

The Influence of Visual Merchandising on the Patronage of Fast-Fashion Stores in Indonesia: The Role of Shopping Values and Self-Congruity

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Abstract: This study examined the direct and indirect effects of visual merchandising on store patronage in the context of fast-fashion retailing. Adopting the stimulus-organism-response (S-O-R) theory, this study aimed to investigate the relationships of visual merchandising, self-congruity, and consumers' perceived shopping value, and their influence on store patronage. While studies about fast-fashion and store patronage behavior have been extensively conducted in various market regions, research in an emerging middle-income country like Indonesia is still scarce. Therefore, this study is among the few attempts to better understand the buying behavior of Indonesian consumers regarding fast-fashion brands. A survey was completed with 250 fast-fashion shoppers. PLS-SEM path modeling was utilized to examine the proposed structural model. The results revealed that visual merchandising, shopping value and self-congruity had positive and significant effects on store patronage. The study also found that the indirect effects of consumers' perceived shopping values and self-congruity were more substantial than the direct ones. Managerial implications and recommendations for further research have been included.

Keywords: visual merchandising, shopping value, self-congruity, store patronage, fast-fashion

JEL Classification: ME37

Introduction

The term fast-fashion has become increasingly popular among consumers (Caro and Martínez-de-Albéniz, 2015). It has brought much attention to the retail industry worldwide. Fast-fashion products are fashionable clothing and other apparel products sold at an affordable price (Azuma and Fernie, 2003). The basic concept of fast-fashion is to move fashion products from the designers' to the consumers' hands as fast as possible, and at affordable prices (Hines and Bruce, 2007). Popular culture such as films, music, television, and other media have played a significant influence in shaping fashion trends. Such an influence can occur anytime and from anywhere, which, in turn, can significantly change consumers' lifestyles and demands for fashion styles or trends (Barnes and Lea - Greenwood, 2006). The proliferation of fast-fashion products allows consumers to get more access to invogue styles at lower prices (Fernie and Azuma, 2004). A survey in 2018 of major global apparel manufacturers and retailers, as cited in *fastretailing.com*, showed that the three top-ranked global fashion brands were Inditex (ZARA-Spain), Hennes and Mauritz (H&M-Sweden), and Uniqlo (Japan).

The present study is undertaken in the context of the Indonesian fast-fashion retail industry. Fashion is one of the fourteen sub-sectors of the country's creative economy, contributing 18.1 percent to the industry and 3.76 percent to the national GDP (BEKRAF, 2018). Having shown the most impressive economic growth, Indonesia is now considered by the World Bank to be the largest economy in Southeast Asia. As the world's 10th largest economy, in terms of purchasing power parity, the nation's GDP income per capita has steadily risen, from

US\$ 807 in 2000 to US\$ 3,877 in 2018, creating the large number of middle-income earners now found in the country (the World Bank, 2019). In 2021, middle-income earners will account for 45 million people or about 16.6 percent of the total population (Rahayu, 2019). Indonesia's economic outlook is estimated to continue to growing with domestic demand being the main driver of growth. As the world's fourth most populous country, Indonesia is a vast potential market for major global brands, including fast-fashion players. For those who live in big cities, shopping and fashion are seen as a way of showcasing a modern urban lifestyle. As the second-largest city in Indonesia, Surabaya is the prominent shopping tourism destination in the country, after Jakarta. The city has attracted a lot of international fast-fashion brands as anchor tenants at its major shopping malls. Since 2014, fast-fashion retailers such as Zara, Stradivarius, Cotton On, and New Look have begun their operations in Surabaya, followed by Swedish and Japanese retailers, namely H&M and Uniqlo, in 2017. Such a phenomenon has led to an increasingly competitive situation for the fast-fashion industry in trying to win consumers' hearts (Fimela, 2018).

To attract potential consumers, the retailers have to carefully design their stores' visual merchandising for the fashion items they sell. Previous studies have indicated that creating an attractive and comfortable store atmosphere could affect consumers' emotions and behavior (Siddhibphongsa and Kim, 2016; Spies et al., 1997). Further, a store's atmosphere can influence the consumers' purchase decisions and attract them back to the store for a repurchase intention (Sharma and Stafford, 2000). The retail environment is a valuable marketing tool for influencing consumers' perceptions of a particular brand and their purchase intentions.

Although research work about fast-fashion and store patronage behavior has been done in various market regions, studies in an emerging middle-income country like Indonesia are few and far between. Having said this, empirical research to better understand Indonesian consumers' shopping behavior provides a strong base for conducting this current study. Therefore, this study aimed to investigate the effect of visual merchandising on store patronage in Indonesia's fast-fashion retailing. Self-congruity and perceived shopping value are two psychological concepts incorporated as the mediating variables when examining the relationship between visual merchandising and store patronage in this study.

Literature Review

A grand theory is needed to provide a factual, conceptual basis when developing and examining the proposed research model. As seen in Figure 1, the proposed research model was developed based on the stimulus-organism-response (S-O-R) theory (Mehrabian and Russell, 1974). The S-O-R theory is one of the most often used models in environmental and social psychology. *A stimulus* is described as external factors consisting of both the marketing mix variables and other environmental inputs that influence an individual's internal state and which can be conceptualized as an effect that stimulates the individual (Bagozzi, 1986). *Organism* refers to the internal processes and structures intervening between external stimuli and the final actions, reactions, or responses demonstrated.

Meanwhile, *response* represents the outcomes and decisions of consumers (Mehrabian and Russell, 1974). The response can be either approach behavior (i.e., positive actions) or avoidance behav-

ior (i.e., negative actions). The intervening processes and structures contain perceptual, psychological, feeling, and thinking activities (Mehrabian and Russell, 1974).

In the proposed research model, visual merchandising is conceived as the stimulus, while shopping value and self-congruity are regarded as the two organisms, and store patronage is the response. According to the proposed research model, the consumers' perceptions of the visual merchandising in fast-fashion stores are expected to affect their positive shopping values and self-congruity, which are expected to influence their patronage of a particular store. The core proposition is that store patronage is a response that is not merely demonstrated due to the visual merchandising stimulus; instead, it is shaped by the shopping values and self-congruity as mediating organisms.

2.1. Visual Merchandising and its Relationship with Store Patronage

Visual merchandise plays an essential role as an initial stimulus to consumers when they see a store. Edwards and Shackley (1992) believed that up to 90 percent of a retail environment's cues are perceived through sight. A window display at a storefront entrance is a starting point to encourage consumers to decide whether to enter the store or not. Hence, the visual merchandising elements become more dominant than other elements in the store (Davies and Ward, 2005). Visual merchandising is not merely used to place products in stores. It relates to how ideas and brand values are communicated visually to the consumers (Law et al., 2012). To be successful, the messages that are visually communicated must be adequately translated by the targeted consumers. In other words,

the visual merchandising strategy should be aligned with the brand identity that the company would like to create, so it results in the consumers' psychological outcomes.

From the perspective of the S-O-R theory, the anticipated outcome or response could be either approach or avoidance behavior (Mehrabian and Russell, 1974). In particular, approach behavior shows a positive outcome, such as a patronage intention (Kerfoot et al., 2003). According to Baker et al., (2002), a patronage intention is a consumer's willingness to buy from, recommend, and shop at a particular store. Similarly, Wakefield and Barnes (1996) defined store patronage as consumers' intentions to return or continue shopping in a particular store. Store patronage is determined by its consumers' evaluative criteria and their perceptions of the store's attributes. The overall perception is referenced as the store (Blackwell et al., 2006). There are three dimensions for a store patronage intention. Those are: (1) willingness to recommend, (2) willingness to purchase, (3) the possibility of shopping (Baker et al., 2002, Grewal et al., 2003).

Considering the crucial role of visual merchandising as a stimulus for the patronage behavior to a store, different factors need to be considered to use it effectively. Color, lighting, shape, merchandise location, store layout, store equipment, and display items are essential (Kerfoot et al., 2003). In addition to this, Mehta and Chugan (2013) described that visual merchandising encompasses the exterior of the store's window display, the store's sign, marquees, outdoor lighting, banner, facade, and location. On the other hand, the store's interior includes its orientation, signage, layout, technical presentations, properties, spatial factors, and atmosphere (Pegler and Kong, 2018). Sirgy et al., (2000) found that some

visual merchandising elements, such as interior decoration, lighting, and flooring design, which are part of the store's atmosphere, were proven to affect the consumers' store patronage. In their study, Baker et al., (2002) also disclosed that consumers' perceptions of the overall store environment, such as variations in color, its displays, and layout, indirectly affected the consumers' store patronage intentions. A study was done by Babin et al., (2003) which also found that when consumers had a better evaluation of the visited store, they would demonstrate higher excitement and an increased patronage intention in the stores that had blue (calm tone) interiors, rather than in those with orange interiors (warm tone).

To enhance the consumers' perceptions of the store's atmosphere, it should try to use its layout or visual communication (signs and images), color, and light creatively (Grewal et al., 2003). With regard to color, Summers and Hebert (2001) applied an experimental study which confirmed that product displays with better lighting were able to attract consumers to visit those stores, and they also encouraged the consumers to touch and feel the products on display. Meanwhile, Kumar et al., (2010) stated that a retail store's atmosphere, or the environment in and around the retail store, would form people's perceptions of the store, which in turn, would influence their patronage intentions. On this basis, the first hypothesis was formulated as follows: *H₁: Visual merchandising has a positive and significant effect on store patronage.*

2.2. Visual Merchandising and Its Relationship with Shopping Value and Self-Congruity

There are two types of stimuli that could influence store patronage: internal

and external stimuli (Virvilaitė et al., 2011). External stimuli include an atmosphere in the store which can be associated with the consumers' shopping values (Rintamäki et al., 2006). Retailers need to recognize consumers' shopping values. The perception toward shopping value comes from both the products or services purchased, and the shopping experience (Diep and Sweeney, 2008). Shopping value itself is divided into two categories: hedonic and utilitarian values (Babin and Attaway, 2000, Babin et al., 1994, Carpenter and Fairhurst, 2005, Jackson et al., 2011, Michon and Chebat, 2004). Concerning the evaluation of visual merchandising, utilitarian values link with a consumer's basic needs, whereas hedonic values are more associated with the psychological aspects of the consumer, such as pleasure, pride, prestige, and confidence (Law et al., 2012). Focusing on the utilitarian values would direct a retail store to satisfy the consumers' need to obtain the product they desire efficiently and conveniently. From the consumers' viewpoint, when they consider value, the best shopping value is acquired when the primary goal of locating the items they want is fulfilled (Diep and Sweeney, 2008). This can be seen when consumers seek cost savings, quality, and convenience when shopping (Carpenter and Fairhurst, 2005).

On the other hand, stimulating the consumers' hedonic shopping values would enable retail stores to strive to provide fun, excitement, fantasy, and inspiration for their customers (Diep and Sweeney, 2008). The hedonic values use indicators, which can be seen when a customer is looking for experience, entertainment, and exploration while shopping (Chandon et al., 2000). Kumar et al., (2010), in their study, found that hedonic values have a higher correlation than

the atmosphere's utilitarian values. Thus, for consumers who prefer to seek hedonic values, a store's visual merchandising should influence its customers to return, and recommend it to their relatives. Visual merchandising plays a crucial role in enhancing the consumers' shopping values, by improving their taste and desire to purchase the products (Mehta and Chugan, 2014).

Past studies have shown that consumers' preferences and purchase intentions can also be influenced by self-congruity (Erickson, 1997). According to Rodríguez and Gregory (2005), self-congruence is derived from the concept of consumers' self-concepts with certain aspects of the brand, and brands as social stereotypes (consumers). Consumers would evaluate brands based on their self-concepts and what they aspire to. Self-congruity indicates the degree of similarity between the consumers' perceptions of themselves and their brand perception (Sirgy et al., 2000). There are four types of self-congruity, where each concept is related to the consumers' perception of the brand. First, actual self-congruity describes the correlation between the brand's image or the personality of the consumer's self-image, or how they perceive themselves. Second, ideal self-congruity indicates how consumers want to judge, and how they want to be judged by others. Third, actual social self-congruence, where consumers will think about how others think and react to their purchases. The fourth type of self-congruity is an ideal social self-congruence which influences the consumers' attitudes and behavior through social approval gain, since every individual wants to be judged positively or make a favorable impression in other people's view. Self-congruity can be seen as an inner psychological reflection of how consumers view their self-image.

When looking at a brand's personality, consumers see a brand as a way to express their true self or ideal self (Keller and Richey, 2006). Many researchers suggest that retailers should strive to develop products consistent with their market (Barone et al., 2000; Hong and Zinkhan, 1995; Mehta, 1999). According to Ibrahim and Najjar (2008), improving self-congruity ensures that consumers can obtain what they expect from a store. Consumers perceive the products' quality through the store's visual displays, such as charts and posters about the store's products. When the visual merchandising aligns with the consumers' self-concepts, they feel congruent with the brand or the store (Hu and Jasper, 2006). In their study on intimate clothes (lingerie), Law et al., (2012) found that consumers searched for apparel brands with a high level of congruity and which were in accord with the socially acceptable standards for this type of product. Their study also showed that consumers had a visual preference for attractive displays of the items they were looking for. For example, mannequins with unusual body shapes, or that were headless, with a white skin color, and no excessive body pose would help the customers create the right social self-image. Based on the literature discussed above, the second and third hypotheses were formulated as follows:

H₂: Visual merchandising has a positive and significant effect on shopping value.

H₃: Visual merchandising has a positive and significant effect on self-congruity.

2.3. The Relationship Between Shopping Value and Store Patronage

Zentes et al., (2008) claimed that if retailers can position the store's personality so it is aligned with their targeted consumers,

they would have a bigger chance of attracting and retaining the consumers, which would increase the company's profitability (Sirgy and Su, 2000). Compared to any other types of retail stores, fashion outlets convey a higher degree of symbolic aspects, like self-congruity (Das, 2015). In many situations, before making a purchase decision, consumers would evaluate the fashion brands based on their self-concepts and what they aspire to be. Following the latest trend can enhance their identity and social status (Keller and Richey, 2006). They have the ideal image of themselves, which is often reflected through the stores and retail outlets which they feel match/link with their personalities and improve their self-esteem (Sirgy et al., 2000).

Babin and Babin (2001) suggested that changing the store's name, employees' performance, and store location can affect how well the consumers see the store. Especially for a clothing store, this can affect its consumers' emotional level of excitement, and also have a positive effect on their hedonic values. According to Babin and Babin (2001), if a store's characteristics become less noticeable, changes in the shopping experience will affect the patronage intention.

In contrast with the previous studies, Overby and Lee (2006) revealed that the utilitarian value was a stronger predictor than the hedonic value for influencing the store patronage intention in the online retail context. By contrast, a study done by Mehta et al., (2013) revealed the opposite result: the pleasure gained from the patronage intention had a more powerful influence on consumers with a hedonic motivation. Therefore, the fourth hypothesis was proposed as below:

H₄: Shopping value has a direct and positive effect on store patronage.

2.4. The Relationship Between Self-Congruity and Store Patronage

Consumers are encouraged to buy a product or service, since this is their motivation to express their consumer self-image (Kressmann et al., 2006). According to Sirgy et al., (2000), when consumers find compatibility between the store they visit and found that the stores reflect their actual self-image (self-congruity), they will be happy to patronize the store. In a study conducted by Hosany and Martin (2012) into sea cruises, it was found that self-congruence affect-

since they provided a particularly prestigious impression (shopping stereotyping). When evaluating some buyers through a store's patronage cues, other consumers may find the perception is related to their self-congruity with the products purchased. On this basis, the fifth hypothesis was proposed as follows: *H₅: Self-congruity has a positive and significant effect on store patronage.*

Based on the above discussions, the following research model was proposed as the conceptual framework of the study that would be empirically tested.

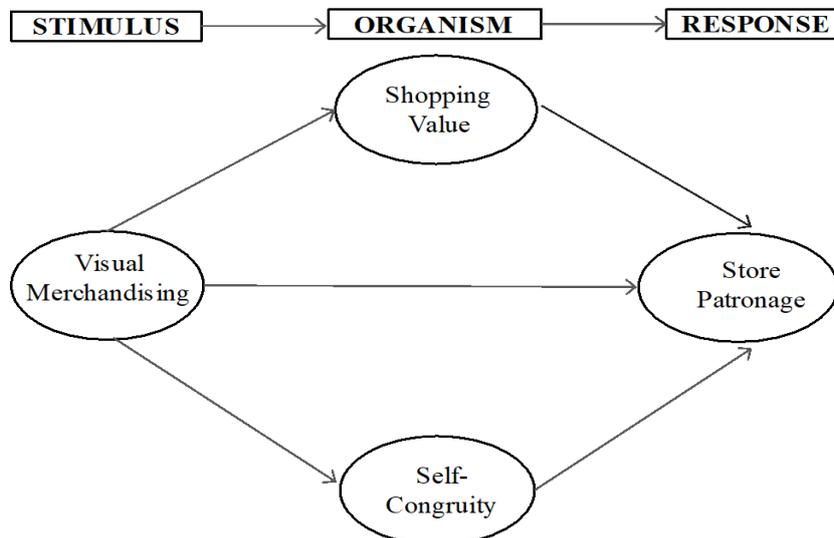


Figure 1. Research model

ed the cruise passengers' experience, and it positively, but indirectly, affected the level of satisfaction and the tendency of the patronage intention (Hosany and Martin, 2012). Patronage can be determined by a consumer's evaluative criteria and his/her perception of a store (Blackwell et al., 2006).

Similar to Hosany and Martin (2012), Willems et al., (2012) examined 12 favorite clothing stores in Belgium, and revealed that shopping bags purchased by the consumers were an external factor that influenced the patronage of the store by other consumers,

Methods

This study applied a quantitative approach in which the hypotheses were tested to find the effect of visual merchandising on shopping value, self-congruity, and store patronage. The population consisted of consumers of fast-fashion products who have purchased such items in Surabaya. Samples were selected purposively, meaning that they had to meet certain criteria, as follows: 1) samples aged between 18 and 55 years old; 2) had purchased at least

one fast-fashion product from an outlet in Surabaya; and 3) their last purchase was not more than six months before the survey was started in October 2018 utilizing both of-line and online questionnaire instruments.

The questionnaire consisted of six parts covering the following issues: 1) screening; (2 items); 2) demographic (6 items); and 3) visual merchandising (8 items); 4) shopping values (7 items); 5) self-congruity (4 items), and 6) store patronage (6 items). Altogether with the screening and demographic ques-

tions, there were 33 closed-ended questions in the questionnaire. Screening questions were placed at the beginning of the questionnaire to ensure that the respondents fitted the sample's criteria to participate in the survey. In the screening section, respondents were asked about their previous purchase transactions and when their latest purchase was taken. Doing so would allow the researchers to be confident that the respondents could still recall their latest retail store experience with the fast-fashion brands.

Table 1. List of measurement indicators of the questionnaire

Constructs	Measurement indicators	Sources
Visual Merchandising (8 items)	New product combination	Mehta and Chugan, 2013; Mehta and Chugan, 2014.
	Colour combinations	
	Interior design	
	Exterior design	
	Lighting	
	Mannequin	
	Product display, promotional sign and product information informatinformatin	
Aisle is freely		
Shopping Value (7 items)	Ease of finding products	Carpenter and Fairhurst, 2005; Chandon et.al, 2000.
	Low price	
	Products quality	
	Convenience shop	
	Shopping experience	
	<i>Window shopping</i> Exploration	
Self Congruity (4 items)	Alignment with self-concept	Das, 2015; Sirgy, 1982; Sirgy and Su, 2000.
	Reflecting on self-image	
	Other consumer images synonymous with consumer herself	
	The similarity to other types of consumers	
Store Patronage (6 items)	Intention in each outlet shopping	Baker et al., 2002; Grewal, et al., 2003.
	Telling the positive	
	Intention to recommend the outlet	
	Willingness to visit the outlet in the future	
	Willingness to explore the outlets in the future	
	Willingness to buy back in the future	

As shown in Table 1, the items or empirical indicators for each concept were developed based on the literature review. There were 8 questions to measure visual merchandising (Law et al., 2012, Park et al., 2015); 7 questions to measure shopping values (Carpenter and Fairhurst, 2005); 4 items to measure self-congruity (Das, 2015); and 6 questions to measure store patronage (Hyllegard et al., 2006). A 5-point Likert scale was utilized to measure each of the questions about four shopping-related behavior constructs, where 1 = strongly disagree, and 5 = strongly agree.

A pilot study of 30 respondents was accomplished before the survey, and all

the items were found to be valid and reliable. For estimating the structural model, the PLS-SEM path modeling method was utilized using SmartPLS 3.0 software.

Results

The total number of participants came to 250, consisting of 116 male respondents (46.4 percent) and 134 female respondents (53.6 percent) who had had a shopping experience with a fast-fashion product not more than six months before the survey was started. Most of the respondents were in the 24 to 29 years old age group. The

Table 2. Indicator loading, Cronbach's α values, AVE, and composite reliability

Construct	Indicator	Indicator loading	AVE	Communality	CR
Visual Merchandising ($\alpha = 0.892$)	New product combination	0.749	0.571	0.571	0.914
	Color combinations	0.728			
	Interior design	0.759			
	Exterior design	0.749			
	Lighting	0.785			
	Mannequin	0.746			
	Product display, promotional sign and product information	0.775			
Shopping Value ($\alpha = 0.870$)	Aisle is freely	0.750	0.563	0.563	0.900
	Ease of finding products	0.779			
	Low price	0.715			
	Products quality	0.717			
	Convenience shop	0.786			
	Shopping experience	0.778			
Self Congruity ($\alpha = 0.885$)	Window shopping	0.705	0.743	0.743	0.920
	Exploration	0.768			
	Alignment with self-concept	0.855			
	Reflecting on self-image	0.899			
Patronage Store ($\alpha = 0.905$)	Other consumer images synonymous with consumer herself	0.860	0.677	0.677	0.926
	The similarity to other types of consumers	0.832			
	Intention in each outlet shopping	0.800			
	Telling the positive	0.801			
	Intention to recommend the outlet	0.841			
Willingness to visit the outlet in the future	0.831				
Willingness to explore the outlets in the future	0.843				
Willingness to buy back in the future	0.821				

majority of the respondents had an undergraduate degree (68.4 percent). Most of the respondents were private employees (57.6 percent), and the rest were spread evenly among self-employed, civil servants, students, and other occupations. Thirty-six percent of the respondents had an average income of IDR 3.5 to 6.9 million/month.

The PLS-SEM path model analysis showed that all the measures met the commonly accepted threshold for assessing the constructs' reliability and validity (Henseler et al., 2009). Table 2 shows the details of the constructs' reliability and validity. First, all the constructs' average variance extracted (AVE) values were above the cut off value of 0.50 (Henseler et al., 2009), suggesting satisfactory convergent validity. Second, the indicators' cross-loadings showed that no indicator loaded higher on an opposing construct (Hair et al., 2011). Third, all the indicators displayed significant standardized loadings above 0.700 ($p < 0.001$), demonstrating the indicators'

ity values greater than 0.800, meaning there was adequate internal consistency. The values of R^2 and Stone-Geisser's Q^2 were used as the analytical means to statistically assess the significance of the research model (Chi and Gursoy, 2009). The result of Q^2 showed a value of 0.801, indicating satisfactory evidence of the model's predictive relevance (Hair et al., 2011). In addition to the Q^2 , the values of R^2 were also presented to test the structural model. The results showed that visual merchandising could explain 39.4 percent ($R^2 = 0.394$) of the effect on shopping value; 25.3 percent of the influence on self-congruity ($R^2 = 0.253$); and 56 percent of the effect on store patronage ($R^2 = 0.560$).

Figure 2 demonstrates the outcome of the structural model's testing. The non-parametric bootstrap analysis revealed that most of the proposed relationships were significant (Hair et al., 2011). Concerning the hypotheses' testing, all the hypotheses were sup-

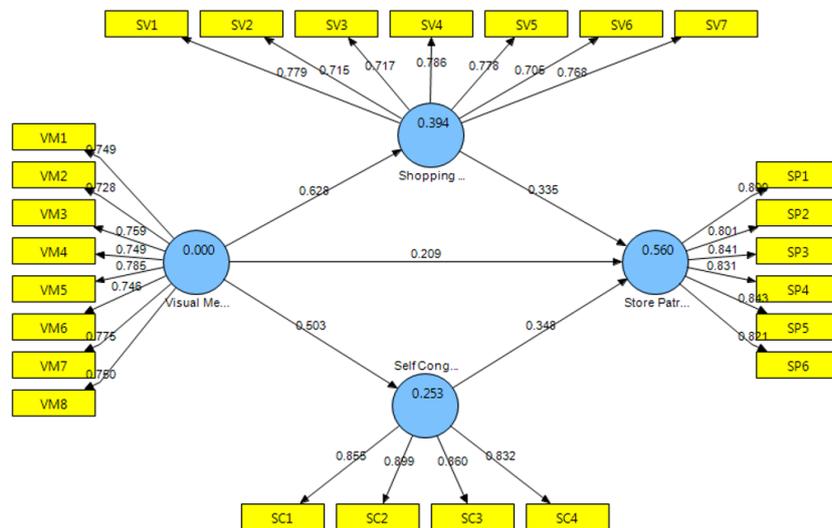


Figure 2. Results of the structural model test

reliability. All the constructs acquired a high Cronbach's alpha (α) and composite reliabil-

ported. Specific hypothesis test results are displayed in Table 3.

Table 3. Direct, indirect, total effects, and hypotheses testing result

Influence		Direct effect		Indirect effect		Total effect		Hypothesis supported
		Path	t-sta-	Path	t-sta-	Path	t-sta-	
		coeffi- cients β^*	tistic	coeffi- cients β^*	tistic	coeffi- cients β^*	tistic	
H1	Visual Merchandising → Store Patronage	0.209	2.911	0.385	5.135	0.594	8.046	Yes
H2	Visual Merchandising → Shopping Value	0.628	16.319	-	-	0.628	16.319	Yes
H3	Visual Merchandising → Self-congruity	0.503	9.874	-	-	0.503	9.874	Yes
H4	Shopping Value → Store Patronage	0.335	5.398	-	-	0.335	5.398	Yes
H5	Self-congruity → Store Patronage	0.348	6.507	-	-	0.348	6.507	Yes

note: * all was significant at $p < 0.01$

This study set out to examine the role of shopping values and self-congruity as mediating visual merchandising variables on store patronage. Therefore, the indirect effect of these two mediating variables has also to be calculated. Table 3 shows that indirectly, visual merchandising's effect on store patronage through shopping value and self-congruity is equal to 0.385. This indirect effect is greater than the direct effect of visual merchandising on store patronage, which amounted to 0.209. It can be concluded that shopping value and self-congruity act as significant mediating variables in the examined model. In other words, visual merchandising alone is not sufficient to influence consumers to revisit the outlets (i.e., store patronage). Consumers would consider the shopping values they would get from a particular fast-fashion store and assess whether the fashion products they purchased were congruent with the concept they hold personally and socially about themselves.

Discussion

This study aims to determine whether visual merchandising, shopping value, and self-congruity affect store patronage. There were five hypotheses formulated, and the preceding section has presented the findings

of both the structural model fitness and the hypothesis testings. The first hypothesis stating that visual merchandising had a significant effect on store patronage, was accepted. The result shows that there was a positive influence of the visual merchandising on store patronage. It showed that fast-fashion stores had successfully managed the visual merchandising in an appealing way to influence influenced consumers to patronize the stores. Their storefronts, with the combination of colors, interior designs, exteriors, lighting, and the careful placement of mannequins displaying their products gave the customers room to maneuver and made it easy for them to see and handle the goods. The perceptions drawn from the visual merchandising stimulated the consumers' desires to revisit the stores and shop again in the future.

Moreover, the consumers also intended to speak positively about the fashion brands and the stores to their friends and relatives. This result confirmed Grewal et al.'s (2003) study, which found that consumers would tend to shop and recommend the shops where they do not have to wait to their relatives. Besides, improving the atmosphere in a store may increase the probability of consumers having the intention to patronize the store. The findings of this study also supported the

previous study by Babin et al. (2003), which revealed the role of lighting in stimulating excitement and increasing the store patronage intention for clothing stores. As stated by Kumar et al. (2010), the retail atmosphere allows consumers to revisit or give a referral.

The second hypothesis, which stated that visual merchandising had a significant influence on shopping value, was also accepted. The results of the analysis showed that there was a positive influence of visual merchandising on shopping values. This finding indicated that consumers perceived that the fast-fashion stores they visited offered them the utilitarian and hedonic values that met their expectations. These shopping values played a significant mediating role in how visual merchandising influenced store patronage. As can be seen from the loading factor values in Table 1, the two indicators of visual merchandising with the highest scores were: *proper lighting* (VM5), and *product displays, promotional signs, and product information* (VM7) with respective values of 0.785 and 0.775.

Meanwhile, the two shopping value indicators with the highest scores were: *shopping convenience* (SV4) and *ease of finding products* (SV1) with respective values of 0.786 and 0.779. However, this finding is slightly different from the previous research, in that visual merchandising tends to increase the hedonic value considered by consumers (Kumar et al., 2010; Babin and Babin, 2001). In a previous study, the hedonic value was found to have a higher correlation than the utilitarian value, when associated with a store's atmosphere.

Further, Babin and Babin (2001) argued that the consumers' excitement and its emotional impact on the hedonic value would affect their store patronage intentions for a clothing store. The current study revealed

the opposite result, as it was shown that all the indicators of utilitarian shopping values were higher than the indicators of hedonic values. As such, the finding revealed an interesting phenomenon that may hint at a socio-cultural influence. The participants' demographic characteristics in this study are citizens of Surabaya who work as employees/staff, and whose economic buying power is not great enough to buy well-known fashion brands' products. For this market, utilitarian shopping values may become more dominant than hedonic ones.

The third hypothesis, which stated that shopping values had a significant influence on store patronage, was accepted. The results of the analysis showed that there was a positive influence of shopping value on store patronage. This result showed that the values held in the consumers' minds as they went shopping at fast-fashion outlets could stimulate their store patronage. As shown from the loading factor values in Table 2, the two shopping value indicators with the highest scores were: *shopping convenience* (SV4) and *the ease of finding products* (SV1) with respective values of 0.786 and 0.779. Meanwhile, the two store patronage indicators with the highest score were: *consumers' intention to recommend an outlet* (SP3) and *consumers' willingness to explore the outlet in the future* (SP5) with respective values of 0.841 and 0.843. This indicated that consumers felt comfortable and convenient when shopping at fast-fashion outlets. The result of this hypothesis testing supports the previous research stating that the value of the functional (utilitarian value) of a product acts as a stronger predictor of the intention to influence store patronage (Overby and Lee, 2006).

The fourth hypothesis, which stated that visual merchandising had a significant

influence on self-congruity, was also accepted. The results of the analysis showed that there was a positive influence from visual merchandising on self-congruity. This result indicates that the fast-fashion stores they visited can affect their self-congruity. Visual merchandising was positively reflected by two indicators, namely: *proper lighting* (VM5), and *product displays, promotional signs, and useful product information* (VM7) with respective values of 0.785 and 0.775. Meanwhile, self-congruity was positively reflected by the indicators as follows: *the outlets reflect the self-image of consumers* (SC2), and *the image of other customers at the outlets was the same as (consistent/identical) how the consumer sees him/herself* (SC3) (with respective values of 0.899 and 0.860). Consumers see that the outlets can enhance their self-congruity. Consumers can compare the similarities or consistency of one outlet with another, the congruity with other visitors at the outlets, and how consumers see themselves. This finding supported previous research by Greenwell et al. (2002), who revealed that consumers prefer products, physical facilities, and interior environments which reflect their own identities. It also confirmed Hu and Jasper's study (2006), which said that consumers perceived the products' quality through the display of visual information such as charts, posters, and social content that suits the consumers' personality.

The last hypothesis, which stated that self-congruity significantly affects store patronage, was also accepted. The result showed that there was a positive influence of self-congruity on store patronage. It showed that the self-congruity that was experienced by consumers could greatly influence them to patronize the stores. As seen in Table 2, self-congruity was positively reflected by two

indicators, namely: *the outlets reflect the self-image of consumers* (SC2), and *the image of other customers at the outlets was the same as (consistent/identical) how the consumer sees him/herself* (SC3) with values respectively of 0.899 and 0.860. On the other hand, store patronage was positively reflected by two indicators: consumers' *intention to recommend an outlet* (SP3) and consumers' *willingness to explore the outlet in the future* (SP5) with respective values of 0.841 and 0.843. When consumers feel there is a similarity between the fashion products they purchase at fast-fashion outlets with their self-image, or how they perceive other people see them, the consumers would have the intention to recommend the outlet to their relatives in the future. This finding supported the past research conducted by Sirgy et al. (2000). They revealed that consumers would be happy to patronize a store when they encounter compatibility between their image and the concept of the store, or the actual consumers' self-image (self-congruity). Moreover, the consumers will also want to explore the products sold by the outlet on their next visit and are willing to recommend them to others.

Conclusion

This study investigates the consumers' response to store patronage through the stores' visual merchandising stimulus by considering the perceived shopping value and self-congruity toward fast-fashion brands. The results of this research lead to the five following highlights. First, visual merchandising has a significant influence on store patronage. It shows that the better the visual presentation of the merchandise in a retail fashion store is, the more prominent the effect on the consumers' patronage and referral intentions will be. Second, visual

merchandising has a significant influence on the shopping value, meaning that the better the arrangement of the visual merchandising is in a fashion retail store, the more likely it is that there will be an increase in the consumers' shopping values. Third, shopping value has a significant influence on store patronage. In this study, shopping values were measured based on both utilitarian and hedonic values. The utilitarian value appears to be more dominant than the hedonic value in determining the consumers' patronage. This finding is different from many of the previous studies which found the opposite result. Given that this study was set in Surabaya, where the characteristics of the consumers might be different from other places, this could explain the difference. This study revealed that convenience and ease of shopping are two significant predictors of how consumers would patronize the fashion stores in the future. Convenience and ease of shopping are two indicators of the utilitarian shopping value.

Fourth, visual merchandising has a significant influence on self-congruity. This finding demonstrates that the better the visual display of merchandise in a retail fashion is, the more a consumer would associate the products with their own personality and those of the other retail buyers. This self-congruity will lead to consumers patronizing the store. Finally, the study also reveals an indirect effect of visual merchandising on store patronage through the presence of value shopping as a mediating variable. This finding suggests that visual merchandising alone is not enough to affect the consumers' patronage. Although the displays of the merchandise in the fashion stores are attractive enough, the consumers would consider how much of both the utilitarian and

hedonic values they would get from shopping for the fashion brand in the outlets.

Since competition in the fast-fashion industry is getting more intense, it has become crucial to attract more customers to visit stores and purchase items from them, and at the same time retain loyal customers. This study, therefore, offers some implications for retail managers. First and foremost, retail store managers, specifically those who sell fast-fashion products should pay more attention to fashion's visual merchandising. The present study has confirmed that visual merchandising has a significant role as an initial stimulus for consumers before purchasing. It creates a first impression not only of the fashion items being displayed but also of the brand. Second, managing visual merchandising to make the store as appealing as possible is not enough if it is not followed by a strong focus on the values consumers would like to assess when buying items from the store. Third, as the fast-fashion industry's nature requires the ability to respond quickly to the changing trends, emphasizing a store's visual aspects would not be enough to stimulate store patronage and loyalty. Instead, the management should continuously improve the brand concept's alignment, and the company's target market, with its consumers' dynamic preferences, which would enable the companies to offer the best shopping values to the consumers.

Limitation

The current study is not without its limitations. This study's scope was only examining two fashion brands in one city. Many fast-fashion brands, both national and global, have penetrated the market. Generaliza-

tions cannot be made from the results of the data's analysis since the samples were limited. Therefore, further studies could replicate the model proposed in this study and apply it in other geographical regions, or other retail industry settings, such as telecommunications

retail stores or fast-moving consumer goods (FMCG) retail stores. Doing so will improve the proposed model's validity, increase its generalizability, and practically grow the understanding of consumers' shopping behavior.

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