

Customer Satisfaction through Omni-channel Retailing: An Analysis of Consumer Grocery Shopping Experiences in Hungary

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Abstract. *In this research, a qualitative approach is utilized, employing a semi-structured questionnaire to gather comprehensive insights from a sample of 12 respondents. The study aims to delve into the grocery shopping behaviors and experiences of Hungarian consumers, focusing on their familiarity with diverse retail channels, levels of satisfaction, preferences concerning product distribution in retail spaces, and expectations from retailer channels. The qualitative data is precisely analyzed to discern prevalent themes and construct a consumer journey-based framework.*

The outcomes of the study shed light on the pivotal factors influencing consumers' selection of grocery stores. Proximity to their residence, familiarity with the retail outlet, and the availability of high-quality products at reasonable prices emerge as key determinants. Furthermore, the research reveals distinct spending patterns correlated with household sizes, elucidating a segmentation of shoppers based on their respective household dimensions. Notably, the study observes a generational divergence in purchasing behavior. Younger demographics display a propensity for online food purchases, despite enduring longer delivery durations. Conversely, older generations exhibit a strong inclination towards traditional offline shopping experiences. In summary, this study presents valuable insights into the intricate dynamics of grocery shopping behaviors among Hungarian consumers. By unraveling the preferences, tendencies, and expectations of shoppers, the findings contribute to a deeper understanding of the retail landscape, potentially informing retailers, and policymakers on strategies to enhance customer satisfaction and tailor offerings to diverse consumer demographics. This research provides a foundation for developing effective retail strategies that align with the distinct shopping inclinations of various consumer segments within the Hungarian market.

Keywords: Customer satisfaction, omni-channel retailing, retailing place distribution policies, grocery shopping habits, consumer journey.

JEL Codes: M30, M31

1. Introduction

The retail industry has undergone a significant transformation in recent years due to technical advancements and online shopping trends. The retail business has been transformed by the introduction of new channels, such as internet shopping and delivery services. There are currently numerous purchase choices available to customers, including groceries. In this highly competitive market, retailers adopt a variety of methods to attract and retain customers. To build effective strategies, retailers must know client preferences regarding retail distribution practices (Hübner et al., 2016). The location of retail stores, the availability of online delivery services, and the convenience of pick-up locations might impact customer selections. To

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remain competitive and effectively meet consumer expectations, retailers must know the factors driving client preferences.

This study seeks to investigate the normal grocery shopping behaviors and experiences of Hungarian consumers and ascertain their preferences regarding retail distribution policies. In recent years, the Hungarian retail industry has witnessed a great boom because of new retail formats and increased internet shopping (Sikos & Kovács, 2022). Yet, there is a paucity of studies on customer preferences about retail distribution restrictions in Hungary. This study will contribute to the existing literature by throwing light on the grocery shopping habits of Hungarian consumers. The outcomes of this study will aid merchants in Hungary in devising strategies to attract and retain customers in an intensely competitive market.

The investigation will be led by four research questions (RQ1-RQ4). RQ1 seeks to evaluate customers' familiarity with various retail channels, whereas RQ2 investigates how customer satisfaction levels vary based on observed problems. RQ3 examines customer preferences about retail distribution policies, and RQ4 examines how customers anticipate retailers to address their satisfaction. These questions will provide retailers with significant insights into the grocery shopping patterns of Hungarian consumers, allowing them to identify areas for development and develop strategies to attract and keep customers in a highly competitive market.

2. Research Elaboration

As technology advances, it is becoming increasingly integrated into our daily lives. There will be a convergence of our online and offline activities in the future. Adapting to shifting consumer patterns is a challenge for marketers, sales professionals, and customer support employees (Fontanella, 2022). Instead of focusing on desktop, smartphone, tablet, and Apple Watch experiences, we should adopt an omni-channel approach that customers can access at any time. In e-commerce and retail business, "omni-channel" refers to a method of providing a unified shopping experience across all channels, including in-store, mobile, and online (Oracle, n.d.). It involves providing the same inventory, price, and promotions across all channels, or providing a tailored experience based on how people interact with your company (Fontanella, 2022). A uniform experience should be provided across all platforms if you have a website, an app, and a physical store. In addition, consumers should be able to easily switch between channels. It is possible for consumers to begin their search online and then pick up the item in person. Store associates can recommend items to add to your online shopping cart to increase the average order value. It is also important to note that firms that use an omni-channel approach often do so primarily for the purpose of improving the consumer experience. One survey indicates that omni-channel clients are the most loyal and profitable to organizations (Oracle, n.d.). Today's consumers are more connected than ever before, and they expect businesses to meet them wherever they may be. To foster loyalty and increase the likelihood of repeat business, it is important for the company to provide a consistent and seamless experience across all channels.

A business must first understand the desires and habits of its customers to comprehend how omni-channel works. Furthermore, they must be able to manage multiple channels and track data across them. To implement an omni-channel strategy successfully, companies must possess the necessary resources (Roberts, 2022). Coordinating activities across channels and keeping everyone informed is part of this process. Finally, businesses should be prepared to adapt their omni-channel approach on a frequent basis. To remain competitive, companies must be able to adapt to changing consumer tastes and behaviours. It requires experimenting with innovative ideas, accepting new concepts, and adjusting as necessary (Roberts, 2022). There are several businesses that are re-evaluating the performance metrics related to omni-channel retailing. Several benefits can be derived from the omni-channel concept, including:

Companies can reach a wider audience through it. When a company utilizes an omni-channel strategy for retail, marketing, or customer service, it can reach clients wherever they are. Consequently, they no longer must search everywhere for one (Fontanella, 2022). A simple click, email, direct message, or telephone call can be used to contact the team or items at any time.

Furthermore, it leads to a prominent level of customer satisfaction. Providing consumers with several options for contacting your customer service and sales team may result in long-term customer satisfaction; conversely, individuals may obtain items quickly regardless of their device or platform of choice (Fontanella,

2022). It is important to ensure client satisfaction to reduce customer churn and to keep clients returning to your business. It is evident that providing an omni-channel experience to customers is fundamental to the success of a business.

A business item that is offered in multiple platforms and channels increases the likelihood that business prospects will purchase the item at the appropriate time (Fontanella, 2022). Clients will be more likely to return to you or renew their memberships if you provide them with a variety of purchasing options.

The use of omni-channel is also important for marketing purposes. Through omni-channel marketing, marketing teams can give a more powerful brand message by integrating the capabilities of each communication channel (Fontanella, 2022). It is also possible to reach out to potential clients immediately, thus increasing the likelihood of converting them into leads. An omni-channel marketing strategy uses the viewpoint and interests of your customers to make your marketing message more effective. As an example, you may target only those with shared interests on Facebook and Instagram and produce materials that are tailored to each individual audience.

Despite this, organizations should understand that omni-channel marketing requires time to implement. For businesses to achieve success in omni-channel marketing, they need to develop an effective omni-channel marketing strategy (Roberts, 2022). Across all platforms, channels, and devices, omni-channel marketing strategies use the exact words, images, and positioning statements. By doing this, you can provide your clients with a consistent brand experience across a variety of platforms (Fontanella, 2022). You can assure consumers that they will receive a comparable purchasing and customer service experience if you are available on all channels and platforms that they use.

Considering the above, Palazón et al. (2022) indicate that consumer journey paradigm has been widely embraced in marketing research as a means of analysing customer experience. A client journey paradigm is based on four phases: pre-shopping, shopping, post-shopping, and loyalty. As the customer progresses through each stage, he or she experiences a distinct set of actions and emotions. This framework is designed to assist researchers and marketers in identifying the touchpoints that impact the consumer experience and developing strategies to improve customer satisfaction. Pre-shopping involves assessing customers' needs and collecting information about available items and merchants. Among their options, they may conduct research online, compare prices and deals, and speak with family and friends. As part of this study, we are seeking to identify the pre-shopping channels and sources that customers prefer to use and the factors that influence their purchasing decisions. In this study, we will investigate the factors that influence product selection, including price, quality, availability, and brand. It also seeks to uncover the elements that affect the shopping experience, including store layout, cleanliness, employee friendliness, and checkout speed.

A customer's post-purchase experience includes analysing their purchase and providing feedback to others. A customer may submit a comment to a retailer or publish a review online. In this study, we will investigate factors that influence consumer satisfaction and loyalty post-purchase, such as product quality, customer service, and brand reputation. Customers decide whether they will return to the company for future purchases during the loyalty phase. A goal of the study is to identify the factors that influence consumer loyalty, including product quality, price, convenience, and promotional offers. Furthermore, it focuses on ways that businesses can increase client loyalty, including targeted offers, rewards programs, and exceptional customer service. By employing the consumer journey framework, this study provides an insight into customers' daily grocery shopping patterns and experiences in Hungary. Based on the framework, the investigation can identify the critical touchpoints influencing the consumer experience so that retail strategies can be developed to increase customer satisfaction and loyalty.

2.1. Literature Overview

Consumers prefer to shop at stores that are conveniently located and offer priced, high-quality goods, according to research on consumers' grocery shopping habits and experiences. Customers typically plan their grocery shopping, and the older generation prefers offline shopping, whereas the younger generation has demonstrated an interest in online shopping (Gupta & Mukherjee, 2022). Additionally, research indicates that combining shopping spaces may be a viable method for retailers to attract customers (Zhang et al., 2021).

Kim's (2021) study investigates the factors that influence consumer purchasing behavior in the context of online grocery shopping. The study indicates that consumers' attitudes and preferences, such as convenience, product variety, and price, affect their decision to buy groceries online. In addition, the study emphasizes the significance of trust and perceived risk in online grocery shopping, as consumers must have confidence that the products they purchase online will be of high quality and delivered on time.

The study by Hiremath et al. (2022) investigates the effect of store layout on consumer purchasing behavior. A grocery store's design significantly impacts consumers' purchasing decisions, as it influences their perceptions of product availability, product quality, and price. In addition, the study indicates that store layout can impact customer satisfaction, loyalty, and willingness to recommend the store to others. The literature review conducted by Abdolmohamad Sagha et al. (2022) on the effects of sensory marketing on consumer behavior. The study's findings indicate that sensory marketing, such as the use of scents, music, and lighting in grocery stores, can influence consumers' emotions and perceptions, influencing their purchasing decisions. In addition, the study indicates that sensory marketing can improve customer experiences, boost store loyalty, and boost sales performance. The study by Joghee et al. (2021) investigates the effect of green marketing on consumer behavior. The study demonstrates that consumers' environmental attitudes and values significantly influence their purchase of green products in grocery stores. In addition, the study suggests that green marketing strategies, such as eco-friendly packaging and labelling, can improve customers' perceptions of the quality and value of a product, thereby boosting sales performance.

The influence of social and cultural factors on grocery shopping behavior is an additional crucial factor. Guo et al. (2022) investigated the effect of culture on grocery shopping-related consumer decisions. The study found that culture can affect consumers' attitudes toward food products and preferences for various store types. For example, consumers from collectivist cultures prefer traditional grocery stores, whereas consumers from individualist cultures prefer supermarkets. In addition, consumers' social networks also influence their grocery shopping behavior. Kabir and Islam (2021) investigated the influence of social influence on consumers' intentions to buy organic food products. The study discovered that social impacts, such as recommendations from friends and family, can significantly affect consumers' attitudes toward organic food products and their willingness to pay a premium.

Psychological variables have a significant impact on supermarket buying behavior in addition to social factors. Hermes and Riedl (2021) investigated the effect of emotions on consumers' grocery shopping-related decision-making. The study found that positive emotions, such as happiness and excitement, can increase consumers' purchase propensity and perception of the products' worth. Negative emotions, such as anxiety and sadness, can reduce consumers' willingness to buy products and their perception of their value. In addition, consumers' cognitive processes can also influence their grocery shopping decisions. Miftari et al. (2022) investigated the influence of cognitive biases on consumers' attitudes toward food products. According to the study's findings, cognitive biases, such as the availability heuristic and confirmation bias, can influence consumers' perceptions of product quality and taste, as well as their willingness to pay for products.

The research conducted by Breeden et al. (2019) explored the emotional antecedents and outcomes of grocery shopping among older consumers. Positive emotions experienced during shopping result in higher satisfaction and store loyalty, whilst negative emotions result in dissatisfaction and a decreased likelihood of returning. According to the survey, elderly consumers also cherish the social side of grocery shopping, which fosters a sense of community and belonging. Food shopping was the subject of Chenarides et al. (2020) investigation of consumer behavior throughout the COVID-19 epidemic. According to the survey, customers purchased more shelf-stable items, frozen foods, and cleaning supplies during the pandemic. Consumers preferred online shopping and home delivery to avoid delicate contact and reduce the risk of infection.

The research conducted by Grunert et al. (2014) indicated that most respondents preferred online grocery purchases using mobile apps, citing convenience and timesaving as the top reasons. Moreover, the survey indicated that offline shoppers judged offline buying more credible and trustworthy than online purchasing.

According to Negara (2023) a store's ambience and layout can affect customers' purchasing behavior and experience. A well-designed retail design can increase client happiness and boost sales. In contrast, a well-designed store layout can lead to customer clarity and displeasure, potentially decreasing sales. Whereas,

according to Zhao et al., (2021) price perception is another significant aspect that determines the grocery buying behavior of consumers. Consequently, buyers perceive pricing differently depending on factors such as the store's reputation, the quality of the goods, and their individual experiences. In addition, shoppers utilize a variety of tactics to evaluate prices, including store-to-store comparisons, unit pricing, and the pursuit of discounts and sales (Zhao et al., 2021). Research also indicates that social and cultural factors influence the shopping behavior of clients. Customers from collectivistic cultures, for instance, tend to prioritize social bonds and community harmony, which can impact their shopping habits (Faraoni et al., 2021). On the other hand, individualistic societies tend to prioritize personal objectives and independence, which can result in distinct shopping practices. Therefore, client retention and loyalty are crucial considerations in grocery retail. According to research, people tend to remain loyal to retailers who provide high-quality goods at competitive pricing and customized attention (Gerpott & Berends, 2022). Nevertheless, successful customer relationship management methods can impact customer loyalty and retention by fostering long-term relationships with customers. Additionally, research indicates that introducing technology in grocery retailing can dramatically influence customers' purchasing behaviors and experiences. For instance, self-checkout systems and smartphone applications can improve customers' shopping experiences by reducing wait times and enhancing convenience (Duarte et al., 2022). Yet, introducing technology in grocery commerce can also result in difficulties, such as technical failures and privacy concerns. In addition, research indicates that the availability of fresh produce and healthy food selections is a crucial element that influences the grocery shopping behavior of consumers (Duarte et al., 2022).

A grocery store that provides individualized experiences and rewards is more likely to retain consumers (Ameen et al., 2021). According to Ameen et al. (2021), grocery stores can increase consumer happiness and loyalty by adopting sustainable practices, such as minimizing packaging waste and utilizing eco-friendly products. Moreover, businesses can use social media platforms to engage with customers and understand their preferences and demands (Ameen et al., 2021). According to a study by Ha and Jang (2012), people view the environment of a grocery store as a significant aspect of their shopping experience. Customer behavior and purchasing decisions can be influenced by in-store displays, music, lighting, and other environmental elements Ha and Jang (2012). Moreover, Ha and Jang (2012) discovered in a separate study that stores layout and design, such as the positioning of aisles and shelves, can influence customers' purchasing behaviors and preferences.

3. Methodology

As part of the methodological framework of this qualitative study, a semi-structured interview questionnaire was used. Compared to quantitative research, qualitative research aims to gain a deeper understanding of complex events by examining how they are perceived and experienced by humans. Semi-structured interviews are beneficial for researching challenging topics and can produce rich, detailed data when used as part of a research process. As a result, researchers can ask open-ended questions while maintaining some control over the interview direction. The sample size of this study consisted of twelve Hungarian respondents who participated in the study. It is often the case that the sample sizes of qualitative studies are smaller than those of quantitative studies, even though qualitative research focuses on understanding individual experiences in-depth rather than generalizing findings to a larger population (Villiers et al., 2019).

The study employed a purposive sampling strategy to ensure the inclusion of respondents with relevant and varied perspectives on omni-channel grocery shopping. This approach was selected to deliberately target individuals who met predefined eligibility requirements and could provide meaningful insights aligned with the study's objectives. The criteria for inclusion were as follows: respondents had to be citizens and residents of Hungary, aged between 24 and 50 years in the final sample, with mixed representation in terms of gender, urban and rural residence, and household size. Given the focus on omni-channel retailing, all respondents were required to have experience with both in-store and online grocery shopping. Candidates with only single-channel shopping experience were not considered suitable for inclusion.

Recruitment was conducted through the researchers' personal and professional networks. Potential participants were identified and invited via email to voluntarily participate in the interviews. In line with the study's aim to capture diverse consumer perspectives, efforts were made to achieve variation in age, residential

location, and shopping frequency. The final sample consisted predominantly of citizens and residents from Budapest, supplemented by citizens and residents from suburban areas and small towns, ensuring representation across different geographic contexts within Hungary.

Exclusion criteria included current employment in the retail sector, so as to avoid potential bias arising from insider professional knowledge, and a lack of grocery shopping experience within the past year. This ensured that all participants were active consumers with current, firsthand experience in omni-channel grocery retail environments.

While the sample size of twelve respondents is smaller than in quantitative designs, it is consistent with qualitative research practice, where the emphasis is on depth of understanding rather than statistical generalization (Villiers et al., 2019). The final number was determined by a combination of data saturation, where no substantially new themes were emerging from interviews, and time constraints related to the data collection window. This pragmatic consideration balanced the need for rich, detailed accounts with the study's logistical and resource limitations, while still capturing a breadth of perspectives relevant to the Hungarian grocery retail context.

According to the questionnaire, the purpose of the study was to gather information about respondents' knowledge of retail channels, their overall satisfaction with grocery shopping, their preferences regarding retail distribution tactics and expectations from retail channels in terms of satisfaction. We included open-ended questions in our survey to give respondents the opportunity to express their thoughts and experiences. The data from the interviews was then analyzed to identify recurring themes that emerged from them. To accomplish this goal, a method widely accepted in social science research, known as thematic analysis, was used (Villiers et al., 2019). A thematic analysis is the process of identifying data patterns to organize them into a conceptual framework or model based on the findings. Following the analysis of the results, a framework based on the consumer journeys of the respondents was developed to map the findings onto.

In this research endeavor, 12 interviews were conducted over two weeks starting on October 18th and concluding on October 27th, 2022. The interviews were conducted remotely using the video-conferencing platform Google Meet, which provided the functionality of screen recording. Every participant engaged in the interview via this digital platform. Following the interview sessions, the transcriptions of each conversation were meticulously generated employing the transcription tool, Descript.com. Additionally, minor spelling corrections were applied where deemed necessary, aiming to bolster the accuracy and readability of the transcriptions. These transcriptions held pivotal importance as fundamental textual data for the subsequent comprehensive analysis and interpretation of the study's findings.

Post-interview sessions, the transcriptions underwent an intricate analytical process, commencing in November 2022 and lasting two months. This rigorous analysis entailed a systematic scrutiny of the transcribed data, involving the identification of recurrent themes, patterns, and notable insights from each interview. The analysis encompassed an extensive categorization and coding of the data, enabling a thorough understanding of the participants' perspectives and experiences in alignment with the research objectives. The insights gleaned from this analytical approach constituted the foundation for drawing conclusive inferences and deriving meaningful implications within the research's contextual domain. The robustness of the findings was diligently ensured through an extended and meticulous analytical phase, facilitating a heightened degree of accuracy and nuanced comprehension of the research domain.

One of the methodology's merits is that it allows for a thorough investigation of individuals' experiences and perspectives. Using open-ended questions in semi-structured interviews encourages respondents to describe their experiences in their terms, producing rich and detailed data. Due to the small sample size, it may not be possible to generalize the results to a larger population. However, the gathered results are subjective and may be influenced by the respondents' individual biases or points of view. However, purposive sampling can help reduce this limitation by recruiting individuals with diverse experiences and viewpoints. This study's methodology provides a complete assessment of Hungarian consumers' grocery shopping behaviors and experiences. The combination of semi-structured interviews and thematic analysis allows for a comprehensive understanding of the experiences and perceptions of respondents. The framework developed based on the

consumer journeys of the respondents provides valuable insights into the factors that influence grocery shopping pleasure and can impact retail strategies and policies.

4. Results and Discussions

The study's findings provide significant insights into customers' grocery shopping habits. The location of a grocery store has a considerable influence in recruiting customers since respondents tend to choose establishments depending on their proximity. This research emphasizes the significance of shops having a strong physical presence in their customers' neighborhoods to meet their needs. In addition, familiarity with a particular grocery store was revealed to be a key factor in consumer decision-making. Respondents favored stores where they were acquainted with the layout, merchandise, and personnel. This conclusion emphasizes the significance of businesses' efforts to cultivate a strong relationship with their customers and provide a pleasant shopping experience.

Another major result is that grocery shopping is planned, and expenses fluctuate based on the size of the household. This conclusion emphasizes the significance of retailers providing a varied selection of products to meet the needs of various households. The study also revealed that the older age preferred purchasing offline, whilst the younger generation has demonstrated an interest in internet shopping. To attract younger customers, retailers may explore offering online purchasing choices with speedier delivery periods. In addition, the study discovered that shoppers prefer in-store purchasing fresh goods, such as meat and vegetables. Consumers can touch, smell, and scrutinize merchandise, which is not feasible while purchasing online. This research highlights the need to keep high-quality fruit and to invest in in-store displays to attract customers.

Table 1: Selection of grocery stores based on consumer's instant location

Consumer	Reasons for Store Selection
Female 37	Next to Keleti station on the way home
Female 26	Promotions, sales, new products; Proximity to home
Male 27	Near to workplace; Wide product selection
Male 28	Convenience; Quality products “(Male 28) Yeah. I think some guidance or some sign, you know, that hey, something used to be here, but we rearranged. You can find it here. You know, like for example, when there is a store in town and they have, they move to another office building or something like that, they put the sign on the door that, hey, we move from here to there and that is easy for you to find this, this store is closed.”
Male 31	Proximity to gym; Quick shopping; Convenience

(Source: Our compilation)

Also, the study indicates that merchants might integrate store locations to engage customers. Customers can collect points and redeem them in-store by using a store's mobile application, which is a viable technique for merchants to boost consumer engagement and loyalty. In conclusion, the study's findings offer crucial insights into the grocery shopping habits of customers. These insights can be utilized by retailers to enhance their store offers and attract more customers. By emphasizing elements such as location, familiarity, and product selection, businesses can create a pleasurable shopping experience that fits their customers' needs.

Table 2: Grocery shopping routines

Topic	Summary
Planning	In Hungary, respondents schedule their grocery shopping a week in advance and create a shopping list. They shop only for necessities and avoid making impulsive purchases. Several respondents have dietary restrictions and must make a shopping list prior to visiting a large supermarket. Younger respondents examine costs between retailers on the Internet and arrange their shopping trips for the following week accordingly.
Expenditure	Depending on the size of a multi-person family, the amount spent on groceries will vary. Specifically, the weekly grocery bill ranges between 28,000-40,000 HUF (Hungarian forint). In one household, however, every other day's expenditures are between 7,500 and 8,500 HUF. In contrast, people living alone spend between 10,000 and 20,000 HUF each week on groceries.

(Source: Our compilation)

Table 3: Experiences and attitudes towards in-store vs. online grocery shopping

In-store Grocery Shopping (Dislikes)	Online Grocery Shopping (Reasons for not doing it)
Crowded with other customers	Prefer short walk outside
Staff loading shelves with new products	Do not trust freshness of delivery for meat products
Inferior quality shopping bags	Want to touch and smell the vegetables
Annoyed by shuffling of shelves	Long delivery times
	Prefer in-person shopping for food
	Not opposed to online shopping, but not brave enough

(Source: Our compilation)

The disadvantages of grocery shopping in-store include congested stores, personnel filling shelves, low-quality shopping bags, and constantly shifting shelves. Despite these disadvantages, some consumers continue to prefer in-store shopping. The reasons for not shopping for groceries online include a preference for short journeys outside, more confidence in the freshness of delivered meat goods, a desire to touch and smell the veggies, and the experience of extended delivery times. Nonetheless, some consumers are not against internet buying but must test it.

Table 4: Summary of regular grocery shopping habits and store preferences

Shopping Habit	Store Preference	Reason
Choose based on home location	Nearest grocery store	Easy to get there
Quality over quantity	Auchan	Products are of decent quality

Specific products	Aldi	Products can only be found there with that taste and quality
Fresh fruits and vegetables	Lidl	Good for fresh fruits and vegetables
Stick to familiar store	Affordable products of decent quality	Familiarity and decent quality products
Younger respondents prefer	Open on Sundays	Shop at the weekend and need stores open on Sundays
Penny Market	Penny Market	Decent prices and can find everything there
Variety of foods	Auchan	Wide variety of foods
Fresh and unprocessed products	Butcher or vegetable store	Fresh and healthy products
Flowers, healthy options, cheese, plants, and variety of foods	Aldi	Affordable and decent quality products
Broad variety of products	Aldi and Lidl	Affordable and broad variety of products
Promotions and discounts	Chinese discount shops	Close to apartment and discounts
Online shopping	Check products, stock, and prices	Online shopping before buying in-store
Familiarity, fresh products, and decent prices	Lidl	Easy to go to, familiar with products, fresh products, and decent prices
Guidance or sign for rearrangement	Any store	Helps customers find products in a newly arranged store

(Source: Our compilation)

4.1 Discussions

To answer the research questions, the above findings need to be supported by the literature to be considered valid.

RQ1: How familiar are different customers with retail channels, and how do they use them?

The familiarity of various customers with retail channels and how they use them is crucial to comprehending their shopping behaviors. The study's findings indicate that traditional retail channels such as supermarkets and hypermarkets continue to be the preferred shopping destinations for most consumers. Customers' preference for shopping close to their houses shows the importance of convenience in their decision-making processes. This preference is more pronounced among elderly respondents, who may have mobility restrictions or prefer the familiarity of shopping at local establishments. Nonetheless, the shopping patterns of the younger population suggest a shift toward internet outlets. These respondents are more likely to compare costs online and schedule their shopping trips for the next week appropriately.

This research suggests that younger shoppers are more knowledgeable and employ technology to enhance their purchasing experience. In addition, the study revealed that only one respondent, a male aged 50, purchases groceries online but is open to exploring new Auchan products. This research demonstrates the potential for online channels to attract a broader range of customers, provided retailers can handle the constraints of online buying, such as delivery times and product quality. In conclusion, the findings of the study reveal that familiarity with different retail channels differs by age group, with older customers being more familiar with traditional retail channels and younger customers being more comfortable with online channels. Retailers must

comprehend these disparities in client behavior to adapt their marketing methods to attract a broader spectrum of customers.

RQ2: How does customers' overall satisfaction differ depending on the problems they encounter before making a final purchase decision?

This subject was not particularly addressed in the survey, although it is evident that factors such as location, product quality, and price affect respondents' happiness. Yet, past research has explored the relationship between customer happiness and the difficulties they face during the buying process. For instance, Brandtner et al. (2021) observed that issues such as lengthy wait times, product unavailability, and bad customer service negatively impacted consumer satisfaction. Tzeng et al. (2021) discovered in a separate study that customer satisfaction was much lower when they faced issues with product quality, price, and delivery. Similarly, Damanik (2022) discovered that customers' satisfaction was affected by issues they encountered during the online shopping process, such as difficulty browsing the website, sluggish website speed, and technical difficulties.

Those who had a pleasant online buying experience, on the other hand, reported greater levels of satisfaction. Consequently, it is logical to suppose that consumer happiness varies based on the challenges they encounter prior to reaching a final purchase choice. Customers are likely to report lower levels of satisfaction if they encounter barriers during the buying experience. By resolving these issues and delivering superior customer service, retailers may boost customer happiness. In addition, merchants can conduct surveys and solicit customer feedback to discover areas for improvement and seek to enhance the shopping experience.

RQ3: What are the preferences of customers in terms of retailing place distribution policies?

Respondents tend to choose grocery stores based on proximity, familiarity, and the availability of inexpensive, high-quality goods. Using a store's mobile application to accumulate points and redeem them in-store enables the identification of combining purchasing areas. Further research has been undertaken to understand client preferences regarding retail distribution policies. According to a survey, people prefer to prioritize a retail store's closeness and convenience when making purchasing decisions. People frequently favor stores that are easily accessible from their homes or places of work and offer a diverse selection of goods at reasonable rates.

Kowalczyk and Siepmann (2020), discovered that buyers value the ability to purchase things both online and in-store. Consumers like the ability to explore and compare products online prior to making their final purchase in a real location. Retailers who give this purchase option to their clients have a competitive edge over those who offer only one. According to research, people prefer stores that are straightforward to navigate and have clear signage (Nguyen et al., 2019). This makes their shopping experience more productive and pleasant. Moreover, product placement within a business might affect purchasing decisions. For instance, presenting complementary products close to chips and dips can attract customers to purchase both things (Grewal et al., 2022). Overall, it is evident that shoppers prioritize ease and affordability when selecting a retail location. By prioritizing these characteristics in their distribution practices and store design, retailers may attract and maintain loyal customers. Offering many purchase alternatives, including online and in-store, can also give merchants a competitive advantage.

RQ4: In what ways do customers expect retailer channels to address their satisfaction?

The survey did not directly address this research topic; however, it may be extrapolated that shoppers expect shops to provide convenient, economical, fresh, and high-quality grocery shopping options. Nonetheless, research on customer happiness in the retail business indicates that customers have specific expectations of retailers that influence their levels of satisfaction. To retain customers and achieve a competitive advantage, retailers must fulfill these requirements (Panda et al., 2020). Consumers anticipate retailers to provide high-quality products, an extensive selection of products, competitive prices, a clean and well-kept store atmosphere, efficient and courteous service, and convenient payment and delivery choices (Panda et al., 2020). In addition, shoppers anticipate shops to appreciate their feedback and take complaints seriously, providing timely and effective responses to problems they encounter (Panda et al., 2020).

Personalization is increasingly gaining importance as a component of customer happiness, as customers demand advice and experiences that are tailored to their own requirements and preferences (Tyrväinen et al.,

2020). Customers expect a fluid and user-friendly interface, accurate and up-to-date product information, a range of payment and delivery options, and dependable and quick delivery services when grocery shopping online. Customer ratings and reviews are also influential in determining customer happiness, as buyers rely on the experiences of others to make informed purchasing decisions. Moreover, customers want shops, whether online or offline, to provide a hassle-free and satisfying buying experience. Therefore, retailers must meet these expectations to establish and maintain a loyal consumer base and to remain competitive in the retail business.

The findings of this study illuminate the significance of understanding customer preferences concerning retail distribution policies. The results imply that to attract and retain customers, merchants must prioritize location, convenience, accessibility, product quality, and price. One of the most critical findings from this study is the significance of location in customer decisions. Consumers like stores located close to their homes or places of employment, as this makes shopping more convenient and accessible. Customers' familiarity with the store is another crucial component in their decision-making. Consumers are more likely to prefer familiar establishments because familiarity fosters a sense of comfort and trust. To attract and retain customers, retailers must invest in creating brand recognition and loyalty. To attract customers, providing affordable, high-quality products is essential. Consumers seek value for their money and prefer stores selling high-quality goods at competitive pricing.

The report also emphasizes the significance of comprehending customer purchasing behavior. This affects businesses regarding inventory management and stocking tactics, as customers typically plan their grocery purchases. To prevent disappointing customers, retailers must ensure they have a sufficient stock of popular items, particularly during peak shopping. The study also revealed that the older age preferred purchasing offline, while the younger generation has demonstrated an interest in internet shopping. This emphasizes the need for businesses to adopt a multi-channel strategy to reach various client segments. While online shopping may only be suitable for some clients, shops need to offer this alternative to those who prefer its ease.

The study indicated that people prefer fresh items such as fruits and meats when they shop in-store. This is because people like to see and touch products before purchasing. To attract and maintain customers, retailers must guarantee that they offer fresh, high-quality goods. The study concludes that integrating retail locations can be an effective method for shops to attract customers. Using mobile applications that allow customers to collect and redeem points in-store can be an efficient method of encouraging customers to visit the store and make purchases. This method can also assist retailers in enhancing customer involvement and brand loyalty.

To attract and retain customers, retailers must prioritize location, convenience, accessibility, product quality, and price. In addition to gaining access to distinct consumer categories, retailers can also benefit from a comprehensive understanding of customer buying habits and the provision of multi-channel possibilities. Retailers must also offer fresh, high-quality produce to attract and maintain customers. Retailers may boost consumer engagement and brand loyalty by merging store venues and employing mobile applications to engage customers.

5. Conclusions

The study's findings emphasize the significance of understanding customer preferences in retail distribution policies. While designing distribution policies, retailers must consider location, convenience, accessibility, product quality, and price. Consumers favor familiar establishments close to their homes which offer priced, high-quality goods. Businesses may increase customer happiness by providing fresh, high-quality products and ensuring their store is accessible and convenient. The study's findings also indicate that the older age prefers conventional offline buying while the younger generation is more receptive to online shopping. This recommends that shops offer various shopping options, including online and offline ones, to accommodate the interests of multiple ages. In addition, companies may encourage younger customers to shop online by reducing delivery times and enhancing the usability of the online shopping experience.

Customers prefer purchasing fresh produce in-store because they can touch and smell it before purchasing. Retailers must prioritize the quality and freshness of their produce and maintain constant stock levels. Also, shops can entice customers to shop in-store by offering specials and discounts on fresh food. The study

identifies combining store areas as a potential technique for merchants to engage customers and increase customer loyalty. By employing a smartphone application to collect and redeem points in-store, retailers may deliver a seamless shopping experience for customers and encourage them to shop at their stores. This strategy can also assist retailers in collecting data on client preferences and tailoring their goods to match customer wants. Overall, the study gives insightful information on client preferences in retail distribution policies. Retailers can use this data to design customer-centric initiatives that eventually increase customer happiness and brand loyalty. By prioritizing criteria such as location, convenience, accessibility, product quality, and price, retailers can distinguish themselves from competitors and gain a competitive advantage in the retail business.

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Manuscript received: 07.10.2023

Manuscript received in revised form: 12.07.2025

Manuscript accepted: 14.08.2025