

Adoption of Dynamic Pricing technology by Food Retailers: Efficiency Gains, Cannibalization and Food Waste.

Amir Heiman

Hebrew University

Monika Hartmann

Dept. Agricultural and Food Market Research Institute for Food and Resource

Economics University of Bonn

Milan Tatic

Dept. Agricultural and Food Market Research Institute for Food and Resource

Economics University of Bonn

Cite as:

Heiman Amir, Hartmann Monika, Tatic Milan (2025), Adoption of Dynamic Pricing technology by Food Retailers: Efficiency Gains, Cannibalization and Food Waste..

Proceedings of the European Marketing Academy, 54th, (126289)

Paper from the 54th Annual EMAC Conference, Madrid, Spain, May 25-30, 2025



Adoption of Dynamic Pricing technology by Food Retailers: Efficiency Gains, Cannibalization and Food Waste.

Abstract

This study examines consumer responses to implementation of dynamic pricing technology combined with digital price labels in the fresh food retail sector. The research focuses on analyzing how shelf life-based price adjustments influence sales rates before its expiration. We model consumer purchasing decisions for perishable goods, considering the interplay between price and perceived quality, which diminishes as shelf life decreases. The study also evaluates the potential for dynamic pricing to drive “cannibalization”. By examining these dynamics, the study sheds light on trade-offs involving retailer revenue, cross-product effects, and the broader implications for food waste reduction.

Keywords: Dynamic pricing, Food-waste, Retailing

Track: Retailing & Omni-Channel Management