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# Webroomers versus showroomers: Are they the same?[☆]

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ABSTRACT

This paper evaluates, on the one hand, the influence that routes to persuasion has on the webrooming and showrooming. On the other hand, for the specific case of products purchased online, we analyze whether developing showrooming versus pure online behaviors have a positive effect on the price paid by the customer. The empirical research is based on the database compiled by GfK which contains detailed information about the buying process of 4067 consumers who have purchased products from different retail sectors. We find that webroomers emerge as individuals who engage in a prolonged purchasing process over time and they focus more on the attributes directly associated with the product. Meanwhile, the showrooming customer, at least in terms of hedonic products, is more likely to purchase products of a higher value and price, though they then search for a retailer charging a lower price for the same level of value.

## 1. Introduction

In the current retail environment, buyers are typically defined as "always-on" customers due to the presence of multiple touchpoints that use both offline and online platforms to interact with retailers throughout their shopping journeys (i.e., websites, physical stores, apps, catalogues, call centers). Moreover, throughout this process, individuals can use a certain channel more intensively (whether offline or online) in the information gathering stage while using another from which to buy a product, resulting in the use of different combinations or sequences of channels throughout the purchasing process. Although the possibilities are extensive, the combination of more recurrent channels during the shopping journey involves the Internet and the physical store (Pauwels, Leeflang, Teerling, & Huizingh, 2011). In this sense, the term "research shopping" reflects, with a high degree of accuracy, the shopping behaviors of current costumers, and it is defined as *"the propensity of customers to research the product in one channel (e.g., the Internet), and then purchase it through another channel (e.g., the store)"* ((Verhoef, Neslin, & Vroomen, 2007); p. 129).

According to Verhoef et al. (2007), the most commonly researched form of shopping is that of so-called webrooming (searching for information online and then buying a product offline), but it is possible to identify another relevant behavior called showrooming (searching for information offline and then buying a product online). A review of the research shopping literature shows that there is a gap in of the research on customer traits, which has affected the development of research on shopping. Some studies have offered an approximation based on the demographic and socio-economic characteristics of customers or on their willingness to use information and communication technologies (ICT) (Gené, 2007; Pookulangara, Hawley, & Xiao, 2011; Venkatesan, Kumar, & Ravishanker, 2007; Wilson & Reynolds, 2006), but no conclusive evidence has been obtained on most of these factors, with results shaped by the product or sector of concern. Therefore, it is also interesting to determine the influence of other relevant drivers, such as how customers engage in information processing.

Determining whether customers who develop research shopping behaviors are really more profitable than those who only use one channel is another relevant issue for both academics and professionals (Neslin et al., 2006). In this sense, although there appears to be an affirmative answer to this question (Kumar & Venkatesan, 2005; Neslin et al., 2006; Thomas & Sullivan, 2005), this may not always be the case, as the profitability or value linked to research shopping may depend on the type of product shopped for as Kushwaha and Shankar (2013) have noted.

Given the foregoing considerations, the objective of our research is twofold. First, we attempt to evaluate factors that lead customers to develop a process of research shopping, differentiating between webrooming and showrooming. To shed light on this issue, we examine various forms of information processing (i.e., central versus peripheral routes) and their effects on customer behavior. Second, for the specific case of products eventually purchased online, we analyze whether developing showrooming behaviors versus using only online channels to

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carry out purchasing processes has a positive effect on the price paid by the customer.

We analyze customer uses of two basic channels during the purchase process: the offline channel (physical stores) and the online channel. Empirical research has been carried out on four sectors representing different levels of customer involvement and differing degrees of utilitarianism and hedonism: TCG (Technical Customer Goods), fashion, beauty and FMCG (Fast Moving Customer Goods). Our results contribute to the latest research on shopping in three main ways: (1) research shopping behavior is examined based on the different variants of behavior it can involve (i.e., webrooming and showrooming) as a homogenous whole, (2) under-researched potential conditioning factors of these behaviors are explored, i.e., information processing routes followed by the customer, and (3) similarities and differences between different categories of products in terms of their utilitarian-hedonic nature (representing both traditional and non-traditional sectors of research shopping behavior) are revealed.

To achieve these goals, this paper is organized as follows. First, the theoretical framework used is described, and our basic hypotheses are put forward. Second, we describe the empirical research conducted to test our hypothesis. Third, we explain our main results. Fourth, we examine our findings and derive our conclusions and implications. Fifth and finally, we address the limitations of our research and offer avenues for future inquiry.

## 2. Conceptual framework

### 2.1. Research shopping behavior: webrooming versus showrooming

Two types of behavior can be identified from the research shopping process: webrooming and showrooming. Webrooming assumes that customers known as webroomers *"research products online, but purchase products in a physical store"* ((Kumar, Anand, & Song, 2016); p. 11). In contrast, showrooming is defined as a practice whereby customers, known as showroomers, *"visit physical stores to check out products and to then buy them online"* ((Flavián, Gurrea, & Orús, 2016); p. 460).

A review of the literature shows a tendency to consider webrooming as the dominant research shopping practice due in part to retailers who view the online channel as rivalling their physical stores and who consider the latter a principal means to improve the consumer experience (Kumar et al., 2016). Meanwhile, showrooming has not been addressed to the same extent. Retailers have been reticent to put showrooming into practice due to it being viewed as a mere means for showroomers to display their products, thereby accentuating their free-riding behavior. The literature reflects this concern and defines showrooming as a cross-channel free-riding behavior, defining competitive showrooming as a process whereby customers search for information at the physical store of one retailer while purchasing online at the competing retailer (Chou, Shen, Chiu, & Chou, 2016; Gensler, Neslin, & Verhoef, 2017; Kalyanam & Tsay, 2013).

However, customers have always engaged in free-riding behavior to avoid uncertainties associated with the purchasing process. Prior to the upsurge of information and communication technologies (ICTs), shoppers used to visit various physical stores to avoid risks associated with the purchasing process. Currently, online channels afford increased access to information. However, customers cannot physically examine products or receive personal advice. Thus, as Arora, Singha, and Sahney (2017) posit, actually visiting physical stores reduces customer uncertainty associated with buying online. This approach means that showrooming can also be viewed as a business opportunity (Chatterjee & Kumar, 2016; Herhausen, Binder, Schoegel, & Herrmann, 2015). Studies such as those undertaken by Gensler et al. (2017), Rapp, Bakera, Bachrachb, Ogilviea, and Beitelspacherc (2015) and Verhoef, Kannan, and Inman (2015) represent progress in this sense in analyzing the "figure" of the showroomer in proposing a series of recommendations to retailers on ways to persuade customers to purchase higher priced products from a physical store.

Overall, the few studies that have analyzed drivers of the research shopping process have focused primarily on the analysis of the demographic and socio-economic characteristics of customers, such as gender, age and socio-economic status (Gené, 2007; Pookulangara et al., 2011; Venkatesan et al., 2007), as well as on customers' predispositions toward ICT (Gené, 2007; Wilson & Reynolds, 2006). All of these variables, however, still fail to offer a complete explanation for why some individuals become research shoppers while others do not. Therefore, additional factors must be considered in this analysis. One factor that is interesting to study in reference to this context concerns how a customer processes information, as the combination of physical and virtual channels involved changes how a customer searches for, evaluates and compares information before purchasing a product. It is therefore likely that, depending on the style or method through which a customer processes and prepares information, the form of research shopping used will vary.

### 2.2. Methods of information processing: central routes versus peripheral routes

One of the most relevant models used to study information processing is the ELM model (Elaboration Likelihood Model) proposed by Petty and Cacioppo (1986). According to this model, information processing occurs on a continuum of intensity ranging from high to low. This outcome gives rise to two possible ways for individuals to process information: a central route and a peripheral route. These two avenues involve different levels of cognitive effort (Baron & Byrne, 1998). Individuals who follow the central route examine information and messages relating to a product more critically, deeply and rationally. Those who follow the peripheral route focus less on information or messages received and engage in a more superficial form of processing.

The ELM proposes the existence of two conditioning factors that determine which route is taken by a customer: (1) the customer's motivation to search for information and (2) the customer's ability to conduct an evaluation. Motivation is related to a customer's degree of involvement, in turn reflecting the importance that an individual places on specific attributes of the product that they wish to buy, while taking into account perceived risks associated with the purchase (Bienstock, Stafford, & Stafford, 2006; Drichoutis, Lazaridis, & Nayga, 2007). When a customer feels more engaged in the purchasing process, his or her level of motivation to seek and obtain information will be higher and will be accompanied by a larger investment of time and effort. As a result, information and messages will be examined through the central route, i.e., more critically, rationally and deeply, leading to an engagement in proactive behavior, e.g., seeking out and paying more attention to a product's characteristics and so on (Wu, 2001). In addition, time and effort invested cause the attitudes of these customers to be more durable and resistant to change.

The central route is also favored when the customer can conduct an analysis of information at deeper and more complex levels, which in turn requires the customer to possess prior knowledge on a given subject or to be able to relate this knowledge to previous experiences. In contrast, a person who follows the peripheral route makes a cursory search or explores very few alternatives before finding an acceptable solution. In addition, these individuals are more impressionable, and their lack of knowledge and/or lack or prior experience increases their chances of becoming distracted by irrelevant information and/or of paying less attention, limiting their ability to perform an in-depth assessment of the information available. It can therefore be concluded that the peripheral route is characterized by a lower level of cognitive reasoning than the central route.

Given the characteristics that define research shopping as different from one-stop shopping behavior, it seems reasonable to argue that engagement the former form of behavior would be more likely when the central route is used by a customer. The combination of different online and offline touchpoints, which in turn allows customers to seek,

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