

The future of omnichannel retailing: Will apparel shopping habits be permanently impacted by COVID-19? A cross cultural proposal.

The retail environment and retail sales have been dramatically impacted by lockdown regulations around the world (Roggeveen & Sethuraman, 2020). COVID-19 has created shortages in a variety of product domains due to supply chain issues, leaving retail shelves bare in many essential product categories (Knowles, Ettenson, Lynch, & Dollens, 2020). Additionally, consumers' ability to shop in physical stores has been impeded by the closing of non-essential businesses and the enforcement of social distancing guidelines in essential stores that have remained open (Sheth, 2020). For example, many retailers have been required to reduce the capacity of customers allowed in the store and to modify the interior of stores to enforce social distancing.

Some consumers are avoiding physical retailers, and instead are buying online or using delivery services for essential goods, and choosing to forego non-essential products like apparel (Roggeveen & Sethuraman, 2020). A recent report presented by Accenture (2020) shows that consumers are uncomfortable about visiting brick and mortar stores, even though they are reopening. Moreover, the proportion of purchases made online by infrequent e-commerce users have dramatically increased (more than 115%) and it is expected to grow by 160% in the future. Similarly, channel combination behaviors have also been affected by COVID-19 outbreak. Consumers have increased the usage of digitally-enabled services (e.g. contactless payment, home delivery, curbside pickup/click and collect) and they expect to sustain these behaviors in the future (Accenture, 2020).

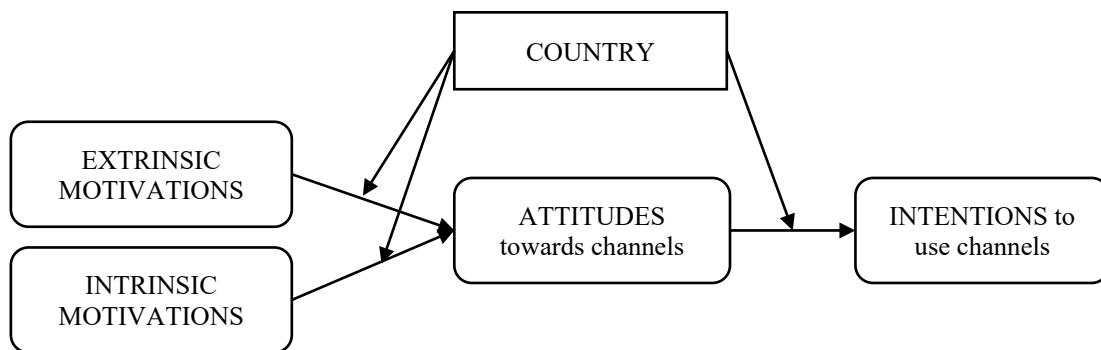
Due to this changes, consumers are realizing that other services, such as online purchases, offer them several benefits (e.g. safety and benefits of home-deliveries, store pick-up, and cashless payment), which is causing a review of their shopping habits (Pantano, Pizzi, Scarpi, & Dennis, 2020). As a result, researchers are wondering if these new habits will be persistent in the future (Adhi, Davis, Jayakumar, & Touse, 2020) and call for research that studies the long-term impact of the pandemic on consumer behavior (Roggeveen & Sethuraman, 2020).

Importantly, this pandemic has not affected all retail sectors equally and is especially critical for apparel retailers. According to McKinsey & Company, 67% of US consumers stated that they expect to spend less on apparel in the near future than they typically do. Apparel managers anticipate that consumers are going to switch from the offline to the online channel, which will require retailers to redefine the role of the physical store and accelerate in-store omnichannel integration, otherwise it could negatively affect the profitability in the sector (Adhi et al., 2020). Similarly, although the health crisis has been a global crisis, its gravity has differed across countries. The government measures to contain the pandemic have varied (Pantano et al., 2020), and its effect on the economy is expected to be different worldwide (Fernandes, 2020). Many of the differences across countries could be a result of cultural and social differences (Aden, 2020). Undoubtedly, these cross-cultural differences may differentially affect consumers attitudes and behaviors.

Therefore, the aim of this work in progress is to explore how the pandemic may affect future consumer behaviors regarding the use of retail channels and if these behaviors differ across countries, in the case of apparel. Specifically, we aim to examine the reasoning behind consumer channel choices during the pandemic, how the pandemic has impacted their attitudes toward each channel, and whether these factors are consistent across countries, to gain insight into whether their behavior will be permanently altered as a result. To that end, we propose a model based on the Self-Determination Theory

(Deci & Ryan, 2008), to understand how the consumers extrinsic and intrinsic motivations affect their attitudes regarding channels and, in turn, will impact their intentions to use each channel (see Figure 1).

Figure 1. Proposed research model



To address the goal of this research, we will use a mixed methods approach, with sequential data collection: a qualitative study followed by a quantitative study (Harrison & Reilly, 2011). First, a qualitative study will be developed to offer an exploratory investigation into the research question. Semi-structured interviews will be carried out in two countries, US and Spain, to gather information about the main motivations of consumers during the pandemic crisis regarding their shopping habits. We expect the results of the qualitative study to help us to define the concrete extrinsic and intrinsic motivations that have been critical for consumers during the pandemic and could affect their future behaviors. Then, using these insights from the qualitative study, a quantitative study will be run to test the proposed model.

After the development of this research, we expect to better clarify the effects of this terrible crisis on consumers. In addition to the evident health and economic effects, this work will allow us to understand the impact of COVID-19 at the level of attitudes and behaviors of individuals, and, more specifically, on their purchasing habits. As a result, this research has significant managerial implications and can contribute to growing research examining retail strategy during a pandemic by proposing some recommendations for companies to help them navigate the delicate and unprecedented situation in which they find themselves. Specifically, the results of this research can help apparel companies understand how the context of the pandemic is affecting consumer behavior, and how they can find new ways to appeal to consumers' present motivations.

Keywords: Channels, COVID-19, consumer behavior.

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