

How off-line retailers can fight back

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For retailers, the era of the online marketplace brings previously unimaginable opportunity and risk: on one hand, the universe of customers has expanded exponentially, and with it the amount of information available on individuals' buying patterns. The risk so far has fallen disproportionately on retailers who lack an online presence, as the e-commerce share of US retail nearly doubled in the past five years. New research to be published in the September 2017 issue of the *Journal of Retailing* shows that savvy offline retailers can use data gleaned from online retail to boost their own sales.

In "Product Touch and Consumers' Online and Offline Buying: The Role of Mental Representation," Wumei Liu, of Lanzhou University's School of Management, Rajeev Batra of the Ross School of Business at University of Michigan, and Haizhogn Wang of Sun Yat-Sen University's School of Business showed that the effect of being able to touch a product on consumers' purchase intention and willingness to pay for a product depends on the individual's mindset: that is, does this person think concretely or abstractly? For concrete thinkers, product touch is important; for abstract thinkers, not so much. The offline retailer who can mine the wealth of consumer research data available through the internet to pinpoint these concrete thinkers, the authors suggest, can target them with appropriate marketing strategies.

The authors designed three studies to determine how people's mental representations of the products they are evaluating for purchase affects their purchase decisions. Some individuals, they surmised, have a tendency and ability to think abstractly while others respond more to

concrete stimuli, and the latter would value more the opportunity to physically examine a product before buying it. One study, for example, primed participants to think abstractly in one condition and concretely in another. In each condition, they were then asked to decide about buying a mug that was placed in a transparent plastic box; some participants could handle the mug while others could not. When concrete representation was primed, participants' willingness to buy the mug increased when they could touch it, but when abstract representation was primed, the effect of touch was insignificant. A second study confirmed this effect and showed it was mediated by perceived ownership and perceived risk simultaneously. A third study with a nationally representative sample was able to replicate the results of the first two studies.

The implications for offline retailers, the authors write, suggest that they should try to identify consumers who value [touch](#) and that this information is easily available through syndicated psychographic data on consumers. With such segmentation, for example, retailers could offer free trials to these consumers. But online retailers can also benefit, by promoting an abstract mindset, such as consumers' passion and love for life, in their marketing and merchandising.

More information: Liu, Wumei, et al, Product Touch and Consumers' Online and Offline Buying: The Role of Mental Representation, *Journal of Retailing* (September 2017), [dx.doi.org/10.1016/j.jretai.2017.06.00](https://doi.org/10.1016/j.jretai.2017.06.00)

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