

Consumer Loyalty Towards Supermarket in Bengaluru City

Mr Namith Musuri BJ¹, Dr Susheela Devi B Devaru²

¹Student, Department of MBA, Dr Ambedkar institute of technology, Bengaluru-560056, Karnataka, India

²Associate professor, Department of MBA, Dr Ambedkar institute of technology, Bengaluru-560056, Karnataka, India

ABSTRACT

Supermarket is a place where the people purchase their daily needs and groceries. Supermarket implements various strategies to make the consumer to stay loyal towards supermarket. Consumer loyalty is the vital accomplishment feature for any supermarket in current competitive market. With a comprehend the competitive market scenario, the most suburb after launch of many new supermarkets and malls, an effort was made to ascertain and analyse consumer views and preferences for the consumer loyalty. In order to analyse the reasons for consumer is staying loyal towards supermarket and what strategies the supermarkets are implementing to make their consumers to stay loyal, this work has been carried out. This paper focuses on consumer loyalty towards supermarket in Bengaluru city and the focus of the study is to know the various factors influencing the consumers to stay loyal towards supermarket in Bengaluru city.

Keywords: Consumer Loyalty, Consumer Buying Behaviour, Consumer perception, Consumer satisfaction.

INTRODUCTION

Supermarket is a place where the people purchase their daily needs and groceries. When people have consumer loyalty, they prefer one supermarket over others because they like the products, prices, and the way they are treated there. Supermarkets work hard to earn this loyalty by offering good quality products, good deals, and excellent customer service. So, when people have consumer loyalty in a supermarket, it means people trust and like that store, and people keep going back to shop there. Supermarket conducts loyalty program to retain their consumers and make them to stay loyal towards supermarket, these programs includes offers, discounts, membership card to consumers etc. The consumers more often stay loyal towards supermarket because of quality and quantity of the products.

LITERATURE REVIEW

1. Dulepalakshman (2021) examines that the role of personalized consumer experiences in enhancing consumer retention across different industries. The study utilizes a mixture of qualitative and quantitative methods to know about the effects of personalized interactions, tailored recommendations, and customized offerings on consumer loyalty and retention.

2. Inna Zahara (2019) explores the association between emotional brand attachment and consumer retention. Through a series of surveys and in-depth interviews, the research investigates how emotional connections with brands influence consumer loyalty and retention, issuing visions for rising in effective consumer retention strategies.
3. Suja Sundram (2021) examines the effectiveness of Consumer Relationship Management (CRM) systems in improving consumer retention in the e-commerce sector. Using data analysis and case studies, the study investigates how CRM systems facilitate personalized communication, consumer segmentation, and targeted marketing efforts, ultimately impacting consumer retention rates.
4. Vidya R (2018) explores the influence of product assortment and variety on consumer retention in Supermarkets. Through an analysis of consumer preferences and shopping behavior, the research reveals that a diverse and well-curated product selection positively influences consumer retention. The findings emphasize the significance of offering a range of choices to cater to different consumer needs.
5. Bharath S (2019) examines the influence of social media engagement on consumer retention in Supermarkets. By analyzing social media activities and consumer behavior, the survey exposes the active engagement with consumers on social platforms positively impacts consumer loyalty and retention. The findings underline the impact of joining social media tactics into Supermarkets marketing efforts.

OBJECTIVES OF THE STUDY

- To study on consumer loyalty towards Supermarket
- To review about the retention of consumer towards Supermarket.
- To discover the reasons for consumer loyalty.
- To study about the strategies used by Supermarket.

STATEMENT OF THE PROBLEM

A consumer tastes, preferences are dynamic in nature, and the Supermarkets must continuously improve their consumer services and also introduce innovative tactics to maintain the loyal consumer. To stay alive in the market the Supermarkets must strive hard to maintain the reliability and quality to gain more trust from the consumers and also retain the consumers. The retail sector maybe divide into different types of stores but they all offer similar type of facilities to the consumers. Many Supermarkets offers similar kind of services, so to increase competition in retail sector what are the strategies used or adopt to stay alive in competitive market.

RESEARCH METHODOLOGY

Descriptive research is a type of research design is used to measure consumer experience, which leads to consumer satisfaction. A systematic questionnaire with close-end questions & 5-point Likert scaler was developed to examine consumer behavior and loyalty.

SOURCES OF DATA COLLECTION

Primary data

The primary data are collected with specific set of objective to assess buying behavior of consumer. The first-hand data were collected from people of Bangalore by forwarding structured questionnaire through google forms.

Secondary data

Secondary data is easily accessible information from various sources including websites, journals, articles, magazines etc.

SAMPLING METHOD

Random sample have been used because the selection of units from the population has been done randomly by visiting supermarkets and convenience sampling was done based on availability and accessibility by forwarding questionnaire through google forms at our convenient level.

Sampling units- Survey have been concluded for both male and female candidates who prefer Supermarket.

SAMPLE SIZE

200 respondents are chosen as sample size for the study. Due time constraint, survey will be done only for 200 sample size.

HYPOTHESIS OF THE STUDY

H₀: There is no significant association between age and No of purchases

H₁: There is significant association between age and No of purchases

STATISTICAL DESIGN

The collected data is tabulated and analyzed using statistical procedures, such as percentage analysis. To determine the association between two variables, SPSS software is utilized. The data is displayed using percentage and bar chart analysis, which aids in judging the level of consumer behavior by accurately showing factors

Table No 1

Table showing education qualification of the respondents.

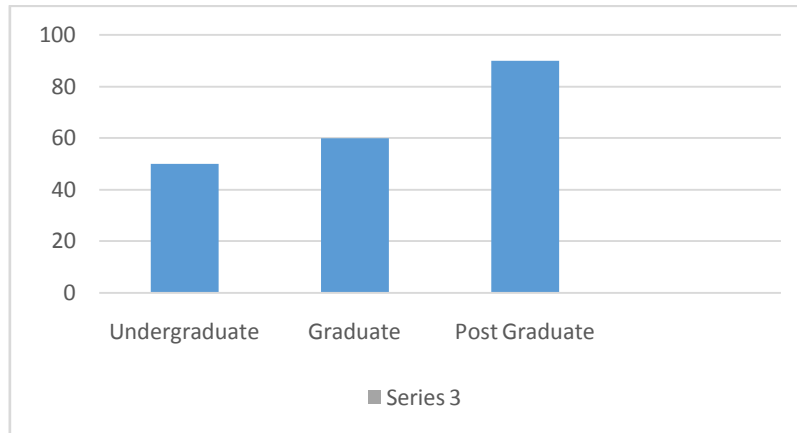
Qualification	No of Respondents	% of Respondents
Undergraduate	50	25%
Graduate	60	30%
Post Graduate	90	45%
TOTAL	200	100

Analysis

It is evaluated that out of 200 respondents, 25% of the respondents are undergraduate, 30% of respondents are graduate and 45% of the respondents are post graduates.

Graph No 1

Graph showing education qualification of the respondents.



Inference

From above graph, it is interpreted that more no of respondents are graduates and post graduates which it to be able to conclude that respondents are well aware of the better Supermarkets available for them to purchase.

Table No 2

Table showing the income of the respondents

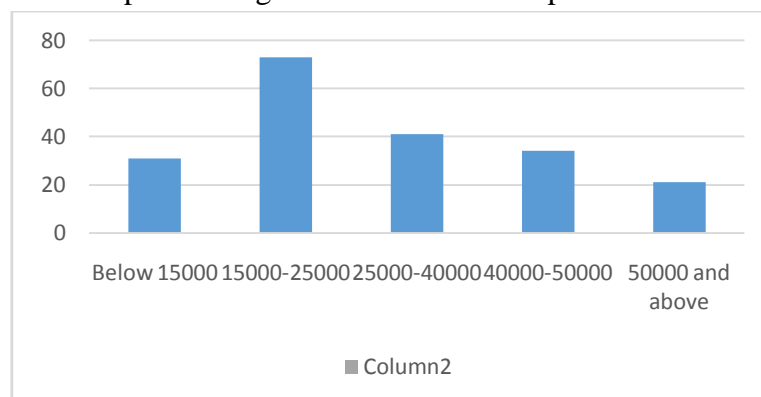
Income	No of Respondents	% of Respondents
Below 15000	31	15.5%
15000-25000	73	36.5%
25000-40000	41	20.5%
40000-50000	34	17%
50000 and above	21	10.5%
TOTAL	200	100

Analysis

It is evaluated that 15.5% of respondents income are below 15000, 36.5% of respondents income are between 15000-20000, 20.5% of respondents income are between 25000-40000, 17% of respondents income are between 40000-50000, 10.5% of respondents income are 50000 and above.

Graph No 2

Graph showing the income of the respondents



Inference

From the above graph, it is interpreted that the respondents who fall under the income category of 15k-25k contribute more towards Supermarkets compared to other respondents. They tend to satisfy with their basic needs.

Table No 3

Table showing the purchase made by respondents during visits to Supermarkets

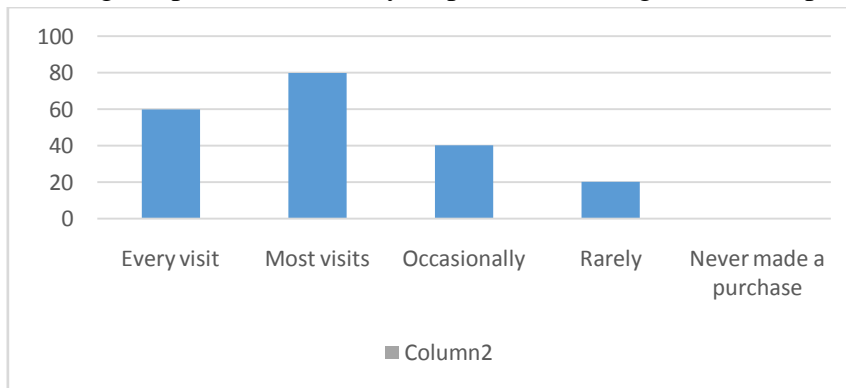
Purchase during visits	No of Respondents	% of Respondents
Every visit	60	30%
Most visits	80	40%
Occasionally	40	20%
Rarely	20	10%
Never made a purchase	0	0
TOTAL	200	100

Analysis

It is analyzed that 30% of respondents make purchase on every visits, 40% of respondents make purchase on most visits, 20% of respondents make purchase occasionally, 10% of respondents make purchase rarely, none have returned without purchase.

Graph No 3

Graph showing the purchase made by respondents during visits to Supermarkets



Inference

From the above graph, it can be construed that the respondents like to purchase in Supermarkets in most visits, the maximum respondents tends to visit the Supermarkets once in a month, so the purchase may depend on the number of visits by the respondents.

HYPOTHESIS TESTING (CORRELATION)

HO: There is no significant association between age and No of purchases

H1: There is significant association between age and No of purchases

Correlations				
			Age	How frequently do you make a purchase during your visits?
Spearman's rho	Age	Correlation Coefficient	1.000	-.008
		Sig. (2-tailed)	.	.907
		N	200	200
	How frequently do you make a purchase during your visits?	Correlation Coefficient	-.008	1.000
		Sig. (2-tailed)	.907	.
		N	200	200

Interpretation

P value = 0.907

- Spearman correlation coefficient from the table is seen that -0.08 which denotes it is negatively correlated.
- As level of significance is less than P value, null hypothesis H0 is accepted and H1 is rejected
- Therefore, age is not associated with No of purchase
- Hence there is no'' significant association between age and No of purchases.

CHI-SQUARE

H0: There is no significant association between shopping experience and inconvenience while shopping

H1: There is significant association between shopping experience and inconvenience while shopping

Crosstabs

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
How would you rate the overall shopping experience at the Supermarkets? * Have you encountered any issues while shopping at supermarkets?	200	100.0%	0	0.0%	200	100.0%

How would you rate the overall shopping experience at the Supermarkets? * Have you encountered any issues while shopping at supermarkets? Crosstabulation				
Count				
		Have you encountered any issues while shopping at supermarkets?		Total
		Yes	No	
How would you rate the overall shopping experience at the Supermarkets?	Very poor	5	5	10
	Poor	4	6	10
	Average	17	33	50
	Very good	18	62	80
	Excellent	11	39	50
Total		55	145	200

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.144 ^a	4	.189
Likelihood Ratio	5.844	4	.211
Linear-by-Linear Association	5.336	1	.021
N of Valid Cases	200		

a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 2.75.

Interpretation

Asymp (P Value) =0.189

Level of significance =0.05 (5%)

(P value 0.189>LOS0.05%)

- As the level of significance is less than P value, null hypothesis H0 is accepted and H1 is rejected.
- Therefore, shopping experience is not associated with inconvenience while shopping
- Hence, there is no significant association between shopping experience and inconvenience while shopping

FINDINGS

1. The more No of respondents (68.5%) are Male and remaining (31.5%) are female.
2. It is understood that out of 200 respondents, 9% of people are age between 18-25 years, 18% of people are between 25-30 years, 61.5% of people are between 30-40 years, 6.5% of people are between 40-50 years, 5% of people are above 50 years

3. It is evident that out of 200 respondents, majority 20% respondents are housewife, 30.5% are employed, 6.5% are students, 35% are from profession.
4. It is understood that out of 200 respondents, 25% of the respondents are undergraduate, 30% of respondents are graduate and 45% of the respondents are post graduates.
5. It is evident that out of 200 respondents, 76% the more No of people are marred and 24% respondents are unmarried.
6. It is understood 15.5% of respondents income are below 15000, 36.5% of respondents income are between 15000-20000, 20.5% of respondents income are between 25000-40000, 17% of respondents income are between 40000-50000, 10.5% of respondents income are 50000 and above.
7. It is evident that 15% of respondents visits the Supermarkets daily, 30% of respondents visits the Supermarkets weekly, 45% of the people visits the Supermarkets monthly, 10% of the people visits the Supermarkets rarely.
8. It is evident that the 25% of the people rate the shopping experience as excellent, 40% of the people rate the shopping experience as good, 25% of the people rate the shopping experience as average, 5% of the people rate the shopping experience as poor, 5% of the people rate the shopping experience as very poor.
9. It is evident that the 30% of the people recommend to their friends and family multiple times, 40% of the people recommend to their friends and family once, 20% of the people did not recommend to their friends and family yet, 10% of the people will not recommend to their friends and family.
10. It is evident that the 30% of respondents make purchase on every visits, 40% of respondents make purchase on most visits, 20% of respondents make purchase occasionally, 10% of respondents make purchase rarely, none have returned without purchase.
11. It is understood the 27.5% of the people feels it is very important to give personalized offers based on shopping history, 30% of the people feels that it is significant to give personalized offers, 15% of the people are neutral, 7.5% respondents think personalized offers are not important and 7.5% respondents think personalized offers are not at all important.
12. It is evident that the 27.5% of the people finds that the loyalty program adds great value, 35% of the people finds that the loyalty program good for some extent, 22.5% of the people finds that the loyalty program doesn't provide enough benefits, 15% of the people did not enrolled in any loyalty program.
13. It is evident that the 27.5% of the people are very likely to use loyalty program in future, 35% of the people are likely to use loyalty program in future, 22.5% people are neutral, 15% of the people are unlikely to use loyalty program in future and no peoples are very unlikely to use loyalty programs in future.
14. It is understood the 27.5% of the people are very satisfied with the service provided by the Supermarkets, 35% of the respondents are satisfied, 17.5% of people are neutral, and 15% of the people are dissatisfied, 5% of the people are very dissatisfied.
15. It is understood that the 32.5% of the people choose E-mail for updates and promotions, 7.5% of the people choose SMS for updates and promotions, 40% of the people choose social media for updates and promotions, 5% of the people choose In-store signage for updates and promotions, 15% of the people choose mobile app notification for updates and promotions.
16. It is understood the 27.5% of the people are very likely to visit Supermarkets if they offer exclusive events or workshops, 35% of the people are likely to visit Supermarkets, 22.5% of the people are

neutral, 15% of the people are unlikely to visit Supermarkets, none of the peoples are very unlikely to visit Supermarkets.

17. It is evident that the 40% of the people think it is very important to have free return and exchange process, 30% of the people think it is important, 12.5% of the people are neutral, 17.5% of the people think it is not important, none of the people think it is not at all important.
18. It is understood the 27.5% of the peoples are very satisfied with the payment options available in the Supermarkets, 35% of the people are satisfied, 17.5% of people are neutral, and 15% of the people are dissatisfied, 5% of the people are very dissatisfied.

CONCLUSION

From the above study on consumer loyalty in supermarkets within Bengaluru city has delivered valued perceptions into the aspects that encourage the consumer loyalty in this urban retail landscape. Through an extensive survey and analysis, several key findings have emerged. The quality and variety of products offered by supermarkets play a significant role in influencing consumer loyalty. Consumers are more likely to remain loyal to supermarkets that consistently provide high-quality products and a diverse range of choices. Exceptional consumer service, including knowledgeable staff, efficient problem-solving, and personalized interactions, fosters a sense of loyalty among consumers. Supermarkets that prioritize consumer satisfaction tend to retain loyal patrons. The convenience and accessibility of supermarkets heavily impact consumer loyalty. Supermarkets that are conveniently located, offer ample parking, and have user-friendly layouts tend to attract and retain loyal consumers. While pricing remains an essential factor, the study revealed that consumers value a balance between price and the value they receive. Strategic promotions, discounts, and loyalty programs contribute to retaining loyal consumers. Established brand reputation and positive word-of-mouth recommendations contribute significantly to consumer loyalty. Consumers tend to frequent supermarkets with a strong reputation for quality and reliability. The study found that supermarkets embracing digitalized platforms for shopping online, personalized offers, and seamless experiences tend to attract tech-savvy consumers and build their loyalty. In a competitive market like Bengaluru, supermarkets that can distinguish themselves over unique offerings, specialized services, or a distinct shopping experience tend to secure and maintain a loyal consumer base. Local cultural preferences and social interactions also have a role in consumer loyalty. Supermarkets that cater to specific cultural needs and create a community can foster lasting loyalty. In conclusion, the study underscores the complex interplay of numerous aspects that influence consumer loyalty in Bengaluru's supermarket landscape. To succeed in building and retaining a loyal consumer base, supermarkets must focus on delivering high-quality products, exceptional consumer service, convenience, and a strong digital presence. By understanding and addressing these factors, supermarkets can effectively navigate the dynamic consumer preferences and foster lasting loyalty in the competitive retail market of Bengaluru city.

SUGGESTION

The supermarkets depends more upon the loyal consumers, the supermarkets should provide wide range of products to satisfy the consumers and make them to stay loyal towards supermarkets. Supermarkets should provide shipping facilities to other places so that it helps the consumers to send the products from one place to another place, the supermarkets should also provide online shopping options and home delivery options which helps the consumer to avoid travelling in the traffic and saves consumer's time of

travelling to the supermarkets. Supermarkets should take proper feedbacks which can help them to make improvement in near future, the feedback can be taken both online and offline. The supermarkets should provide offers to the consumers which helps them to stay loyal to the supermarkets, the supermarkets must conduct the loyalty program and must include the loyal consumer in the loyalty program. As most of the respondents tends to stay loyal towards supermarkets, they must provide personalized offers to the loyal consumers based on their tastes preferences which makes them to stay loyal and also helps the supermarkets to understand the consumers. The supermarkets must use digital platforms to market their brand and have wide reach and attract more consumers, the supermarkets should provide membership to loyal consumer which they can get custom-made deals and redeemable points which provides discount on certain products.

REFERENCES

1. An application of retailing service quality practices influencing customer loyalty toward retailers/ publication date: 8 September 2018/ Vidya R/Volume 60/International journal of Quality and Service science
2. An Overview of Customer Loyalty, Perceived Service Quality and Customer Satisfaction/publication date: 15 September 2014/ Dr. Naif Mutlaq Al Otaibi/Volume1/Journal of Entrepreneurship and Business Innovation
3. Brand trust in the context of consumer loyalty/1 December 2021/Suja Sundram/Volume 2/Journal of product and brand management.
4. Customer- based brand equity, equity drivers, and customer loyalty in the supermarket industry/publication date: 31 May 2005/ Charles Hofacker/Volume 36/ International journal of retail and distribution management
5. Measuring Retail Service Quality: Examining Applicability of International Research Perspectives in India/publication date: January 2007/Subhashini Kaul/Volume 32, Issue 1/Journal of retailing and consumer service
6. The effect of supermarket service quality dimensions and customer satisfaction on customer loyalty and disloyalty dimensions/ publication date : 4 August 2015/ Laurence Dessart/Volume 26/ International journal of Quality and service science
7. The paths from service quality dimensions to customer loyalty: An application on supermarket customers/publication date: 22 March 2015/Sima Magatef/Volume 43/Journal of retailing and consumer service.
8. The Relationship between Loyalty Program, Customer Satisfaction and Customer Loyalty in Retail Industry/publication date: 15 May 2015/ Chandra Kumar S/ Volume 129/Academy of Marketing Studies Journal
9. The relationship between service quality and customer loyalty in specialty supermarkets/publication date: October 30, 2014/S Subramanyam/Volume 15/Journal of retailing
10. Whence Consumer Loyalty?/ First published October 2021/Duleepalakshman/ Volume 63, Issue 4 supply 1/Journal of Retailing and Consumer Services