Consumer Showrooming: Value Co-destruction

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Abstract

Purpose This research employs value co-destruction as a theoretical lens to investigate the antecedents of consumer showrooming behavior. Drawing on relevant literature, a research model specifying showrooming dynamics from the consumer's perspective is conceptualized and empirically tested.

Methodology Utilizing survey data from 275 consumers, structural equation modelling is employed to assess a research model including thirteen hypotheses.

Findings The study findings reveal that showrooming behavior is complex and comprises differing degrees of accumulative value co-destruction and value co-creation behavior across online and offline channels. Specifically, consumer characteristics, channel characteristics and product characteristics are shown to be associated with in-store value taking and online value co-destruction and co-creation.

Originality and Value Scholarly insights into the antecedents of consumer showrooming are rare. In responding to calls for research, this paper represents the first empirical investigation of consumer showrooming behavior utilizing the lens of value co-destruction. The study adds to academic understanding of the showrooming phenomena and demonstrates that co-destructive and co-creative behaviors can occur in a simultaneous, concurrent and iterative fashion. Focusing on practice, the findings reveal opportunities for experience-led shopping environments.

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Innovations in technology have fundamentally altered how consumers shop and the channels that managers organize to meet changing customer needs. Although many documented benefits of multi-channel shopping activity to the firm and its intermediaries exist, an unanticipated phenomenon has arisen in the form of consumer showrooming behavior. Showrooming, a form of multi-channel shopping, refers to shopping behavior by consumers who intentionally benefit from the information and services of one retailer in one channel before subsequently purchasing from a different retailer in another channel (Sevitt and Samuel, 2013; Rapp *et al.,* 2015). Showrooming represents a modern challenge to managers because this shift in behavior signifies a shift in the rules of exchange. Thus, showrooming represents a form of value co-destruction (Plé and Cáceres, 2010; Smith, 2013) because the showroomer knowingly takes value from channel members but does not reciprocate with the firm/s from which they intentionally took value.

In spite of very limited academic attention, recent practitioner press is abundant with articles that illustrate the prevalence of showrooming. An Internet retailing report reveals that 41% of shoppers regularly showroom (Skeldon, 2015), while the Accenture Seamless Retail Study finds that 73% of shoppers have showroomed in the past six months (Prasad, 2016). Looking forward, the Head of Corporate Products at mobile network provider EE warns, "the practice of showrooming isn't going away" (Skeldon, 2015). Following the plight of retail business owners, CBC News reports "showrooming is cutting into their profits and could spell the end of physical shops" (CBC, 2016). These insights demonstrate that, as firms' distribution channels have evolved, so have consumers' shopping activities. However, only limited academic insight into this phenomenon exists and consumer-derived data is rare. Consequently, the current paper responds to calls for research in this area (Neslin *et al.,* 2006; Verhoef *et al.,* 2007; Chiou *et al.,* 2012; Andrews *et al.,* 2016). In doing so, the current paper adopts the lens of service-dominant logic and more specifically value co-destruction to examine consumer showrooming.

This research aims to offer novel insights, derived from consumers, into the antecedents of consumer showrooming. The following section reviews relevant academic and practitioner literature. Thereafter, drawing on the lens of value co-destruction, the development and empirical assessment of a conceptual model of the antecedents of showrooming is detailed. The study findings offer insight into the dynamics of consumer showrooming and thus aim to assist managers in controlling its occurrence and lessening the damaging effects of such behavior.

Consequently, this study contributes in four ways. First, synthesizing existing works to produce a conceptual research model promotes theoretical understanding of showrooming dynamics. Second, empirical assessment of the developed research model offers insights into the antecedents of showrooming from the consumer's perspective. Third, in adopting the lens of value co-destruction, the current study adds to the theoretical and managerial understanding of co-destructive consumer behaviors, which currently are under researched (Echeverri and Skålén, 2011; Smith, 2013). In doing so, the current study also contributes to the wider field of service-dominant logic research.

Literature Review

Showrooming, a form of consumer multi-channel shopping behavior is defined as a phenomenon whereby shoppers intentionally visit one channel to examine and research merchandise before purchasing it from a different channel (Sevitt and Samuel, 2013, p.26). Thus, showrooming represents a form of service abuse beyond normative shopping search behavior. Alternative labels employed to describe this consumer behavior include free-riding (Huang *et al.,* 2009), research shoppers (Chiou *et al.,* 2012), and cross-shoppers (Davies, 1993). Van Baal and Dach (2005) stress that showrooming can only occur in situations where the firm cannot feasibly charge separately for its services, distinguish showroomers from other customers, and where more than one outlet for the product exists.

The lens of service-dominant logic (Vargo and Lusch, 2004) and specifically the concept of value

co-destruction provides a fitting means with which to consider the phenomenon. Consistent with value co-creation (Greer, 2015), value co-destruction refers to "an interactional process between service systems that results in the decline in at least one of the service systems' well-being (which, given the nature of a service system, can be individual or organizational well-being)" (Plé and Cáceres, 2010, p. 431). This research argues that showrooming is an example of co-destructive behavior because showrooming results in a decline in the wellbeing of the organization/s from whom the showroomer took value from but with whom they did not engage in a financial transaction. In such cases, the consumer gains value but the interaction between firm and consumer is not *mutually* beneficial. While the seller often desires reciprocity (they provide operant resources and/or advice), the consumer does not fulfil their side of the bargain and reciprocate with a purchase (rather they abuse the provision of organizational resources and buy elsewhere). Therefore, consumer showrooming intentionally breaks the norms of traditional exchange (Blau, 1964) and erodes the good faith between the two parties, creating an imbalance and diminishment of value for the firm (Echeverri and Skålén, 2011). Thus, from the perspective of showroomed organizations, showrooming constitutes a misuse and abuse of organizational resources (Plé and Cáceres, 2010; Rapp *et al.,* 2015; Skålén *et al.,* 2015).

However, the above describes merely the showroomed organizations' perspective. Consumers benefit from the value-in-use (see Lusch and Vargo, 2006) derived from the search activity across multiple firms both in-store and online. Similarly, the firm from which the consumer ultimately purchases benefits from the activity of co-creation between themselves and the purchasing consumer, underpinned by the value that the consumer has accrued from the organizations against which they have showroomed. Consequently, in this sense, showrooming represents a form of concurrent and/or simultaneous value co-destruction and value co-creation.

The study of value co-destruction is in its infancy and thus research is largely conceptual in nature. In 2010, Plé and Cáceres introduced and conceptualized the concept of value co-destruction and

concluded that further study into the antecedents, dynamics, and circumstances of co-destructive behaviors is of primary importance. Similarly, Echeverri and Skålén (2011) examine value co-destruction and call for further research. Focusing on the impacts of organizational misuse of customer resources, Smith (2013) calls for consumer-derived research on co-destruction.

To date, theoretical explanations of showrooming behavior are lacking. Indeed, very limited academic research into showrooming exists and insights typically derive from broader investigations into consumers' multi-channel behaviors. For example, identifying multiple forms of consumer multi-channel shopping, Konuş *et al.* (2008) recognize the research shopper who purchases in-store but gathers information from alternative channels. Offering an alternative classification, Chui *et al.* (2011) reveal four forms of consumer multi-channel behavior. Cross-channel freeriding refers to customers who search and purchase from different firms in different channels. Considering the antecedents of these behaviors, the authors conclude that the difficulty with which consumers can switch channels (termed lock-in) is associated with customer retention and switching rates.

Neslin and Shankar (2009) argue that online stores possess a lower level of lock-in than physical stores, because one can leave a website with greater ease than one can walk away from a sales employee. Verhoef *et al.* (2007) suggest that a lack of channel lock-in comprises one of three motives that contribute to multi-channel shopping. However, while agreement exists on the role of channel lock-in as an antecedent of showrooming, less agreement is evident as to what constitutes the broader drivers of showrooming behavior. Verhoef *et al.* (2007) argue that attribute driven decision-making and perceived economic benefits work together to foster multi-channel switching behavior. However, Chiou *et al.* (2012) examine the driving role of economic factors and apply the techniques of neutralization. They find that while consumers comprehend the negative impact of showrooming to firms, they showroom because they deem firms uncompetitive. Conversely, Balasubramanian *et al.* (2005) reject a purely economic view of channel choice and explore the perceived utility associated with the use of each channel.

Alternatively, Kucuk and Maddux (2010) embrace an organizational perspective and highlight that product characteristics relating to the tangible aspects of the product incite showrooming.

To conclude, although of managerial importance, research into showrooming is extremely limited. Typically, findings stem from broader studies and center on multi-channel behavior. Symptomatic of this diversity, while agreement exists as what constitutes showrooming, research that offers insight into the antecedents of showrooming behavior is incongruent and a theoretical understanding of showrooming dynamics is lacking. Existing research typically assumes an organizational perspective and insights derived from consumer data that focus exclusively on showrooming are very rare. Consequently, scholars call for further research into this phenomenon (Verhoef *et al.,* 2007; Chiou *et al.,* 2012; Rapp *et al.,* 2015), and thus showrooming appears to represent a research topic of theoretical and managerial interest. Additionally, the contemporary theory of value co-destruction appears to provide a fitting lens with which to study showrooming dynamics. The presented research model addresses these aims.

Research Model

The proposed conceptualization is grounded in and extends previous research on showrooming (Neslin *et al.* 2006; Van Baal and Dach, 2005; Verhoef *et al.,* 2007) and adopts the critical lens of value co-destruction (Plé and Cáceres, 2010). Specifically, the research model conceptualizes: product characteristics, consumer characteristics, and channel characteristics as antecedents of consumer showrooming. Given the wealth of practitioner-based discussions and lack of academic insight, the current study explores in-store → online showrooming. The presented research model is distinct and novel because showrooming is conceptualized as two distinct phases of in-store value taking and online value co-destruction/co-creation. Thus, this study acknowledges that showrooming does not comprise a single, one-off, uniform act. Rather, consumers first, to differing degrees, knowingly consume value in-store without intending to purchase from those providers. Second, consumers intentionally co-

destruct value online, consuming firms' online resources to differing degrees before ultimately purchasing from a separate firm and co-creating value with that firm.

Previous descriptions of showrooming behavior indicate that while some consumers search and intentionally take value extensively in-store before purchasing from the first store that they visit online, other consumers may engage in only brief in-store searches before visiting multiple online stores before making a purchase. Further, some consumers may visit and intentionally take value from multiple in-store and online stores before buying. These scenarios demonstrate that consumers engage in differing degrees of value co-destruction behaviors in both in-store and online channels. Consequently, the research model distinguishes between in-store value taking and online value co-destruction. In-store value taking is defined as the degree to which consumers intentionally utilize multiple in-store personnel and other firm-provided resources, and thus co-destruct value in-store, to research a desired product without intending to purchase from that provider. Online value co-destruction/co-creation represents the degree to which consumers utilize multiple online firm-provided resources from stores from which they do not purchase (co-destruction) to research a desired product, before making a purchase with an online store (co-creation).

Figure 1 here.

Product Characteristics

Drawing on previous research, the research model hypothesizes four product characteristics as antecedents of in-store value taking behavior. These are termed: technological speed of change, product acquisition value, product price, and availability of the product. First, technological speed of change refers to the degree of turbulence and change in the product market (Jaworski and Kohli, 1993). Product types characterized by regular innovations, modifications, and product releases have a high technological speed of change. These characteristics incite showrooming because they increase the sense of risk and uncertainty associated with product purchase (Sarin *et al.,* 2003). Van Baal and Dach

(2005) argue a link between technological speed of change and showrooming because when the technological speed of change of a sought product is high, consumers will consult and take value from many in-store sources to gather information and reduce their perceived risk. Thus;

H1:   The higher the technological speed of change of the product, the greater is the degree of in-store value taking.

Second, product acquisition value associates with in-store value taking. Product acquisition value denotes the perceived worth that the product represents to the consumer (Grewal *et al.,* 2003). In making this judgment, consumers compare the benefits of the product to the cost of acquiring the product (Parasuraman and Grewal, 2000). Literature on the activities of multi-channel shoppers and showrooming observes that such behavior is frequently underpinned by the consumer's need to acquire value (e.g., Konuş, *et al.,* 2008; Kucuk and Maddux, 2010). Nunes and Cespedes (2003) note that driven by the need to secure the best value for money, consumers switch between different stores and in doing so take value. Therefore;

H2:   The greater the perceived product acquisition value, the greater is the degree of in-store value taking.

The third investigated product characteristic relates to product price. In the current context, price denotes the recommended retail price. Mitchell (1999) argues that as the monetary price of products increase, so does consumers' perceptions of risk associated with purchasing the product. In response, consumers frequently engage in extensive external searches in order to evaluate the product's benefits and features and investigate the price (Urbany *et al.,* 2000). Correspondingly, the literature suggests that the propensity for showrooming increases with product price. Kucuk and Maddux (2010) argue that price is an important determinant of showrooming. While Dennis and Chevalier (2001) also note that heterogeneity among advertised prices encourages consumers to showroom in order to seek out the lowest price. Thus,

H3:   The higher the recommended retail price of the product, the greater is the degree of in-store value taking.

The final hypothesized product characteristic derived from the literature is product availability. Product availability refers to the ease with which consumers are able to source and purchase a product (Balachander and Farquhr, 1994). In defining the conditions under which showrooming can occur, Van Baal and Dach (2005) note that showrooming is linked with product availability. The presence of multiple outlets that stock a specific product enables customers to engage in showrooming and take value in-store. Indeed, Dennis and Chevalier (2001), argue that restricting the availability of products may constitute a useful tool in managing the showrooming problem. Therefore,

H4:   The greater the availability of the product, the greater is the degree of in-store value taking.

Consumer Characteristics

In addition to the four above discussed product characteristics, the research model posits four consumer characteristics antecedents. These are termed; product involvement, in-store shopping savviness, Internet savviness, and shopping enjoyment.

Product involvement is defined as, 'the general level of interest in the object or the centrality of the object to the person's ego structure' (Day, 1970, p.45). Verhoef *et al.* (2007) argue that future research should investigate involvement level as a determinant of showrooming. Drawing on the logic of Bloch and Richins (1983), the current study argues that the consumer's level of product involvement is associated the degree of perpetrated in-store value taking. In this sense, as a consumer's involvement with a sought product increases, so will their inclination to gather information, seek to experience the product, and garner the advice of sales employees from multiple in-store outlets in order to support their decision-making. If a product is of deep-rooted personal importance to the consumer, they seem more likely to engage in co-destructive behavior in order to satisfy their need for information. Thus,

H5:   The greater consumers' involvement with the product, the greater is the degree of in-store value taking

In-store shopping savviness, denotes consumers' perceptions of their knowledge and experience

of in-store shopping (Raju *et al.,* 1995). Synthesizing research on the construct, Flynn and Goldsmith (1999) show that shopping savviness is highly related to information search activity, with savvy shoppers engaging in a greater degree of in-store search activity than shoppers with limited shopping experience. In the context of showrooming, Balasubramanian *et al.* (2005) and Verhoef *et al.* (2007) note a link between smart shoppers and showrooming activities. In this sense, savvy consumers are astute, they are knowledgeable in-store shoppers, they engage in extensive product research behavior, and are comfortable with utilizing firms' resources for their own benefit. Thus,

H6:   The greater the level of in-store shopping savviness, the higher is the degree of in-store value taking.

Akin to in-store shopping savviness, the research model also conceptualizes Internet savviness as a showrooming antecedent, specifically in relation to online activity. Internet savviness denotes consumer's experience and expertise of Internet use (Bart *et al.,* 2005). Appealing for empirical research into the linkages between consumer characteristics and showrooming, Van Baal and Dach (2005) call for investigations into the relationship between consumer experience and showrooming. Consumers who are Internet savvy are empowered and confident in their ability to navigate the Internet and are successfully able to locate desired goods (Macdonald and Uncles, 2007). Chiu *et al*. (2011) argue that this level of experience is associated with showrooming. Therefore,

H7:   The higher the level of Internet savviness, the greater is the degree of online value co-destruction/co-creation.
The fourth consumer characteristic is conceptualized as a moderating variable. Here, shopping enjoyment moderates the direct association between in-store value taking and online value co-destruction/co-creation. Shopping enjoyment signifies consumers' pleasure and hedonism in shopping activities (Bellenger and Korgaonkar, 1980). Consumers who score high on shopping enjoyment intrinsically find shopping exciting and enjoy engaging in search behavior (Forsythe *et al.,* 2006; Kim *et al.,* 2007). Focusing on showrooming, Konuş *et al.* (2008) argue that because such consumers are not typically concerned with the time demands, they frequently search and purchase across multiple

channels. Therefore, shopping enjoyment heightens the positive association between in-store value taking and online co-destruction/co-creation. Thus,

H8:   Shopping enjoyment strengthens the positive effect of in-store value taking on online value co-destruction/co-creation.

Channel Characteristics

The final identified category of antecedents draws individual linkages between four channel characteristics (trust in in-store sales employees, trust in online stores, perceived value of in-store shopping, and perceived value of online shopping) and *both* in-store and online showrooming. Hypothesis 9 forwards a negative association between consumers' trust in in-store sales employees and in-store value taking. Consumers' trust in in-store sales employees denotes their 'confident belief that the salesperson can be relied upon to behave in a manner that the long-term interest of the customer will be served' (Crosby *et al.,* 1990, p.70). Drawing on consumer trust literature (Kennedy *et al.,* 2001; Sirdeshmukh *et al.,* 2002), consumers who distrust in-store sales people are more inclined to engage in value taking behavior because they harbor no feelings of obligation to purchase from the employee and thus from the store. Interestingly, Chiou *et al.* (2012) reveal evidence to suggest that consumers intentionally showroom because they feel that stores and their employees deserve such behavior. Therefore,

H9:   The lower the level of consumers' trust in in-store sales employees, the higher is the degree of in-store value taking.

Akin to the above-described mechanism, the second identified channel characteristic proposes a negative association between trust in online stores and online value co-destruction/co-creation. Consumer trust in online stores denotes consumers' judgments regarding the ability of online firms to meet their obligations in a secure and fair manner (Harris and Goode, 2004). The dynamic that underpins this relationship is when consumer's trust in online stores is low, they are able to utilize firm resources, compare prices and information and thus, take value devoid of feelings of guilt and

culpability (Becerra and Korgaonkar, 2011; Chang and Fang, 2013; Moody *et al.,* 2014). Consumers co-destroy value for the firm because they feel that they are entitled to do so in response to the firm's own (or perceived) distrustful behavior (Chiou *et al.,* 2012). Thus,

H10: The lower the level of consumers' trust in online stores, the greater is the degree of online value co-destruction/co-creation.

Perceived value of in-store shopping refers to the hedonic and utilitarian value derived from in-store shopping experiences (Babin *et al.,* 1994). Thus, value results from the store's capability to meet customers' needs (Davis and Hodges, 2012). The resources available to consumers in in-store environments instigate showrooming. Here, consumers are able to engage physically with a sought product, assessing its size, color, and so forth. Consumers are also able to acquire relevant information from sales employees and experience the store environment (Kucuk and Maddux, 2010). However, such value provision frequently comes at a higher cost (and therefore price) compared with online stores that have smaller overhead and thus lower prices (Chatterjee, 2010). Consequently, consumers who value the utilitarian/hedonic resources of physical stores are more inclined to take value from in-store but not reciprocate with such firms (as they will pursue a cheaper price online) (Konuş *et al.,* 2008; Van Baal and Dach, 2005). Consequently,

H11: The greater the perceived value of in-store shopping, the greater is the degree of in-store value taking.

The fourth conceptualized channel characteristic is termed perceived value of online shopping and refers to the utilitarian and experiential value derived from online shopping (Bhatnager and Ghose, 2004; Mathwick *et al.,* 2001). The intrinsic nature of the Internet fosters online value co-destruction. Consumers are able, with minimal effort, to peruse different firms' sites, collating product descriptions, reviews, and prices (Huang *et al.,* 2009). Thus, consumers who value the features of online shopping including convenience, access to a wide product range, and information, are inclined to utilize this channel with low levels of lock-in. In doing so, they take value and co-destruct value from multiple

firms whose resources they consume but do not reciprocate with, before making a purchase (Neslin *et al.,* 2006; Verhoef *et al.,* 2007). Thus,

H12: The greater the perceived value of online shopping, the greater is the degree of online value co-destruction/co-creation.

In-store Value Taking and Online Value Co-destruction/co-creation

The final hypothesis details the nature of the relationship between the two variables that gauge showrooming, in-store value taking and online co-destruction/co-creation. Drawing on the logic presented in the multi-channel shopping and showrooming literatures (e.g., Chiou *et al.,* 2012; Van Baal and Dach, 2005; Verhoef *et al.,* 2007), the research model depicts that the degree to which consumers engage in in-store value taking is positively associated with the degree to which they participate in online co-destruction/co-creation. That is, the volume of search activity and abuse of in-store resources links positively with the intensity of search activity online prior to purchase (online). Thus, consumers take and co-destruct value from stores in both offline and online channels to maximize their own gain. Therefore,

H13: The greater the degree of in-store value taking, the greater is the degree of online value co-destruction/co-creation.

Research Method

A survey-based design was utilized because the developed research model comprises multiple hypotheses. A large market research firm recruited a usable sample of 275 consumers. Respondents were provided with a definition of showrooming and asked to recall an incident in which they had showroomed (researched a product in-store before purchasing online) within the past three months. Clear descriptions distinguishing offline (in-store) and online (web-based) stores were provided. Respondents then completed the structured questionnaire recalling their most recent showrooming episode.

Of the respondents, 52% were female, and the largest group was aged between 18-30 years of age (28%). The survey also recorded the type of product for which they had showroomed. The largest group

(37.8%) had showroomed for electronic goods, 27% for clothing and accessories, 11% for non-electrical household items, 8% for cosmetics, 6% for sports items, 4% for jewelry, 3% for children's toys, and 5.1% were categorized as other products.

Table 1 here.

Measures Employed

Of the thirteen measures employed (see Appendix A), eleven originated from existing measures. To increase response variance and reliability, all other measures utilized a seven-point Likert-type scale (see Appendix A).

Two separate measures to assess in-store value taking and online value co-destruction and co-creation were developed. Items from Grewal *et al.* (1998)'s measure of search intentions contributed to the six-item in-store value taking measure. This measure seeks to assess the degree to which consumers took value (co-destruction) in-store. Themes and items from Putrevu's (1992) and Urbany *et al.* (1996)'s measures relating to comparison shopping underpinned the development of the six-item online value co-destruction and co-creation measure. Specifically, this measure gauges the degree to which consumers engaged in co-destruction activities online before making a purchase online. Following an assessment of the literature and standard psychometric scale development procedures Q-sort procedures were employed. A panel of 10 judges (5 consumers, 3 academicians, and 2 retail managers) assessed the initial measure's construct reliability and validity. Subsequently, a pilot test and assessment of the entire research instrument was undertaken (n = 53).

Scale Assessment

Owing to the nature of the hypothesized research model that contains multiple relationships between independent and dependent variables, a covariance based approach was deemed most appropriate (Hair *et al.*, 2013; Byrne, 2016). AMOS 23 software was utilized to undertake confirmatory factor analysis and structural equation modelling. Based on the Shapiro-Wilk assessment of data normality (Shapiro and

Wilk, 1965) which yielded a statistically significant result ($p < .001$) for each construct of interest, Maximum Likelihood estimation technique was employed with a bootstrap procedure of 250 iterations (Nevitt and Hancock, 2001). The bootstrapping technique is a widely utilized procedure when analyzing data samples that exhibit non-normal distributions and entails the repeated random sampling of the original sample (Lombart and Louis, 2014; Byrne, 2016). Confirmatory factor analysis (CFA) assessed the measurement model prior to the structural analysis of the research model. All retained items loadings were above .6 with statistically significant corresponding t-values ($t > 3.29$), thus indicating convergent validity. Goodness-of-fit indices suggest good model fit with the data (normed chi-square) (χ^2/d.f. = 1.57), normed fit index (NFI) =.91, comparative fix index (CFI) = .94, and root mean square error of approximation (RMSEA) = .04. Each measure also demonstrated satisfactory Cronbach Alpha (α) and Average Variance Extracted (AVE) estimates (see Appendix A).

The procedures outlined by Fornell and Larcker (1981) to evaluate and confirm the discriminant validity of the measures were followed. As this study sampled single respondents, common method bias is of pertinence. To address this issue, a number of procedures recommended by Podsakoff *et al.* (2012) and Mackenzie and Podsakoff (2012) were employed. These techniques included the proximal separation of independent and dependent variables, dispersing some items throughout the survey to avoid response sets, and ensuring that item wording is simple, specific and concise. To assess statistically the impact of common method bias on the data a single unmeasured latent variable representing method variance was utilized. Here, all items were loaded onto their theoretical constructs and a latent common methods variable. The statistical significance of the structural parameters was assessed with and without the common methods latent variable (Podsakoff *et al.,* 2003). The analysis yielded a statistically non-significant result ($p > .05$) suggesting that common method bias does not significant impact the data.

Hypotheses Testing

To specify the hypothesized moderating variable (shopping enjoyment, H8), the mean-centered items from

shopping enjoyment and in-store value taking were multiplied to form an individual interaction term. This approach addresses concerns regarding multicollinearity (Hambrick *et al.,* 2014; Ping, 1995). Subsequent modelling procedures identified the interaction term using the loading and error variance calculated according to Ping's (1995) formulae. The goodness-of-fit statistics reveal that the research model provides a good fit with the data (χ^2/d.f. = 1.85, NFI = .90, CFI = .91; RMSEA = .05) and supports all forwarded hypotheses (H_1-H_{13}).

Table 4 details the standardized path estimates, t-values, r-square values, statistical power and goodness-of-fit indices for the hypothesized structural model. Examining the hypotheses relating to the relationships between product characteristics and in-store value taking (H_1-H_4), Hypotheses 1, which posits a positive relationship between the technological speed of change of the product and in-store value taking is statistically supported (β = .15, t = 4.20, $p < .001$). Analysis of the data also reveals statistical support for Hypothesis 2 which submits a positive relationship between perceived acquisition value of the product and in-store value taking (β =.15, t = 3.93, $p < .001$). Thus, the greater is the perceived value of the product to the consumer, the higher is the degree to which they engage in-store value taking. Hypothesis 3, which predicts a positive association between the recommended product price and the degree of in-store value taking, is also accepted (β =.08, t = 2.33, $p < .05$). Support is also revealed for Hypothesis 4, which argues that customers can engage in a greater degree of in-store value taking when a product is available at multiple outlets, than when it can only be sourced at selected stores (β =.08, t = 2.26, $p < .05$).

H5-H7 argue that the characteristics of consumers link to value creation and destruction. Hypothesis 5, which predicts a positive association between the product involvement and in-store value taking, is statistically supported (β = .18, t = 4.70, $p < .001$). Hypothesis 6 is also statistically supported (β = .14, t = 3.81, $p < .001$) and shows that a savvy consumer is a confident and skilled consumer who is well-versed and comfortable with partaking in extensive search activities and value

co-destruction behaviors. Support for Hypothesis 7 reveals that as consumers' online shopping savviness increases so does their online value co-destruction and co-creation behavior (β = .17, t = 3.65, p < .001). Support is also found for Hypothesis 8 which shows the association between in-store value taking and online value co-destruction and co-creation intensifies as the consumer's enjoyment of shopping increases (β = .10, t = 2.08, p < .05).

All four hypotheses relating to channel characteristics are accepted (H$_9$-H$_{12}$). To detail, support for Hypotheses 9 demonstrates a negative association between consumers' trust in in-store sales employees and in-store value taking (β = -.30, t = -7.75, p < .001). The underpinning of this argument is also demonstrated in an online context where support is found for Hypothesis 10, which finds the lower is the level of consumers' trust in online stores, the greater is their degree of online co-destruction behavior (β = -.12, t = -2.48, p < .05). Analysis of the data leads also supports Hypothesis 11 (β = .59, t = 9.82, p < .001) and demonstrates that as consumers' perceived value of in-store shopping increases, so do their in-store co-destruction behaviors.

Hypothesis 12, which posits that the higher consumers' perceived value of online stores, the greater is their engagement in online value co-destruction and co-creation is also accepted (β = .42, t = 6.83, p < .001). Finally, the data is supportive of Hypothesis 13 in which a positive association between in-store value taking and online co-destruction and co-creation is hypothesized (β = .44, t = 8.55, p < .001). Thus, the more effort that consumers take to search for products in-store and in doing so co-destruct value, the greater is their subsequent co-destruction behavior online.

Table 2 here.

Discussion

The aim of this research was to examine the antecedents of showrooming. In doing so, the study contributes both conceptually and empirically through the development of a model of the antecedents of

showrooming and its subsequent empirical assessment. A critical synthesis of existing research leads to a hypothesized research model of eleven drivers of in-store → online showrooming, as well as in-store value taking and online value co-destruction/co-creation. The testing of this model reveals very strong support for the hypotheses in that not only does each of the eleven drivers of showrooming directly associate, but also shopping enjoyment moderates the strong relationship between in-store value taking and online co-destruction/co-creation. Specifically, our findings show that product characteristics, consumer characteristics and channel characteristics statistically associate with instore-value taking and online value co-destruction and co-creation. Thus, while our findings support previous research that highlights price as a driver of showrooming (e.g., Dennis and Chevalier (2001), our data confirm the role of additional product-, customer- and channel-based characteristics as determinants of showrooming behavior, many of which demonstrate stronger relative statistical effects (see Table 2). For example, channel characteristics relating to trust are shown to be crucial in understanding showrooming dynamics. The data reveals a strong and statistically significant negative relationship between customers' trust of in-store sales employees and in-store value taking. A lack of trust in online stores is also confirmed to antecede online showrooming behavior wherein customers intentionally take value from different online stores before purchasing from a different online provider. Thus, in line with the findings of Chiou *et al.* (2012), our data indicate that a customer's distrust of in-store and online retailers' sales tactics and customer service approaches fuel showrooming activities.

The confirmation of hypotheses relating to product characteristics bring to the fore the type of products for which showrooming is most common. Our findings show that showrooming is greater for products that are characterized by high levels of technological speed of change, high perceived value and monetary worth, and high availability and thus builds on research which has examined these variables individually (Van Baal and Dach, 2005; Kucuk and Maddux, 2010). This study finds a strong statistically significant association between in-store value taking and customers' perceived value of in-store shopping,

indicating that in an online age, customers continue to derive value from the in-store experience. However, in such circumstances, the value acquired from physical interactions with in-store product and personnel is not sufficient to drive a purchase. Rather, showrooming occurs. Thus, we add to existing knowledge on showrooming behavior (Verhoef *et al.,* 2007; Rapp *et al*., 2015) and confirm the importance of perceived in-store value taking in the multi-faceted showrooming process. Our findings also reveal a statistically significant and strong relationship between in-store value taking and online value co-destruction and co-creation. That is, powered by the ease of internet searching, customers who have taken value in-store frequently continue their showrooming activities online before finally purchasing online albeit from a different from a retailer.

The hypothesis that in-store value taking is positively related to online value co-destruction and co-creation is strongly supported. That is, our study is the first to confirm empirically that value is destroyed and created during showrooming activities. Using the lens of value co-destruction (Plé and Cáceres, 2010) we confirm that showrooming behavior embroils the accrual and dissipation of value for different actors to the benefit and cost of different actors. Thus, from the customer's perspective value accumulates with each interaction with in-store and online retailers prior to purchase. The transacting retailer benefits from this accrued value while the value offered by showroomed retailers is not reciprocated; rather, their resources are abused. Indeed, some online stores benefit from sales derived from in-store and online services and resources provided by competing firms.

Conclusion

Whereas past studies of showrooming have assumed that showrooming is solely price driven, our findings are amongst the first to demonstrate that the antecedents of such behaviors are diverse and multi-faceted. Thus, a complex series of contingencies drive showrooming suggesting that analyses of these phenomena should incorporate assessments of not only the personal characteristics of individual shoppers, but also

the nature of the targeted products, and channel characteristics. Cumulatively, these insights support the contention that analyses of channel switching showrooming need to be holistic and inclusive of a wide range of contingencies and characteristics that draw on not only channel-focused research, but also studies of consumer behavior and other relevant literatures. Our study is also the first to employ the theory of value co-destruction to unpick showrooming dynamics. Our findings show that showrooming comprises differing degrees of value taking and value creation in both in-store and online arenas. Our study findings also have important implications for theory and practice.

Implications

Our research contributes to theoretical and practical understanding of the under-researched phenomenon of co-destruction (Plé and Cáceres, 2010; Smith, 2013). The research findings demonstrate that consumers regularly and knowingly engage in co-destructive behaviors with both offline and online firms for their own gain. Physical stores with expensive bricks-and-mortar outlets find their proffered value destroyed by astute consumers who drain value and are unwilling to engage in co-creation. Similarly, online suppliers may also suffer showrooming, albeit at a smaller financial cost. Conversely, many online stores benefit from value created from amassed showrooming both online and offline. Thus, our findings forward fresh insight into the dynamics of consumers' co-destruction and co-creation behaviors. This study suggests that co-destruction and co-creation can occur in a simultaneous, concurrent, and iterative fashion. Conceptualization and studies of value creation should consider not simply the process of creation, but also simultaneously the acts of creative destruction.

Our study findings also have implications for practitioner and depict a potentially bleak future for organizations operating through merely physical channels and in this sense, high streets and malls. In these setting, retail managers must either accept the value-leeching showroomers as an indirect cost of those in-store value creators, or adopt strategies and tactics designed to retain value-creating customers or

discourage co-destructive behaviors. In-store incentives and meaningful loyalty programs may well prove effective at retaining value-creating customers and create a tipping point where the long-term value derived from repeat patronage (including customized rewards) outstrips the perceived costs of showrooming activity (i.e., time). Utilizing the findings of the current study, managers can also strategize to play to the needs of consumer characteristics associated with showrooming. At the core of consumers' in-store and online shopping savviness is the need for information. Some consumers showroom because they cannot get all of the resources that they require at a price that they are willing to pay from one retailer. Consequently, in-store and online retailers should provide customers with plentiful and diverse information so to satisfy consumers' needs for resources in one place. Additionally, as showrooming is facilitated using mobile technology, physical retail managers could exploit the presence of this technology to encourage in-store value creation via in-store app notifications of incentives and other in-store promotions. Retailers operating solely online may well reap the benefits of value accrued elsewhere, but may also be victims of online showrooming.

A key implication for practitioners centers in the issue of trust, or more accurately, the lack of trust. Our study findings reveal that trust is a significant driver of showrooming in both in-store and online channels. Ironically, the increased efforts of physical and virtual sales employees to generate sales in the face of challenging economic conditions may have inadvertently generated distrust of their sales techniques. Our findings show that where in-store and online trust conditions are low, customers are more likely to take value from the retailer and showroom compared with high trust conditions. Consequently, retailers should work to disrupt this perception of low trust and evolve their employee's sales and customer service techniques. In doing so, customers must perceive sufficient value in the retail experience to trigger a purchase. Such approaches might involve soft sales tactics, personalization and individual recommendations based on customer information, and an immersive physical or virtual servicescape environment tailored to the target market that elicits positive emotions and cognitions. In this sense,

retailers should aim to provide customers with an opportunity for experience-led shopping. Firm-based special events and product exclusives also offer in-store and online retailers the opportunity to produce non-transferable (in a competitive sense) value and reduce the presence of showrooming drivers.

Limitations

The findings and implications of the current study are constrained by the limitations of the research design and methods adopted. In particular, three limitations are worth noting and suggest potentially fruitful avenues for future research. First, while the study generates insights, the findings do not represent a complete examination of this complex phenomenon. Future research should examine empirically issues including showrooming devices, timings, product categories, contexts, past experiences, and outcomes. Second, this study employed a survey-based research design and consequently relied on participant recall of their experiences in varied environments. Future research might employ a longitudinal ethnographic approach involving accompanied shopping trips within in-store and online contexts to uncover additional drivers and mechanisms relevant to showrooming behavior. Future studies might also utilize experimental design in order to manipulate in-store and online stimuli, enabling the control of individual and environmental variables. Third, this research is limited by its reliance on a single sample source. Future research might triangulate customer, employee and broader organizational perspectives to provide a holistic assessment of showrooming dynamics.

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Figure 1: Research Model
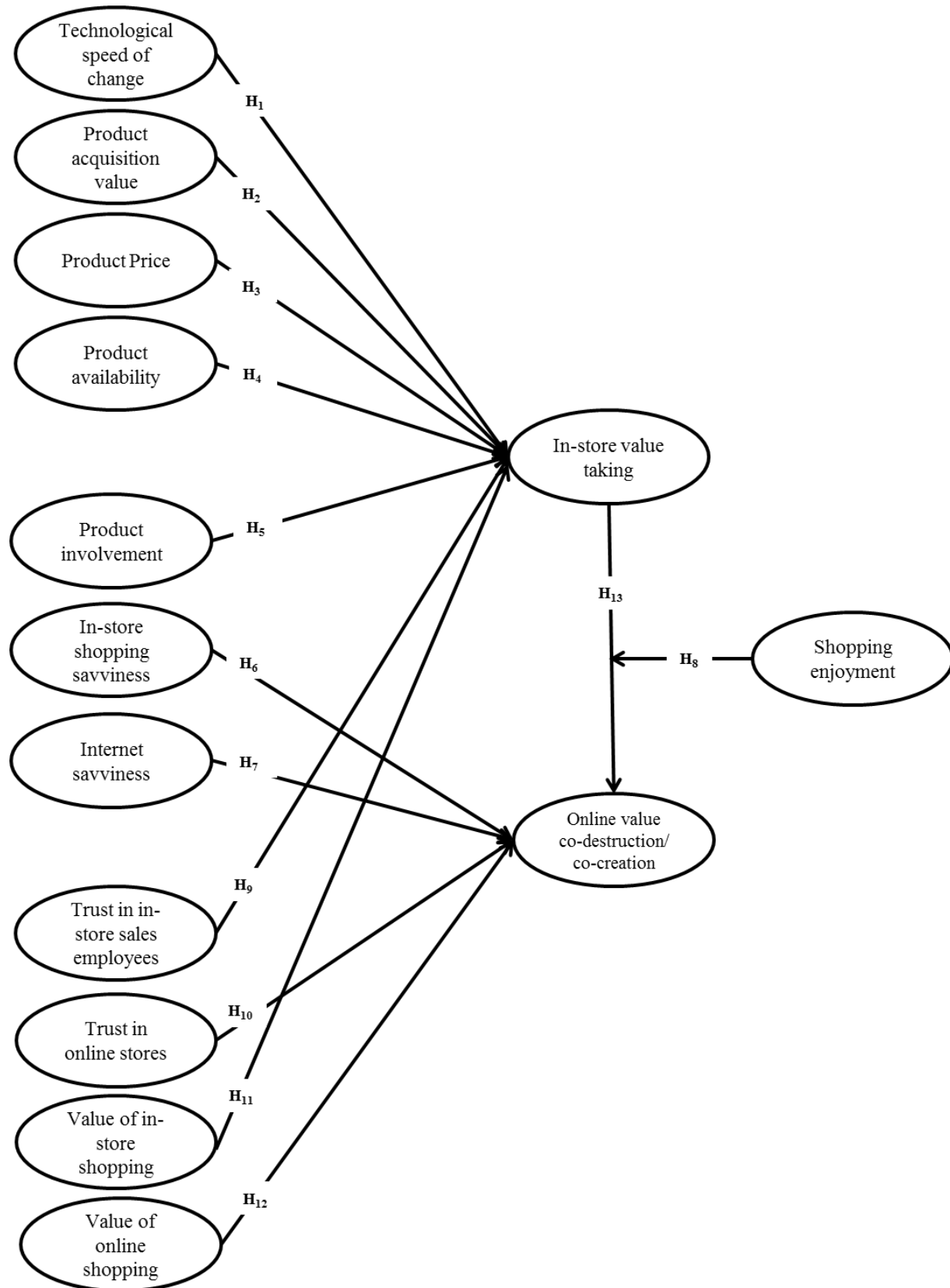
Table 1: Socio-demographic Composition of Sample

Gender:
Male - 48%
Female - 52%

Age:
18-30 years of age - 28%
31-40 years of age - 23%
41-50 years of age - 23%
51-60 years of age - 15%
61-64 years of age - 7%
Over 65 years of age - 4%

Highest Level of Educational Attainment:
High School diploma - 17%
Advanced Placements - 41%
Undergraduate degree - 29%
Higher degree - 8%
None of the above - 5%

Annual Personal Gross Income:
up to $17,000 - 28%
$17,0001-$35,000 -11%
$35,001-$50,000 - 22%
$50,001- $70,000 -19%
$70,001-85,000 - 13%
Above $85,001- 7%

Frequency of Product Purchase:
Daily - 0%
Weekly - 5%
Monthly – 15%
Every 3 months - 7%
Every 6 months - 11%
Every year -14%
Less than once per year - 48%

Table 2: Structural Model Results

Hypothesized Paths	β (SE) t-Value
Product Characteristics:	
H$_1$: Technological speed of change → In-store value taking	.15 (4.20)
H$_2$: Product acquisition value → In-store value taking	.15 (3.93)
H$_3$: Price of product → In-store value taking	.08 (2.33)
H$_4$: Availability of product → In-store value taking	.08 (2.26)
Consumer Characteristics:	
H$_5$: Product involvement → In-store value taking	.18 (4.70)
H$_6$: In-store shopping savviness→ In-store value taking	.14 (3.81)
H$_7$: Internet savviness → Online value co-destruction & co-creation	.17 (3.65)
H$_8$: Shopping enjoyment X In-store value taking → Online value co-destruction & co-creation	.10 (2.08)
Channel Characteristics:	
H$_9$: Trust in in-store sales employees → In-store value taking	-.30 (-7.75)
H$_{10}$: Trust in online stores → Online value co-destruction & co-creation	-.12 (-2.48)
H$_{11}$: Perceived value of in-store shopping → In-store value taking	.59 (9.82)
H$_{12}$: Perceived value of online shopping → Online value co-destruction & co-creation.	.42 (6.83)
Showrooming:	
H$_{13}$: In-store value taking → Online value co-destruction and co-creation	.44 (8.55)
R-squared values of endogenous variables (statistical power):	
In-store value taking	.58 (.99)
Online value co-destruction & co-creation	.47 (.99)
Goodness-of-Fit Statistics:	
Normed chi-square (χ^2/df)	1.82
Normed fit index	.90
Comparative fit index (CFI)	.91
Root mean square error of approximation (RMSEA)	.05

Appendix A: Construct and Measurement Items

In-store Value Taking[a] (α = .95, AVE = .74). Source: Newly developed
1. Before buying online, I spent a lot of time looking in offline stores.
2. Before buying online, I only visited one offline store[b]. (reverse scored)
3. I went to lots of different offline stores to find out about the product before buying it online.
4. I compared the price of the product at a number of different offline stores before buying it online.
5. I used offline stores to research all of the information that I needed about the product, before buying it online.
6. Before buying online, I experienced the product in a number of different offline stores.

Online Co-destruction and Co-creation[a] (α = .96, AVE = .81). Source: Newly developed
1. After looking in offline stores, I searched for more product information from different online stores before buying the product.
2. I compared the advice from the offline stores at several online stores before buying the product.
3. After looking in offline stores, I checked out the product on several online websites before I bought it.
4. After looking in offline stores, I bought the product from one of the first websites that I visited. (reverse scored)
5. After looking in offline stores, I did *not* search for further information online before buying the product online. (reverse scored)
6. After comparing the price of the product at different offline stores, I compared the price at a number of online stores before I bought it.

Technological Speed of Change[a] (α = .94, AVE = .75). Source: Jaworski and Kohli (1993)
1. There are often new versions of this product.
2. New versions of this product are released on a regular basis.
3. I can't predict how this product will develop in the future.
4. Products of this type change quickly.
5. Products of this type change slowly. (reverse scored)

Perceived Acquisition Value[a] (α = .89, AVE = .69). Source: Grewal *et al.* (2003)
1. I value this product because it meets my needs for a reasonable price.
2. This product is of considerable value to me.
3. I think that given this product's features, it is good value for money.
4. The product meets both my quality and price requirements.
5. I value this product because it meets my needs for a reasonable price.

Product Availability[a] (α = .93, AVE = .73). Source: Heim and Sinha (2001)
1. The product is commonly available.
2. The product is easy to find.
3. The product is *not* easy to find. (reverse scored)
4. Many stores sell this product.
5. I had a choice from where to buy this product.

Trust in In-store Sales Employees[a] (α = .96, AVE =.81). Source: Ramsey and Sohi (1997)
1. Most sales employees in offline stores are reliable.
2. Most sales employees in offline stores are sincere.
3. Most sales employees in offline stores are honest.
4. Very little risk is involved when dealing with sales employees in offline stores.
5. Most sales employees in offline are trustworthy.
6. Most sales employees in offline stores *cannot* be trusted. (reverse scored)

Perceived Value of In-Store Shopping[a] (α = .92, AVE = .65). Source: Babin, Darden, and Griffin (1994) & Gilly and Wolfinbarger (2000)
1. I value that offline stores allow me to inspect a product before buying it.

2. I value the face-to-face advice that I can gain from offline street stores.
3. I value the atmosphere of offline stores.
4. I value the ease with which I can return products to offline stores.
5. I value that I have the product straight away when buying from an offline store.
6. I value being able to shop together with friends / family in offline stores.

Perceived Value of Online Shopping[a] (α = .90, AVE = .61). Source: Bhatnager and Ghose (2004)
1. I value that online stores offer lots of information.
2. I value the ease with which I can buy things online.
3. I value the ease with which I can compare prices online.
4. I value the range of products that I can buy online.
5. I value the convenience of online shopping.
6. I value being able to shop online at any time of the day or night.

Trust in Online Stores[a] (α = .95, AVE = .80). Source: Harris and Goode (2004)
1. Most online stores are only interested in making a profit. (reverse scored)
2. Most online stores are genuinely committed to my satisfaction.
3. Most online stores can be trusted with my credit card details.
4. The product information displayed on most websites is trustworthy.
5. I think most online stores exaggerate claims about products[b]. (reverse scored)
6. Most online stores are trustworthy.

Product Involvement[a] (α = .96, AVE = .82). Source: Taylor and Joseph (1984)
1. When people see me using this product, they form an opinion of me.
2. This product helps me express who I am.
3. This product is "me".
4. Seeing somebody else use this product tells me a lot about them.
5. When I use this product, others see me the way I want them to see me.

Internet Savviness[a] (α = .91 AVE = .73) Source: Bart *et al.* (2005)
1. I am confident in my ability to assess the quality of a website.
2. I consider myself to be quite knowledgeable about websites in general[b].
3. I am happy to buy products online.
4. I know where to find things on the internet.
5. I know how to compare products online.

Shopping Enjoyment[a] (α = .97, AVE = .85). Source: Babin and Darden (1995)
1. Shopping is generally fun.
2. When shopping, I am able to forget my problems.
3. When shopping, I feel excited looking for things.
4. I enjoyed shopping for its own sake.
5. I enjoy finding out about new products.
6. I enjoy shopping.

In-Store Shopping Savviness[a] (α = .94, AVE = .73). Source: Flynn and Goldsmith (1999)
1. I am a very experienced shopper offline.
2. I know how to judge the quality of the things that I buy offline.
3. I know where to get the best deals when shopping offline.
4. I feel that I am knowledgeable about shopping offline.
5. When it comes to shopping offline, I really *don't* know a lot. (reverse scored)
6. Compared to most other people, I know a lot about shopping offline.

[a]Seven-point scale (1 = "strongly disagree," and 7 = "strongly agree"). [b]Deleted during CFA analysis