



PROBLEMS OF COMPETITIVENESS OF CONTEMPORARY ECONOMIES

METHODOLOGICAL GUIDELINES FOR THE STUDY OF THE VISUAL MERCHANDISING OF ONLINE STORES FOR FASHION GOODS IN BULGARIA

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Abstract: This article is an excerpt from the methodical development of a thesis on a research of the visual merchandising elements in online stores. The research methodology is planned, organized and will be implemented within the frames of content analysis, inquiry and conjoint analysis. The aim of this paper is to show the role of the content analysis in studying the optimal combination of visual merchandising elements in online stores for fashion goods. This article discusses only some of the methods and results, which will be examined and approved in the dissertation itself. The rest of them will be published in a book.

Keywords: merchandising, marketing, consumer behavior, marketing metrics, content analysis

Introduction

The term "merchandising" is of French origin; it was later transferred into English, and from there – into other languages. It means "tradesman" and then "goods", bought out for sale. All this completely proves the idea that the concept and the specifics of the process are closely related to the nature of the tradesman's business - to acquire goods and to exhibit them in a way that is profitable for him/her.

In practice, merchandising is way ahead of its theoretical description and explanation. For this reason, one can find in our literature definitions of the term "merchandising", derived from its practical application: "Merchandising is a systematic process of presentation of goods at points of sale, which aims to help clients with their purchase and increase the sales of retailers and manufacturers "(Katrandjiev, BC. "Distribution policy" Publishing house of the university "Economy ", Sofia 2008, p. 189).

In nowadays' world, which is oriented towards the consumer culture of people, the common shops cannot satisfy their needs. For the users of cyberspace, shopping has turned into a popular game in which the virtual trader creates the so-called "small worlds" of goods, aiming to attract the attention of the ordinary consumer, to involve him in the virtual store and make sure that he/she will come back in future.

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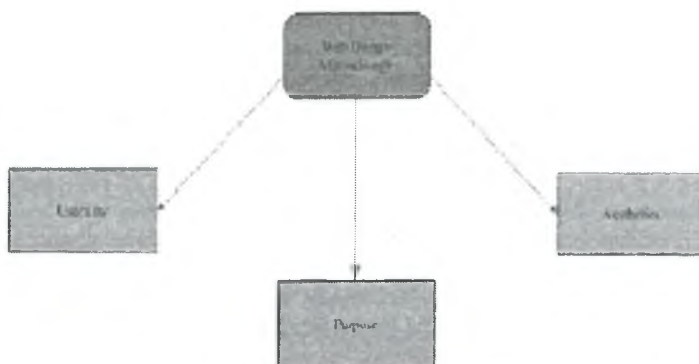
As a result of the rise of online shopping and its ever increasing number of online shops, the development of an overall merchandising strategy has become a necessity. The online visual merchandising is increasingly gaining speed. For the manufacturer and the retailer, the purpose of the merchandising is to sell goods at a profit. This requires careful planning and coordination of all the activities of trade. The merchandisers must take into account the cost of the goods as well as all the expenses on accepting, processing, promotion and sale of goods for profit. This includes presentation, banners, and product images manipulation: rotation, zoom, change of colors and backgrounds, and most importantly, effective use of searching and effective browsing of results. These are online VMD elements that give products a better look and make them more attractive for the potential customers.

Methodological Framework for the Implementation of the Content Analysis

The method of data collection includes various components which must be completed. Naturally, the numerous online auction sites have proved to be far from the dream space and easy solution, and in their turn "faced" the components with new difficulties - competition. It means that websites must "compete" for the attention of the consumers. Moreover, they are put at even greater competition, since the next site is a few seconds' time away. Actually, the online retailers have faced the same problems as their brothers in the "real" world. For them, to achieve bigger sales has turned out to be conditioned by the realization of an attractive and aesthetic design, coupled with good marketing and effective merchandising, which could hold the consumers' attention, and at the same time this design should be bound to high functionality (usability) through which shopping can be fun, easy and simple. (Lawrence D. and Tavakol S. "Balanced Website Design", publishing house "Springer Verlag London" London 2007).

The achievement of these three components - usability, goal and aesthetics (Scheme № 1) which represent the concept of a balanced web design is in fact the typical merchandising of online auction sites.

Web Design Metodology



Source: Lawrence D. and Tavakol S. "Balanced Website Design", publishing house "Springer Verlag London" London 2007

Methodological Guidelines for the Study of the Visual Merchandising of Online Stores for Fashion Goods in Bulgaria

Like offline stores, the Internet stores also require the construction of an "interior shop space ", of their "shop window", and should also solve the issues related to the configuration of retail space and the positioning of goods. The difference between the merchandising in offline environment and the one in online only lies in the way of setting the goals and evaluating the effectiveness of the decisions.

The web merchandising specialists usually analyze the effectiveness of their sites from two basic perspectives – the marketing and the merchandising ones (Lee J., Hoch R., Podlaseck M., Schonberg E. and Gomory S. "Analysis and Visualization of metrics for online merchandising" published by Yorktown Heights, NY.). The main reason for this division is the targets that have been accepted as major for the two directions.

The Web marketing is considered mainly in terms of the actions taken to attract visitors in the online stores and keep them there. The main techniques used in marketing in order to fulfill these goals are banners, usually accompanied by a short video, sound, etc., and the campaigns with sending messages to a certain target group of consumers. The banners can differ in size and shape as well as in their content – e.g. they may be a static image, a video, a sequence of pictures, falling captions, etc. When evaluating these techniques we seek answers to questions like the following:

- Which banner generates the highest traffic of sales?
- Which web portals attract quality traffic?
- Who are the buyers, targeted by a certain advertisement?

Depending on what will be investigated, the type of method of carrying out the particular content analysis is chosen. The method itself is aimed at helping the company to design a product that is as close as possible to the consumers' expectations. The content analysis is becoming more and more important tool in measuring the success in public relations (particularly the relations with the customers). It evaluates the company profiles, giving an objective, systematic and qualitative description of the communication between the merchant and the customer (Berelson 1952). In this case, the method's aim will be to capture and create logical and valid conclusions about the users of sites for fashion goods, focusing on the applied innovative practices in online shops. The methodological requirements for reliability and validity are not unique but they are accurate and the most precise towards the corresponding analysis.

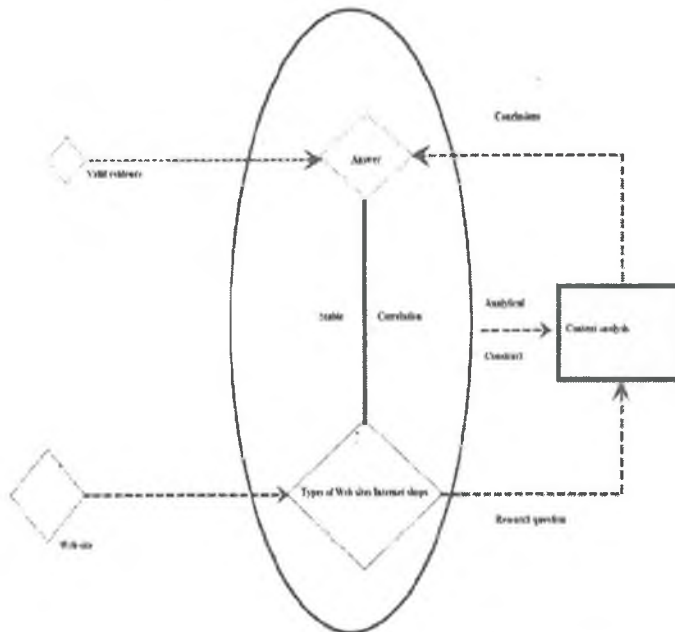
The content analysis focuses its research on the prime source (text, recordings, visual communication, artifacts, numerical entries), as it will be done in this study. In this study it will be used at the level of content of websites. The study should be developed through the classification of online VM elements in online environment (for example: intro-music, pop-up ads, web site background colors, etc.), likewise offline VM elements of a store (for example: environment, music, markings, color). Being coordinated, the elements fall into three major themes: environment, manner of presentation and help for finding a way.

During this process, the initial framework for coordination of the elements of VM is done by means of adding some VM elements, and redefining some of the existing VM elements. (Example: sitemap and web search included, like finding a way?).

The research approach is based on the so-called conceptual framework or study framework, (Krippendorff K. "Content Analysis - an introduction to its methodology", published by "SAGE Publications", California 2004) by means of several components:

- Body (subject of survey) - online shop
- Research question (problem definition)
- Analytical development (what is known from the situation in which a given phenomenon fits - the external environment)
- Conclusion (answer to the research question)
- Valid proof (practical justification of the defined answers) - end of analysis.

Framework for content analysis



Source: Krippendorff K. "Content Analysis – an introduction to Its methodology", published by "SAGE Publications", California 2004.

The suggested framework is general and could be transformed for the purposes of the analysis. This framework is designed to serve three purposes:

- Directing the conceptualization and design of practical content of the analysis.
- Facilitating the scrutiny of the analyses already done by the other two methods
- Pointing criteria for effectiveness of the already done analyses.

This way the study will lead to long-term systematic improvements of the method. Using content analysis in this paper we will classify the elements of online visual merchandising (intro music, background of the site, colors, etc.) likewise the offline elements of VM.

In the course of the study, in order to show the condition of the online stores in Bulgaria taxonomy of VM elements in online environment will be done. During the survey each one of the participants is going to fill in a column with "present" or "absent" from the correspondent site:

**Methodological Guidelines for the Study of the Visual Merchandising
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Table 1 Coding Structure and Classification of Online Merchandising's Signs

Group name	VMD	Categories	England	France	Greece	Bulgaria	USA	Korea
Online path finding assistance	Sitemap	Sitemap						
	Search	Search						
	Merchandise categorisation							
	First order criterion	By brand						
		By item						
		By target						
		By style/look						
		By price						
	Secon order criterion	By brand						
		By item						
		By target						
		By style/look						
		By price						
	Presentation styles	Horizontal						
		Hrizontal place						
		Vertical						
		Vertical place						
Environment	Atmospheric feature	Intro-page						
		Intro-music						
		Music during browsing						
		Video						
	Sale/Promotion signage	Simple click-on						
		Pop-up advertisement						
		Click-on advertisement						
		Automatically-moving advertisement						
		Non-clickable image						
	Color Background color	Purpule						
		White						
		Black						
		Blue						
		Red						
		Other						
	Color surrounding product	White						
		Black						
		Blue						
		Red						
		Other						
	Text color	White						
		Black						
		Blue						
		Red						
		Other						

Group name	VMD	Categories	England	France	Greece	Bulgaria	USA	Korea
Manner of product presentation	Types of product view	Front view						
		Back view						
		Side view						
	Manner of product presentation Detailed views	2-D F-B on same page						
		2-D click on front						
		2-D automatic changing the front and rear						
		2-D subsequent display on the front and rear						
		3-D click on rotation						
		3-D automatic rotation						
		2-D larger view on both same and separate pages						
		3-D larger view on separate page						
		Zoom-partitioning						
		Multiple zoom-ins						
	Swatch	Fabric swatch						
		Color swatch						
	Color presentation	Change by color swatch click						
		Change by scroll down option						
		Change by swatch pl.						
		Automatic color change						
		Colors as separate items						
		Products with all colors on same page						
	Product display method	Hanging						
		Mannequin						
		Folding						
		Flat						
		Mannequin-cut						
		Model						
		Model-catalog style						
		Cyber model						
	Mix and match	Suggestion for each item						
		Interactive mix and match						
		Suggestion by look/occasion						

Adhering taxonomy according to Ha Young, Kwon Wi-Suk and Lennon J. Sh.

“Online visual merchandising of apparel web sites”

publishing in the *Journal of fashion marketing and management*

Conclusion

Considering all the above mentioned, and the example method of using the content analysis, in future studies the online retailers of fashion goods should be provided with more explicit guidelines, especially in a country like Bulgaria, with low living standards and purchasing capacity. For the purpose of improving this method, the study of cultural influence on the adoption and preferences of the consumers of VM components may give a better Internet marketing outline. The results of this study may provide useful, practical information, giving a detailed list of VM elements for websites for clothing. This will help the retailers to adapt their online stores, in accordance with the regions and countries of residence of our target group of the style of clothing. This is especially important for companies offering products in several countries worldwide.

However, the aim of this study could not be accomplished solely by means of using the content analysis. The limitation here is that it offers a snapshot of online shops and the taxonomy done will not satisfy the objectives of this study. That's why the information collected by this method will be discussed and completed by the conjoint analysis, with the help of which could be made a list of the VM elements necessary for the composition of an online store.

The survey results of the content analysis will be described and analyzed in a separate article.

The development of online trade in Bulgaria, in the conditions of developing economy, such type of analysis will be useful for the online retailers of fashion goods. The construction of optimal online stores in accordance with the requirements of the Bulgarian buyers, with selected and convenient shopping VM elements will contribute to the rapid plunge into shopping and the alignment of our country on the world markets in the column of online "consumption" of fashion goods.

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METODOLOŠKE SMERNICE ZA STUDIJU VIZUELNE TRGOVINE U ON-LAJN RADNJAMA ZA MODNE ARTIKLE U BUGARSKOJ

Rezime: Ovaj članak je izvod iz metodološkog razvoja teze o istraživanju elementa vizuelne prodaje u on-lajn radnjama. Metodologija istraživanja je planirana, organizovana i sprovedena u okvirima analize sadržaja i ispitivanja. Cilj ovog rada je da prikaže ulogu analize sadržaja u proučavanju optimalne kombinacije elemenata vizulane prodaje u onlajn radanjama za modne artikle. Ovaj članak razmatra samo one metode i rezultate koji će biti ispitivani i odobreni u samoj disertaciji. Ostalo će biti objavljeno u knjizi.

Ključne reči: prodaja, marketing, ponašanje potrošača, marketing metrika, naliza sadržaja