



## Showrooming and retail opportunities: A qualitative investigation via a consumer-experience lens



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### ABSTRACT

Showrooming represents a shopper behaviour prevalent in today's retail landscape, referring to consumers inspecting a desired product at a retailer's physical store and then buying it online, usually from a competitor. Showrooming has been examined frequently from a negative standpoint (e.g. free-riding and channel-hopping), via the theoretical lens of multichannel shopping and using a quantitative (theory-testing) approach. The present study seeks to investigate showrooming from a positive standpoint and help retailers to diagnose and appreciate potential opportunities that may be presented by this shopper behaviour. Our investigation is guided by the theoretical lens of consumer experience and a qualitative (theory-building) approach, based on convergent interviews with eleven self-proclaimed showroomers and the shopping context of consumer electronics. The present study contributes to retail theory and practice by illustrating that showrooming can be conceived and managed as a positive shopper behaviour. Its potential opportunities can be better appreciated when retailers consider fully its experiential aspects, such as decision activities and emotions.

### 1. Introduction

Showrooming refers to consumers inspecting a desired product at the physical store of a retailer and then buying it online from another retailer, usually a competitor (Hardgrave, 2013; Teixeira and Gupta, 2015). It is postulated to stem from the multichannel shopping phenomenon (Gensler et al., 2017, 2012). Showrooming is widespread and exists in many retail sectors, such as fashion, electrical goods, automobile, and home and garden (PR Newswire, 2012). Its prevalence in the retail landscape can be attributed to several factors, such as expanding choices of products and retailers in the marketplace, a growing number of shopping channels (i.e. store, online, and mobile channels) and increasing usage of mobile devices (e.g. smartphones) for researching and/or shopping (Chiou et al., 2017; Wang et al., 2015). In fact, when showrooming involves the primary use of a mobile device (e.g. smartphone), it is known as mobile showrooming (Tech Insider, 2013).

Market research reports about showrooming are limited, despite its prevalence in today's retail landscape. The few available reports have, nevertheless, offered several insights related to showrooming behaviour (Guruprasad, 2015; Malison, 2015). First, the popularity of showrooming is reported to have a negative effect on bricks-and-mortar

stores, especially in developed markets where online shopping is more mature than in developing markets. Between 2009 and 2014, store-based retailing grew 1% in developed markets, whereas online retailing grew by 15%. Second, consumer electronics and appliances, representing a search product with complex specifications and varied prices, are reported to be showroomed most frequently. Conversely, leisure, entertainment and travel services, representing an experience product, are showroomed least frequently. Third, showrooming is fuelled by a combination of environmental factors, such as improved internet connectivity and broadband speeds, continued upsurge of internet retailers, growing number of smaller-sized bricks-and-mortar stores to increase shopping convenience, and increased usage of mobile phone by consumers performing shopping activities. Fourth and final, consumers' reasons for showrooming appear to revolve around the need to experience the product, assess the product in person, find better deals online, gain more information, and talk to a salesperson (Guruprasad, 2015; Malison, 2015).

Bricks-and-mortar retailers often regard showrooming as a threat because of its free-riding and research shopping traits; that is, showroomers 'free ride' (i.e. take advantage of) a bricks-and-mortar store to research and experience the desired product. However, showroomers do not buy from the visited bricks-and-mortar store; instead, they

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purchase the desired product online from another retailer, usually a pure-play retailer (Gensler et al., 2017; Pantano and Viassone, 2015; Sands et al., 2016). Accordingly, showrooming has been conceived widely as a negative shopper behaviour (Daunt and Harris, 2017; Rapp et al., 2015). For instance, Daunt and Harris (2017) characterised showrooming as a value co-destructive behaviour whereby shoppers consume the in-store resources of the visited retailer but do not reciprocate by making a purchase. Rapp et al. (2015) examined the negative impact of showrooming on the self-efficacy and coping behaviour of the in-store salesperson. These studies consistently opt for the theoretical lens of multichannel shopping and a quantitative approach to verify the negative characteristics and/or outcomes of showrooming.

On the contrary, studies on showrooming from a positive standpoint, involving other theoretical lens and a non-quantitative or theory-building approach, are rare in the extant literature. Our current knowledge of showrooming is skewed and incomplete because the extant literature offers very little insight into the extent to which this shopper behaviour can be conceived and managed positively by retailers. In other words, a gap exists in the current knowledge of showrooming with respect to its positive characteristics and outcomes.

The present study seeks to address the gap by investigating three research issues: What decision activities do consumers experience during the showrooming process? What emotions do consumers experience during the showrooming process? What opportunities do the experienced decision activities and emotions denote or connote to retailers? The answers derived from these issues will inform retailers the extent to which showrooming can be conceived and harnessed as a positive consumer behaviour, as well as the extent to which it can be conducive to in-store operations. The present study opts for the theoretical lens of consumer experience and a qualitative (theory-building) approach for guiding the investigation. The present study intentionally avoids the theoretical lens of multichannel shopping and a quantitative approach, which previous studies have typically favoured, in order to shed a more positive light on showrooming behaviour. Our investigation involves convergent interviews with eleven self-proclaimed showroomers based on the context of electronic goods (a product category with high showrooming potential), thematic analysis of the interview data, followed by interpretation of the data to decipher the consumer decision-activities and emotions pertinent to showrooming, as well as the potential opportunities it may confer to retailers.

## 2. Related literature

Showrooming represents a shopper behaviour prevalent in today's retail landscape, yet only a handful of studies have examined this shopper behaviour. These studies have consistently approached showrooming from a *negative standpoint* and can be grouped into three clusters (Daunt and Harris, 2017; Gensler et al., 2017; Rapp et al., 2015). The first cluster, which most commonly exists in the extant literature, consists of both conceptual and empirical studies focused on the unique nature of showrooming (Chiou et al., 2012; Huang et al., 2009; Kucuk and Maddux, 2010; Verhoef et al., 2007). For example, in an experimental design, Huang et al. (2009) verified free-riding as an inherent feature of showrooming and that it was more prominent for experience goods than search goods. In a quantitative survey design, Kucuk and Maddux (2010) also established free-riding as a key trait of showrooming driven primarily by the attributes of price and customer service. Their investigation was based on the wallpaper product category. Verhoef et al. (2007), in a conceptual study, discussed research shopping as a defining feature of showrooming and proposed three influential motives, which are attribute-based decision making, lack of channel lock-in and cross-channel synergy. Neslin and Shankar (2009) also echoed the importance of research shopping motives proposed by Verhoef et al. (2007) in explaining their showrooming conceptual work. In a quantitative survey that involved a mixed sample of students and professionals, Chiou et al. (2012) identified five psychological factors

underpinning the research shopping aspect of showrooming; these are denial of responsibility, denial of injury, denial of victim, condemning the condemners and appeal to higher objectives. Their investigation focused on automobile and book purchasing.

The second cluster, comprising primarily quantitative studies, devotes attention to the decision outcome and affiliated drivers of showrooming (Gensler et al., 2017; Rapp et al., 2015). For example, in an online survey based on various product categories (e.g. clothing, shoes, sporting equipment etc.), Gensler et al. (2012) confirmed six categories of factors that significantly influence whether or not consumers decide to showroom. These are perceived benefits; perceived costs, perceived trade-offs; consumer-related variables; shopping-related variables and product-related variables. Balakrishnan et al. (2014) applied an economic model and data to validate the effects of varied cost factors (product cost versus store-traffic cost) on consumers' decisions to showroom. In a survey targeting retail salespersons, Rapp et al. (2015) established the negative impact of showrooming on their self-efficacy and selling performance, as well as their coping and cross-selling behaviours.

The third cluster focuses on the value co-destruction process associated with showrooming (Daunt and Harris, 2017). In a quantitative survey using a consumer sample, Daunt and Harris (2017) validated four categories of factors that significantly explain the value co-destruction (as opposed to value co-creation) process associated with showrooming. These are product factors (technological speed of change, product acquisition value, product price, and product availability); consumer factors (product involvement, in-store shopping savviness, internet savviness); channel factors (trust in in-store sales employees, trust in online stores, value of in-store shopping, and value of online shopping); and in-store value taking. A summary of the prior research on showrooming is presented in Table 1.

### 2.1. Gaps in the extant literature

The aforementioned studies have contributed greatly to the extant literature of showrooming by providing the research community with quantitative or empirical knowledge on several key issues. These include i) what showrooming entails in terms of inherent characteristics; ii) how consumers decide to showroom in relation to motivating factors; iii) what negative impact showrooming has on non-consumer stakeholders (e.g. employees); and iv) what the value co-destruction process associated with showrooming entails. Whilst those previous studies have provided us with quantitative or empirical knowledge about showrooming and have shed light on its unique and complex nature, they are not without shortcomings. That is, they have typically examined showrooming from a negative standpoint and conceived it as a threat to retailers. This dominant negative focus on showrooming appears to relate to the theoretical lens of multichannel shopping, which emphasises browsing and switching behaviours across channels (Pantano and Viassone, 2015; Verhoef et al., 2007). There is a lack of consideration of showrooming via other theoretical lens, such as consumer experience, and therefore results in limited investigation into this shopper behaviour from a positive standpoint.

### 2.2. Customer-experience theoretical lens

The present study adopts the theoretical lens of customer experience as it seeks to shed a more positive light on showrooming. More specifically, it seeks to investigate consumers' decision activities and emotions in the showrooming context (Holbrook et al., 1984; Lofman, 1991; Marks et al., 1988). Consumer experience is a broad discipline; therefore, its measurement is less straightforward and usually consists of multiple components (Grewal et al., 2009). The present study opts for decision activities and emotions as the focal facets of customer experience with showrooming because they *collectively* provide a nuanced understanding of how showroomers behave and feel during the

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