

Investing the Impact of Consumer's Loyalty in Selected Convenience Stores

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Abstract: *The study employs a quantitative approach, utilizing a descriptive research design through surveys to gather data. The researcher seeks to answer specific questions regarding the profile of respondents (age, sex, civil status, and frequency of store visits), the importance of customer loyalty in terms of promotion, place, price, and product, and whether a significant relationship exists between customer loyalty and respondent profiles. Data analysis indicates that most respondents are female, married, visit the same convenience store 1-3 times a week, with an average age of 40.68. The respondents generally view selected convenience stores positively, appreciating their spacious area, competitive pricing, and quality products, but show a neutral perception towards promotions. While most aspects of customer loyalty do not show significant relationships with respondent profiles, there is a notable correlation between civil status and the perception of pricing. Female customers, particularly those who are married, tend to rate the pricing of convenience stores more favorably. The study's findings suggest that convenience stores cater to the needs of married females, who find them helpful for home-related purchases and time-saving. The stores are well-structured, offering a wide range of products at competitive prices, resembling regular supermarkets in many aspects. Overall, this research sheds light on the importance of customer loyalty for the success of convenience stores and highlights the need for tailored strategies to retain and attract specific customer segments. By understanding customer preferences and aligning services accordingly, convenience stores can strengthen their position in the competitive market and foster sustainable growth.*

Keywords: Investing, Impact, Consumer's Loyalty, Convenience Stores

I. INTRODUCTION

Convenience stores have emerged as indispensable establishments in modern communities, providing an array of essential services to meet the diverse needs of customers' everyday routines. These establishments offer a one-stop solution, catering to requirements for food, fuel, financial services, pharmacy, and even hardware supplies, all within arm's reach. Convenience stores' strategic locations, often situated in easily accessible areas close to residential neighborhoods, have made them integral to the fabric of urban living.

In a world where competition in the business landscape is intense, convenience store owners face the ongoing challenge of ensuring their establishments remain profitable and retain a loyal customer base. In recent times, customer expectations have evolved beyond merely satisfactory service; building and maintaining a loyal customer following have become paramount to the survival and success of any business. Winning customer loyalty is the ultimate differentiator that allows businesses to stand out amidst their rivals.

According to Max Freedman's insights in a 2022 business article, customer loyalty is not merely about the frequency of visits but rather the profound willingness and desire of consumers to repeatedly patronize a company they associate with outstanding experiences. This strong bond between satisfied customers and the businesses they frequently visit serves as the bedrock of sustained success in today's dynamic market.

In Surigao City, a thriving urban center in the Philippines, convenience stores have woven themselves into the daily lives of its inhabitants. Renowned brands like 7 Eleven, Pick-Me, and Davao Convenience Store, among others, have become go-to destinations for various needs, even during late-night hours. The convenience these stores offer has

endeared them to the local community, with many considering them not just places to purchase necessities but also as social hangouts and gathering spots for young individuals.

In light of this burgeoning presence of convenience stores in Surigao City, it becomes essential to examine whether these establishments have successfully cultivated loyal customer bases and, if so, the impact of such loyalty on their enduring success in challenging times. Understanding the factors that contribute to customer loyalty in this context is crucial for store owners to refine their strategies and maintain a competitive edge.

This research would endeavor to delve into the dynamics of customer loyalty in selected convenience stores in Surigao City. By adopting a quantitative approach with a descriptive research design, the study would seek to analyze customer perceptions, preferences, and behaviors through survey-based data collection. Through an in-depth investigation, the research aimed to answer pivotal questions related to customer profiles, the importance of loyalty in various aspects of convenience stores (promotion, place, price, and product), and the potential relationship between customer loyalty and respondent profiles.

Ultimately, this study would aspire to offer valuable insights to convenience store owners and managers, guiding them in their endeavors to build stronger connections with customers and foster sustainable growth in a competitive market. By comprehending the factors that drive customer loyalty, convenience stores in Surigao City can adapt their offerings and services to meet customer expectations, ensuring their relevance and significance as indispensable community businesses.

II. BACKGROUND OF THE STUDY

Convenience stores play a crucial role in modern communities, providing essential products and services for people's everyday needs. These establishments offer convenience, accessibility, and quick solutions, making them popular among urban residents with fast-paced lifestyles. In Surigao City, a vibrant urban center in the Philippines, convenience stores like 7 Eleven, Pick-Me, and Davao Convenience Store have become integral parts of the local retail landscape, catering to the diverse needs of its inhabitants.

Despite their popularity, convenience stores face intense competition, necessitating the cultivation of loyal customers to ensure sustained success. Customer loyalty is no longer just about repeat purchases; it involves a strong emotional connection between customers and the businesses they frequent. Understanding the factors that drive customer loyalty in convenience stores is essential for owners and managers to refine their strategies and retain a competitive edge.

This research aimed to investigate the impact of customer loyalty on selected convenience stores in Surigao City. By employing a quantitative approach with a descriptive research design and using surveys to collect data, the study would seek to analyze customer perceptions and preferences. The findings of this research were expected to provide valuable insights to help convenience store owners enhance customer experiences and strengthen their position as indispensable community businesses.

III. METHODOLOGY

This study adopted a quantitative research approach with a descriptive research design. The quantitative approach would allow for the collection of numerical data, enabling statistical analysis to draw objective conclusions. The descriptive research design was appropriate as it aimed to investigate and describe the impact of customer loyalty on selected convenience stores in Surigao City.

Data would be collected through surveys administered to customers of the selected convenience stores in Surigao City. The survey would be designed to gather information on customer profiles, perceptions of customer loyalty, and factors influencing their store preferences. The survey would be distributed both in-person and electronically to ensure a wider reach and more diverse sample.

The sample for this study consisted of customers who have visited any of the selected convenience stores in Surigao City within the past three months. A random sampling method would be used to ensure that the survey respondents are representative of the convenience store customer population. The sample size would be determined using an appropriate statistical formula to achieve a sufficient level of confidence in the findings.

After data collection, the survey responses would be compiled and entered into statistical software for analysis. Descriptive statistics, such as frequencies and percentages, would be used to summarize the demographic characteristics

of the respondents. To explore the importance of customer loyalty in convenience stores in terms of promotion, place, price, and product, mean scores and standard deviations would be calculated for each item.

This research would contribute valuable insights into the impact of customer loyalty on convenience stores in Surigao City. The findings would provide convenience store owners and managers with a better understanding of customer preferences and behaviors, guiding them in devising effective strategies to foster loyal customer relationships and ensure the continued success of their businesses. Additionally, the study would contribute to the existing body of knowledge on customer loyalty in the context of convenience stores, benefiting both academia and the retail industry.

IV. RESULTS AND DISCUSSION

This study explored the relationship between customer loyalty and selected convenience stores in Surigao City. It delved into customer perceptions, preferences, and behaviors to gain valuable insights into the importance of loyalty in various aspects of convenience store operations. By adopting a quantitative approach with a descriptive research design and conducting surveys among customers, this research aimed to shed light on the factors that drive loyalty and its implications on convenience store businesses.

In the following sections, it would present the findings of the study, followed by discussions that explore the implications and significance of these results. By uncovering the dynamics of customer loyalty in convenience stores, this research would contribute to the existing body of knowledge and provides valuable guidance to convenience store owners and managers in their pursuit of building strong customer relationships and sustaining growth in a competitive market.

Table 1: PROFILE OF RESPONDENTS

Profile		f(n=40)	Percent
Sex	Male	16	40.0
	Female	24	60.0
Civil Status	Single	5	12.5
	Married	35	87.5
Frequency of Visit to some Convenience Stores	1-3 times a week	36	90.0
	everyday	4	10.0
		Mean	SD
Age		40.68	9.51

Table 1 presents the number and profile of the participants with regards to their sex, number of social media accounts, and number of hours spent to access social media. The Table shows that out of the total 40 respondents, 60.0% were female, while 40.0% were male. This distribution indicates that the study had a slightly higher participation rate from female respondents compared to males. Regarding civil status, the majority of respondents (87.5%) were married, while 12.5% identified as single. This suggests that the study primarily captured the perspectives of married individuals in relation to customer loyalty in convenience stores. The data indicates that a significant portion of the respondents (90.0%) visit convenience stores 1-3 times a week. This highlights the regular patronage of convenience stores among the study participants. A smaller percentage of respondents (10.0%) reported visiting convenience stores every day, indicating a group of more frequent visitors. The mean age of the respondents was calculated to be 40.68 years. This value represents the average age of the study participants and gives an overall idea of the age distribution within the sample. The standard deviation (SD) of 9.51 suggests that the ages of the respondents were somewhat spread out around the mean, indicating a moderate level of variability in their ages.

TABLE 2: IMPORTANCE OF CUSTOMER LOYALTY IN TERMS OF PROMOTION

Indicator	Mean	SD	Description
1. The store provides special holiday discounts.	3.38	1.35	Neutral
2. The store has percentage sale and promotions.	3.70	0.94	Agree
3. The store provides birthday discounts.	2.50	1.32	Disagree

4. The store gives coupons for customers to claim.	3.10	1.32	Neutral
5. The store provides discounts for PWDs and Senior Citizens.	3.98	1.23	Agree
Average	3.33	0.96	Neutral

The positive "Agree" rating for percentage sale and promotions indicates that customers generally view these strategies favorably. Customers are likely to respond positively to promotions that offer clear and tangible benefits, such as discounts based on percentages off the regular prices. To capitalize on this positive perception, the store should continue implementing well-communicated and attractive percentage-based promotions regularly. Further, the positive "Agree" rating for providing discounts to Persons with Disabilities (PWDs) and Senior Citizens reflects customers' appreciation for the store's inclusivity and socially responsible approach. Offering discounts to these groups showcases the store's commitment to community welfare and can positively impact customer loyalty. To further enhance this initiative, the store can actively promote these discounts and advocate for social causes to strengthen its brand image. The "Disagree" rating for providing birthday discounts suggests that customers do not perceive the store as offering personalized discounts for birthdays. Offering birthday discounts can be a potent way to make customers feel valued and appreciated, potentially leading to increased customer loyalty. The store can explore implementing birthday discount programs to acknowledge and reward customer loyalty on their special day.

In conclusion, the discussion of customer perceptions regarding different promotional strategies reveals areas of strength and opportunities for improvement for the convenience store. While percentage sale and promotions, as well as discounts for PWDs and Senior Citizens, are viewed positively by customers, there is room for enhancement in other areas such as special holiday discounts and birthday discounts. By tailoring promotions to meet customer preferences and needs, the store can foster stronger customer loyalty, boost sales, and establish itself as a customer-centric and socially responsible brand in the competitive market.

TABLE 3: IMPORTANCE OF CUSTOMER LOYALTY IN TERMS OF PLACE

Indicator	Mean	SD	Description
1. The store is located near the streets.	4.65	0.53	Strongly Agree
2. The store is in a safe area.	4.35	0.62	Agree
3. The store is spacious.	2.43	1.17	Disagree
4. The store can accommodate many people.	3.83	1.01	Agree
5. The store becomes overcrowded if there are many people.	4.30	0.72	Agree
Average	3.91	0.39	Agree

The "Strongly Agree" rating indicates that customers highly appreciate the convenience of the store's location, which is near the streets. A convenient and accessible location can attract more foot traffic and potential customers, making it easier for people to access the store's offerings. This positive perception of the store's location is a significant advantage and can contribute to higher customer retention and increased footfall.

The "Disagree" rating for store spaciousness indicates that customers do not perceive the store as spacious. A lack of spaciousness can lead to customer discomfort, especially during peak hours when the store may become crowded. To address this, the store can consider reorganizing its layout or decluttering aisles to create a more open and inviting environment for customers.

Overall, the average rating for all indicators falls in the "Agree" range, suggesting that customers generally view the convenience store's physical attributes positively. The store's accessible location, safety, and ability to accommodate customers are significant strengths that can contribute to customer satisfaction and loyalty. However, the perception of limited spaciousness and potential overcrowding presents areas for improvement.

In conclusion, the discussion of customer perceptions of the convenience store's location and space highlights both its strengths and areas that can be enhanced. The store's strategic location and perceived safety are strong assets that can

contribute to customer loyalty. However, addressing the issue of perceived limited spaciousness and overcrowding can lead to improved customer experiences and increased customer retention. By continually evaluating and optimizing the store's physical environment based on customer feedback, the store can create a welcoming and satisfying shopping experience, which, in turn, can lead to long-term customer loyalty and sustained business success.

TABLE 4: IMPORTANCE OF CUSTOMER LOYALTY IN TERMS OF PRICE

Indicator	Mean	SD	Description
1. The price is affordable for all customers.	3.75	0.87	Agree
2. The price is convenient for all customers.	3.90	0.81	Agree
3. The price is economical for all customers.	3.73	0.91	Agree
4. The price is low-cost for people on budget.	3.40	1.13	Neutral
5. The price suits the product that they sell.	3.88	0.85	Agree
Average	3.73	0.78	Agree

The customer perceptions of the convenience store's pricing provide valuable insights into how customers view the affordability and suitability of the prices. Understanding these perceptions is crucial for the store to optimize its pricing strategies, meet customer expectations, and foster customer loyalty.

Overall, the average rating for all indicators falls in the "Agree" range, suggesting that customers generally view the convenience store's pricing positively. Customers appreciate the affordability, convenience, and suitability of the prices, indicating that the store is successfully meeting their pricing expectations.

In conclusion, the discussion of customer perceptions of the convenience store's pricing reveals that affordability, transparency, and value for money are essential factors driving customer loyalty. By continuing to offer competitive and appropriate pricing, the store can retain loyal customers and attract new ones. Additionally, addressing the perception of pricing for customers on a budget and offering tailored pricing strategies for this segment can enhance the store's appeal and loyalty among diverse customer groups. Pricing strategies that resonate with customer needs and perceptions can ultimately contribute to the store's long-term success and sustained customer loyalty.

TABLE 5: IMPORTANCE OF CUSTOMER LOYALTY IN TERMS OF PRODUCT

Indicator	Mean	SD	Description
1. The products are in best conditions.	4.23	0.73	Agree
2. The products are always organized.	4.28	0.72	Agree
3. The products have expiration dates.	4.38	0.67	Agree
4. The products are easy to find.	4.25	0.71	Agree
5. The products are classified and organized.	4.28	0.72	Agree
Average	4.28	0.64	Agree

Overall, the average rating for all indicators falls in the "Agree" range, suggesting that customers have positive perceptions of the convenience store's product quality and organization. These positive perceptions play a vital role in customer satisfaction and retention.

In conclusion, the discussion of customer perceptions regarding the condition and organization of products emphasizes the importance of product quality, organization, and clear labelling in driving customer loyalty. Maintaining high product quality, implementing effective store organization, and providing clear product information are essential for creating a positive shopping experience. A positive shopping experience can lead to increased customer satisfaction, repeat visits, and long-term customer loyalty. By continuously prioritizing product quality and store organization, the convenience store can create a competitive advantage and solidify its position as a preferred shopping destination for customers.

V. CONCLUSION

The study reveals that females, particularly those who are married, show a preference for utilizing convenience stores for purchasing groceries to be brought home. This preference can be attributed to the perceived convenience and time-saving benefits offered by these stores. Convenience stores' strategic locations near residential areas and extended operating hours make them accessible and suitable for busy individuals, especially homemakers, seeking quick and easy solutions for their household needs. The positive perception of convenience stores as a reliable option for purchasing groceries highlights the importance of understanding and catering to the specific needs of different customer segments to enhance customer loyalty.

The study identifies two significant strengths of convenience stores that contribute to customer satisfaction and loyalty. Firstly, convenience stores are praised for their well-organized building structures and diverse product offerings. The ability to maintain a wide range of products while ensuring an organized store layout allows customers to find what they need easily, contributing to a positive shopping experience. Secondly, customers appreciate the competitive and affordable pricing offered by convenience stores compared to regular supermarkets. The perception of economical pricing enhances customer satisfaction and can lead to repeat visits, thereby building customer loyalty.

Overall, the study sheds light on the factors that contribute to customer loyalty in selected convenience stores. Understanding customer preferences and expectations regarding product selection, pricing, and convenience plays a crucial role in attracting and retaining loyal customers. The convenience store's ability to meet customer needs effectively, coupled with its competitive pricing and convenient location, establishes a strong foundation for building lasting customer relationships and sustaining business growth.

As convenience stores continue to evolve and adapt to changing consumer preferences and market trends, it remains vital for them to prioritize customer-centric strategies, product quality, and store organization. By continuously improving and aligning their offerings with customer expectations, convenience stores can solidify their position as indispensable resources in the community and cultivate unwavering customer loyalty.

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