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THE ROLE OF ONLINE APPS IN BUILDING CUSTOMER LOYALTY IN SUPERMARKET RETAIL INDUSTRY

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ABSTRACT

Online apps are becoming more and more important to the store retail business as a way to improve customer loyalty. This article is mostly about Korzinka, a well-known Uzbek supermarket chain company, and how it uses mobile apps to keep people interested and coming back. The study looks at what the app does, how it changes consumer behavior, and how it helps businesses build deep connections with customers. The study uses both primary research (interview) and secondary data analysis to find the main things that keep customers coming back, like ease of use, personalized deals, and award programs.

The results show that Korzinka's app is very important for building a loyal customer base because it makes shopping easier, strengthens the link between customers and the brand, and encourages customers to buy from Korzinka again. In the last part of the article is about how well online apps work in the store retail business to keep customers happy and loyal.

Keywords: Customer loyalty, supermarket retail industry, online apps, Walmart, Carrefour, Korzinka, consumer behavior, customer satisfaction.

1.0 INTRODUCTION

In the past few years, there have been big changes in how people buy goods from supermarkets. These days, supermarkets aren't just real shops; they're also becoming digital sites that offer benefits, ease of use, and personalization. Online apps are now an important part of this change because they help stores connect with their customers better and earn their trust. These apps are more than just buying tools; they offer special deals, personalized ideas, and quick access to services that make shopping easier and more fun.

One of the most important things for a store to do well is to keep customers coming back. Studies have shown that loyal customers spend more and come back more often, which helps businesses grow steadily. Stores are using online apps to keep customers interested and happy in a world where there are many choices at their fingertips. Walmart and Carrefour's apps have set the standard for using technology and smart business practices to make shopping easier and more fun for their users (Wolniak, Stecuła and Aydın, 2024).

The article focuses on how online grocery store apps help keep customers coming back. For secondary research, I analyzed global supermarkets like Walmart and Carrefour to understand what works in their apps. For primary research, I focused on Korzinka, a well-known supermarket chain in Uzbekistan. Interviews with Korzinka customers helped me understand how they use the app, what they like about it, and where it could improve.

The article paints a clear picture of how stores can use technology to build long relationships with their customers and stay competitive in a market that is changing quickly by mixing the ideas of world leaders with real-life examples from around the world.

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2.0 LITERATURE REVIEW

2.1. Customer Loyalty Theories

Supermarkets and other stores that sell things need loyal customers. The **Customer Loyalty Ladder** is a model that shows how customers go from being prospects to supporters. It shows how important it is to build strong ties with customers to get them to buy from you again and spread good word of mouth. Studies have shown that loyal customers buy more often and spend more each time they visit. This makes keeping customers a cheap way to help your business grow. Oliver (1999), who agrees with this, says that customer loyalty is "a deeply held commitment to re-buy or re-patronize a preferred product or service despite situational influences."

Also, Grönroos (1994) says that relationship marketing stresses the value of long-term relationships over one-time purchases. It goes even further with this by focusing on long-term relationships instead of short-term deals to make customers happier and more loyal. In reality, stores like Walmart and Tesco spend money on reward programs and personalized communications on their applications to get to know their customers better. Reichheld and Sasser's (1990) research shows that keeping just 5% more customers can improve earnings by up to 95%. This shows how important loyalty is for businesses.

2.2. Role of Online Apps in Customer Loyalty

Personalization:

Customers feel like the supermarket apps they use are valuable and important when they offer personalized experiences like special deals and product suggestions. Personalization makes users more interested and happier, which makes them more loyal. For example, apps that look at what users have bought in the past and offer similar items can make buying easier and more fun (Hofman-Kohlmeyer, 2016).

Loyalty Rewards:

Adding reward programs to apps, like points systems, savings, or return deals, encourages people to buy again. Customers feel valued and respected when they get these gifts, which makes them more loyal to the store. A study on customer loyalty programs shows that they are good at keeping customers and making them happy (Hofman-Kohlmeyer, 2016).

Convenience:

Apps for supermarkets are more useful when they have features like simple browsing, quick payment choices, shopping lists, and home delivery services. These features' ease of use and accessibility have a big impact on customers' decisions to download and use the app, which builds trust. Using TAM to look at online food shopping shows that how easy people think an app is to use has a good effect on their decision to use it (Aybek and Özdemir , 2023).

2.3. Global Examples

Walmart

Walmart's app has features like navigating the store, watching your order, and connecting to the store's reward program. These features make shopping more enjoyable by making things easier and giving more personalized service, which makes customers happy and

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keeps them coming back. The app's complete features and easy-to-use design have set a standard for how to use apps effectively in the retail business (Walmart, 2023).

Carrefour

Customers can get real-time deals and digital coupons through the Carrefour app, which saves them money right away. Customers are more likely to connect with the app and buy from it again because it can send them personalized deals based on their shopping past. Carrefour has successfully combined its online and offline services to give customers a smooth shopping experience by using digital tools (Carrefour, 2023).

2.4. Benefits for supermarkets of using online apps

Online apps have changed how grocery stores talk to their customers and run their businesses. By bridging the gap between convenience and personalization, these apps have become essential tools in the competitive retail landscape.

Increasing the lifetime value and Customer Retention

Supermarket apps are a great way to improve customer loyalty They let stores offer benefits and deals that are more relevant to each customer based on how they behave. This method not only keeps customers coming back, but it also makes them more likely to spend more. Lemon and Verhoef (2016) say that personalized reward programs can make relationships with customers much better, which can turn one-time buys into return users.

For instance, Tesco's Clubcard app gives customers personalized savings and prizes that have made them much more interested in the app In this respect, Tesco (2023) relates that the app users visit the shops more frequently and spend on average 12% more. A program of this type can make a customer feel close to the brand, which increases the chances that he will be loyal to them for a long time.

Collection of Valuable Customer Data

One beneficial aspect of store applications is their ability to gather and analyze user information. This encompasses feedback, purchasing behaviors, and preferences—all highly valuable for informed decision-making. This information can assist stores in making more informed decisions about their inventory, refining their marketing strategies, and enhancing the overall shopping experience.

Walmart's app monitors customer purchases to adjust inventory and recommend products accordingly. In 2020, Chen et al. demonstrated that leveraging these types of data insights leads to enhanced operational efficiency and enables businesses to more effectively address customer needs. This translates to a reduction in stock-outs, more suitable sales, and an enhanced overall shopping experience.

Making omnichannel strategies stronger

Furthermore, supermarket apps are very important to omnichannel tactics, which try to make shopping both online and in stores as easy as possible. Click-and-collect, mobile transfers, and real-time product changes make it easy for customers to shop the way they want to.

Carrefour has done a great job in this area by using its app to connect its online store to its real shops. According to Piotrowicz and Cuthbertson (2014), this kind of merging makes

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customers happier and more loyal because it makes everything the same. Customers feel the same amount of ease and service whether they shop in-store or online, which makes their relationship with the company stronger.

2.5. Challenges in Implementing Online Apps

Even though there are advantages making and handling store apps is not easy. Some of these are high prices, problems with getting people to use the app, and tough competition.

High Development and Maintenance Costs

A lot of money needs to be spent to make a good store app. Retailers need to hire skilled writers, make sure the app's interface is easy to use, and make sure it stays up to date. Chaffey and Ellis-Chadwick (2019) say that these prices go up because of ongoing upkeep, such as making sure that the software works with new devices and running systems.

Statista (2023) mentioned that, based on its features, making a strong app can cost anywhere from $50,000 to $150,000. Smaller stores often have trouble allocating these kinds of resources, which puts them behind bigger stores like Walmart and Carrefour.

Overcoming User Adoption Barriers

Customers aren't always eager to use new tech. Some people might think apps are too hard to understand, while others might be worried about their privacy and data safety. Venkatesh et al. (2003) say that trust and ease of use are very important for getting people to use technology. Retailers may address these concerns by investing in consumer education about the app's features and advantages and by designing an intuitive user experience.

Another growing obstacle is privacy concerns. In 2023, PwC discovered that about 50% of individuals avoid using shopping applications due to concerns about the potential misuse of their personal information. Businesses need to be transparent about their data handling practices to establish confidence and reassure consumers.

How to Stand Out in a Market Full of Competitors

There are so many retailers now that it's hard to stand apart. Apps that stand out need unique features or superior user experiences, according to Chiu et al. (2020). By integrating gaming mechanics into its loyalty program, Lidl, for example, has made its app more engaging for consumers. Regular app users increased by 25% as a result of this innovative concept (Lidl, 2023). If they fail to do so, supermarkets risk losing their customers to more useful or friendly apps.

3.0. PURPOSE OF STUDY

This article primarily probes how stores have used online apps to ensure customer return. In particular, it will look at how apps can impact changes in customer behaviors such as frequency of shopping and amount spent, benefits, and detriments associated with the use of apps by stores. The research will explore how large chains of grocery stores such as Walmart and Carrefour retain customer interest and ensure a continuous flow of customers through their apps.

This article is mainly focused on Korzinka, which is a popular Uzbek store. In the research, the study is going to interview users to determine their opinions about the Korzinka application, how often they use it, and how it changes their style of shopping. This paper is intended to contribute to the development of the application strategy for stores to strengthen relationships

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between stores and their customers by combining big business research with Korzinka customer feedback.

4.0. RESEARCH METHODOLOGY & DATA ANALYSIS

Two types of research have been used in this article: secondary and primary. The purpose is to understand how applications in supermarkets contribute to enhancing customer loyalty.

The paper, through secondary research, establishes articles and research that have been carried out on how people use mobile applications while shopping, particularly in supermarkets. This part is devoted to the explanation of how supermarkets like Walmart and Carrefour, for instance, use their apps to gain new customers, retain the loyalty of old customers, and solve problems. In the case of primary research, this study focuses on Korzinka, which is one of the most popular supermarkets in Uzbekistan, to get the most honest views from its customers. Interviews are conducted to gauge how the Korzinka app is used by customers and the changes this application brings into their way of buying. A difference in the customers is selected for picking different points of view. This makes it most likely for a customer to pick a store over its immediate competitors since it offers them a decent reward program.

The interview data is analyzed qualitatively to identify common themes and trends in customer responses. This helps the study understand how customers feel about the Korzinka app and its impact on customer loyalty.

5.0 RESERCH FINDINGS

Secondary Data Analysis and Findings

This article looked at research papers, studies, and case studies from big grocery stores like Walmart and Carrefour that have mobile apps as additional data.

Customer Retention Strategies:

Companies like Walmart and Carrefour have done research that shows that reward programs built into mobile apps are a great way to keep customers coming back. One study from 2019 by McKinsey found that reward programs through mobile apps can get 25% more customers to come back. With these programs, stores can send customers personalized deals, discounts, and notes to keep them coming back.

Customer Experience:

Forrester Research looked at how easy it is to use an app and how that affects customer happiness in 2020. Researchers discovered that customers were happier with store apps that were easy to use. These happy customers were also more likely to stay loyal. Real-time product changes, mobile payments, and personalized deals made the app easier to use and made people use it more often.

Challenges in App Adoption:

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But there are problems with getting people to use apps. A Nielsen study from 2021 showed that between 20 and 30 percent of grocery shoppers in the U.S. are hesitant to use apps because they are worried about their data being stolen. App-based programs can help build customer trust, but some customers, especially older ones, may not want to use new technology.

Primary Data Analysis and Findings

Interviews with Korzinka customers used to collect primary data that will be analyzed directly to find trends and patterns in how the app affects customer loyalty.

Frequency and Usage:

According interview results from Korzinka customers, 40% of them use the app once a week and 25% use it every day. Customers who use the app more often are more likely to stay loyal to the brand, and many say they feel more connected to the brand through the app. When customers use the app more often, they are happier with the service and more likely to come back to Korzinka for their buying needs.

App Features:

Customer Satisfaction and Perceived Value:

Customers like features like personalized discounts and cashback systems, having the QR code of bonus cards, having each branch's locations (60% of respondents) and being able to see goods and sales goods and catalogue in real-time (50% of respondents). Customers are more likely to use the app more often because of these benefits, which makes them more engaged and loyal.

Impact on Shopping Behavior:

According to results, over 75% of the Korzinka customers surveyed were happy with the app, saying it was easy to use and provided a more convenient shopping experience. Customers gave the app 4.5 out of 5 stars, saying that it's worth using because it's convenient and gives you personalized deals. Customers are more likely to stick with a service that gives them real benefits, which is why this high level of happiness is linked to better loyalty.

Several respondents said that the app changed how they shopped, especially how often they went and how they used the online delivery service. Almost 30% of customers said they went to Korzinka more often because of the app, usually because of the personalized deals that made it a good reason to shop there instead of other stores.

6.0. DISCUSSION

Analysis of Differences

There are a lot of parallels between the data from Korzinka and the results from Walmart and Carrefour. Like Walmart and Carrefour, Korzinka's app has personalized deals and inventory checks, which are both important for keeping customers coming back. However, some supermarket customers have trouble getting people to use the app because some customers are worried about their data safety. According to the Nielsen study from 2021, these problems are similar to those bigger stores face in other areas.

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The research showed that grocery store apps like Korzinka's have a big effect on how loyal customers are. Key factors like how often people use the app, personalized deals, and how easy it is to use are very important for keeping users. The results showed that Korzinka can make users even more loyal by handling their worries about data security and continuing to add features to the app that meet their needs.

CONCLUSION & RECOMMENDATION

In conclusion, the article analyzed how online apps have played a crucial role in keeping customers returning to supermarkets, particularly Korzinka supermarket. Through interview results with Korzinka's customers, original data was gathered that showed the app to be a key factor in raising customer loyalty and satisfaction. Customers liked the ease of using the app, which made navigation easy to find personalized deals and move around. This directly influenced how they shop, as many of the people who answered said they regularly used the app for its ease of use and special deals.

Primary data also indicated that some reward programs included in the app are the major portion of the improvement in customer loyalty. A lot of the interviewed people claimed that they will go back more frequently to Korzinka because of cashback and a catalog system in its application, which will again raise their willingness to buy. This was particularly the case for heavy users of the app, who were using it to track their spending and reap benefits. However, the secondary research also revealed several areas for improvement. Customers generally felt satisfied with the app, but some were concerned about the rare technical issues, such as slow start-up times or difficulties in accessing certain features.

Some respondents also indicated a desire to see more diversified and significant rewards for loyalty. Even with these concerns, the key findings indicated that Korzinka's application created more loyal customers, as most of the respondents who took part viewed it as an integral part of shopping. Supermarkets ought to enhance their customer loyalty programs by offering improved rewards, deals, and benefits. Rewarding programs offered by a particular store attract the customer's attention to choose that store over the competitors.

Korzinka can develop in-app reward systems where the more a customer shops, the better the benefits. This will act as an incentive to make more purchases and shop more often. Probably, it will be justified to give special privileges, for example, access to sales much earlier than anybody else, or special offers. More importantly, users would want to be sure that their personal data and bank details are safe while using the app. To ensure people continue trusting her, Korzinka will have to continue investing in safe attributes, such as personal data security.

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