Does Amazon's Purchase of Whole Foods Signal Rejuvenated Interest in e-Grocery?

Non-Referred Abstract

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ABSTRACT

Some of the biggest failures of the 2000 dot.com collapse were companies in the online grocery market. There are many challenges facing companies trying to enter the e-Grocery market. Unlike digital media, groceries are considered high-touch items. Many products have a limited shelf-life and require strict climate control. Also, the market has many entrenched competitors and margins are low. Given these challenges, e-Grocery does have the promise of providing stress-reduction and time-savings to the consumer. In light of Amazon's recent purchase of Whole Foods, which has received mixed reviews from analysts, we propose a study to explore consumer attitudes toward e-Grocery shopping. In this study we will utilize Means-Ends-Chain Theory (MEC) to better understand how utilitarian factors (e.g., convenience, cost savings, etc.) and hedonic factors (e.g., adventure, gratification, etc.) impact the consumer's intention to participate in e-Grocery shopping.