

A Field Experiment in Retailing on the Effect of Variety During Display Promotions

Mareike Sachse

Humboldt University Berlin

Sebastian Oetzel

University of Applied Sciences, Fulda, Germany

Daniel Klapper

Humboldt University Berlin, Germany

Cite as:

Sachse Mareike, Oetzel Sebastian, Klapper Daniel (2022), A Field Experiment in Retailing on the Effect of Variety During Display Promotions. *Proceedings of the European Marketing Academy*, 51st, (107460)

Paper from the 51st Annual EMAC Conference, Budapest, May 24-27, 2022



A Field Experiment in Retailing on the Effect of Variety During Display Promotions

Abstract

Most agree on variety being a good thing. However, literature shows that too many alternatives may result in negative consequences (i.e., choice deferral or no purchase at all), often referred to as choice overload. In a field experiment with a major chocolate brand conducted at a German retail chain, we test for variety during a price and display promotion. The control group offered 23 chocolates on promotion, while test stores displayed a reduced selection of 16 products. We find a significantly positive effect of the display promotion on unit sales but cannot confirm on choice overload. Further findings show a stronger promotion uplift for less popular products in stores with high variety on the display. This suggests that more variety may increase consumers' willingness to try new products, when the financial risk is low. We contribute to the literature on variety for consumer choices by offering insights from actual purchases with store-level scanner data of display promotions.

Keywords: *Variety; Field Experiment; Retailing*

Track: Retailing & Omni-Channel Management