FOOD IN RETAILERS’ COMMERCIAL OFFER – POSSIBILITIES OF BUILDING RELATIONSHIPS WITH CONSUMERS

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Abstract

The purpose of the article is to identify the possibility of building relationships with consumers in the area of shaping the food offer in retail trade. The subject of the article also concerns consumer needs and changes in their behaviors essential to building these relationships. A critical analysis of the literature of the subject and case study were used to implement the purpose of the article. A diagnosis of solutions implemented by retailers show that the scope and form of activities conducted in the area of building relationships with customers depends on the retail format. Relationships are mainly built on the basis of physical proximity, but also by referring to key consumer needs and trends in their behaviors (mainly “health”, “comfort”, “convenience”, and “new family model”). Retailers in the creation of the food offer refer to the needs of consumers as being related not only to selecting and buying food, but also to their future purchases.

ŻYWNOŚĆ W OFERCIE HANDLOWEJ DETALISTÓW – OBSZARY BUDOWANIA RELACJI Z KONSUMENTAMI

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Słowa kluczowe: handel detaliczny, żywność, relacje, zachowania konsumentów.

Celem artykułu jest identyfikacja możliwości budowania relacji z konsumentami w zakresie kształtowania oferty żywności w handlu detalicznym. Przedmiotem artykułu są również potrzeby konsumentów i zmiany w ich zachowaniach istotne w budowaniu tych relacji. Do realizacji celu artykułu wykorzystano krytyczną analizę literatury przedmiotu oraz studium przypadku. Wyniki przeprowadzonej diagnozy działań podejmowanych przez detalistów wskazują, że zakres i forma działań prowadzonych w zakresie budowania relacji z klientem zależy od formatu handlu detalicznego. Relacje są budowane na bliskości fizycznej, ale także przez odwołanie się do najważniejszych potrzeb konsumentów i trendów w ich zachowaniach (głównie: zdrowie, wygoda, komfort, nowy model rodziny). Detaliści w tworzeniu oferty żywności odwołują się do potrzeb konsumentów związanych nie tylko z zakupem żywności i jej doborem, lecz także z dalszym jej wykorzystaniem.

Introduction

Retailers aspire to satisfy not only functional consumer needs in the sphere of buying food, but also cognitive, symbolic and social needs, which increasingly result in the use of diverse ways of building complex commercial offerings that complement food. Retail offerings in this sphere constitute the response to recognised trends and megatrends in consumer behaviours – firstly including those that are associated with lifestyle, concern about quality, convenience and consumer comfort, as well as virtualisation of their world. Actions implemented by retailers in the sphere of the food trade are part of a group of solutions adequate to changes occurring in consumer behaviour, and certainly support building relationships with customers in the retail food trade.

This paper adopts a marketing approach to relationships with customers, while attributing special importance to perceiving relationships as bonds built on the basis of values essential for the customers, and defined in the literature of the subject as relationships in the sphere of values (Bilińska-Reformat, 2015, p. 35-39; Grönroos, 1991, p. 7-13). The customer is the starting point for shaping these relationships, whereas trust and customer loyalty are the result. Building relationships with customers demands from retailers having and using databases of customers established on the basis of their presence on social media, use of mobile applications, loyalty cards and accounts, as well as their activity on websites among others (Michalska-Dudek, 2014, p. 40-48; Bazarnik, 2013, p. 82).

The purpose of this article is to identify the possibility of building relationships with consumers in the area of shaping the food offer by retailers and recognizing consumer needs and changes in their behaviours essential to building these relationships.
**Research methodology**

The paper is prepared on the basis of a critical analysis of the literature of the subject and case study. The use of the case study as a research method is associated with specific procedures and the application of relevant tools (Majetun, 2012, p. 349-366; Visak, 2010, p. 371-382). Recognition of the ways in which relationships with customers are built by retailers on the basis of the creation and extension of the food offer suitable to their needs and behaviours was the main research problem. Analysed cases concerned retail trade formats of key importance for trade in food (hypermarkets, supermarkets, proximity, convenience stores) that belong to the largest commercial chains in Poland. The analysis of the content of the websites (classification key/observation sheet) (Babbie, 2003, p. 342-352; Szczepaniak, 2012, p. 83-112) was applied in the study.

**Consumer needs and changes in their behaviours are vital in the shaping of the food offer in the retail trade**

Individual customers in the retail trade buy food to satisfy their own needs, as well as the personal and/or shared needs of other household members. Individually, they have no direct impact on the shape of the commercial offer, however, they have the right to decide what needs, how much and in what way they should be satisfied (Kucharska, 2014, p. 78-81). The consumer is a demanding market partner who expects an optimal satisfaction of their needs by a commercial enterprise; as well as continual interest and communication based on reliable information and mutual trust that supports building relationships (Mróz, 2006, p. 191).

In actions implemented by retailers in the sphere of offering food, it is important to take into consideration diverse types of consumer needs that reflect multiple dimensions of value. Consumers often expect something more than the possibility to buy food; they expect that retailers will refer to the functional, symbolic, cognitive and social needs reported by them (Tab. 1).

In highly-developed societies changes observed in the consumer systems of values concern strengthening intangible aspirations associated with the quality of life at the expense of losing the importance of traditional values. The significance of post-material values associated with self-expression and individual development is growing, and the tendency for self-development through “fun and pleasure” from buying, as well as having and using goods is occurring (Bylok, 2012, p. 49, 50).

The growing importance of an orientation toward pleasure is also reflected in consumer behaviours in the sphere of buying and using food. Pleasure is shifted from the peripheries to the centre of many people’s value system and
starts to perform the function of an internal value controlling people’s actions. The balance between utilitarian shopping and shopping for pleasure, especially in wealthy societies has been transferred. Consumers still consider the functional value of food, its capability to satisfy basic needs, and take into consideration the prices, promotions and discounts, but they obviously look for something else in buying food. For example, they find pleasure in shopping, which results from a special atmosphere, an appropriate environment or the ensuring of specific standards. While doing shopping and using food, the emphasis is increasingly more frequently shifted from the content to emotions – the consumer does not want to think only, they want to feel. The very image of feeling pleasure from buying and using a given product becomes a source of pleasure (Uncles, 2010, p. 212, 213).

Consumer behaviours in the food market are shaped by many determinants. They constantly include those that belong to the group of economic determinants (e.g. the level and source of income, household equipment of durable consumer goods used to store and process food, supply, the level and relations between prices as well as commercial agriculture among others), non-economic determinants (including demographic ones – the number and structure of households, civilizational and cultural determinants) and subjective determinants (attitudes, personality, habits and traditions).

Changes occurring in consumer behaviours in the food market result from continuous changes observed in the group of factors determining those behaviours – both internal, concerning consumers and their household, as well as external ones regarding the environment in which they function. The latest trends determining new market conditions for making decisions in the sphere of food consumption, and consequently in the sphere of its storage, processing and purchase, occur in consumer behaviours (Tkaczyk, 2012, p. 126-134).

<table>
<thead>
<tr>
<th>Needs</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Functional</td>
<td>stimulating customers to search for the food offer satisfying their expectations directly associated with nutrition – for the satisfaction of basic needs of consumers, prevention of problems or the provision of solutions to them</td>
</tr>
<tr>
<td>Symbolic</td>
<td>related to self-fulfilment, belonging to a group, building a sense of own value, self-perception through the use of an extended commercial offer of a retailer enhanced by additional services</td>
</tr>
<tr>
<td>Cognitive</td>
<td>associated with the buyer’s experience of sensual pleasure, but also stimulating the buyer to gain knowledge not only in the sphere of offered food, but also with reference to the ways of its use</td>
</tr>
<tr>
<td>Social</td>
<td>associated with general conditions of coexistence and cooperation. Satisfaction of social needs is reflected among others in linking consumers of food in communities according to lifestyle, diet, culinary hobbies or health problems</td>
</tr>
</tbody>
</table>

Source: own case study based on Sagan (2011, p. 36).
Table 2 shows selected trends and megatrends in consumer behaviours that should be considered by retailers in making decisions related to the creation of the commercial offer of food and searching for the possibility to build relationships with customers.

### Table 2
Selected trends and megatrends in consumer behaviours, vital from the point of view of shaping the commercial food offer by retailers

<table>
<thead>
<tr>
<th>Specification</th>
<th>Behaviours of food consumers</th>
</tr>
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<tbody>
<tr>
<td>“Health” trend and related “wellness” lifestyle</td>
<td>buying safe food, organic food, paying attention to food ingredients, great importance of product quality/freshness, drinking a lot of liquids, using dietary supplements, following the professional advice of dieticians, control over diet in a household</td>
</tr>
<tr>
<td>“Convenience” trend</td>
<td>using semi-finished products and ready-made meals, eating out, using payable services associated with food preparation, using culinary recipes linked with the retailers’ offer</td>
</tr>
<tr>
<td>“Sensual” trend</td>
<td>searching for entertainment, adventure and pleasure associated with leisure time cooking, searching for trendy, fashionable diets / culinary recipes</td>
</tr>
<tr>
<td>“Individualism” trend</td>
<td>buying small packages of food products, having an own vision, idea of the use of food</td>
</tr>
<tr>
<td>“Comfort” trend</td>
<td>using high-tech equipment and devices for food processing and preparation of meals at home, using the Internet and social networking sites to search for ready solutions – tested and recommended by others</td>
</tr>
<tr>
<td>“Slowdown of the speed of life” trend</td>
<td>de-consumption – conscious reduction of consumption to a reasonable amount compliant with natural, individual, physical and psychological features of consumers, reluctance to mass consumption, smart shopping – rational planning of household budget through buying necessary products at a low price (“expect more, pay less”)</td>
</tr>
<tr>
<td>“The need to establish contacts” trend</td>
<td>functioning in a network community, sharing purchase-related experience with others, food storing and processing as well as preparation of food on the Internet, among others, popularisation of own vision of a culinary recipe</td>
</tr>
<tr>
<td>Overlapping of the virtual and real life Eat, pray and use innovative technologies Widespread internet and mobile technologies</td>
<td>consumer behaviours associated with food occur both in a real and virtual world. Depending on the needs and possibilities, the consumer transfers individual elements of their behaviours into the virtual or stationary offer dimension, which is convenient for them, easy and general access to information thanks to the development of the latest information technologies</td>
</tr>
<tr>
<td>New family model</td>
<td>increasingly more and more often occupationally active women growth of the number of single-person households</td>
</tr>
</tbody>
</table>

The possibility to build and shape relationships with food buyers by retailers has been and will significantly be determined in the future by the growing virtualisation of consumer behaviours. General access to the Internet and the intense development of innovative information technologies will support not only the growth of buying food online, but also consumers’ expectations regarding the capability of using mobile solutions at the level of retail trade that are consistent with the trends and megatrends that were previously presented (Dubbs, 2015; Verhoef, 2015). Searching for ways to solve their problems, customers believe that the retailers’ offer will penetrate into the world in which they function. According to the Roland Berger Report (2016), consumers will also expect a more personalised retail approach which in the case of food will mainly refer to the assortment, and personalisation in the sphere of communication (Borusiak & Pierański 2016). Frequent, personalised interactivity “always and everywhere” means receiving information from users, recognising their behaviours and reacting to them. This will support building relationships between the retailer and the customer (Kucharska, 2017).

**Retail trade formats in food distribution**

Retail trade enterprises perform a key role in food distribution. They implement fundamental tasks and the basic functions of retailing (complete, regular, continuous supply for the market consistent with demand while considering its spatial, time and structural diversity), but also enhance the food offer with a specific set of services. These tasks are implemented by retail enterprises in several ways depending on the type of format they follow. Aggregated and standardised product designations, i.e. the services of retail trade enterprises, represent the retail trade format (Reynolds et al., 2007, p. 647-660). The features that describe the format mainly include assortment, the way in which the offer is presented to the customer, the method of delivery of the purchases to the customer, the type of production factors as well as the way in which they are organised, and the scope of the provided services (Borusiak & Pierański, 2017, p. 155). Retail trade formats that have food in their assortment are highly diversified. They include supermarkets, discount stores, hypermarkets/superstores, convenience stores, small grocers, food/drink specialists, concept stores and the forecourt. The formats that perform a key role in food distribution in Poland have also been selected for the needs of this paper.

Retailers play a crucial role in food distribution. They select products supplied to final buyers, thus determining the scope of products offered on the market. This also translates into demand and consumer buying behaviours. The retailers’ advantage over producers results among others from the fact of a limited possibility to increase the number of offered products, since the
amount of shelf space does not increase as fast as the number of new products),
the consolidation of retail trade and the fact that existing technologies make
it possible to very precisely determine the sales of specific products (information
asymmetry: the retailer has more information about sales than the manufacturer)
the retailers’ advantage over food producers supports a decline in food prices
(the scale of the retail operation, searching for a reduction in production costs
by producers) among others, and tasks performed by retailers in distribution
channels contribute to the construction of the commercial offer of the food that
is close to the final buyer – the consumer (in the physical and psychological
dimension).

Table 3

<table>
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<tr>
<th>Type</th>
<th>Description</th>
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<tbody>
<tr>
<td>Discount stores</td>
<td>most often no more than 1–1.2 thousand m² of sales area 1,000-2,000 products – fast moving, mainly grocery products expanding assortment of fresh products, fruit and vegetables as well as bakery products made on site; large share of own brands quality of products and the relationship between the price and quality represent the communicated feature of the offer the largest chains: Biedronka, Lidl</td>
</tr>
<tr>
<td>Hypermarkets</td>
<td>innovative form of trade using space (more than 2,500 m²) broad assortment of food products of all sectors and non-food products of frequent purchase rather low level of prices most frequently suburban location or in peripheral districts, in a shopping centres or as an element of commercial parks long opening hours and self-service complex application of information technologies largest chains: Tesco, Kaufland, Suchan, Carrefour</td>
</tr>
<tr>
<td>Supermarkets</td>
<td>the strongest distinguishing features of the offer: wide offer, large share of brand products and the level of customer service wide assortment of fresh products expanded by products of the convenience type – ready for immediate consumption or fast preparation at home highly diversified format: supermarkets, proximity (90% of the offer is food, convenient location, smaller area) (Dino, Spar, Polo); big supermarkets (70% of food products) with a broad offer of deli products and high quality own brands (Piotr i Paweł); supermarkets with a developed offer of industrial products and fresh products (Super of Intermarché chain)</td>
</tr>
<tr>
<td>Convenience stores</td>
<td>small area – often up to 100 m² usually poor and narrow assortment of fast moving products, mainly food relatively high level of prices very convenient and suitable opening hours largest chains: Żabka, Małpka Express Spar Express</td>
</tr>
</tbody>
</table>

Source: own study.
In Poland, the formats that are of key importance for food distribution include discount stores (around 26% in 2015), hypermarkets (around 16%) and large supermarkets (8.4%). In recent years, the importance of stores of the convenience type and the proximity to supermarkets has grown (7.6% and 6.2% respectively) (Tab. 3).

Specialised stores (butcher shops, liquor stores and confectionery shops) are also a popular place of buying food (Polski rynek handlu spożywczego..., 2016). Foreign enterprises are predominant in the food products trade (over 50%) (Karasiewicz & Trojanowski, 2016). Customers’ expectations concerning low prices, convenient location and access to the offer of high quality food products encourage retailers to implement solutions that make their existing formats of operation closer to the complex satisfaction of these expectations. This causes an evolution of formats popular in Poland towards the format combining the key qualities of discount stores, convenience stores and deli stores, sometimes referred to as “dis-convenience” (Kucharska, 2016, p. 43, 44).

**Ways of shaping relationships with consumers – food offers in selected formats of the retail trade**

The shaping of relationships by retailers with customers takes place through taking actions that reflect an understanding of consumers’ needs and the changes occurring in their behaviours. The formats of the greatest importance for food distribution (discount stores, hypermarkets, supermarkets and convenience stores) belonging to the most important retail trade chains in Poland (including Biedronka, Lidl, Tesco, Carrefour and Żabka) were selected to recognise these actions and implement the purpose of the paper.

The “health” trend and related “wellness” lifestyle are extremely important in the way food is offered by retailers. Retailers’ actions in this sphere are firstly associated with:

– expansion of eco-product (bio) assortment and fit products (Tesco, Lidl, Biedronka);
– strengthening of the offer by the Internet proposition of a set of exercises (proposition of exercises Tesco);
– shaping of own brand products with reduced sugar, fat and salt content (“Little Helps” Tesco plan);
– implementation of educational programs for shaping healthy eating habits (Tesco Free Fruit for Kids);
– limiting the availability of products especially harmful for young consumers (removal of sweets from the till zone, limiting the availability of energy drinks for people younger than 16 years old – Tesco “Little Helps”);
– promoting healthy eating habits through providing information (“Trady-cyjnie czy nowocześnie?” Lidl program) and/or with the use of price (Carrefour
“Dowiedz się, jak smakuje zdrowie”). Helping to change the diet through the provision of culinary propositions (Carrefour – “Dowiedz się, jak smakuje zdrowie” with an offer of products from the “Carrefour Healthy Shelf”, dietician’s advice and healthy inspirations for the whole family);

– educating customers in the sphere of dietary food products rich in nutrients, bio, eco, lactose and gluten free (Carrefour “Dowiedz się, jak smakuje zdrowie”);

– taking into consideration consumer health problems (special recipes of Lidl: vegetarian, gluten free, lactose free, light and fit);

– informing about product content;

– initiating cooperation with health research institutions.

In response to consumer trends described as “convenience”, “comfort” and “family”, retailers try to minimise consumers’ time and effort related to buying food and its further use. For this purpose, they provide consumers with:

– an expanded offer of semi-products and ready-made meals;

– an offer of appliances for food processing and preparation of meals,

– culinary recipes arranged according to preparation time and the level of difficulty, with the possibility to send the shopping list via e-mail and collect favourite solutions (“Szybkie i łatwe przepisy”, “Typy dań” – KuchniaLidla.Pl),

– solutions to culinary problems (culinary ticks KuchniaLidla.Pl);

– culinary suggestions adapted to circumstances (Lidl – For special occasions – Valentine’s Day, Easter, For a party, Barbecue).

The retailers’ culinary propositions also contribute to the satisfaction of the needs of customers associated with a search for fun in their leisure time and also experiencing pleasure from being trendy in the way of eating and preparing meals (sensual trend) (Biedronka “Codziennie odkrywaj nowe smaki”). Retailers combine culinary propositions with major events in the customer’s life (Tesco “Historie pisane piaskiem”).

The family trend has been growing in importance and finds its reflection in the offers of the studied commercial chains. On their websites, they specifically note the fact of having children, and refer to various stages of their lifecycle (Tesco – pregnancy, baby, toddler, kindergarten, school) in the sphere of behaviours, health and diet.

Retailers’ actions are also consistent with the consumers’ pursuit of responsible behaviours in the sphere of consumption. The Tesco “Food recycling” website educates consumers in the sphere of preventing food waste, presenting methods of preserving freshness, as well as extending and using waste is an example of such actions.

For consumer convenience, the retailers’ propositions are available online through mobile applications as well. Within the “Zdrowy apetyt” Tesco project, thanks to the application, it is possible to prepare a customer-tailored eating plan with the function of a reminder to drink water and the time of meals, as well as access to culinary recipes tailored to a specific customer. The virtualisation of behaviours of commercial enterprises is noticed by discount stores (especially
Biedronka and Lidl). Applications enable the adjustment of notifications to preferences for specific customers while appreciating their individual character at the same time.

The goal of the retailers’ actions is breaking consumer resistance to specific formats of retail trade, such as the location of buying food. Such a necessity mainly appears in the case of discount stores. A low level of prices suggesting a lower level of product quality was a distinguishing feature of their offer for a long time. Discount stores are currently taking many actions focused on the creation of the image of a high quality food offer. The most important include:

– in the sphere of fruits and vegetables – emphasising the country of product origin, their locality, the farmers’ concern for cultivation (the farmer is

<table>
<thead>
<tr>
<th>Specification</th>
<th>Examples of activities</th>
</tr>
</thead>
</table>
| “Health” trend and related “wellness” lifestyle | eco-products (bio) assortment Tesco, fit- products, program of exercises Tesco, Carrefour Healthy Shelf \  
|                                              | own Brand products with a reduced content of sugar, fat and salt Tesco plan Little Helps \  
|                                              | Healthy eating programs – “Traditionally or in a modern way?” \  
|                                              | Lidl program, Carrefour – catalog „Learn what health tastes like” \  
|                                              | dietitian advice (Carrefour „Learn what health tastes like”) \  
|                                              | taking into account the health problems of consumers (Tesco, Lidl special culinary recipes) \  
|                                              | cooperation with research institutes (Tesco)                                                                                                                                                                     |
| “Convenience” trend                          | semi-finished products and ready meals \  
| „Comfort” trend                              | equipment for food processing and cooking \  
| “New family model”                           | culinary recipes (Quick and easy recipes, types of dishes – KuchniaLidla.Pl) \  
|                                              | solutions to culinary problems (Culinary tricks KuchniaLidla.Pl) \  
|                                              | culinary solutions adapted to circumstances (Lidl – For special occasions – Valentine’s Day, Easter, For a party, Barbecue) \  
|                                              | physical proximity of food offer (place, time) – Żabka                                                                                                                                                          |
| „Sensual” trend                              | Tesco stories written in sand                                                                                                                                                                                       |
| „Individualism” trend                        | personalization of the assortment and price offer (Tesco Club Card) \  
|                                              | mobile applications                                                                                                                                                                                              |
| „Slowdown of the speed of life” trend        | Tesco Recycling \  
|                                              | smart shopping Tesco Club Card                                                                                                                                                                                     |
| Overlapping of the virtual and real life eat, pray and use innovative technologies | mobile applications Auchan \  
| Widespread internet and mobile technologies  | application Healthy appetite Tesco \  
|                                              | retailer Websites \  
|                                              | Scan & Shop Tesco                                                                                                                                                                                                |

Source: own study.
a passionate person), frequency of deliveries, the development of the amount of information, the promotion of consumption (care about consumption quality and quality of life);

– in the sphere of packaged goods – the introduction of own brands that guarantee high quality;

– use of the image of celebrities in the formation of offer reliability – if they use it, then it is a trustworthy offer.

The selected actions of retailers in the sphere of the shaping of the food offer correspond to consumer behaviour, and are presented in Table 4.

Conclusions

A diagnosis of actions implemented by retailers shows that the scope and form of actions conducted in the sphere of building relationships with customers depends on the format of retail trade. In the case of convenience type stores, these relationships are built on the basis of physical proximity (food availability in the place and at the time expected by customers). In the case of the largest hypermarket chains and discount stores, the proposed solutions associated with the food offerings clearly refer to consumer behaviours and their key needs satisfied by the retail trade. In their actions, they mainly refer to “health”, “convenience”, “comfort” and the “new family model” trends. They take into consideration the presence of their consumers in the virtual world and also provide access to online solutions associated with the food offer, whereas access is guaranteed through every possible communication device.

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