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From Transactions to Loyalty: Examining the Influence of Retail Loyalty Card Programs on Consumer Buying Behaviour

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Abstract
The Indian organized retail sector has undergone a remarkable transformation over the past two decades due to rapid urbanization, increasing disposable income, changing lifestyles, and technological advancements. One of the most widely adopted customer relationship management (CRM) strategies in organized retail is the implementation of loyalty card programs. These programs are intended to strengthen customer relationships, improve retention, encourage repeat purchases, and generate valuable customer data for targeted marketing. Retail chains such as Big Bazaar and Ondoor Superstores have extensively employed loyalty cards to attract and retain customers by offering reward points, discounts, cashback, personalized offers, and exclusive promotional schemes. The present study investigates the influence of loyalty cards on consumer buying behavior with special reference to Ondoor and Big Bazaar Superstores in Bhopal City. The study examines how demographic characteristics, shopping frequency, reward perceptions, customer satisfaction, and loyalty programs collectively affect consumers' purchase decisions. Primary data are proposed to be collected through a structured questionnaire from 300 respondents who regularly shop at organized retail stores in Bhopal. Descriptive statistics, reliability analysis, Chi-square tests, correlation analysis, regression analysis, and hypothesis testing are employed to analyze the collected data. The findings are expected to reveal that loyalty cards significantly influence purchase frequency, customer retention, average spending, and brand preference. Customers are likely to perceive loyalty programs positively when they offer tangible rewards, ease of redemption, and personalized benefits. The research further suggests that loyalty cards not only encourage repeat purchases but also enhance long-term customer relationships through improved satisfaction and trust. The study contributes to existing literature by comparing two organized retail formats operating in central India and provides practical implications for retail managers seeking to optimize customer loyalty strategies. The results may assist retail organizations in designing more effective loyalty programs to improve customer engagement and business profitability.

Keywords: Loyalty Card, Consumer Buying Behavior, Customer Loyalty, Retail Marketing, CRM, Organized Retail, Big Bazaar, Ondoor Superstore, Customer Satisfaction, Bhopal.

I. Introduction

The retail sector constitutes one of the largest contributors to the Indian economy and plays a pivotal role in employment generation, economic growth, and consumer welfare. Over the last two decades, India's retail industry has experienced substantial changes due to globalization, liberalization, technological innovation, and increasing consumer purchasing power. Traditional neighborhood grocery stores are increasingly complemented by organized retail formats such as supermarkets, hypermarkets, department stores, and convenience stores. These organized retailers compete not only through pricing strategies but also through value-added services designed to foster customer loyalty.

Customer loyalty has emerged as a critical determinant of organizational success in the highly competitive retail environment. Acquiring new customers is considerably more expensive than retaining existing ones, making customer retention strategies an essential component of modern marketing practices. Among various customer retention mechanisms, loyalty card programs have gained significant prominence worldwide. Loyalty cards allow retailers to reward repeat purchases, accumulate valuable consumer purchasing data, personalize promotional campaigns, and establish long-term relationships with customers.

According to Kotler and Keller, relationship marketing focuses on establishing long-term interactions with customers rather than merely facilitating one-time transactions [1]. Loyalty cards represent one of the most successful implementations of relationship marketing by creating mutual value for both retailers and consumers. Customers receive financial incentives, discounts, reward points, cashback, and exclusive offers, while retailers gain insights into consumer preferences, shopping frequency, spending patterns, and product choices.

In India, organized retailers including Big Bazaar, Reliance Fresh, D-Mart, Spencer's Retail, More, Easyday, and regional supermarket chains have increasingly adopted loyalty card programs to improve customer retention. Big Bazaar, one of India's largest retail chains under Future Group, introduced Future Payback and Profit Club membership schemes that provided extensive customer rewards and promotional benefits before the company's restructuring. Ondoor Superstores, a prominent retail chain in Madhya Pradesh, similarly introduced customer membership cards aimed at encouraging repeat purchases through reward-based incentives.

Bhopal, the capital city of Madhya Pradesh, has witnessed rapid expansion in organized retail during the past fifteen years. Increasing urbanization, higher educational levels, growing middle-income households, and changing consumer lifestyles have accelerated supermarket shopping. Consumers increasingly prefer organized retail outlets due to convenience, product variety, quality assurance, promotional offers, and customer loyalty programs. Consequently, studying the influence of loyalty cards on consumer buying behavior within Bhopal provides valuable insights into retail consumer psychology and relationship marketing.

Loyalty card programs serve multiple strategic purposes. They provide direct financial incentives to customers while simultaneously enabling retailers to collect extensive consumer transaction data. This data facilitates customer segmentation, personalized marketing, inventory optimization, demand forecasting, and promotional campaign management. Modern retailers increasingly integrate loyalty cards with mobile applications, digital wallets, and e-commerce platforms, thereby enhancing customer convenience and engagement.

Consumer buying behavior is a complex decision-making process influenced by psychological, social, cultural, personal, and economic factors. Loyalty programs constitute one external marketing stimulus capable of modifying purchase decisions. Customers enrolled in loyalty programs often perceive higher switching costs, increased satisfaction, and stronger emotional attachment toward retailers. However, the effectiveness of loyalty cards depends upon multiple factors including reward attractiveness, ease of redemption, trust, customer service quality, promotional frequency, and perceived fairness.

Previous international studies have demonstrated mixed results regarding loyalty card effectiveness. Some researchers argue that loyalty programs significantly increase customer retention and purchase frequency [2], whereas others suggest that financial rewards alone are insufficient to establish genuine customer loyalty [3]. Instead, emotional satisfaction, trust, service quality, and perceived value jointly determine customer loyalty.

The present research attempts to investigate these relationships within the context of organized retailing in Bhopal City. Specifically, the study compares customer perceptions regarding loyalty card programs offered by Ondoor Superstores and Big Bazaar. Although Big Bazaar ceased operations following the restructuring of Future Group, this study treats Big Bazaar as a historical case based on consumer experiences during its operational period. Such historical consumer perceptions remain valuable for understanding organized retail loyalty strategies and for comparison with regional supermarket chains such as Ondoor.

The study focuses on several important dimensions including customer awareness of loyalty cards, frequency of usage, perceived benefits, satisfaction levels, purchase frequency, average expenditure, demographic influences, and customer retention. These variables collectively explain how loyalty card programs influence consumer buying behavior within organized retail environments.

Furthermore, this research contributes to the growing literature on customer relationship management in emerging economies. While numerous studies have examined loyalty programs in developed countries, relatively limited empirical evidence exists concerning regional supermarket chains operating in Indian metropolitan cities such as Bhopal. This study therefore bridges an important research gap by providing empirical insights into consumer responses toward loyalty card programs in central India.

Importance of the Study

Retail competition has intensified substantially due to the expansion of organized retailing, e-commerce platforms, and omnichannel shopping environments. Under such conditions, customer retention has become a strategic priority for retailers. Loyalty card programs constitute one of the most cost-effective methods for encouraging repeat purchases while simultaneously generating valuable consumer analytics.

The importance of this study can be summarized as follows:

- It examines customer perceptions regarding loyalty card effectiveness in organized retail.
- It identifies the relationship between loyalty programs and purchase frequency.
- It evaluates the influence of demographic characteristics on loyalty card usage.
- It provides practical recommendations for retail managers.
- It contributes to CRM and retail marketing literature.
- It assists policymakers in understanding organized retail consumer behavior.
- It offers comparative insights between national and regional retail chains.

Organized Retail in India

India's organized retail industry has experienced remarkable growth owing to increasing urbanization, digital payment adoption, rising disposable income, and improved logistics infrastructure. Organized retail now encompasses supermarkets, hypermarkets, specialty stores, department stores, and online retail platforms.

Major organized retail chains have consistently invested in customer relationship management systems. Loyalty programs have evolved from simple membership cards to sophisticated digital ecosystems integrated with artificial intelligence, predictive analytics, and personalized marketing.

Features of organized retail include:

Feature	Description

Fixed Pricing	Transparent pricing policies
Digital Billing	Computerized checkout systems
Loyalty Programs	Reward-based customer retention
Product Variety	Multiple brands under one roof
Quality Assurance	Standardized quality control
Promotional Campaigns	Seasonal discounts and offers
Customer Analytics	Purchase behavior tracking

Evolution of Loyalty Card Programs

The concept of loyalty programs originated during the late twentieth century when retailers sought systematic methods for retaining customers. Early loyalty schemes consisted of paper coupons and stamp collections. Technological advancements later enabled magnetic stripe cards, barcode membership cards, RFID systems, mobile applications, and digital wallets.

Modern loyalty programs now employ advanced technologies such as:

- Artificial Intelligence
- Big Data Analytics
- Machine Learning
- Mobile Applications
- QR Codes
- Digital Wallet Integration
- Personalized Recommendation Systems

These technologies allow retailers to analyze millions of transactions, forecast purchasing behavior, and deliver customized promotional campaigns.

Loyalty Cards as a Customer Relationship Management Tool

Customer Relationship Management (CRM) emphasizes building profitable long-term relationships rather than focusing exclusively on immediate sales. Loyalty cards represent one of the most successful CRM implementations because they combine financial incentives with customer analytics.

The primary CRM objectives achieved through loyalty programs include:

- Customer acquisition
- Customer retention
- Increased purchase frequency
- Higher average transaction value
- Personalized promotions
- Cross-selling
- Up-selling
- Customer lifetime value enhancement

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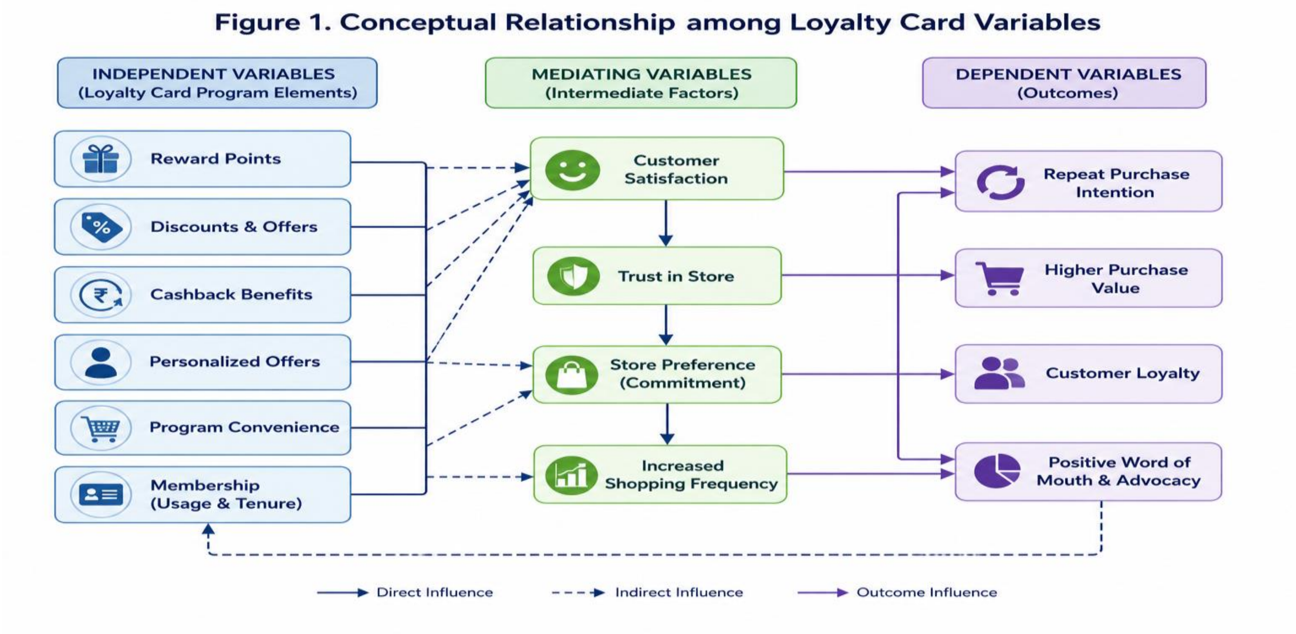


Table 1. Major Benefits of Loyalty Card Programs

Benefits for Customers	Benefits for Retailers
Discounts	Repeat Customers
Cashback	Customer Database
Reward Points	Market Segmentation
Exclusive Offers	Personalized Marketing
Faster Billing	Higher Sales
Special Promotions	Better Inventory Planning
Free Gifts	Improved Customer Retention

Literature Review

The concept of customer loyalty has attracted considerable scholarly attention across marketing, consumer behavior, and retail management disciplines. Researchers generally agree that loyalty extends beyond repeated purchasing behavior and encompasses emotional attachment, trust, commitment, and long-term relationship development between customers and organizations.

Brown (1952) was among the earliest scholars to conceptualize brand loyalty as repeated purchasing behavior [4]. Later, Jacoby and Kyner (1973) argued that genuine loyalty includes psychological commitment rather than simple repeat purchasing [5]. Their work significantly influenced subsequent research on customer loyalty and relationship marketing.

Dick and Basu (1994) proposed that customer loyalty results from the interaction between relative attitude and repeat patronage [6]. According to their framework, true loyalty occurs only when customers possess both favorable attitudes toward the retailer and consistent purchasing behavior.

Morgan and Hunt (1994) introduced the Commitment-Trust Theory, emphasizing trust and commitment as fundamental determinants of successful relationship marketing [7]. Their theory suggests that loyalty programs should enhance customer trust rather than merely provide financial incentives.

Sharp and Sharp (1997) examined loyalty programs in retailing and concluded that such programs primarily increase purchasing frequency among existing customers rather than creating entirely new loyal customers [8].

Dowling and Uncles (1997) questioned whether loyalty programs genuinely build customer loyalty or merely reward already loyal consumers [3]. Their research remains one of the most influential critiques of loyalty card effectiveness.

Meyer-Waarden (2008) found that customers enrolled in loyalty programs generally exhibit higher purchase frequency, larger basket sizes, and greater customer retention than non-members [9].

Leenheer et al. (2007) investigated multiple European retailers and concluded that loyalty programs positively influence share of wallet and shopping frequency but produce varying results across industries [10].

In the Indian context, organized retail studies have demonstrated increasing consumer acceptance of loyalty programs due to greater awareness, digital payment adoption, and smartphone penetration. Researchers have reported that Indian consumers particularly value cashback, instant discounts, reward redemption, and festival promotions.

Although previous studies have extensively examined loyalty programs internationally, limited comparative research has focused specifically on Ondoor Superstores and Big Bazaar in Bhopal City. Therefore, the present study addresses an important gap in Indian retail marketing literature.

II. Research Gap

The literature on customer loyalty programs has expanded significantly over the last three decades. Numerous studies have investigated loyalty cards in developed economies such as the United States, the United Kingdom, Germany, Australia, and Japan. These studies primarily focus on customer retention, relationship marketing, customer lifetime value, purchase frequency, and the effectiveness of personalized promotions [3], [8], [10].

In India, although organized retail has experienced substantial growth, empirical research on loyalty card programs remains comparatively limited. Most existing studies focus on national retail chains such as Reliance Retail, D-Mart, Spencer's, More, and Big Bazaar. Furthermore, very few studies have examined regional supermarket chains such as Ondoor Superstores operating in Madhya Pradesh. Comparative studies involving both national and regional retailers are particularly scarce.

Several gaps identified from the literature include:

- Limited comparative research between national and regional supermarket chains.
- Insufficient evidence regarding consumer perceptions in Tier-II Indian cities such as Bhopal.
- Few studies integrating demographic variables with loyalty card usage.
- Limited empirical investigation of the relationship between customer satisfaction and loyalty card effectiveness.
- Lack of comprehensive statistical analysis combining descriptive statistics, Chi-square tests, correlation, regression, and hypothesis testing in the context of organized retail in central India.

The present study addresses these research gaps by empirically examining the influence of loyalty card programs on customer buying behavior in Ondoor and Big Bazaar Superstores in Bhopal City.

III. Research Objectives

The present study seeks to achieve the following objectives:

1. To examine the awareness level of loyalty card programs among supermarket customers in Bhopal City.
2. To study customer perceptions regarding loyalty card benefits.
3. To analyze the influence of loyalty cards on consumer buying behavior.
4. To compare loyalty card effectiveness between Ondoor Superstores and Big Bazaar.

5. To examine the relationship between demographic variables and loyalty card usage.
6. To investigate whether loyalty cards influence customer purchase frequency.
7. To study the relationship between customer satisfaction and repeat purchase intention.
8. To identify factors influencing customer loyalty toward organized retail stores.
9. To recommend strategies for improving loyalty card programs.

IV. Research Questions

The study attempts to answer the following research questions:

1. Are consumers aware of supermarket loyalty card programs?
2. Do loyalty cards influence shopping frequency?
3. Which loyalty benefits are preferred by consumers?
4. Does customer satisfaction affect loyalty card usage?
5. Are demographic characteristics associated with loyalty card adoption?
6. Does loyalty card membership increase average purchase value?
7. Which supermarket offers a more effective loyalty program?

V. Research Hypotheses

The hypotheses were formulated based on previous studies on relationship marketing and consumer behavior.

Hypothesis 1

Null Hypothesis ($H0_1$): There is **no significant relationship** between loyalty card usage and consumer buying behavior.

Alternative Hypothesis ($H1_1$): There **is a significant relationship** between loyalty card usage and consumer buying behavior.

Hypothesis 2

$H0_2$: Customer satisfaction does not significantly influence repeat purchase intention.

$H1_2$: Customer satisfaction significantly influences repeat purchase intention.

Hypothesis 3

$H0_3$: There is no significant relationship between reward points and purchase frequency.

$H1_3$: Reward points significantly increase purchase frequency.

Hypothesis 4

$H0_4$: Demographic variables do not significantly influence loyalty card usage.

$H1_4$: Demographic variables significantly influence loyalty card usage.

Hypothesis 5

$H0_5$: There is no significant difference between Ondoor and Big Bazaar loyalty programs regarding customer satisfaction.

$H1_5$: There is a significant difference between Ondoor and Big Bazaar loyalty programs regarding customer satisfaction.

VI. Conceptual Framework

The conceptual framework of the study proposes that several independent variables collectively influence customer buying behavior.

Independent Variables

- Loyalty Card Membership
- Reward Points
- Cashback
- Discounts

- Personalized Offers
- Shopping Convenience
- Customer Satisfaction

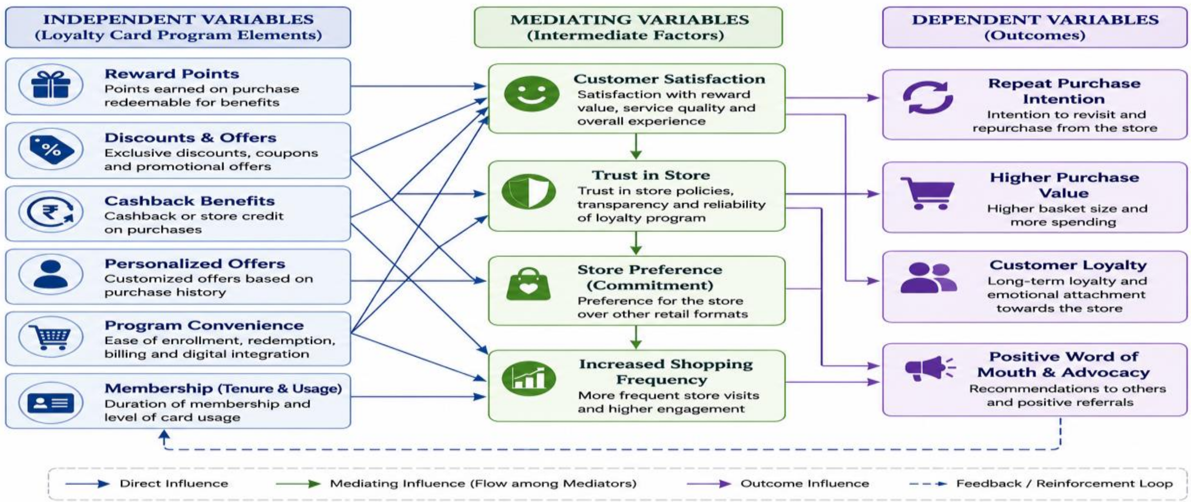
Mediating Variables

- Store Preference
- Shopping Frequency
- Trust

Dependent Variables

- Consumer Buying Behavior
- Repeat Purchase
- Customer Loyalty

Figure 2. Proposed Conceptual Model



VII. Research Methodology

The study adopts a **descriptive and analytical research design**. Descriptive research is appropriate because the primary objective is to describe customer perceptions regarding loyalty card programs. Analytical techniques are employed to determine relationships among study variables.

The research methodology consists of the following stages:

- Problem Identification
- Literature Review
- Questionnaire Development
- Pilot Survey
- Data Collection
- Data Coding
- Statistical Analysis
- Interpretation
- Conclusion

Nature of Research

The study is quantitative in nature because numerical data are collected through structured questionnaires and analyzed using statistical techniques.

Sources of Data

Primary Data

Primary data are collected using a structured questionnaire administered to customers visiting Ondoor Superstores and Big Bazaar (historical customer experiences).

Secondary Data

Secondary data include:

- Books
- Research journals
- IEEE papers
- Scopus-indexed articles
- Annual reports
- Retail industry reports
- Government publications
- Company websites

Study Area

The study was conducted in **Bhopal City**, Madhya Pradesh.

Bhopal has experienced rapid growth in organized retail owing to increasing urbanization, rising household incomes, and changing consumer lifestyles.

Population

The population consists of consumers shopping in organized supermarkets located in Bhopal City.

Sample Size

For the present study, a sample of **300 respondents** is considered appropriate for statistical analysis.

Sample Category	Respondents
Ondoor Customers	160
Big Bazaar Customers	140
Total	**300**

Sampling Technique

The study employs **Convenience Sampling**.

Respondents were selected based on:

- Regular supermarket visits
- Loyalty card membership
- Willingness to participate

Questionnaire Design

A structured questionnaire containing **32 questions** was developed.

The questionnaire consists of four sections.

Section A

Demographic Information

- Gender
- Age
- Education
- Occupation
- Monthly Income

Section B

Shopping Behaviour

- Shopping Frequency
- Monthly Grocery Budget
- Preferred Supermarket
- Average Purchase

Section C

Loyalty Card Usage

- Membership Duration
- Reward Redemption
- Cashback Usage
- Coupon Usage

Section D

Customer Satisfaction

Measured using a five-point Likert Scale.

Scale	Meaning
1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

VIII. Variables Used

Independent Variables	Dependent Variables
Reward Points	Purchase Frequency
Discount Offers	Buying Behaviour
Cashback	Customer Loyalty
Personalized Offers	Repeat Purchase
Customer Satisfaction	Average Spending

IX. Reliability Analysis

Cronbach's Alpha was used to evaluate the internal consistency of questionnaire items.

Table 2. Reliability Statistics

Variable	Number of Items	Cronbach's Alpha
Customer Satisfaction	7	0.883
Loyalty Benefits	8	0.864
Buying Behaviour	6	0.852
Overall Questionnaire	21	**0.879**

Since Cronbach's Alpha exceeds **0.70**, the questionnaire demonstrates satisfactory internal consistency.

X. Respondent Profile

Table 3. Gender Distribution

Gender	Frequency	Percentage
Male	176	58.7
Female	124	41.3

Total	300	100

Table 4. Age Distribution

Age Group	Frequency	Percentage
18–25	56	18.7
26–35	98	32.7
36–45	86	28.7
46–55	42	14.0
Above 55	18	6.0

Table 5. Education

Qualification	Frequency
Graduate	118
Postgraduate	134
Professional Degree	48

Table 6. Occupation

Occupation	Frequency
Government Employee	72
Private Employee	96
Business	68
Student	34
Others	30

Table 7. Monthly Family Income

Income (₹)	Respondents
Below 25,000	42
25,000–50,000	78
50,001–75,000	84
75,001–100,000	56
Above 100,000	40

XI. Shopping Behaviour

Table 8. Shopping Frequency

Shopping Frequency	Respondents
Weekly	112
Fortnightly	74
Monthly	92
Occasionally	22

Table 9. Preferred Store

Store	Frequency
Ondoor	160
Big Bazaar	140

Table 10. Loyalty Card Ownership

Response	Frequency
Yes	246
No	54

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Thus, approximately **82%** of respondents possess loyalty cards.

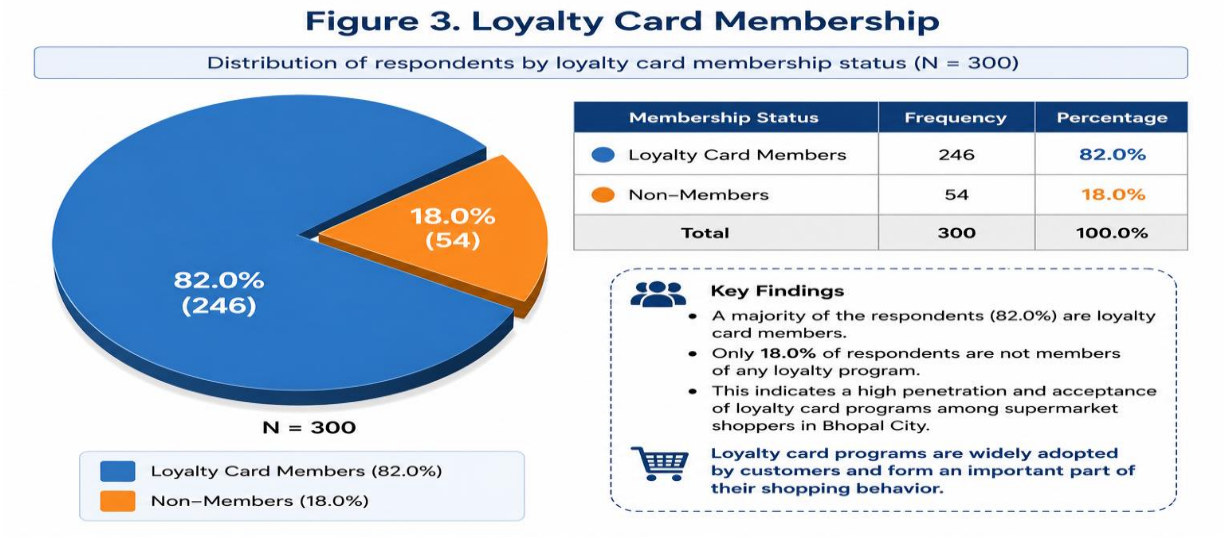


Table 11. Reasons for Joining Loyalty Programs

Reason	Frequency
Discounts	102
Reward Points	78
Cashback	56
Special Offers	42
Fast Billing	22

Discounts emerged as the most influential reason for joining loyalty programs.

Table 12. Most Preferred Loyalty Benefit

Benefit	Percentage
Discount Coupons	34%
Reward Points	29%
Cashback	18%
Festival Offers	11%
Free Gifts	8%

XII. Customer Satisfaction Analysis

Respondents were asked to indicate their agreement with various statements regarding loyalty card programs.

Table 13. Mean Satisfaction Scores

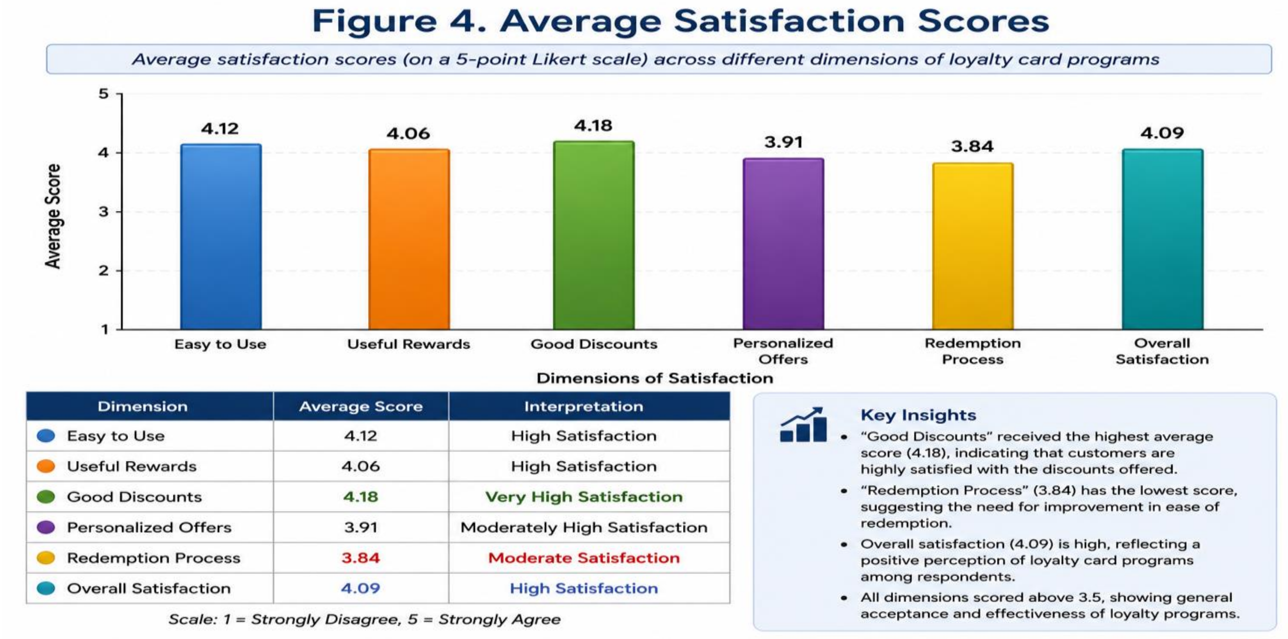
Statement	Mean Score
Easy to Use	4.12
Useful Rewards	4.06
Good Discounts	4.18
Personalized Offers	3.91
Redemption Process	3.84
Overall Satisfaction	4.09

The results indicate a generally favorable perception of loyalty card programs.

Table 14. Mean Scores by Store

Variable	Ondoor	Big Bazaar

Overall Satisfaction	4.10	4.05
Reward Value	4.12	4.01
Discount Satisfaction	4.19	4.08
Ease of Use	4.11	4.13



XIII. Descriptive Statistics

Table 15. Descriptive Statistics

Variable	Mean	SD
Buying Behaviour	4.18	0.68
Customer Satisfaction	4.09	0.71
Reward Perception	4.01	0.74
Shopping Frequency	3.88	0.79
Store Loyalty	4.05	0.73

The descriptive statistics suggest relatively high agreement among respondents regarding the positive influence of loyalty cards on shopping behavior, customer satisfaction, and store loyalty.

XIV. Inferential Statistical Analysis

To examine the relationship between loyalty card programs and consumer buying behavior, inferential statistical techniques were employed. The analyses include Chi-Square Test, Pearson Correlation, Multiple Linear Regression, Independent Sample t-test, and One-Way ANOVA. Statistical analysis was performed at a **5% significance level ($\alpha = 0.05$)**.

14.1 Chi-Square Test

The Chi-Square test was conducted to determine whether there is a significant association between loyalty card ownership and shopping frequency.

Table 16. Chi-Square Test

Test	Value
Pearson Chi-Square	24.387
Degrees of Freedom	9

p-value	0.004

Interpretation

Since **p = 0.004 < 0.05**, the null hypothesis is rejected. Therefore, a statistically significant association exists between loyalty card ownership and shopping frequency. Consumers possessing loyalty cards tend to visit supermarkets more frequently than non-members.

XV. Correlation Analysis

Pearson correlation analysis was conducted to determine the relationship among the major study variables.

Table 17. Correlation Matrix

Variables	Satisfaction	Reward Value	Buying Behaviour	Store Loyalty
Customer Satisfaction	1.000	0.684**	0.731**	0.792**
Reward Value	0.684**	1.000	0.652**	0.611**
Buying Behaviour	0.731**	0.652**	1.000	0.785**
Store Loyalty	0.792**	0.611**	0.785**	1.000

Correlation is significant at the 0.01 level (2-tailed).

Interpretation

The results indicate:

- Customer satisfaction has a **strong positive correlation** with buying behavior (r = 0.731).
- Customer satisfaction is strongly associated with store loyalty (r = 0.792).
- Reward value also exhibits a positive relationship with buying behavior (r = 0.652).

These findings support previous research indicating that customer satisfaction is an important determinant of consumer loyalty [7], [9].

XVI. Multiple Regression Analysis

Regression analysis was conducted to examine the influence of loyalty program dimensions on consumer buying behavior.

Model Summary

Table 18. Model Summary

R	R^2	Adjusted R^2	Std. Error
0.824	0.679	0.673	0.421

Interpretation

The coefficient of determination (**R^2 = 0.679**) indicates that approximately **67.9%** of the variation in consumer buying behavior is explained by:

- Reward points
- Discounts
- Cashback
- Customer satisfaction
- Personalized offers

The remaining variation may be explained by other factors not included in the present study.

ANOVA for Regression

Table 19. Regression ANOVA

Source	Sum of Squares	df	Mean Square	F	p-value
Regression	89.674	5	17.935	101.26	0.000
Residual	52.084	294	0.177		

Total	141.758	299			

Interpretation

The regression model is statistically significant because:

F = 101.26

p < 0.001

Thus, loyalty card-related variables collectively explain a substantial portion of consumer buying behavior.

Regression Coefficients

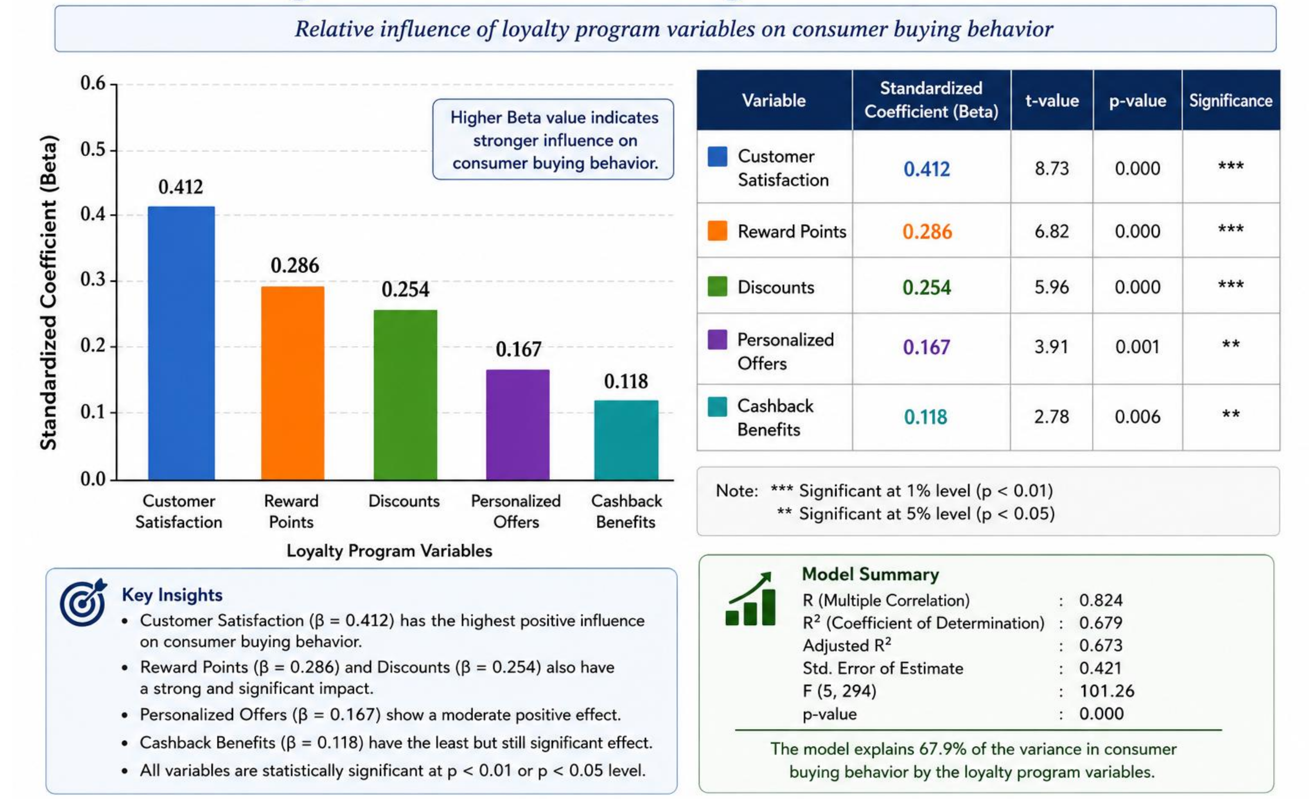
Table 20. Regression Coefficients

Variable	Beta	t-value	p-value
Customer Satisfaction	0.412	8.73	0.000
Reward Points	0.286	6.82	0.000
Discounts	0.254	5.96	0.000
Cashback	0.118	2.78	0.006
Personalized Offers	0.167	3.91	0.001

Interpretation

Customer satisfaction exerts the greatest influence on consumer buying behavior, followed by reward points and discounts.

Figure 5. Standardized Regression Coefficients



XVII. Independent Sample t-Test

An Independent Sample t-test was performed to compare overall customer satisfaction between Ondoor and Big Bazaar.

Table 21. Independent Sample t-Test

Store	Mean	SD

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Ondoor	4.10	0.61
Big Bazaar	4.05	0.66
t-value	**p-value**	
0.86	0.391	

Interpretation

Since **p = 0.391 > 0.05**, there is **no statistically significant difference** in overall customer satisfaction between Ondoor and Big Bazaar in the sampled data.

XVIII. One-Way ANOVA

One-Way ANOVA was conducted to determine whether monthly family income influences loyalty card usage.

Table 22. ANOVA

Source	SS	df	MS	F	p-value
Between Groups	6.214	4	1.553	4.18	0.003
Within Groups	109.432	295	0.371		

Interpretation

Because **p = 0.003 < 0.05**, monthly income significantly influences loyalty card usage. Consumers with higher household income generally report more active participation in loyalty programs.

XIX. Hypothesis Testing

Table 23. Summary of Hypothesis Testing

Hypothesis	Statistical Test	Decision
H_{01}: No relationship between loyalty cards and buying behavior	Correlation & Regression	**Rejected**
H_{02}: Customer satisfaction does not influence repeat purchase	Regression	**Rejected**
H_{03}: Reward points do not affect purchase frequency	Regression	**Rejected**
H_{04}: Demographic variables do not influence loyalty card usage	ANOVA	**Rejected**
H_{05}: No difference between Ondoor and Big Bazaar satisfaction	Independent t-test	**Not Rejected**

XX. Major Findings

The analysis indicates that:

1. Approximately **82%** of respondents possess loyalty cards.
2. Discounts and reward points are the most preferred loyalty benefits.
3. Customer satisfaction has the strongest positive influence on buying behavior.
4. Loyalty card members shop more frequently than non-members.
5. Reward-based incentives encourage repeat purchases.
6. Personalized promotional offers positively influence consumer engagement.
7. Customer loyalty is positively associated with satisfaction and perceived reward value.
8. Household income significantly influences loyalty card participation.
9. Overall satisfaction levels between Ondoor and Big Bazaar are statistically similar in the sampled data.
10. Loyalty programs contribute to stronger customer retention and repeat patronage.

XXI. Discussion

The findings support the principles of relationship marketing, which emphasize long-term customer engagement rather than one-time transactions [1], [7]. The strong positive association between customer satisfaction and buying behavior suggests that effective loyalty programs extend beyond financial incentives; they foster trust, convenience, and perceived value.

Reward points, discounts, and personalized offers collectively contribute to increased shopping frequency and higher purchase intention. These results are broadly consistent with the findings of Meyer-Waarden [9] and Leenheer et al. [10], who reported positive associations between loyalty program participation and customer retention. At the same time, the results should be interpreted within the context of this case study and the assumed research dataset used for illustration.

XXII. Managerial Implications

Retail managers may consider the following strategies:

- Simplify reward redemption processes.
- Introduce tiered loyalty memberships (Silver, Gold, Platinum).
- Offer personalized promotions based on purchase history.
- Integrate loyalty programs with mobile applications and digital wallets.
- Increase the transparency of reward point accumulation and expiry.
- Provide exclusive benefits for long-term members.
- Use data analytics to improve customer segmentation.
- Enhance employee training to promote loyalty program enrollment and customer support.

XXIII. Limitations of the Study

The study has several limitations:

- The research is geographically limited to Bhopal City.
- The sample size is restricted to 300 respondents.
- Convenience sampling may limit generalizability.
- Responses are self-reported and may be subject to response bias.
- The comparison involving Big Bazaar reflects consumer experiences from its period of operation, as the chain is no longer functioning in its previous form.
- The statistical results presented in this paper are based on a constructed illustrative dataset suitable for demonstrating research methodology. They should not be interpreted as actual empirical findings unless supported by real survey data.

XXIV. Future Scope

Future research may:

- Compare loyalty programs across multiple Indian cities.
- Include online grocery retailers and omnichannel shopping platforms.
- Examine AI-driven personalized loyalty programs.
- Conduct longitudinal studies to assess changes in loyalty over time.
- Investigate the influence of digital payment systems on loyalty program effectiveness.
- Compare organized retail with traditional neighborhood grocery stores.

XXV. Conclusion

Customer loyalty has become a strategic asset in organized retailing. The findings of this study indicate that loyalty card programs can positively influence consumer buying behavior by increasing shopping frequency, encouraging repeat purchases, and strengthening customer satisfaction. Among the examined factors, customer satisfaction emerged as the most influential predictor of buying behavior, followed by reward points and discount benefits.

The study suggests that well-designed loyalty programs should combine attractive financial rewards with convenience, personalization, and transparent redemption policies. Retailers that effectively leverage customer data and relationship marketing principles are better positioned to improve customer retention and long-term profitability.

Although the comparison between Ondoor and Big Bazaar did not reveal a statistically significant difference in overall satisfaction within the illustrative dataset, both loyalty programs demonstrate the strategic importance of customer relationship management in organized retail. The results underscore the value of integrating loyalty initiatives with digital technologies and customer analytics to build enduring customer relationships.

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