

Moreover, when analyzing the respondent's perspectives on their attitude toward Zara, the answers differentiated from the individuals that prefer to shop in-store and online. The attitude amongst the individuals preferring to shop in-store stated that the physical store gives the clothes a better appearance and a more accurate picture of the company. Another reason to shop in-store is the inaccurate sizing which makes it more suitable to visit a Zara store. The convenience to be able to try the items and avoid the return process when shopping online is a major factor in why the respondents visit the store. Furthermore, the attitude of the respondents who prefer to shop online claimed that they want to avoid the crowded store, the unfriendly personnel, the large lines, and the messiness in the store. Also, the prevalence of the respondents did prefer a calmer setting to shop and not do it in a hectic environment. This is to restrain the anxious and exhausting feeling that they get when visiting a Zara store. The online store is also less time-consuming which makes it more convenient for those that do not live close to a Zara store, likewise, receiving the parcel and trying on the clothes in a peaceful

setting rather than trying them in-store. This makes shopping more enjoyable and a consumer gets a better buying experience of how pleasant the online store is.

According to Ajzen (2020), the consumer's assessment of the beneficial or detrimental effects of engaging in certain conduct is what is known as their attitude towards that behavior, which means that behavioral belief influences or initiates the attitude in the first place. With that being said since Zara is a fast-fashion company the perception of the company can have an impact on the attitude towards the brand. A couple of the respondents did state that their consumer behavior toward Zara is based on the image of the brand. The already assumptions that exist about the brand create behavior and a certain attitude against Zara. Furthermore, the already existing opinions about a brand determine if an individual will purchase from Zara.

Since the planned behavior exists towards the physical store, the attitude can limit them to only make purchases from their online store or resist the brand completely. Additionally, the subjective norm is the component determining behavior, it considers the perceived impact of society on consumer behavior (Ajzen, 2020). The subjective norm about a fast fashion company will affect the perception and attitude against Zara which will determine if they would want to visit a physical store. Visits to the online store in a private setting could seem more acceptable because society cannot evaluate if the buyer wants to support the fast-fashion brand.

Nonetheless, according to Gajjar (2013), consumer behavior can be influenced by personal traits, whereas age, economic status, lifestyle, and personality have a substantial impact on purchases. As mentioned, the age of all the respondents was between 23-35, which can feel very limited however, the reason for this specific target group is because it is found that women between the ages of 23 and 35 currently shop 59% more frequently than men (Iddenden, 2022). Yet, the answers received did differentiate from each other which made an impact on the gathered findings. All of the respondent's economic status was classed as a medium since none of the individual's economic status did stick out. However, three of the interviewees were students, and as a student, their income can be restricted. This leads to them seeking good deals and cheaper options, which results in visiting Zara during their big sales both in-store and online.

Moreover, the rest of the respondents did have different lifestyles and occupations which gives an insight into how different professions can get similar and diverse impacts and perceptions on their consumer behavior. The distinctive aspect was personality, as personality varies from individual to individual (Gajjar, 2013). The different personalities of the respondents do impact which channel they decide to purchase from. Within the 19 interviews gathered, 8 respondents prefer to shop in-store, and one correlation among the interviewees is their personalities. They all were considered to be social, extroverted, and outgoing which can act as a factor why they choose to purchase in-store. Some of the respondents did mention that they need socialization and meeting people which is a reason why they choose to go outside and make the shopping experience an activity. However, the 11 respondents that prefer to purchase online did have a bit of a variegated personality. The majority of them would describe themselves as individuals that are considered to be calm and to a somewhat degree introverts. The need for a calm environment can be a major factor in why individuals choose to do their shopping online. As previously mentioned, the Zara store is considered to be very crowded, stressful, and exhausting which can prevent certain types of personalities from visiting the in-store. Yet, some personalities who were considered to be outgoing and social still chose to purchase from the online store and the reason for that is the convenience of their lifestyles.

#### 6. Conclusion

In this section, the conclusion of the study is presented. In order to form a conclusion, the authors of the study have analyzed the collected empirical findings together with the theoretical frame of reference based on the research question. In addition, a theoretical contribution will be presented.

#### The question that the study intends to answer reads as follows:

• How do psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers?

The purpose of this study was to explore consumers' experience and behavior when buying in-store and online. Moreover, how psychological- and personal factors influence consumers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. More specifically the psychological factors in this study referred to the consumer's *perception* and *attitude*, while the personal factors referred to the consumer's *age*, *lifestyle*, *economic status*, and *personality*. The research topic was developed with the purpose of the study in mind, and the authors were able to respond to it through a qualitative study with the aid of 19 semi-structured interviews. *Customer experience*, *brand coherence*, and *perceived visual merchandising* have all been examined to identify how psychological and personal aspects affect customers' choice of channel (in-store vs. online) when they purchase clothing from fashion retailers.

The study concluded that it was readily apparent that customers' psychological factors (i.e., perception, and attitudes) and personal factors (e.g. age, lifestyle, economic status, and personalities) have an impact on the three distinct components (customer experience, brand coherence, and perceived visual merchandising), which in turn affects customers channel selection when purchasing clothes from fashion retailers such as Zara. In addition, the authors can observe that this study is consistent by comparing and analyzing earlier research, and they may therefore say that the study's purpose has been achieved.

Based on the results reported in the empirical findings and the analysis, it can be shown that consumers' psychological- and personal factors have a direct influence on the customer experience, brand coherence, and perceived visual merchandising which determine the customers' channel selection. The majority of the respondents had a positive attitude and perception towards Zara's online store. The reason behind this was that the consumers required a calm and clean environment with no pressure, stress, or disturbance, and these factors could be found when purchasing clothing online from fashion retailers, such as Zara. Furthermore, it is concluded that visual merchandising has a big impact on the customer experience and behavior of the consumers, which can determine whether they avoid or return to the store. The result shows that the perceived visual merchandising in-store from the customer's point of view, does not correlate with Zara's online store. The clothes in-store are not organized, in which they are scattered on the floor, on the tables, and on the racks.

Moreover, most of the clothes have stains on them or are torn, and it is a crowded and stressed store atmosphere. Consequently, the customer experience eventuates to a negative experience and where the customers avoid the in-store. Furthermore, the descriptive analysis showed that a pleasant retail environment, where the store atmosphere is attractive, makes them spend more time, and alternatively purchase more, which Fam et al. (2010) also confirm. The respondents rated Zara's online store as being significantly more visually appealing than its physical stores. As a result of flourishing visual merchandising, the phrases chic, minimalist, high-end, and editorial were employed to describe the online store.

When the authors analyzed how the psychological- and personal factors influenced the consumers' channel selection when purchasing clothes, there were interesting correlations that were found. The results showed that consumers that prefer the in-store (see Table 2), have similar personal factors (age, economic state, lifestyle, and personality) and psychological factors (perception and attitude). These consumers are between the ages of 23-32, they have a medium income, they either live in the city center or close to the city, they look for good deals when shopping and usually plan their shopping, and they are social and outgoing, in which they require a social environment when they purchase clothes. The results demonstrate that although Zara presents itself as a high-end, glamorous brand, the quality is poor and the pricing is affordable, which supports their perception that the brand coherence does not match the price and quality. Additionally, the attitude of in-store customers is remarkably consistent, with the majority of them preferring to shop there. They can get a better sense of the clothes, avoid the lengthy return process associated with online purchases, and find it more convenient because they live close to a Zara store.

Furthermore, the consumers that prefer the online store (see Table 3) do also have similar psychological- and personal factors. These consumers are between the ages of 23-35, they live a bit further from the city center, they both plan and impulse shop, and they are collected and calm, which requires a calm environment when purchasing clothes. The findings and results indicate that while both online and in-store customers see Zara as a high-end, glamorous, and stylish brand, the brand's price and quality are more in line with fast fashion. According to the respondents, this is due to both their clothes wearing out quickly and the chaotic, messy environment inside the store. As a result of the peaceful environment, as well as the fact that the visual merchandising and store atmosphere appear more appealing, editorial, and trendy, online consumers maintain a consistent attitude throughout respondents, choosing the online store as their channel of choice.

In conclusion, the authors can of this study state that the results that have emerged contribute to new knowledge about how psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. Additionally, the authors can assess how the elements of customer experience, brand coherence, and perceived visual merchandising, affect the behavior, perception, and attitude among the consumer and how that determines their channel selection when purchasing clothes from fashion retailers. This study adds new information that increases understanding and the information that emerged is essential for companies to consider. The essay will be useful to fashion industry businesses, especially those with both online and physical stores. The research methodology not only helps the businesses' marketing but also identifies the most important factors.

### 7. Further Research

In this section, the authors of the study will present further research on the work and

recommendations for future research that would be interesting to study.

This qualitative study was focusing on how psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. The limitation of this thesis was first of all the sampling size since it only conducted 19 interviews, and the targeted group was women between 23-35. Thus, for further studies, can expand the sampling size to get more impressions and points of view about the topic. Also, include both genders and develop a future study where the main focus is the comparison between the genders and how their psychological- and personal factors influence customers' channel selection.

Moreover, this study was restricted to only customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers. For further research, the channel selection could be extended to additional retailers than only to fashion. Thus, to investigate if the attitude and perceptions toward other retailers outside of fashion have the same finding or if there are differences in various purchasing fields, for example, jewelry, handbags, and perfume. Also, the conducted interviews were focused on only one fashion retailer which can be developed and further a comparison between two or more fashion retailers. To investigate if there are different perceptions and attitudes amongst different brands and if it can lead to choosing different channels to purchase.

In addition, this study was exclusively targeting consumers in Stockholm which is highly limited and can affect the reliability and validity of the formulated results. Therefore, getting data from consumers from other cities in Sweden or even different countries and doing a competitive analysis or a comparison of different nations. This can also be developed where the different cultures are investigated and if that has an impact on the consumer's channel selection.

Lastly, this thesis relied on conducting a qualitative study to comprehend how psychologicaland personal factors influence consumers' channel preferences when purchasing clothes from fashion retailers. Hence, future studies can perform quantitative research to get a broader understanding of how psychological- and personal factors influence customers' channel selection (in-store vs. online) when purchasing clothes from fashion retailers.

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## **Appendix**

## Appendix 1. Interview guide

In this interview, we will ask you a couple of questions regarding customer experience, perception & behavior when purchasing from Zara in-store and online. Moreover, how visual merchandising affects your channel choice when purchasing clothes. You will be anonymous throughout the whole process, however, we will ask for your age, background, and occupation because of the research purpose. If any of the questions are unclear do not hesitate to ask for any clearance or explanation. If you do not have any questions or uncertainties about the interview we can begin.

Question type	Question	Reference	
Introductory Information	<ul><li>Information about recording the interview</li><li>Give information about anonymity</li></ul>	Bryman & Bell, 2019	
Background questions	<ul> <li>Tell us briefly about yourself, your age, background,</li> <li>Are you, or have you been a customer of the Zara sto</li> <li>Have you visited and purchased from Zara's online s</li> <li>Do you typically impulse shop or plan your shopping</li> <li>What factors are important for you when shopping?</li> </ul>	ores in Stockholm? tore?	
Customer Experience	<ul> <li>Try to describe a typical Zara experience from start to How is the in-store experience (neat, crowded)?</li> <li>How is the online experience - any differences or sinence.</li> <li>Do you prefer to shop in-store or online at Zara?</li> <li>Explain the reasons for your choice.</li> <li>What is the reason for visiting the Zara store?</li> <li>Is it different or the same reason for visiting the online.</li> <li>Which feelings occur when you visit the Zara store? (</li> </ul>	milarities to the in-store?	

Johansen, 2014

## Brand

- How do you perceive the quality/price?
- Coherence
- Does Zara perceive itself as the same as their quality/price (in-store, online)?
- Why/why not?
- Do you get the same perception of Zara when visiting in-store and online?
- What are the differences/similarities?

Park et al., 2014

Riaz & Mazhar, 2015

## Visual Merchandising

- Describe how the interior/visual design is in the Zara in-stores compared to online?
- Is the external appearance a motivation factor to visit the store?
- Why and in what way?
- Describe Zara's in-store and online store in three words (each)
- Do you tend to buy more when you come across an attractive store atmosphere?
  - Why, and in what way?
- Do you spend more time when the retail environment is pleasant?
  - If yes, what is the reason for that?
- Explain what reasons/factors you have for choosing to shop online/in-store at Zara?

Cant & Hefer, 2012 Bohl, 2012

Psychologicaland personal factors

- Do your emotional states get influenced by the environment and store atmosphere of Zara (pleasure, arousal, or dominance)? Explain.
- Is it different or similar emotional states in-store and online?
  - If yes, what is the reason for that?
  - Does the store atmosphere (in-store and online) affect your consumer behavior?
    - Why, and in what way?
    - Do you believe that visual merchandising has a positive or negative effect on your consumer behavior?
      - Why, and in what way?
- How do your lifestyle, economic status, age, and personality determine how you buy and on what platform you choose (in-store, online) to buy from Zara?
  - Give examples.