

The Economist

Grocery shopping

Aisle be damned

For the best bargains, avoid shopping around for your groceries

Apr 19th 2014 | From the print edition

THRIFTY shoppers do not have to look far to find a bargain. Offers abound in the cut-throat world of British supermarkets. Received wisdom suggests that people trying to save money on their groceries should shop around to get the best prices. But research presented on April 9th at the Royal Economic Society suggests that those who do so end up paying more.

Kun Tian, a researcher at Cardiff Business School, and Ji Yan of Durham University, the paper's authors, argue that people who buy all their groceries at just one of the big supermarkets (Tesco, Sainsbury's, Asda and Morrisons) pay less than those who purchase equivalent goods at a mixture of the four of them. Data from Kantar Worldpanel, a market-research firm, show similar trends. Unlike Mr Tian's study, these cover total purchases rather than comparing equivalent baskets of goods. They show that people who bought groceries in just one store during the 12 weeks to September 2013 spent £631. Those who went to ten different places, by contrast, forked out £1,249.

Many of those high-spending shoppers probably had money to burn. But bargain-hunters who visit lots of shops are exposed to more products, and thus more likely to buy things they had not planned to, argues Phil Dorsett, an analyst at Kantar. Mr Tian reckons that promiscuous shoppers suffer from missing out on savings offered to more loyal customers, especially those earned after spending a lot in a particular store. Shoppers who frequent an abundance of different outlets also tend to be older, says Mr Tian. They are less likely than people with young families to take advantage of deals that require them to buy goods in bulk.

Those who buy their groceries in fewer emporia—and so spend less—are also more likely to do their shopping online. And on the internet they are more likely to buy products from supermarkets' cheaper own-label ranges, says Edward Garner, also of Kantar. Supermarkets do not always stock such ranges in their small convenience outlets; people shopping in a hurry may as well be encouraged to buy more expensive varieties. In big stores, low-cost lines may be stashed well above or below a harried shopper's line of sight. Search a supermarket's online

store, however, and they pop up just as appetisingly as more expensive brands. That provides much less scope for shelf deception.

From the print edition: Britain