

SMEA



Università
Cattolica
del Sacro
Cuore

ALTA SCUOLA IN ECONOMIA
AGRO-ALIMENTARE

WP4 – Where we are

**Price adjustment along the food supply
chain: the role of retailers and
manufacturers**

Paolo Sckokai
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Objectives/Tasks in WP4

- Analysis of the role of promotion/discounting strategies, as well as that of private labels (PL), and the contribution of such strategies to the general trend of food prices
- Development of structural models for analysing the role of PL and asymmetric pass through
- Empirical models using high frequency data
 - Analysis of competition between national brands (NB) and PL
 - Identify differences in pricing strategies among retailers and across products
 - Comparability of results across products and countries should be pursued

Partners' updates (1)

- **Toulouse team:** (see Friday presentations)
 - structural model on vertical integration
 - Buyer power analysis
 - Cost-pass through in coffee
- **Piacenza team:**
 - Retailers' strategies and inflation in dairy with barcode data (Friday presentation)
 - PL-NB price relationships in dairy (forthcoming)

Partners' updates (2)

□ Kiel and Wien teams:

- Cost-pass through in Dairy (presentation)
- Price Promotion and Brand Loyalty (WP submitted)
- Price Elasticity and Consumer Loyalty (WP in the pipeline)

□ Exeter-Nottingham team:

- Retailer heterogeneity based on scanner data (Thursday presentation)

Problems/issues

- Comparability of results across studies?
 - Studies very heterogeneous in terms of methods and results
 - Can we have any comparability?
- Possible solutions
 - Focus on **dairy** and address some common general questions:
 - Compute price indexes and compare trends across countries
 - Analyse frequency of price adjustments across countries
 - Compare some simple descriptive statistics (i.e. share of promotions, share of PL,....)