Multichannel Retailing: A Review and Research Agenda
Other titles in Foundations and Trends® in Marketing

Modeling Dynamic Relations Among Marketing and Performance Metrics
Koen H. Pauwels
ISBN:978-1-68083-490-1

Sales Force Compensation: Trends and Research Opportunities
Dominique Rouziès and Vincent Onyemah
ISBN: 978-1-68083-488-8

From Doubt to Functionality: An Imagery Story
Rashmi Adaval
ISBN:978-1-68083-458-1

Consumer Informational Privacy
Frank T. Beke, Felix Eggers and Peter C. Verhoef
Multichannel Retailing: A Review and Research Agenda

Huan Liu
Ph.D. Candidate, University of Groningen, Faculty of Economics and Business, Department of Marketing, Nettelbosje 2, 9747 AE Groningen, The Netherlands, huan.liu@rug.nl & University of Chinese Academy of Sciences, China

Lara Lobschat
Assistant Professor of Marketing, University of Groningen, Faculty of Economics and Business, Department of Marketing, Nettelbosje 2, 9747 AE Groningen, The Netherlands, l.lobschat@rug.nl

Peter C. Verhoef
Professor of Marketing, University of Groningen, Faculty of Economics and Business, Department of Marketing, Nettelbosje 2, 9747 AE Groningen, The Netherlands, p.c.verhoef@rug.nl
Foundations and Trends® in Marketing
Volume 12, Issue 1, 2018
Editorial Board

Editor-in-Chief

Jehoshua Eliashberg
University of Pennsylvania

Associate Editors

Bernd Schmitt
Columbia University

Olivier Toubia
Columbia University

Editors

David Bell
University of Pennsylvania

Gerrit van Bruggen
Erasmus University

Christophe van den Bulte
University of Pennsylvania

Amitava Chattopadhyay
INSEAD

Pradeep Chintagunta
University of Chicago

Dawn Iacobucci
Vanderbilt University

Raj Raganathan
University of Texas, Austin

J. Miguel Villas-Boas
University of California, Berkeley

Full text available at: http://dx.doi.org/10.1561/1700000059
Editorial Scope

Topics

Foundations and Trends® in Marketing publishes survey and tutorial articles in the following topics:

- B2B Marketing
- Bayesian Models
- Behavioral Decision Making
- Branding and Brand Equity
- Channel Management
- Choice Modeling
- Comparative Market Structure
- Competitive Marketing Strategy
- Conjoint Analysis
- Customer Equity
- Customer Relationship Management
- Game Theoretic Models
- Group Choice and Negotiation
- Discrete Choice Models
- Individual Decision Making
- Marketing Decisions Models
- Market Forecasting
- Marketing Information Systems
- Market Response Models
- Market Segmentation
- Market Share Analysis
- Multi-channel Marketing
- New Product Diffusion
- Pricing Models
- Product Development
- Product Innovation
- Sales Forecasting
- Sales Force Management
- Sales Promotion
- Services Marketing
- Stochastic Model

Information for Librarians

Foundations and Trends® in Marketing, 2018, Volume 12, 4 issues. ISSN paper version 1555-0753. ISSN online version 1555-0761. Also available as a combined paper and online subscription.
5.3 Channel integration ........................................ 26
5.4 Social influence ........................................... 26
5.5 Situational factors ......................................... 27
5.6 Consumer heterogeneity ................................. 27
5.7 Future research ............................................. 28

6 RQ3: Multichannel shopping and customer segments 31
6.1 Multichannel shopping ................................. 31
6.2 Customer segments ..................................... 32
6.3 Future research ............................................. 36

7 RQ4: Multichannel marketing strategies ............. 39
7.1 Marketing mix ............................................ 39
7.2 Channel integration ..................................... 44
7.3 Future research ............................................. 45

8 RQ5: Synthesized outcomes of multichannel retailing
at the customer level ......................................... 49
8.1 Customer level ........................................... 49
8.2 Future research ............................................. 51

9 RQ6: Synthesized outcomes of multichannel retailing
at the retailer and channel levels ...................... 53
9.1 Retailer level ............................................ 54
9.2 Channel level ............................................ 56
9.3 Future research ............................................. 58

10 Concluding thoughts about future retailing ........ 61

References ....................................................... 63
Multichannel Retailing: A Review and Research Agenda

Huan Liu\textsuperscript{1}, Lara Lobschat\textsuperscript{2} and Peter C. Verhoef\textsuperscript{3}

\textsuperscript{1}University of Groningen, The Netherlands & University of Chinese Academy of Sciences, China; huan.liu@rug.nl
\textsuperscript{2}University of Groningen, The Netherlands; l.lobschat@rug.nl
\textsuperscript{3}University of Groningen, The Netherlands; p.c.verhoef@rug.nl

ABSTRACT

The emergence of multiple channels is reshaping consumers’ purchase behavior and retailers’ marketing styles. We synthesize existing research on multichannel retailing based on more than 150 articles published in peer-reviewed marketing journals, most after 2006. From this synthesis, we reveal conditions under which both consumers and retailers can benefit from a multichannel context. More specifically, we identify multichannel retailing as a win-win game contingent on market environments, retailer characteristics, channel attributes, product categories, social and situational factors, and customer heterogeneity. Last, we highlight multiple directions for future research.

Keywords: multichannel retailing; multichannel shopping; multichannel marketing.
The plethora of new channels has changed the infrastructure of today’s retailing environment (Neslin et al., 2006). Especially Internet-based channels (i.e., online and mobile channels) and advanced technologies have created new and innovative opportunities for retailers’ marketing activities and improved the flexibility of their marketing decisions (Verhoef et al., 2015). For example, channels such as e-mail, websites, mobile devices, and social media allow retailers to reach consumers through various formats without the limitations of time and location. Technologies such as location-based services installed in mobile phones allow retailers to use the exact locations where target consumers are to transmit coupons and advertisements to them in real time (Andrews et al., 2016; Verhoef et al., 2017). Retailers no longer rely solely on traditional channels (e.g., physical stores, catalogs) given the omnipresence of advanced channels. A report by Episerver (2015) indicates that nearly 95% of retailers realize the importance of a multichannel strategy to target consumers. Another study by Pew Research Center shows that approximately 86% of apparel retailers have already adopted up to four social media channels to communicate with consumers (Morrison, 2015).
A wealth of related research has emerged since the appearance of Internet-based channels. A majority of early studies focused on the intention of consumers to purchase from a retailer’s new channels. Later studies have discussed how new channels and the mix of traditional and new channels influence customer loyalty and retailer performance. Some of these studies show that adding a new channel has a positive effect on customer loyalty and firm value by increasing customer revenue, decreasing search cost, and providing better service outcomes to consumers (e.g., Homburg et al., 2014; Wallace et al., 2004). Other studies argue that cannibalization effects exist across channels (e.g., Falk et al., 2007). For example, Ofek et al. (2011) show that the addition of a website decreases a retailer’s overall profit when competition is intense, because the retailer needs to invest more in customer assistance provided in stores (e.g., greater shelf display, more qualified sales staff, floor samples) to improve differentiation from rivals that do not provide similar store assistance. However, not all customers benefit from the focal retailer’s improved store assistance. Huang et al. (2016) find that a small percentage of website purchases shifted to a newly added mobile app because of its greater convenience. Other research further indicates that synergy and cannibalization effects co-exist and are contingent on retailer characteristics (e.g., the presence of stores) (Wang and Goldfarb, 2017). In essence, different findings appear in articles on multichannel retailing with different contexts, though little is known about what drives these divergent findings.

Thus, the aim of this article is to present an overview of and draw conclusions from extant studies related to multichannel retailing. Neslin et al. (2006) provide an influential review on multichannel retailing that includes both traditional and online channels. Thereafter, academic interest increased dramatically, with a large number of new articles being published on this topic (see Figure 1.1). For example, retailers have adopted additional new channels and new channel technologies with unique characteristics, which has further increased the complexity of multichannel retailing. These new channels generate different effects on retailer performance from the effects of offline and online channels (Fong et al., 2015). Thus, an updated understanding of how retailers and consumers influence and interact with each other in multichannel retailing is needed.
Introduction

Figure 1.1: The number of published articles on multichannel retailing from 2006.

Notes: We used 14 keywords to search 649 articles from Web of Science, limited to 26 journals of business, economic, management, and psychology, such as Marketing Science and Journal of Retailing. Reading the abstract of all articles, we deleted those that had low relativity with multichannel retailing. The final number of articles counted in the figure is 345, including one article published in 2017. The 14 keywords are “multichannel retailing,” “online offline,” “multichannel marketing,” “cross-channel,” “multichannel marketing,” “channel elimination,” “channel migration,” “channel integration,” “multichannel shoppers,” “multichannel customers,” “multichannel customer management,” “mobile marketing,” “mobile app,” and “purchase journey.”

retail contexts is required. More specifically, we focus on the following questions: (1) What factors influence channel choices of retailers and customers? (2) How do retailers employ multichannel marketing strategies, and how do customers use different channels to search and purchase during their purchase journey? and (3) How do multichannel strategies and channel selection behavior affect customer outcomes (e.g., satisfaction, loyalty) and retailer performance (e.g., purchase frequencies, sales, profit)?

After presenting the definitions of key terms used in multichannel retailing, we introduce our framework. Next, we synthesize existing research and specify the three research questions with six subtopics by considering the perspectives of both customers and retailers. At the end of each subtopic, we discuss future research directions derived from research gaps, unresolved issues in practice, and environment changes. We conclude with thoughts about future retailing.


References


References


References


References


References


