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Review of Consumer Loyalty through Traditional Grocery Business Marketing Methods

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Abstract

This review explores the effectiveness of traditional marketing methods employed by grocery businesses in fostering consumer loyalty. Traditional methods include print advertising, instore promotions, loyalty programs, and personalized customer service. The study analyzes recent research and case studies to assess how these strategies influence consumer behavior and enhance brand loyalty. Key findings highlight the importance of personalized customer experiences, effective communication strategies, and the role of loyalty programs in retaining customers. The review discusses challenges faced by traditional grocery businesses in the digital age and proposes strategies to adapt marketing efforts to evolving consumer preferences. This review provides insights into optimizing traditional marketing approaches to strengthen consumer loyalty in the competitive grocery market.

Introduction

In the dynamic landscape of retail, particularly in the grocery sector, maintaining and enhancing consumer loyalty is a pivotal challenge for businesses aiming to sustain long-term success. Traditional marketing methods play a crucial role in this endeavor, encompassing a range of strategies designed to engage customers and foster repeat business. This introduction sets out to explore the significance of these traditional marketing methods in shaping consumer loyalty within the grocery business context. Traditional marketing methods in grocery businesses typically include a combination of print advertisements in local newspapers and magazines, promotional displays within stores, loyalty programs offering rewards or discounts, and personalized customer service initiatives. These methods have long been foundational in creating and maintaining brand awareness, influencing purchasing decisions, and nurturing a loyal customer base.



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The grocery industry is unique in its reliance on regular, recurring consumer interactions, making consumer loyalty a cornerstone of profitability and sustainability. As such, understanding the effectiveness of traditional marketing strategies becomes essential for businesses seeking to differentiate themselves in a competitive marketplace. Recent research underscores the enduring influence of traditional marketing approaches despite the rise of digital marketing channels. Studies indicate that while digital platforms provide new avenues for engagement, traditional methods continue to resonate with consumers due to their tangible and personal nature. Print advertisements, for instance, can still reach local communities effectively and establish a sense of trust and familiarity.

Loyalty programs remain a cornerstone of consumer retention strategies, offering incentives that encourage repeat purchases and deeper engagement with the brand. These programs not only reward loyalty but also provide valuable data insights into consumer behavior, which businesses can leverage to tailor their marketing efforts more effectively. The evolving landscape of consumer preferences and technological advancements present challenges for traditional grocery marketing. As consumers increasingly turn to online shopping and digital platforms, grocery businesses must innovate to integrate these channels while preserving the personal touch and community connection offered by traditional methods.

Need of the Study

The study on consumer loyalty through traditional marketing methods in the grocery sector is essential due to the industry's competitive nature and the pivotal role of loyal customers in ensuring sustained profitability. Traditional strategies like print advertising, in-store promotions, and loyalty programs have historically shaped consumer behavior and brand affinity in grocery shopping. Amidst digital advancements, understanding the continued effectiveness of these methods is crucial for businesses seeking to maintain personal connections with customers and foster community engagement. Moreover, insights into how these strategies influence consumer decision-making can offer grocery businesses strategic advantages in navigating economic uncertainties and evolving consumer preferences post-pandemic. This study aims to fill a significant research gap by providing actionable insights that can help optimize traditional marketing approaches and enhance customer retention strategies in the competitive grocery market.



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Literature Review

Bauerova, R. (2019). A strong focus is made on merchants taking a proactive approach to raising awareness of Corporate Social Responsibility (CSR) programs. In light of the survey, merchants who want to engage with socially conscious customers and improve their brand image should prioritize embracing corporate social responsibility (CSR). Retailers can reap long-term benefits that surpass short-term earnings by creating comprehensive CSR programs, according to the theory. It is crucial to examine the specific benefits and ramifications of adopting CSR in the retail industry in order to fully understand this viewpoint. In order to match their beliefs with those of socially conscious customers, merchants should be proactive in their approach to CSR, according to the survey. Shops that embrace corporate social responsibility (CSR) demonstrate their dedication to the welfare of society and the environment in a time when ethical and sustainable practices are becoming more and more important to consumers. Positive brand loyalty and the attraction of customers who actively seek out companies with a sense of social responsibility can result from this alignment with a rising group of conscientious consumers.

Al Otaibi, N. M., & Yasmeen, K. (2014). An evaluation of the effects of four different advertising methods on students' purchasing decisions in the setting of a campus convenience store was done as part of a thorough investigation. The study produced important results that shed light on the variables influencing consumer decisions and the efficacy of advertising strategies. One important finding showed a favorable correlation between consumers' purchase intentions and the perceived reliability and attractiveness of sports personalities. It can be inferred that the visual allure and perceived reliability of sports celebrities as product endorsers can have a substantial impact on consumers' purchasing intentions. In this situation, celebrity endorsements work as persuasive instruments by highlighting the positive qualities of sports stars to increase the appeal of products in the campus convenience shop. An intriguing discovery was also made on the efficacy of low-cost tactics in comparison to pricey celebrity endorsements. The research revealed that low-cost tactics can be just as successful in luring customers as high-profile celebrity endorsements, defying the notion that such endorsements are always more significant. This emphasizes how crucial it is to make strategic marketing decisions that put cost effectiveness first while yet having the desired effect on consumers' purchase decisions. The importance of comprehending the interests and preferences of the student population is demonstrated by the focus on cost-effective measures. Sensible and



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affordable strategies that appeal to students can provide positive outcomes, following the general marketing trend that emphasizes the importance of value, reliability, and authenticity in shaping consumer choices.

Filipe, S., Marques al. (2017): Conducted a study that clarifies the essential qualities present in small retailers, emphasizing a localization approach that adjusts strategies to the particular dynamics of regional marketplaces. This strategy's key components have been determined to be word-of-mouth marketing, location appeal, consumer involvement, and the development of impersonal relationships. One of the most effective marketing strategies for small businesses in the neighborhood is word-of-mouth advertising. Positive referrals from happy customers can have a big impact on a retailer's reputation in tight-knit communities where interpersonal relationships are vital. Word-of-mouth spreads credibility, trust, and a sense of community support, so weaving itself into the social fabric of local communities. The importance of establishing a welcoming environment for clients is highlighted by place attractiveness. By employing visually appealing storefronts and well-kept interiors to improve the overall shopping experience, small merchants may take advantage of the attractiveness of their physical sites. Positive opinions of the business are bolstered by the attractive physical space, which serves as a differentiator in local marketplaces. A crucial component of retail entails actively involving customers in the experience, which is known as customer engagement. Small stores have a special chance to interact personally with clients because of their small and closeness to the neighborhood. This kind of involvement could be through attending neighborhood gatherings, asking for client input, or offering individualized attention when a consumer is shopping. Customers' loyalty is increased and the retailer's relationship with its local customer base is strengthened when a feeling of community is created and they are included in the shopping process.

Rafiq, M., Fulford, H., & Lu, X. (2013). The author study examined the nuances of providing excellent service at specialized shops, paying special attention to two important aspects: problem-solving and personalized attention. The study revealed significant disparities in gap scores, indicating a discernible discrepancy between customer expectations and their perceived level of service in these domains. The cornerstone of speciality stores is personal attention, which includes things like attentive service, solutions that are personalized for each customer, promptness, politeness, excitement, individual attention, and active consumer involvement. Together, these elements support the development of a customized and interesting purchasing



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experience. the aspect of problem-solving entails the sales team's enthusiasm for resolving client concerns, openness to answering questions, and in-depth familiarity with the provided goods or services. Specialty retailers must improve and hone their customer service procedures in light of the documented discrepancy between expectations and perceived service quality in these areas. Prioritizing timely, tailored, and polite encounters will help to strengthen personalized attention. Proactively resolving queries and bolstering product knowledge will also help to enhance problem-solving abilities. By filling these gaps, speciality retailers may better match customer expectations with their service delivery, which will increase customer happiness and loyalty in the cutthroat retail market. The author study ultimately highlights the importance of a nuanced approach to customer service in specialized stores, stressing the necessity for these businesses to precisely adjust their personal attention and problem-solving characteristics in order to satisfy the discriminating expectations of their patrons.

Muro-Rodríguez, A. I et al. (2017): The Importance of physical evidence—more especially, store design—on customer decision-making in the context of retail was the main goal of the study. The goal of the study was to determine how store design, as the cornerstone of overall service quality, affects merchants' profitability. The research focused specifically on a retail company and examined how the store design refit strategy improved consumer behavior. These results need further investigation as they shed light on the role that store design plays in influencing customer perceptions and producing positive results for merchants. Store design is a major component within this paradigm. In a retail setting, the term "physical evidence" refers to the tangible aspects that contribute to the entire customer experience. Consumer perceptions of brands, items, and the whole shopping experience are greatly influenced by store design, which includes the arrangement, aesthetics, and visual components of the retail space. The research findings indicate that the success of retailers is significantly influenced by the quality of their whole service experience. Regarding the retail establishment in question, it was clear that a store design refit plan had favorable effects. A store design refit is the deliberate alteration of the business's physical layout, interior design, or atmosphere to improve both its use and appeal.

Goranda, I. R et al (2017): The elements influencing the retail trade landscape were thoroughly explored and explained without naming the authors or the year the study was conducted. The examination included a wide range of topics, from more modern factors like the importance of the Internet to more conventional components like price, promotion, and



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product. Long-lasting factors that influence consumer attitudes and behaviour were emphasized, such as clever pricing and successful marketing initiatives. Positive shopping experiences are crucial, as evidenced by the fact that product quality and service quality are key factors that determine retail success. It was emphasized how difficult it may be to get and keep customers, and how important it is to comprehend consumer behaviour. Efficient distribution and organizational effectiveness were prioritized, with consideration given to internal organizational structures and distribution methods. It was recognized that the Internet had a revolutionary effect on retail, leading to the rise of e-commerce, online marketing, and merchants' digital presence. The word "others" was included to indicate that a variety of dynamic influences—technological, cultural, and economic—that go beyond clear categories are acknowledged. In summary, the study shed light on the complex interactions between various elements that contribute to successful retailing and offered useful advice for merchants attempting to negotiate the challenges of a constantly changing market.

Martinelli, E., & Balboni, B. (2012). The impact of store image on consumer attitudes was examined in a study that produced insightful results. Of particular importance was the quality of the store assortment in affecting the attitudes of consumers toward private labels. The quality of the store's variety was found to be the primary factor influencing consumer sentiments, providing insight into the complex link between store perception and private label perception. A significant discovery indicated that there can be a mismatch in the positioning of the shop and private label, stressing the need for merchants to be aware of the unique influence that store image can have on private labels. The study underlined how important it is for retailers to understand how store image influences private labels in different ways and how carefully the two should be aligned. One important factor that has evolved is the idea of a "fit" between private labels and shop image. This suggests that customer views are greatly influenced by how these elements align. It was recommended to retailers that in order to maximize customer views and cultivate good attitudes, private brands and shop image should be properly matched. The favorable correlation found between consumer perception and shop private labels was one of the research' most notable features. It can be inferred from this that a positive store image which is defined by features like atmosphere, level of service, and overall brand positioning has a beneficial impact on how customers view and interact with stores that sell private brands.

Zulqarnain, H et al (2015) The study, focus was on the importance of private labels for retailers, exploring their overall performance and potential for expansion. Customers are



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looking for a wider variety of options that include both well-known national brands and private labels, which highlights how consumer preferences are changing. In particular, when facing well-known brands, the study's key message to retailers is that having a pricing advantage alone will not provide them with a long-term sustainable competitive advantage. The study clarified the changing demands of customers, who now look for a high-quality retail experience in addition to a wide range of options. The study highlighted that offering significant value to these transactions is crucial for success, even while private labels give shops a way to offer customers distinctive and varied product selections. Retailers need to concentrate on improving the total value proposition they provide to customers rather than just being cost competitive in order to gain long-term benefits over well-known brands.

Songsom, A., & Trichun, C. (2013). After careful consideration, astute tactics were put out to help merchants efficiently address the constantly shifting wants of their clientele. The first highlighted strategy focused on taking use of location advantage, stressing the need of a wellplanned and positioned physical presence. For a retail institution to be a convenient option for customers, it must be in a location that maximizes accessibility and exposure. Retailers may access local markets, draw foot traffic, and develop a solid rapport with their target demographic with this smart location. A sophisticated approach to vendor relations was the second important tactic. The need of cultivating constructive and cooperative relationships with merchants and suppliers was underscored by Madaan. A dependable and effective supply chain is facilitated by strong vendor relationships, which guarantees retailers a steady and varied inventory. Retailers may increase their product offerings, efficiently manage inventory, and swiftly adapt to shifts in consumer tastes by fostering mutually beneficial relationships with their suppliers. The study also recommended a critical approach of increasing attention to client services. Madaan stressed that businesses must put the whole customer experience first because they understand that providing great customer service is essential to their success. This entails going above and beyond what customers anticipate via tailored interactions, quick problem solving, and a dedication to delivering an enjoyable and unforgettable purchasing experience. Retailers are better equipped to negotiate the shifting demands of consumers when they embrace these strategic pillars: strong vendor relationships, advantageous location, and outstanding customer service.

Arbore, A., & Estes, Z. (2013). In-depth analysis of the complex connections between customer pleasure, perceived service quality, and ensuing retail behaviour. According to the



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research, customers' total pleasure is greatly influenced by the perceived level of services they receive in a retail setting, underscoring the critical role that service standards play in shaping consumer behavior. A significant connection between the calibre of services rendered and customers' overall experiences was established by the study, which suggested a favourable association between elevated customer contentment and high service standards. More than just one transaction, the study revealed that there is a favorable correlation between perceived service quality and customer happiness. Gradually, it cultivates customer loyalty through a cascade effect. Trust and loyalty are developed between the customer and the store when the latter regularly receives high-quality services that either meet or surpass expectations. Thus, the store receives recurrent business and the readiness to carry on with business dealings from this loyal customer base.

Kanakaratne, M. D et al (2018) The research conducted a thorough investigation and stressed the importance of comprehending the complex connection between complementary product sales and the size of a product network. The study emphasized how important this knowledge is for merchants looking to maximize their marketable techniques and methods. One important finding was the importance of complementary product sales, meaning that the performance of some products is closely linked to their relationship with related or complimentary products in a larger product network, the research emphasized the significance of customizing tactics according to customer buy frequency groupings. The study recommended that retailers modify their strategies in light of the fact that consumer behavior differs among various market categories. Sales strategies for complementary products should be fine-tuned to meet the unique needs and purchasing habits of customers across a range of purchase frequency segments.

Lu, Q. S., & Miller, R. (2019). Under the context of supermarket retailing, the investigation focused on the significant influence that shop appearance has on customer happiness and loyalty. One important conclusion illustrated how crucial brand image is in determining how satisfied customers are. Based on the survey, customers' total satisfaction is substantially influenced by their perception of the grocery store brand's image and reputation. This demonstrates how brand perception has a significant impact on the experiences and attitudes of consumers. The research also focused on the concrete components of store image, specifically the visible proof of a tidy and welcoming setting. It was found that customers' decisions are positively influenced by the store's general cleanliness and atmosphere. Positive



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retail experiences encourage customers to interact with the store and its services, and a visually appealing and well-maintained atmosphere is one way to achieve this. This is consistent with the idea that consumers want experiences from retailers that are more comprehensive than just transactional.

Medina and Rufín (2009) The study aimed to assess the impact of three different strategic orientations on retailing organizations' overall performance. The research specifically looked at how market driving—which is defined as taking the initiative to shape market trends interacts with innovation to affect the strategic orientations that retail firms choose to follow and, in turn, how that affects their performance. Notably, the results showed that when innovation is combined with market driving, it becomes a more powerful driver. According to the idea of "market driving," prosperous retail businesses actively shape and lead the trends in the market rather than just reacting to them. Anticipating client preferences and requirements and fostering innovation to satisfy those changing needs are all part of this proactive strategy. The study emphasized how innovation and market drive work together strategically to create a potent force that affects retail organizations' overall performance.

Research Problem

The research problem addressed in this study is the need to understand the effectiveness of traditional grocery business marketing methods in influencing consumer loyalty. Traditional grocery businesses face increasing competition from online retailers and supermarkets, making it essential to evaluate and optimize their marketing strategies to retain their customer base. One key aspect of the research problem is the effectiveness of loyalty programs and discounts in driving consumer loyalty. Traditional grocery businesses often use these tactics to incentivize repeat purchases and build customer loyalty. However, the impact of these programs on long-term consumer loyalty is not well understood, warranting further investigation. Another aspect of the research problem is the influence of in-store promotions and displays on consumer loyalty. These tactics are commonly used by traditional grocery businesses to attract customers' attention and encourage impulse purchases. Understanding how these tactics impact consumer loyalty can help businesses tailor their marketing strategies to better engage with their customers. the research problem includes the effectiveness of traditional marketing methods such as print advertisements, flyers, and in-store signage in influencing consumer loyalty. These methods have been used by traditional grocery businesses



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for decades, but their impact in the digital age is unclear. Studying their effectiveness can provide insights into how traditional grocery businesses can adapt their marketing strategies to remain competitive in today's market, the research problem centres around understanding the effectiveness of traditional grocery business marketing methods in influencing consumer loyalty and providing insights for businesses to optimize their marketing strategies in the face of increasing competition and changing consumer behaviours.

Conclusion

Leveraging traditional marketing methods remains integral to fostering consumer loyalty in the grocery business. By prioritizing personalized customer interactions, such as face-to-face engagements and tailored recommendations based on individual preferences, traditional grocery stores can build trust and lasting relationships with their clientele. Implementing loyalty programs that reward frequent shoppers and offering exclusive deals for regular customers further enhances retention rates. Additionally, maintaining high standards of product quality, ensuring consistency, and delivering exceptional customer service are pillars that strengthen consumer loyalty over time. In a landscape increasingly dominated by digital platforms, the enduring value of traditional marketing lies in its ability to create meaningful connections and a sense of community, vital for sustaining customer loyalty in the competitive grocery sector.

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