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Grocery stores on the way to multichannel and omnichannel retailing – information and pricing issues

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Abstract.

It is very challenging for grocery retail to become multichannel or omnichannel. On the one hand, organizational and logistics challenges are more emphasized due to the sensitivity of food and grocery products. On the other hand, there are consumers' habits and expectations. Therefore, online grocery sales still lag behind other retailers. However, the online channel does not serve retailers exclusively for sales but has a vital role in informing and attracting consumers. The goal of this paper is to explore the state of development and challenges of multichannel retailing with a focus on information and pricing issues. The paper extensively reviews the previous literature on pricing challenges in multichannel retailing. At the same time, the primary research was conducted on 303 respondents to draw conclusions about the consumer perspective of retailers' offerings and price information availability through multichannel communication. The obtained results suggest that consumers of all ages are prone to search for information through various communication channels. Although consumers do not find online channels wholly transparent and easy to use as a source of offers and prices, it is useful to know that middle-aged consumers find social networks a good source. One can conclude that they use the internet to save time and effort to access helpful information for decision-making, what and where they will buy. However, grocery retailers have plenty of opportunities to improve digital communication through mobile applications and influencers to attract younger consumers.

Keywords: retail, multichannel retailing, pricing, consumer behavior, information transparency