

# **TRUST, LOYALTY, AND FOOD RETAILERS: THE CONSUMER PERSPECTIVE**

**\*Michelle A. Morganosky**

**Associate Professor of Consumer and Retail Marketing**

**Department of Agricultural and Consumer Economics**

**University of Illinois**

**1301 West Gregory Drive**

**Urbana, IL 61801-3681**

**Tel: 217-333-0737 -or- 217-333-3217**

**Fax: 217-333-5538**

**Email: [morganos@uiuc.edu](mailto:morganos@uiuc.edu)**

**Brenda J. Cude**

**Professor and Head**

**Department of Housing and Consumer Economics**

**The University of Georgia**

**215 Dawson Hall**

**Athens, GA 30602-3622**

**Tel: 706-542-4856 -or- 706-542-4857**

**Fax: 706-542-4397**

**Email: [bcude@fcs.uga.edu](mailto:bcude@fcs.uga.edu)**

**\*Send correspondence to Michelle A. Morganosky**



# **TRUST, LOYALTY, AND FOOD RETAILERS: THE CONSUMER PERSPECTIVE**

## **ABSTRACT**

Proponents of relationship marketing seek to develop and maintain long term ties to their suppliers and customers in the hope of ensuring a more consistent flow of goods, encouraging channel members to act more like partners than adversaries, and increasing the likelihood of having a loyal customer base. Trust plays a crucial role in relationship marketing both with suppliers and consumers. In this paper, we examine trust and loyalty issues relevant to the food retailer/consumer relationship. Interviews were conducted with 300 consumers in a medium size market and focus groups were conducted in two major metropolitan markets and one medium size market. Through the interviews, we were able to identify high levels of cross-shopping between supermarket, supercenter, and warehouse club formats and low levels of loyalty overall. For example, 60% of the supermarket customer base is shared with supercenters. Although the specific options focus group participants mentioned varied, the majority said they do shop a wide variety of formats. Food retail options mentioned in addition to supermarkets, supercenters, limited line discount stores, and warehouse clubs included ethnic markets, school fund raisers such as Market Days, direct sell truck vendors, and mail order meats. After completing an analysis of the focus group interviews, a number of themes emerged related to trust and loyalty issues. These included the accuracy of prices when products are scanned, loyalty to store personnel based on familiarity, use and abuse of store “loyalty” cards, availability of advertised specials, and accuracy/readability of shelf pricing. Quite surprisingly, health and food safety issues were rarely mentioned except for purchasing meat from limited-line discount stores or direct sell truck vendors. Several issues emerged in relationship to specific types of retail formats. For example, supercenters were chided for their bigness and potential negative impact on smaller retailers. The believability of how “good a deal” one really gets by shopping at warehouse clubs was also questioned due to the difficulty of comparing prices based on different sizes and/or quantities. Trust issues surrounding on-line shopping primarily focus on selection factors (discomfort with someone else making the selection for you). None of the focus group participants had actually purchased groceries from an on-line service. Therefore, we collaborated with a major supermarket chain offering on-line grocery shopping and surveyed over 200 consumers that were buying groceries on-line. The product categories that respondents were least trustful of purchasing on-line included meats, produce, and perishables. Managerial implications from this study are fairly straight forward. Attention to the details of doing business need to be attended to with zeal. What appears to be a “small” mistake in the mind of the retailer (e.g., inaccurate price scan) is a very big mistake within the psychology of the consumer, resulting in a lack of trust. Numerous choices and a diverse array of food retail formats are available to consumers. Attending to the details of the food retail business (accurate pricing, product availability, continuity of personnel) is an important way to build trust in the consumer/retailer relationship.

## **INTRODUCTION**

It is generally agreed that the number of food retail options available to consumers is expanding. According to Kinsey and Senauer (1996) the entire food system is in a dynamic period of change. They attribute these changes in part to fundamental shifts in consumer wants and needs and increased availability of information technology. Kinsey and Senauer believe the food system in the U.S. market is shifting from a producer-driven focus to one that is more consumer-driven. They describe a shifting of power from the manufacturer to the retailer because retailers are now the first to receive information about consumers' specific preferences. After reviewing ten years of data on consumers' food shopping and consumption patterns, Jones (1996) concludes that consumers have changed and that the most notable change is in their patronage of food retail outlets other than supermarkets. To get a more complete picture of consumers' food shopping and loyalty issues, Jones suggests that we look outside the supermarket arena and study how consumers use various food retail outlets to satisfy their needs and wants. Binkley and Connor (1998) argue that the changing retail food landscape, in which grocery-product competition is no longer confined to supermarkets, is strongly shaped by the emergence of new retail formats such as supercenters and warehouse clubs. Many believe the emergence of these new retail formats contributes to increased competition and declining in loyalty. For example, consumer spending at grocery stores rose only 3% in 1997 compared to gains of 15.6% for supercenters (Weinstein, 1998). In addition, 31% of consumers in a 1997 study reported they were shopping more often at supercenters for their food purchases than in the previous year (Liebmann, 1998).

Supermarkets also face competition from warehouse clubs which increased in sales and number

of units by more than 50% between 1991 and 1996 (Chanel, 1996). Consumers spent 19.7% more at warehouse clubs in 1997 compared to 1996 (Weinstein, 1998). In a 1997 survey, 28% of respondents said they were shopping more often at warehouse clubs for food (Liebmann, 1998). Gains made by convenience store formats are also outpacing those of traditional supermarkets. Consumer expenditures at convenience stores increased 8.5% in 1997 compared to 3% for supermarkets (Weinstein, 1998). In 1997, 49% of consumers reported shopping at convenience stores for food (Weinstein, 1998) compared to 40% in 1996 (Mathews, 1997). Terbeek (1996) suggests that the future of the food retail industry is not about incremental supply chain improvements, but rather “redistributing rewards and profits along the consumer’s value chain according to value created” (p. 93). In this study we explore the potential relationship between an expanding choice set of food retail options available to consumers and trust and loyalty issues.

## **BACKGROUND LITERATURE**

### **Trust and Marketing**

A number of researchers have advocated that trust is fundamental in developing customer loyalty. Chow and Holden (1997) studied the relationship between trust and loyal buying behavior. Their model of trust in the buyer-seller relationship consisted of six variables: trust in the salesperson, trust in the company, attitude toward the product, communication openness, loyalty intention, and loyalty behavior. They define trust as the expectancy held by an individual that the words, promises, verbal or written statements of an individual or groups can be relied upon. They found that trust is a significant antecedent to not only attitude toward the product, but also to buyer loyalty. Doney and Cannon (1997) adopted a similar approach to studying trust in the buyer-seller relationship. They

define trust as perceived credibility and benevolence. They related trust in the firm to trust in the salesperson. They identified several antecedents of trust including salesperson expertise, likability, and similarity to the buyer.

Morgan and Hunt (1994) used commitment-trust theory to develop a model of relationship marketing that includes precursors and outcomes of relationship commitment and trust. They define trust as existing when one party has confidence in an exchange partner's reliability and integrity. They found shared values, communication, and opportunistic behaviors have direct effects on trust. They identified a positive relationship between trust and commitment and identified trust and commitment as key mediators contributing to relationship marketing success. Similarly, Schurr and Ozanne (1985) suggested that high trust leads to a more favorable attitude toward loyalty. In their study, trust was defined as the belief that a party's word or promise is reliable and that a party will fulfill his/her obligations in an exchange relationship. To examine the interaction of trust and bargaining stance on cooperative behavior in buyer-seller negotiations, Schurr and Ozanne conducted an experiment in which levels of trust and bargaining stance were both manipulated. They found trust not only moderates buyer reactions to seller's bargaining toughness, but also facilitates favorable attitude toward the seller.

Swan, Bowers, and Richardson (1999) conducted a meta-analysis of the antecedents and consequences of trust in a sales context. They identified several unsolved issues in the trust literature including the relationship between trust and suspicion. Two main categories or antecedents of trust emerged from the meta-analysis, including determinants associated with the salesperson and with the salesperson's firm. They also found that trust positively effects customer satisfaction, favorable customer attitudes, purchase intentions, and purchase behaviors. Based on a review of the concept of

trust within marketing channels, Geyskens, Steenkamp, and Kumar (1998) developed a casual model of antecedents and consequences of trust and found strong support for trust as a mediator in marketing relationships.

### **Loyalty, Trust, and Satisfaction**

Uncles and Laurent (1997) conceptualize loyalty as a behavioral measure (including exclusive purchase and repeat purchase probability) and an attitudinal measure (including brand preference, liking, commitment, and intention-to-buy). Sirohi, McLaughlin, and Wittink (1998) examined store loyalty intentions for current customers of a multi-store grocery retailer. They used three measures of store loyalty intentions: 1) customer's intention to continue purchasing, 2) intention to increase future purchases, and 3) intention to recommend the store to others. They found that service quality perceptions and merchandise quality perceptions are strongly related to store loyalty intentions.

Researchers such as Macintosh and Lockshin (1997) emphasize the role of interpersonal relationships when examining store loyalty. They presented a model of store loyalty consisting of customer-to-salesperson and customer-to-store relationships. They conceptualize loyalty as including both positive attitudes and repeat purchase behavior. Their findings indicated trust and commitment to salespersons have positive impacts on both attitudes toward the store and purchase intentions. Furthermore, these consumers tended to be more loyal to the store.

It is generally accepted that satisfaction may be related to loyalty but is not synonymous with loyalty (Jones & Sasser, 1995; Seymour & Rifkin, 1998; Dube & Maute, 1998). Jones and Sasser (1995) argue that the link between satisfaction and loyalty is not linear. They measured loyalty as the customer's stated intent of repurchase and found that moving customers to a higher level of satisfaction

helps to develop long-term loyalty. Dube & Maute (1998) conducted an experiment in which value-added strategies and value-recovery strategies were manipulated under various competitive environments to study the impact on customer satisfaction and loyalty. The researchers adopted two types of loyalty measures: situational loyalty and enduring loyalty. Their findings revealed that both types of strategies had positive impacts on customer satisfaction and loyalty with differing sensitivities to the competitive environment.

## **METHOD**

The primary method used to study trust and loyalty issues within the context of food retailing was focus group interviews conducted in three different U.S. market areas. However, an initial telephone survey of 300 consumers was conducted to assess patronage and choices made by consumers in relation to different food retail options. Furthermore, because none of the focus group participants had purchased groceries from an on-line service, we collaborated with a major supermarket chain offering on-line grocery shopping and surveyed consumers who were buying their groceries through an on-line channel. Results from the focus group interviews are emphasized in this paper.

Focus groups were conducted in 1998 with consumers in three different markets: Chicago, Illinois; St. Louis, Missouri; and Champaign-Urbana, Illinois. Each market offers a variety of food retail formats to consumers. Jewel (36% market share) and Dominick's (26% market share) are dominant supermarket chains in the greater Chicago market. Four supermarket chains dominate the St. Louis market. Schnucks is the market share leader (42%), followed by Shop-n-Save, Dierbergs, and National. The third market, Champaign-Urbana, is smaller (100,000 population) but offers a wide variety of retail options. At the time of data collection, there were 11 supermarkets representing four

different retailers (Schnucks, Jewel, IGA, and County Market), two supercenters (Meijer and Super Kmart), two limited-line discount stores (Aldi and Save-A-Lot), and one warehouse club (Sam's) in this market. Consumers selected to participate in the focus groups were those who indicated in prescreening that they do their grocery shopping at supermarkets and at least one other type of food retailer (e.g., supercenters or warehouse clubs). The facilitator made contacts with individuals using a snowballing technique asking initial contacts for additional names and telephone numbers of other potential participants. Participants were chosen to provide a mix of men and women, a range of ages from young adults through retirement age, individuals representing racial and ethnic minorities, and different family types, including singles and couples with and without children.

The facilitator conducted the focus group interviews in hotel conference rooms in the evenings. Participants received \$25 each at the end of the session. Focus group discussions were recorded and later transcribed in their entirety so the researchers could work from both text and audio versions of the sessions as they analyzed the content of the discussions and identified relevant themes related to loyalty and trust issues. The 31 individuals who participated in the focus groups completed a brief survey at the end of each session. The demographics of the participants, (Table 1) indicated that there was diversity among the individuals in age, income, and employment.

## **FINDINGS**

Results from the initial telephone survey of 300 consumers indicated that supermarkets have the largest number of customers (97% of the respondents), followed by supercenters (60%), warehouse clubs (30%), convenience stores (18%), and limited-line discount stores (16%). Seventy-five percent of the telephone respondents said they shop at more than one *type* of food outlet. These figures are

fairly comparable to national data reported by *Progressive Grocer* (Weinstein, 1998) indicating that 99% of consumers patronize supermarkets, 77% supercenters, and 27% warehouse clubs. Thus, there appears to be a lack of loyalty to any particular food retailer and considerable “sharing” of customers between retailers. Further evidence of customer “sharing” is illustrated by the fact that 59% of the telephone survey respondents who shop on a regular basis at supermarkets *also* shop at supercenters, 30% also shop at warehouse clubs, 18% also shop at convenience stores, and 16% also shop at limited-line food stores on a regular basis for their groceries.

### **Loyalty to Food Retailers**

We next explored trust and loyalty issues by employing the focus group technique. Findings from the focus group interviews are grouped by common themes. Where appropriate, supporting quotations are provided. Respondents were asked: “Do you have loyalty to a particular grocery store?” Most participants strongly agreed there is no loyalty to any particular store or type of food retail store. Therefore, they have few qualms about patronizing a variety of different food retailers. In part, this lack of loyalty was associated with an expanded choice set - both in the number and types of retail options available to consumers. Lack of loyalty was also associated with not seeing the same store personnel on a consistent basis (especially checkers), not knowing store personnel, and the impersonal nature of big stores.

*They're not loyal to us, so we don't have to be loyal to them.*

*If you've got these big grocery stores, there's no loyalty there. They're too big. It's not a personal interaction when you go to the big grocery stores.*

*Meijer's for me, too big. The first time ... I thought I was going to produce and*

*ended up in the car battery section ... had problems finding the front door.*

*In our town there was a lot of loyalty until the supercenter and Schnucks opened. I know my mom always shopped at Montels and she would, because she liked the clerks there, and she would always go there. And my grandmother would go to her store. They were all just local type of stores, but then when the big ones moved in it was just a free for all.*

*My husband and I do try to patronize the local people, and a lot of the businesses have actually closed up and went under because of the Wal-Mart which makes me kind of angry. I do go there, but it's not with an open heart.*

*It's hard to have loyalty because you never know who you're going to get to check you out from one minute to the next. Of course, the smaller stores (you know the clerks). We've been living in the same house since 1938, my wife and I, and well, there was a grocery store on the corner when we first moved into this house. They had one little space in there. Eventually, he grew up, and they took on two more spaces on that building, but since then, the store has gone. Naturally, it's gone because the telephone company bought the lot and made a parking lot out of it. And then we moved on to another small corner grocery store about two blocks away, and we did the same thing there. Well, this guy didn't last very long either. We were very loyal, we never did go any place else but right there, Humble's Market. Well, when he closed up, we had to do something different, and that's when you started going to the supermarket.*

*But don't you think that the supermarkets, or now the supercenters, were somewhat responsible for them going out of business?*

*Of course, that, and the cost of living has just increased so much. They couldn't afford to hire the help anymore.*

*It was even (different) twenty years ago at Schnucks. We lived in Crestwood. I did go grocery shopping once a week, but we had the same checkers for probably ten or fifteen years. And we had the same butchers. You did get to know them.*

*You could ask a butcher how to fix something, a piece of meat, or how I would cut, carve, this meat after it's cooked which is very important because if it isn't carved right, you get a tough piece of meat, but we can't do that anymore, very seldom.*

*I find Super Kmart very confusing, very large, very, I'm sorry I don't even try. I've tried them several times, and I've just walked away from it.*

*I get my bulk products at Sam's, staples at Aldi's, and then just what I need to fill in fruits and vegetables, fresh ones, at Dominick's. And, I do this all as quickly as I can.*

*I'll go to Jewel, and I'll go to Dominick's. I do go to Aldi's for some things that I find that are more reasonable than the other stores. And, of course, Super Kmart, I go there too ... so, I just kind of go all over.*

*But I get these cheese breads. The thing is that's the way that I shop. Whatever they have that I want, you know, that I'm accustomed to or desire, I have to go to different stores because they all don't carry the same thing.*

*We used to be pretty loyal to County Market, because it was close and then we kind of branched out with Schnuck's and Meijer's and so forth.*

*I'm not loyal. I go to Meijers mainly, but if I find good sales some place else, that's where I go. My family was an Eisner and Jewel. My mom worked for Eisner and Jewel for twenty-five years. I only thought there was an Eisner's store when I was growing up because that was the only place we shopped.*

## **Trust and Price Accuracy**

Price accuracy emerged as a major theme related to the consumer's ability to trust food retailers. Many focus group participants provided (unsolicited) comments concerning their perceived need to "police" the retailer or stand guard at the check out so they would not be charged incorrect prices on their purchases. Focus group participants perceived these mistakes as occurring on a frequent and routine basis at most types of food retail stores. It is interesting to note that consumers were irritated by *both* overcharges and undercharges on their purchases. They wanted a sense of "fair play" where they could be honest with the retailer and the retailer would be honest with them.

*Every time there has been a problem with what the price is suppose to be and what the price really is. And it's not always that it's more, sometimes it's less. But even that bothers me, because if it is less I would have bought more of it ... if it doesn't*

*match with what I think it's going to cost, that makes me tend not to go back.*

*We have found that on almost every time we've gone we have been over charged or they run something through two or three times ... so, the pricing is the big deal.*

*And their computers, I almost always deliberately now, get behind somebody that has a full cart so I have time to get my stuff up on the conveyor belt, because if I am putting it up at the same time they are checking it out, I can guarantee they are going to do something wrong. Then I have to go back and go somewhere else to get it fixed.*

*So I want to watch every move that's made, in my favor or not in my favor. I'm honest with them, as I would want them to be with me.*

*That is why I go to certain clerks, because I feel real confident with some of them.*

## **Trust and Price Promotions**

Respondents expressed several trust issues related to promotions, honoring advertised sale prices, and the accuracy of shelf pricing.

*I get upset ... because something can be advertised on Sunday, and you can go in on Friday and it won't be on the computer and they act like they didn't know it was on sale, and I'm saying to myself, you know come on, I'm not the first person that has bought this ... I could go home and find at least two mistakes and then I have to go back and complain about it.*

*You get your paper and say you're going to do a couple of your errands, you run out thinking you're going to buy these things on sale, and they are not on sale.*

*I did that ... and the lady in front of me bought orange juice, and she didn't want the orange juice because you know, it was a lot more expensive (not on sale). It is hard, when there is a paper and then the sale doesn't start until the next day.*

*Actually, County Market runs through Tuesday, Jewel runs through Wednesday, the rest run Sunday through Saturday.*

*When things are on sale, sometimes they are not marked on the shelf. Which is*

*another problem, you stand there and say it's on my list, I know it was on sale, then you get up front and say "Is it on sale?" Well let me get out my ad and check, because they don't always know, and they are not real good about having the shelves marked on sale prices.*

*They have the marks on the shelf that are so tiny that those of us that are in the maturity stage that have bifocals, you can't see how much the dang thing is.*

*So you don't know, if it has been a special as to what it cost and you don't know until it goes through the computer and gets flashed on the screen. You don't know what the charge is and sometimes you can get greatly confused.*

## **Building Loyalty**

While respondents overall exhibited fairly low levels of loyalty, there were several factors identified that may help to contribute to enhancing loyalty. For example, a number of respondents mentioned loyalty to specific store employees (especially checkout clerks) as a defensive strategy against being charged the wrong price. Some felt more loyal to the store when store employees were familiar to them and familiar with them as customers. Other participants mentioned loyalty associated with frequent buyer cards, attractive prices, and advertised specials.

*I buy the majority of mine (groceries) at IGA ... I'm familiar with the store, and I know the clerks. I know what clerks I can go to and who I can trust not to make any mistakes for the most part.*

*That is why I go to certain clerks, because I feel real confident with some of them.*

*You were talking about loyalty. I get loyal to the clerks sometimes, and somebody else mentioned about the clerks that you know. You know I always shop in the evening at County Market. I know the people that work there, and I know the stock person, and the night manager has talked to me on numerous occasions. So, he knows me, not by name, but by sight. And I feel loyal because I know those people. And they've taken the time to say something to me. When they started, it was a real small group of people, and I think that's why I know them. Now they've expanded more, and I don't know a lot of the new employees.*

*I've become pretty much loyal to County Market because of the Max Card. Just the whole thing that I can go in there, sometimes it's good, sometimes it's bad, but I can look and see how much I've supposedly saved. There's been times when it was like \$5.04. I'm loyal to Sam's for my meat, once again, because I can buy bulk amounts relatively cheaper than I can at the grocery stores.*

*I'm not loyal. If it's an ad, that will do it.*

### **Cross Shopping and Patronage**

For some consumers, the availability of a wider product assortment within a store leads to increased patronage. For other consumers, the mixing of food and non-food product categories is a negative.

*Well, the fact that Jewel is there with Osco makes a big difference because we do go to Osco for prescriptions and for other things. Sometimes they have a liquor sale, and my husband will buy it at Osco. And then you're there, we'll go through the grocery section. It's just one of those things. Or I'm getting a stationery item for my friend in the nursing home, or you know, that kind of thing.*

*It's (Sam's) too huge. There are certain things that you can buy that are durable, but non-foods. I wouldn't go in there and buy a tire and a jug of milk at the same time.*

*My brother-in-law was here, and they have a Sam's card from Kansas City, and he had got his set of tires from them, and he was interested to see what the price was. Absolutely the same here as it was in Kansas City. But of course, he was buying tires, and my sister was buying food, and so forth, the same day that they were in the store. But the one thing in Sam's my husband always heads for is the olive oil. He can get the nicest kind, and it's about half what it is in the other stores. Many of the other things are more if you start counting per fluid ounce or something there. But they have some real specials. When we were there, and my sister was there, she found a vest that she just loved, and so it went into the veggie mix and everything else.*

*For combined trips it takes money, I try to avoid those trips (combination food shopping and other major purchase). Auto center and grocery, ooh.*

## **Additional Trust Themes**

Several other trust themes emerged as a result of the focus group interviews. These included the number of check out lines open, moving inventory around, and offering safe facilities for children.

*This is my pet peeve of all, it doesn't matter if it's Meijer's or any store that builds 25 check out lanes and one is open. I could never understand it. I have never seen them all open. So why did they build that many? Never. At the busiest time, that Saturday you were talking about, were they all open? Well, they weren't. I wasn't there, but I'm sure they weren't.*

*So why build all the check outs? That's the bad thing about big stores.*

*What really irritates me is when they change the place of things.*

*I want to be able to get my stuff and get out of there, and you know, go to the place where it is suppose to be and its not there.*

*They do it all the time.*

*I know some stores in the urban areas have put in child care centers, actually in the store ... I would use that ... they have the workers in there, they have a polaroid camera, they take the picture of the person who is going to pick the child up. So that they know exactly who to give the child back to.*

## **Trust, Loyalty and On-line Shopping**

None of the 31 focus group participants had actually purchased food or grocery items through an online service. However, trust did emerge as a major reason for not using online food shopping.

*No, I guess you think back to, long time ago when people would call up the grocery store and they would deliver the stuff to your house. That always bothered me too.*

*I want to see what I'm buying. I think that I would hesitate to use the Internet because of that, I want to see and pick out what I want.*

*I don't think I would buy over the Internet or call and have delivered groceries, because I want to see what I'm buying.*

*It depends a little bit how good they (the shoppers) are. I mean if these are people*

*who are conscientious shoppers who are going to do the best shopping or just see how fast they can get through the store and grab stuff. I mean, it could go either way. You could have somebody who's really...*

*I haven't tried it, but that sounds very, very interesting to me. (Another participant: And it's not free either.) No, but you could do your on-line shopping, and you could select and submit your shopping list. And they have the trained shoppers that will pick out the best and the lower prices.*

*I think it's been three years since I've been in there. They promote a service called Peapod Shopping which I have zero use for. Somebody else is going to pick this stuff? How do you know what you're getting?*

*But I have seen the Peapod shoppers in the Jewel stores, and they seem to be very efficient. They know where everything is because a lot of times shoppers will ask them where this or that is. They'll say, I don't work here, but it's over there.*

*Sometimes there's too many Peapodders. They're all in your way. They wear green outfits. Sometimes they have two or three carts, and they get in your way sometimes.*

*I worked third shift once, and I really didn't have time from taking my children to school and getting home to get some sleep to get up and work. It sounds interesting. But, I've never used it.*

Because none of the focus group participants had purchased groceries from an on-line service, we collaborated with a major supermarket chain offering on-line grocery shopping and surveyed over 200 consumers that were buying their groceries on-line. The product categories that respondents were least trustful of purchasing on-line included meats, produce, and perishables. Somewhat surprisingly, nearly 20% of the on-line shoppers said the only place they buy groceries is on-line. This might in part be explained by the fact that a number of respondents mentioned physical and/or constraint issues as the reason for using on-line food shopping services.

*I'm disabled and can't get out much. So I use my computer to shop from home.*

*I don't drive so it's a major pain for me to make a trip to the grocery store.*

*Delivery to my kitchen is most important since carrying heavy items is getting more and more difficult.*

*I don't want the hassle of taking my three children under 4 years (to the grocery store), paying for a sitter, or inconveniencing my husband in the evenings."*

## **IMPLICATIONS**

The managerial implications based on the study's findings are fairly straight forward. Retain good employees - to the customer the checkout clerk is the store. Honor the prices advertised - both overcharging and undercharging contributes to a lack of trust. Don't build a large number of check out lines if you're not going to use them. It is irritating to see many lanes that are not open when the store is busy and you're standing in line. Stop moving the inventory around - the consumer perceives their time as valuable. If you want consumers to shop online, they need to be able to trust the retailer's judgement when selecting products in place of them. Marketing is *still* about the old 4 P's - plus one. Price, product, place, promotion and *people*. As pointed out in the beginning of this paper, trust in the marketer is intertwined with trust in the salesperson. Trust leads to loyalty, distrust to a lack of loyalty. Schurr and Ozanne define trust as the belief that a party's word or promise is *reliable* and that a party will *fulfill* his/her obligations in an exchange relationship. Themes that emerged as a result of the focus group interviews confirm this perspective on trust. Consumers want reliability from the retailers they choose to patronize. Reliability is another word for consistency. Consumers want reliable prices, reliable scanning, reliable shelf prices, and reliable clerks. Trust and loyalty are enhanced by familiar faces and products in the same (familiar) places in the store. Consumers seem to infer bad motives on the part of the retailer when mistakes occur - pricing mistakes in particular are perceived as intentional rather than

accidental. This perception may not be fair to the retailer or accurate - but it does seem to be the perception. Often, perceptions drive behavior more than reality. Thus, retailers need to recognize the perceptions (even if not completely accurate) and work toward re-building trust. Consumers want retailers to make good on their part of the bargain. Advertising a sale price means honoring that sale price. If it is an advertised price (even in today's paper) they want it recognized and honored accordingly. The perception of playing cat and mouse games doesn't build either *trust* or *loyalty*.

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Table 1

Description of Focus Group Participants (N=31)

Demographic Variables	%
Age	
< 35 Years	26%
35-55 Years	45%
> 55 Years	29%
Gender	
Male	16%
Female	84%
Income Level	
< \$30,000	23%
\$30,000 - \$49,000	19%
\$50,000 - \$69,000	29%
≥ \$70,000	29%
Employment Status	
Full-time	42%
Part-time	23%
Retired	23%
Homemaker or Not Employed	13%
Educational Level	
≤ High School	10%
Some College	29%
College Graduate	61%