

# Memo to big box retailers: Goodwill has a shelf life

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Big box retailers may have had the secret to combatting online retailers all along: instant gratification. A new study from Columbia Business School that is published in the *Journal of Consumer Research* warns that the positive feelings consumers experience when receiving a discounted price fades dramatically if the consumer is then forced to wait for the product.

"This might spell trouble for online retailers like Amazon that offer discounted items and then force consumers to wait for the product," said Columbia Business School's Associate Professor of Marketing Leonard Lee, who performed the research with Rotman School of Management's Associate Professor of Marketing Claire Tsai. "Our research shows that even if the wait is relatively short – as little as 15 minutes – the consumer's enjoyment of the product decreases dramatically."

Lee continued: "Keeping in mind that [instant gratification](#) has become a hallmark of society, brick and mortar businesses can add value to their bottom lines by offering in-store promotions on the products they know people want to experience immediately rather than waiting for delivery. This is a key competitive advantage they could have over online retailers and one that might secure their long-term survival in an expanding online marketplace," said Lee.

The research titled, "[How Price Promotions Influence Post-Purchase Consumption Experience Over Time](#)," defies long-standing conventional wisdom that discounts cause consumers to enjoy products even more.

## Experiments Prove the Theory

Lee and Tsai conducted four experiments across a variety of hedonic products to explore the consumer's relationship between consumption and enjoyment. Lee and his research partner found that the shopping nirvana one feels for a product after they have received a discount only happens when the product is consumed immediately after it is paid for.

One experiment asked participants to purchase [orange juice](#). All of the participants were told that the juice had the same retail price, but half of the participants received a 50 percent discount while the other half paid the full [retail price](#). Then, half of the participants—regardless of whether they received a discount or not—drank the juice as soon as it was paid for, while the other half waited 15 minutes to consume the juice. The researchers found that when participants who had received a discount consumed the juice immediately, the experience was significantly amplified. However, when participants who had received a discount were forced to wait 15 minutes or longer, reviews of the juice were far less favorable than by those who were allowed to consume it immediately. In fact, when asked if consumers would purchase the juice in the future, those who waited said they would be less likely to purchase the item down the line.

Similar discoveries occurred when consumers were shopping for music. In a separate experiment, [consumers](#) who had to wait to download their discounted music enjoyed the music less than those who were able to download the music immediately.

"If you consider the consumer relationship from a long-term standpoint, in terms of customer satisfaction and brand loyalty, marketers in big box stores might want to pay more attention to the instant gratification factor because this is something no [online retailer](#) can provide at this time."

Provided by Columbia Business School

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