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How Brexit could affect your shopping habits

With some food imports at risk by a no-deal Brexit, consumers' grocery shopping could be affected by different choices on the shelves and the threat of increasing food prices



Source: PeopleImages

You may need to adapt

I was in the supermarket the other night, tasked with finding dinner. But as I rounded the corner towards the meat fridge I was faced with bare shelves and a little sign saying: 'Sorry out of stock'. Some people think this will be a far more likely occurrence if we see a no-deal Brexit.

Exiting the EU is imposing uncertainties around how the UK will import some foods, which in turn could affect the choices available to consumers in store. This leaves us asking the question: will my local supermarket continue stocking my standard grocery shop? Or will I be faced with different options on the shelves?

And the fact that <u>retailers</u> are already testing longer-lasting varieties of fruit and vegetables, and simplifying their imported product ranges, means that our consumption decisions may need to change.

Choice overload?

Maintaining choice is important and depending on our background, research suggests that many of us consider the <u>choices we make</u> to be a big part of who we are. For an activity as frequent as supermarket shopping, many will have routines and habits that underpin their decisions. But with changes to importing arrangements, <u>grocery stores</u> may not be able to afford to stock everything they did before and logistically it could be difficult.

For some of us, facing fewer options in the supermarket will be ok. If we are forced to choose new foods that we end up loving, we will have been nudged to find products that are more suitable to our needs rather than relying on habitual behaviours. In fact, a study of a US grocery store found that people were much more content with their purchases if they selected from fewer options.

If the store stocked more varieties and were therefore more likely to have the favourite option of each customer, they found that shoppers were actually <u>overwhelmed</u> by too many choices. This could also be positive if some people start switching to <u>locally-produced goods</u>, supporting local production efforts and utilising and investing in UK resources. However for those who feel particularly comfortable in their routine, buying the same things each week, shopping could become more problematic.

Assessing the aisles

The cost of a grocery item is also a big contributor to the decision to purchase, especially if there are many different types of the same product available and we have no strong brand preference for one over another. A large part of this is making sure we can afford the total shop.

But research also suggests that low prices tend to be associated with a low quality product, while higher prices can be perceived as too expensive and consequently unacceptable. This was shown in the paper titled 'Re-examining Latitude of Price Acceptability and Price Thresholds' and means that mid-range prices catch our eye. When costs move too much towards the higher or lower band, purchase decisions are affected.

Consumption shifts

And in the case of Brexit, grocery goods may become more expensive for a number of reasons. Increased import transport and administration costs may contribute, as well as the need for renegotiating the inter-European import agreements.

Given that throughout the year British grocery chains import roughly 30 per cent of the food on local shelves from the European Union, this means that prices in the local grocery store may go up as supermarkets are paying more themselves to get those goods on their shelves.

While <u>Brexit survival boxes</u> remain a gimmick, changes to price and variety will affect many, prompting consumption shifts for some, frustration for others, and even unconscious changes in a few. But when it's your favourite cream biscuit that disappears, that's when it will really hit home.

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