Discussion of “Shopping Cost and Brand Exploration in Online Grocery” by Andrea Pozzi

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April 5, 2010
Main findings

- Consumers are more likely to explore new brands in-store than online
Possible explanations

1. Supply-side decisions are different in-store
   - Same supermarket unifies decisions online and in-store

2. More explorative consumers shop in-store
   - Data include consumers who shop both online and in-store

3. The same consumer shops in-store when she feels explorative
   - Modeled as correlation between channel choice and brand choice

4. In-store shopping stimulates exploration
   - Modeled as channel-specific preferences for new brands

5. The online *past shopping history* list hinders exploration
   - Identified from #4 since the list operates at the UPC level
Strengths of this paper

- Important question
- Nice data
- Very careful exploration of causality
Some thoughts

1. Do some brands offer larger boxes than others? If so, could limited brand exploration online also be driven by consumers’ persistent preferences for heavy items (Chintagunta et al. 2009; Pozzi 2009)?
   - Summary statistics can add more insight

2. How does the shopping history list affect consumers’ channel choice?
   - May influence counterfactual exercises

3. How does the shopping history list affect consumers’ initial brand choice?
   - Future research can model the dynamics

4. What exactly does the shopping history list do?
   - Reduce shopping costs (context ads likely to work)
   - Facilitate observational learning between memory-constrained selves (context ads may not work)