

Effects of Unit Pricing on Consumer Grocery Shopping Behaviour

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Abstract

Grocers in Australia have only recently started introducing unit pricing, which is the displaying of prices per unit volume or weight. The aim of this paper is to present some results from a research project regarding the effects of unit pricing on consumer grocery shopping behaviour. We asked a random sample of 271 Australian shoppers to complete a grocery shopping task in an online simulation which presented either a supermarket without unit prices or with unit prices. Our findings suggest that consumer product choices may shift to lower unit priced alternatives when unit pricing is introduced in a category. We also find that the presence of unit pricing results in shoppers feeling less confused, more certain and more satisfied with their shopping decisions. The format of the unit price information has only little effect on shopper decisions but it does affect respondents' perceptions of the retail store.

Keywords: Unit pricing, shopping behaviour, shopper perceptions