

THE IDEA OF SMART SHOPPING – THE GENERATION OF SMART CONSUMERS

Introduction

The purpose of this paper is to show the growing popularity of the trend, known as “smart shopping”. This concept was introduced in the United States, and is currently developing in Poland. His appearance is a result of the global economic crisis of 2008-2009. Market fluctuations, the uncertainty of job retention and thus – the need for depositing money “for a rainy day,” forcing many people learn how to save money on purchases. As a result of this process occurs in the generation of so-called Polish trade. “Smart” consumers whose behavior is an inspiring area authors of this paper analyzes.

The article consists of several parts. In the first part explains the main concepts related to the analyzed subject, then explains the reasons for the development of smart shopping tendency. After this initial analysis of the concepts followed by recognition of the main features and styles of behavior referred to as “smart shopper”. The next part describes the smart –shopping strategies and tools that are most frequently used to purchase products or services through the consumers. This excerpt from the article allows for a better understanding of the mechanism of action of this phenomenon. Short synthesis of the research results are presented at the of the article.

On the international level this subject of Smart Shopping has been researched already, but not in Poland (see international books “Smart Shopping im Einzelhandel: Wissenschaftliche Studie über die Ursachen dieses Kaufverhaltens und mögliche Abwehrstrategien” by J. Müller or “Smart Shopping: living sustainably” by A. Einspruch¹). Except that in the last five years, we see an increasing number

¹ J. Müller: *Smart Shopping im Einzelhandel: Wissenschaftliche Studie über die Ursachen dieses Kaufverhaltens und mögliche Abwehrstrategien*, 2008; A. Eispruch: *Smart Shopping: Living Sustainably*, 2011.

of studies in this area (see Dholakia Zhao and Dholakia, T. Falk, J. Schepers, Neslin; Vanheems and Kelly, etc.)².

Transfer customer shops on the website is also considered an effective way to retain customers in certain industries-west. In some industries (e.g. in the tourism) customers who buy on Internet sites are more loyal through privileged resident of (lock-in effect), and more complete information the Internet provides them. It contributed to dissatisfaction reduction³.

1. The term of “Smart Shopping”. Reasons of development

Determining “Smart Shopping”, he derives from English, but it stayed led at first in the United States, and next spread into Western Europe. In the literal translation this term is denoting so-called “clever shopping”, which the ability of buying the good quality of products is hiding in the minimum price under⁴.

Smart Shopping and Smart Shopper The New Oxford Dictionary defines smart as “fashionable and up market; having or showing a quick-witted intelligence; capable of independent and seemingly intelligent action”⁵. In the Internet, many definitions of Smart Shopping can be found. The most meaningful is: “Smart Shopping is a search, made by a shopper, with the aim of finding a merchant offering the best, in a precise criterion, which the shopper determined as being his (her) master criterion. The master criterion is the criterion that the shopper looks most to optimize (e.g. best price, best value, best reputation, best critics, etc.). This search is done over as many merchants as possible to get greater offers for a given product”.

² R.R Dholakia, M. Zhao, N. Dholakia: *Multichannel Retailing: A Case Study of Early Experiences*. “Journal of Interactive Marketing” spring 2005, Vol. 19, No. 2, pp. 63-74; T. Falk, J. Schepers: *Hammerschmidt and Bauer H.H. Identifying Cross-Channel Dissynergies for Multichannel Service Providers*. “Journal of Service Research” November 2007, 10, pp. 143-160; R. Vanheems: *Distribution Multicanal – Pourquoi les clients mixtes doivent faire l’objet d’une attention particulière?* “Décisions Marketing” 2009, n°55, pp. 41-52; R. Venkatesan, V. Kumar, N. Ravishanker: *Multichannel Shopping: Causes and Consequences*. “Journal of Marketing” 2007, Vol. 71, pp. 114-132, B. Wirtz: *Multi-Channel Marketing – Grundlagen-Instrumente-Prozesse*, Gabler, Wiesbaden 2008.

³ V. Shankar, A. Smith, K. Rangaswamy: *Consumer Satisfaction and Loyalty in Online and Offline Environments*. “International Journal of Research in Marketing” 2003, Vol. 20, No. 2, pp. 153-176.

⁴ K. Jasek: *Smart shopping in Polish*, PMR, November 2012, p. 2.

⁵ Term “smart shopper” In: *Oxford Dictionary of Business and Mmanagement*, University Press. 4 th edition, Oxford (UK), 2006, p. 1757.

Smart Shoppers are buyers who are focused on finding some good quality products for the best price. They do not purchase anything “what is the cheapest, but they search for some valuable items which has good price and, at the same time, they question the ethics of products and brands”⁶.

As a result of development of the described idea, the consumer is investing one’s time into analysis of different features of products and services, seeking information about their promotion, shopping around, and the like Wise saving is planning exchanged action. It means that not in order to buy cheaply is most important, but in order to buy well (with the behavior best relationship product qualities up to his price). And so it is simple idea relying on investing the own time in the thorough preparation oneself for the shopping.

Seeking causes of the development of the analyzed trend we notice that it was born under the influence of an worldwide economic crisis from 2008-2009 years, that is still continuing mood of anxiety about future, as the effect of seeking the way to the spending cut without radical lowering the current level of consumption. In the reaction to this phenomenon the part of consumers started spending money more economically. The modern technology helped them, especially the Internet. From here opinions are also being come across, that with father clever consumers there is the Internet, and with mother economic slump⁷.

However economic motives don’t constitute the only cause development the idea of “Smart Shopping”. By them because they are also appearing other still motives, like e.g. ecological. They cause, that the consumer is searching on the market for defined products (e.g. he is paying attention to the CO₂ emission in cars, is buying products only in environmentally friendly containers). There are also ethical motives apart from them (e.g. seeking products fairly trade), as well as political, associated with the belief that a hyper consumption and a politics of large concerns led to the crisis.

Still other a smart shopping treats the element of an alternative lifestyle and seeking the originality. Therefore in American guides about “smart shopping” as places of the shopping flea markets are being indicated, second-hand clothes shops branded and with objects from years 60 and 70 (so-called vintage style).

⁶ Ch. Arnold: *Ethical Marketing and the New Consumer*. Chichester (UK), Wiley, Arnold 2009, XIV-XV.

⁷ E. Turban, J. Lee, K. King, T. Liang: *Electronic Commerce*. Pearson Prentice Hall 2009 (6th edition).

2. Features and the style of the consumer behavior considered as “smart shopper”

The term “Smart Shoppers” or “Smart Shopping” describes a new consumer behavior, a considerate shopping attitude, in which purchaser takes time to find the best deal – the product he wants in a best quality and at a best price (in his own opinion). This trend came from a financial potential of society, which has satisfied already all their basic needs and still have resources left to spend⁸.

Profile of the described person as “smart shopper” appoint specific features which are creating the new consumer trend. A smartness is one of them. He is relying on the knowledge concerning rules and principles ruling the trade, as well as the market of chosen products or services. Therefore “Smart Shopper” always buys what alone he wants to buy, rather than what in the given moment is cheap. Internet is the source of his knowledge, which is delivering of necessary information about where and how it is possible to buy more cheap⁹.

Persons about these features often share their experience purchase on pages of popular community bulletins, suggesting in what way it is possible effectively to lower costs of the shopping. He is buying it that websites that give possibility to compare prices (e.g. ceneo.pl, nokaut.pl, okazje.info.pl), online shops (e.g. Merlin.pl), commercial platforms (e.g. Allegro), services of the group shopping (e.g. Groupon.pl) whether more and more popular purchase clubs (e.g. fashiondays.pl)¹⁰.

With essential tool, except the Internet, in hand smart consumer there is a clever phone that is Smartphone with the access to the Internet, geolocation and with map services. Thanks to that for device the consumer can efficiently keep still only in the network trade, but also in real. Exceptionally they turned out to be the revolutionary solution Smartphone’s applications being used to scan bar codes of goods standing on shelves. In this way the customer immediately can learn, what think about a given product other.

Besides the recalled smartness, the new type of the consumer is characterized by disputes pragmatism and ability of the calculation. According to the Pentor Research Agency examinations this trend is most popular amongst educated

⁸ O. Härmä: *Smart Shoppers in Finland: New Shopping Attitude and Response of Retailers*. Faculty of Business Economics and Tourism, UNIVERSITY OF APPLIED SCIENCES, Finland 2010.

⁹ J. Zittrain: *The Future of the Internet – And How to Stop It*. Yale University Press New Haven & London 2008, pp. 153-157.

¹⁰ B. Reformat: *Group Buying as a New Area of Marketing Research*. “Economics and Business Organization” 2012, No. 10.

and well off people which fully consciously about purchase decisions. This means that, these persons aren't guided at the shopping by emotions fueled by advertisements, the marketing of very product, promotions or also a place of his sale.

A plan of the shopping is helping them with this action. Using from the knowledge about products and about, how to save up, they are trying to overlook to tempting promotions ready-made shop, but on so, which consciously choice still before going out. In the choice of products of the individual hey, you, aren't guided by emotions, but concrete information. They are capturing them using leaflets and advertising news-sheets above all. According these are examinations conducted this year by the web portal: CupoNation.pl amongst Polish women. It causes, that over the 30% from them he is making plans for the shopping proactive¹¹. He results from it, that contrary to appearances, in the race about cheapest and simultaneously high quality products are winning out more wealthy and educated Poles. Because less educated persons have problems with analysis and comparing offers available on the market what usually choose cheap products, by but the poor quality or are giving the shopping up. What is distinguishing them from the analyzed client group?

With next characteristic of described consumers with name "smart shopper" there is a rationalism. According to GfK Shopping Polish community abroad Monitor 2012 already to rank the 17% of Poles it is possible it of customers of the type "rational"¹². It's marking it, that these persons, going for the shopping are preparing Ordnance Survey Maps and lists, doing the price insight earlier, e.g. based on news-sheets of many promotional supermarkets. They are buying in different shops, depending on it, the shopping is preparing Ordnance Survey Maps and lists, doing the price insight earlier, e.g. based on news-sheets of many promotional supermarkets. They are buying in different shops, depending on the one, in which it is possible to buy a given product more favorably. This report is establishing, also in the future the indicated client group will grow.

Rationalism more and more often observed in purchase decisions all-Polish The Future Foundation examinations conducted on request are confirming Polish consumers Vis pistol UK. Get data show that Polish consumers got the general good result in tests of "purchase IQ", in the result of what were classified at the head of European ranking in front of Frenchmen, Czechs and Germany¹³. What's

¹¹ B. Reformat, K. Bilińska-Reformat: *Relationship Determinants on Group-buying Markets – Polish Case*. 12th International Marketing Trends Conference, ESCP Europe and Università Ca' Foscari di Venezia, Paris 2013.

¹² B. Frątczak-Rudnicka, M. Olszewska: *A Smart Consumer*. "BRIEFCASE TRENDS 2012", http://www.4P_research_mix.

¹³ *Smart shopping – We know how to save on shopping*, <http://www.kolportaz.rzetelny.pl>.

more it results from this examination, that making Polish people are advising themselves the shopping very well in comparing products, for trying new products, as well as in the self-control of purchase behaviors. Polish people are doing shopping lists, and basic commodities are buying for storing, often throwing only needed products into the basket. The fact that Poles know, how to save, but simultaneously to keep the appropriate quality of products are also confirming conducted examinations to the order of Henkel concern from 2011 in 10 countries of Europe. According to them in Poland the largest percentage of consumers wanting to spend best is appearing (as far as 46%). Simultaneously according to the Focus Research report thorough reading received advertising news-sheets, which are a primary source also for them, is declaring the 29% of Polish people of knowledge about price promotions.

Next according to the Pentor Research International examinations that it is possible to find the most "Smart Shoppers" in major cities, which among Inhabitants of Warsaw are leaders (CH Gallery Targówek, Arcadia, Blue City, Gallery Vilnius Station), residents of Gdańsk and residents of Katowice. As regards the sex and the age above all women, not exceeding the fortieth year of age are leaders of this consumer trend¹⁴.

The causes of such sympathy of Polish people for the idea "smart shopping" maybe be caused by low earnings in comparison with the Western European countries (at the simultaneous small price differential)¹⁵. According to the analysts one of the reason, why Poland relatively gently is undergoing through the crisis and his effects is a purchase optimism of Polish consumers. He lets for keeping the domestic demand at appropriately the highest level. However high consumer expenses don't mean the prodigality. Accepting, that the behavior "Smarts-Shopping" keeping from West (at least the economic situation in Poland was and there is enough good compared with other countries) Polish people also want to be clever consumers which want to do the shopping comfortably and quickly (in the place located close to the house/work), in the comfortably arranged shop space (comfortable spreading shop shelves, the intuitive disintegration of products, etc.). It will let consumers certainly save the shopping time. The factor of the time is also significant in the context of appearing promotions and discounts. "Smart consumer" isn't a hunter of the promotion, because he is calculating the time and commuting costs to the given shop in order to assess the actual value and the profitability of the given promotion.

¹⁴ *Smart Shopping – Pole or smart shopping*, <http://www.wirtualnemedi.pl>.

¹⁵ While the Polish people for the first several years of the free market seemed very much and often without thinking, and the high price meant high status, such as is currently the behavior is a long time not seen.

3. Strategies of “Smart-Shopping” and their tools

Into strategies of “Smart Shopping” above all buying products of private labels which are often a source of pride is putting it name down. Such statements of consumers are attesting to it like e.g.: “I am buying private labels”, “consciously I am choosing products”, “I am smart, because I am not overpaying”, and the like. However this tendency isn’t regarding all product categories to the same degree. Choice of the cheap product must however appeal to the confidence, in addition are noticeable two levels of the consumer confidence to private labels:

1. Based on the confidence in the producer (e.g. up to the mark Biedronka) and to the network (e.g. Lidl) – this choice can be post-Rational from a perspective of the consumer, however for the seller the one post-rational a substantial height means plausibility of the another purchase, in other words the positive verification towards products of private labels is leading confidences to their another purchase.
2. In case of signed products the package should encourage for the purchase, but simultaneously be the private label enough straight in order to avoid the impression “pay for the package” on the side of the consumer, is also essential so that it doesn’t give birth to associations from with “cheap fake of the household name”.

The Pentor Research results of the examination are showing next that for the forming of the awareness and customs of purchase Polish people centers functioning for a few years in Poland are enjoying considerable influence outlet center . They are essence of “Smart Shopping”, making the better quality of the assortment available at lower prices than the 30% – 70% from the same products in other shops¹⁶.

It results from recalled examinations moreover, that having persons higher than average incomes, are oriented on seeking the frugality at purchases of clothes more. Being a high earner constitute the widest group of customers simultaneously visiting outlet centers . Deciding more rarely than it is happening for the whole of Polish people they apply the strategy of limiting the shopping. Among them one should exchange 3 strategies which rely above all on:

- a) for limiting whims – that is for limiting impulse shopping, buying brand products and it, what best irrespective of the price;
- b) of the price control – that is for checking, comparing prices of products and seeking the cheapest prices, as well as the shopping with the list;

¹⁶ This study was conducted in June 2011, the Nationwide representative sample (1015 people) and try to customer outlets Fashion House in Warsaw, Sosnowiec and Gdansk.

- c) active searching for cheaper shops and the chance – that is for frequenting hypermarkets, of discount stores, for seeking the promotion in them and the purchasing of private labels¹⁷.

At the moment they more often appear in the Polish reality two the former of strategy, and relatively more rarely this last strategy. However if in the future the economic situation of the country undergoes the further deterioration, it will certainly be changing. What's interesting, comparing results of consecutive measurements, one can see, that changes in behaviors month by month are very little. So he doesn't have, in Poland at the moment, phenomena of growing of frequencies of behaviors which are characteristic for so-called consumers recession¹⁸.

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¹⁷ A. Konieczna: *Smart Shopping, The Era of Smart Shopping. Spending Money Is No Longer Fashionable*, <http://www.gs24.pl>.

¹⁸ B. Frątczak-Rudnicka: *Consumers in Bad Times*. "Marketing and Market" 2009, No. 5.

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Summary

The tests made and the follow-up authors of the paper shows that today's consumers are diverse both in terms of the needs, tastes and preferences. This thesis confirms the need for studies of consumer behavior, which, more often, especially in Poland, shows the characteristics of smart-shopping streets of the phenomenon. Hence, the acquisition of knowledge about them – the belief authors of the paper – should be regarded as an important

source of information that allows for proper targeting of the actions of traders in the business of creating original models. Market analyzes indicate that the place of real opportunity for smart shoppers are Outlet centers. Their biggest advantage is that they give you the opportunity to buy more products than in the ordinary mall, for the same amount. Therefore, to create their own unique style should use the principles of smart shopping streets of. Thanks to them, the customer will save less, plus your time, and shopping will become more pleasant.

The focus on the consumer and their needs is not, of course, any discovery or innovation, because from the beginning of the market economy, it is assumed that the focus of the company's consumer. The change in this case is a different behavior than previously known. new consumer, which we define as "smart-shopper", which is not limited as ever, just a simple meet their needs. This knowledge, as well as access to relevant sources of information about products or services (Internet, telephone, promotional newsletters, catalogs, etc.) may consciously and rationally so select the various offers that appear in the available sources of information. Described is characterized primarily by consumers more willing to experiment and take risks as compared to the rest of society. The result of this behavior is the low degree of loyalty and skeptical attitude to brands. In general, the consumer of this profile also knows his worth, knowing what he needs. Often, too (which is probably one of the most important for the national carried traders question) willingly loudly and publicly like to express their opinions on the purchased product structure – service. To conclude this brief discussion on the profile and behavior of modern consumers, which are only a background for further analysis presented in this paper studies consumer should be added that the behavior described entities also affects many other factors (both external and or internal). He writes about them many authors, indicating the various models of consumer behavior. They are, however, to develop only signaled, due to the limited requirements for the frame and Formal.

In conclusion, it should be noted that the Smart shopping means shopping carefully, which are, on the one hand saves time, on the other hand saving

Smart shopper, but a person who likes to look good, she knows about fashion and follows international trends. Do not confuse the smart shopper with a bargain hunter, because there are some differences. Smart shopper is a person who knowingly makes decisions about buying and know that it is worth taking the time to search for a particular thing. But it's not on the store in order to find the cheapest product.

Keywords: smart shopping, smart shoppers, consumer behavior, strategies