A DIFFERENT ANGLE ON CONSUMER GROCERY SHOPPING CHOICE: AN EMPIRICAL INVESTIGATION

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ABSTRACT

One of the issues that grocery stores managers deal with, mostly on daily basis, is handling store promotion, display, and layout. Many stores tend to change the price and location of their items to improve sales and revenue. One factor which plays an important role in such decisions is the store traffic. In this research models are developed and tested empirically to help the grocery store managers predict consumer grocery shopping choice and grocery shopping behavior based on different days of the week. Findings of this research help store managers in predicting store traffic for different items on different days of the week to make display, promotion, and layout decisions.

INTRODUCTION AND METHODOLOGY

Grocery stores tend to experience different traffic levels at different times of the day, and also on different days of the week. Store traffic could influence many promotion, display, and layout managerial decisions in this industry. In order to approach the research question we focus on ten common grocery items which are purchased very frequently by the consumers. We develop five pairs out of these ten grocery items, and group them in the corresponding five categories. The paring is done in the way that each pair includes two complementary grocery items. The rational for this paring is that the items within each pair are purchased together in most grocery trips by people. The idea for selecting these ten items is that these pairs are employed as representatives for four different views of grocery shopping which people follow when they take their grocery trip. These four views are; taking the trip to a grocery store to buy snack-related items, taking the trip to a grocery store to buy food-related items, taking the trip to a grocery store to buy the usual cleaning items, and finally taking the trip to a grocery store to buy the usual personal care items.

Next, we develop our quantitative models and use them to study and identify the connection and the potential trends that consumers may follow when they do their grocery shopping on different days of a calendar week. Our first model investigates the relationship between the unit basket size (number of items purchased during every grocery trip by the consumer), and the day of the week. Our second model explores the relationship between the dollar basket size (amount of money spent on each pair during the grocery shopping trip), and the grocery shopping day. We use scanner data to implement and test both of our models.

RESEARCH FINDINGS

Our empirical test results reveal interesting trends and outcomes for different grocery items purchased on different days of a calendar week. Our findings indicate that food-related items and also the usual house cleaning items are both purchased by the consumers on weekends. Another finding is that Saturday is the day that is chosen for the grocery store trip to buy items which belong to the snack category. For the usual personal care items, no particular day of the week seems to be chosen by the consumers to purchase items related to this category.

RESEARCH CONTRIBUTIONS

The contributions of this reach are two folds. First, we investigate the consumer grocery shopping behavior from a new angle, which can shed light on and help in better understanding this behavior. Second, our findings have managerial implications and can help the store manager's decision making process. The managers can take our findings into account and plan for item display, store layout, and future promotion plans. Future research can take more steps in investigating this relationship.