



UDC 339.176:339.138:658.89

MAIN TOOLS AND TASKS OF MERCHANDISING AS PART OF THE MARKETING ACTIVITIES OF COMMERCIAL COMPANIES AND THEIR IMPACT ON BUYERS

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The purpose and objectives: the main purpose is to highlight and prove the efficacy of merchandising, review its methods, analyze successful application techniques and justify the key of implementing rules.

Object of study: merchandising itself, tools he uses and methods (tricks) different shops apply to provide psychological impact on consumers.

Methods and tools for of research: in this article were used different methods, like - induction and deduction, statistical and analytical, logical generalization of the results.

Scientific novelty and practical significance of the results: in this article were further developed the classification of successful merchandising techniques, tools and nonverbal impact on customers based on the experience of foreign and domestic entrepreneurs.

Results of research: merchandising, emerged as a science about 20 years ago, but in recent years it started developing rapidly and fast. It happened due to improvement of market saturation and increasing of the firm's competitiveness.

Merchandising identifies what to sell, at what price and where to do it. The seller must offer goods which consumer needs at a reasonable price even before he decides to buy something. If it doesn't happen, then the consumer can turn to competitors.

So, in the broadest sense, merchandising is any practice which contributes to the sale of products to a retail consumer. At a retail in-store level, merchandising refers to the variety of products available for sale and the display of those products in such a way that it stimulates interest and persuade customers to make a purchase.

In retail commerce, visual display merchandising means successful sales using product design, selection, packaging, pricing, and display that stimulates consumers to spend more. This includes sales, discounting and presentation of products.

Some researches claim that the sales process mostly consist of communication through visual process, where the vision represents 80% of the human perception, the hearing is the 10% and the other senses as touch, smell and taste represent the remaining 10%. This means that the visual effect is crucial to sales, as customer's participation in the buying process. Merchandising includes all activities in sales tools which aim to reaffirm or change the buying behaviour for the benefit of the company.

The main requirements for successful merchandising application are:

- 1) company should always have available and full assortment of goods;
- 2) require special interior design: structured organization of trading floors, including
- 3) special refrigeration units, shelving, display cases etc.;
- 4) placement of equipment around the room, color of the walls, lighting; music, scents;
- 5) inside the shop should be created small retail units, usually offering more expensive and high-quality products;
- 6) display of goods should be done in the way to make the consumer walk as long to destination point, as possible, and almost without sellers help.



To understand merchandising mix is necessary to understand its tools. There are four «keys», that can help to make right decisions in correct areas, called “4-Ps” –Product, Price, Promotion and Place. Each of these elements is designed to meet a customer’s need.

Studies have shown that customers leave on 13 % more money in those stores where merchandising is on a high level and products have a right order of location.

Retailers use all kind of tricks, to convince people for spending more money. At the stores, we get smaller and smaller packaging- all for the same price. And the most popular products of use, we came to the store for (the milk and bread) is all the way at the back of it, and the stuff we don't need (the latest tabloid) is right at the front.

How much money people spend is often influenced by psychology, and the alternatives under consideration.

The supermarkets use different tools to lead consumers in their purchasing. These tools can act individual or with each other, and every store chooses the most suitable tools to achieve its purpose.

1. Scarcity effect;
2. Special offers that offer poor value;
3. The compromise price effect;
4. The shopping environment;
5. Same goods, same shop – but different prices;
6. Free samples to make you spend more;
7. Difference that trolley makes;
8. Keep It short and simple (KISS).

Nothing in a supermarket is where it is by accident. One of the best tricks is to make customers feel comfortable, and show them a lifestyle they want that's within a grasp. That’s why every item on a shelf has been purposefully placed and the goal is to get you to buy and spend more. Research shows that 60–70% of what we buy in the supermarket is entirely unplanned. That’s where the retailer has played its part.

However, the necessary conditions for successful achievement of expected results are: firstly, active interaction between manufacturer, distributor and seller, secondly, creation and introduction strong merchandising program that includes development tools and clear organization and thirdly - focus on the needs of the buyer. The application of this technology in the sales process, on the one hand makes easier orientation of buyers in the proposed range of products, improves brand visibility and on the other - saves budget of product promotions, but increase sales and profits.

Conclusion: in the current economical situation, any company that strives to work successfully on the market of consumer goods, should focus not only on the quality and relevance of products, but also think about merchandising of their products. Application of merchandising has the same importance for successful sales as creating the brand and advertising campaigns of all kinds. This marketing communication can effectively promote a particular product brand it in the sales area, where the buyer makes final purchase decision.

And from the side of the buyer, while you can't do much to prevent these tricks from getting to you, the idea here to point out how these things work, and how they affect your choices. When you know what they're doing, it's a little easier to stop yourself from making bad choices when you're shopping.

Key words: merchandising, retailer, psychological influence, requirements for successful merchandising, “4-Ps”, merchandising tools, product placement.