# OPTIMIZING MARKETING MIX STRATEGIES FOR ENHANCING RETAILERS SATISFACTION AND LOYALTY: A QUANTITATIVE ANALYSIS

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**Abstract**

This study explores the impact of marketing mix variables—Product, Price, Promotion, and Place—on retailer satisfaction and loyalty, with a specific focus on the ready-to-mix food industry. By analyzing data collected from 408 retailers using structural equation modelling, the research highlights how these marketing elements directly influence both retailer satisfaction and customer loyalty. The findings reveal that high product quality, competitive pricing, effective promotional strategies, and efficient distribution channels are crucial in fostering retailer satisfaction, which in turn enhances customer loyalty. The study's results underscore the importance of a comprehensive marketing strategy that addresses these key factors, offering valuable insights for retailers seeking to optimize their approach in the competitive ready-to-mix food market. These insights suggest that maintaining strong relationships with retailers, particularly through regular sales visits, can lead to sustained business growth and improved customer loyalty.

*Keywords: Product, Price, Promotion, Place, Ready to mix foods, Retailers Satisfaction.*

**Introduction:**

Retail is the way toward offering shoppers products or administrations to clients through numerous channels of dispersion to acquire a benefit. Retailers fulfil request distinguished through a production network. Retail market and shop have extremely old history, going back to artifact The retailer's economic satisfaction is defined by the retailer evaluation from the relationship with the supplier. It describes the positive reaction from the supplier that stems from the economic rewards obtained like volume, profit margins and discounts (Jan-Benedict, 2000).The influence of manufacturer brands' strength which is to be considered as a moderator in the relationship between retailer's satisfaction dimensions and its commitment. So, the manufacturer satisfies the retailers by giving the Product quality, discount, Pricing policy, etc. The retailer satisfaction leads to customer satisfaction and towards customer loyalty (Goaill, 2013).The study fills the gap by investigating the retailers level of satisfaction towards Ready to mix foods. "Influence of Marketing Mix variables on Retailers Satisfaction" is the main objective of the study.

**Literature Review and Hypothesis Development:**

**Product and Retailers Satisfaction:**

The literature on product and retailer satisfaction encompasses various aspects related to consumer behavior, customer experience, and loyalty. (Topcu, 2019) conducted a study to determine the factors influencing consumers' consumption satisfaction towards drinking milk with the region of origin at the retailer level. (Xue-Liang Pei, Jia-Ning Guo , Tung-Ju Wu, Wen-Xin Zhou, & Shang-Pao Yeh, 2020) focused on the relationship between customer experience and satisfaction in different shopping situations to create a sustainable competitive advantage for retailers. (Tran & Nhat Minh Trang Le, 2020) investigated the impact of service quality and perceived value on customer satisfaction and behavioral intentions in convenience stores in Vietnam. (Assarzadegan & Seyed Reza Hejazi, 2021) utilized a game theoretic approach to analyze the competition between national and store brands considering store loyalty. (Soni, 2021) explored how web-store design elements such as website functionality, brand assortment, and product quality can influence online retail customer loyalty through customer satisfaction. (Cotarelo, Haydeé Calderón, & Teresa Fayos, 2021) analyzed the impact of different omni-channel purchasing scenarios on customer satisfaction and loyalty, focusing on various dimensions such as timeliness, availability, condition, and return of the product. (Gopalakrishna, Shirshendu Ganguli, & Doddahulugappa Goutam, 2021) delved into the determinants of customer satisfaction and loyalty in e-commerce settings, emphasizing the role of privacy in e-satisfaction. (Jain & Malin Sundström, 2021) proposed a conceptual framework for personalized services in apparel e-commerce fulfilment to enhance customer satisfaction and retention. (Blom, Fredrik Lange, & Ronald L. Hess, 2021) investigated the effect of omnichannel promotions on customer satisfaction, considering different types of promotions

and their mediation by service excellence. (Chen & H. Tsao; Yung-Hsin Lee, 2021) explored the relationship quality between manufacturers and retailers in the customer electronics product channel in Taiwan to understand future collaboration dynamics.

*H1: Product is having positive influence on Retailers Satisfaction*

**Price and Retailers Satisfaction:**
The literature on price and retailer satisfaction encompasses various aspects of consumer behavior and satisfaction levels in different retail settings. (Bauer, Marc Linzmajer, Liane Nagengast, Thomas Rudolph, & Elena D'Cruz, 2020) explored the impact of gamifying the digital shopping experience on customer satisfaction and loyalty, emphasizing the potential of gamification in online retailing. (Zhao, Junaid B. Jahangir, M. Faisal, M. Hafeez, & K. Abbas, 2020) studied the relationship between service quality and customer satisfaction in the context of price perception moderation, particularly in organized retailers in Pakistan. (Zulfanita, Roisu Eny Mudawaroch, & Jeki Mediantari Wahyu Wibawanti, 2020) analyzed the decision-making process and satisfaction levels of consumers buying free-range eggs, highlighting implications for marketing mix strategies across wholesalers and retailers. (Rasmikayati, Bobby Rachmat Saefudin, Tuti Karyani, Kuswarini Kusno, & Riky Rizkiansyah, 2020) examined the satisfaction level of organic vegetable consumers based on product and service quality at a hypermarket in Bandung. (Hu, Z. Zhang, Q. Wu, & S. Han, 2020) investigated into manufacturer's customer satisfaction incentive plans for duopoly retailers, considering Cournot or collusion games explored the determinants of consumer satisfaction and loyalty in e-commerce settings, emphasizing the impact of privacy on e-satisfaction. Additionally, (Akbari & Udo Wagner, 2021) investigated the effects of gambled price promotions on customer satisfaction and word-of-mouth intentions in different retail settings.

*H2: Price is having positive influence on Retailers Satisfaction*

**Promotion and Retailers Satisfaction:**
It describes the positive reaction from the supplier that stems from the economic rewards obtained like volume, profit margins and discounts (Jan-Benedict, 2000). offers that knead retailers ought to collaborate with their provider (Palash T. Aacharya, 2023). Promotional stock is the additional stock kept ready for the increase in demand due to market promotions of products. Promotion is the means of changing the attitudes of the consumer, so that it becomes favourable towards the company's products. Various means of promotion are advertising, personal selling, sales promotion and publicity (Dr.Vibhuti, 2014). Promotion should increase the relative impact of emotional value on purchase decisions (Aydinli, 2014).

*H3: Promotion is having positive influence on Retailers Satisfaction*

**Place and Retailers Satisfaction:**
The retailer satisfaction has huge impact on supply chain management so they maintain contingent cooperative relationships with both their suppliers and customers. To satisfy the retailers the manufacturers should concentrate in the supply chain system (Gueimonde -Canto, 2011). The speed of transportation and the point of time of ownership transfer of pipeline inventory determines the time of holding, and hence the cost of holding this inventory. The goods can be distributed by many channels. These could be retailers, wholesalers, agents or by direct selling. Distribution outlets play an important role in reaching the goods to the consumer. They provide, time, place and possession utilities. Some goods need to be marketed through the channels or the middleman. Others can be marketed directly by the company to the actual consumer (Dr.Vibhuti, 2014). Distribution is an integral part of any retail organization. Delivering the right goods to the right place at the right time is main task of distribution. Retail majors are under serious pressure to improve their supply chain systems and distribution channels and reach the levels of quality and service desired by customers.

*H4: Place is having positive influence on Retailers Satisfaction*

**Research Methodology:**
This study uses research design which is used to analyse the relationship among Product, Price, Promotion and Place towards Retailers Satisfaction. This information required for this research was collected from the respondents, using a structured questionnaire. The questionnaire contains 5-points scale questions related to product, price, promotion, place and demographic questions. Secondary data has been obtained from the journals, literature, and the various website. The sample

Size is 408 which were collected from the retailers. The method used to collect the samples is convenience sampling method. Convenience sampling is a non-probability sampling technique. Various tools were used for the analysis of the data collected: the Frequency procedure, which produces frequency tables with the counts and percentages of each category of a categorical variable, was used to analyse the consumer demographics. Structural Equation Modelling and SPSS are used to analyse the retailers data.
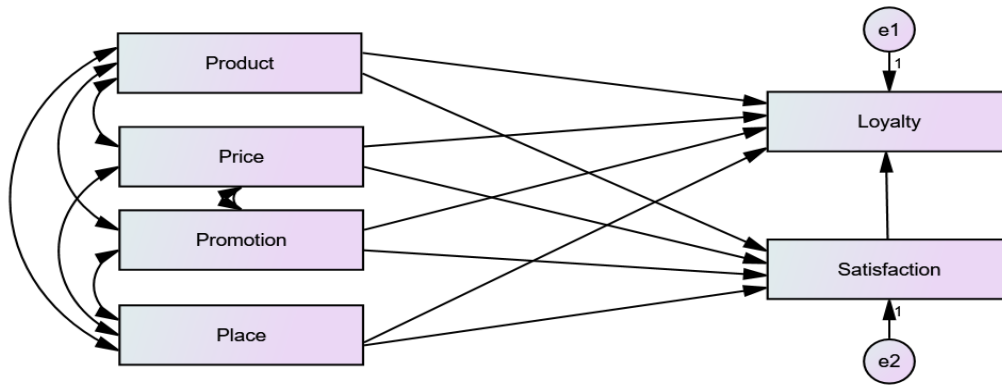
**Proposed Model:**



**Fig. 1: Proposed Research Model**

**Results and Discussion:**

**Table 1: Demographic Profile of the Respondents**

| Demographic Factors | | Frequency | Percentage |
|---|---|---|---|
| **Location** | Rural | 73 | 17.8% |
| | Semi Urban | 125 | 30.8% |
| | Urban | 210 | 51.4% |
| **Type of Retail Outlet** | Super Market | 82 | 20% |
| | Convenience Store | 210 | 51.6% |
| | Departmental Store | 116 | 28.4% |
| **Years of Existence** | Below 10 years | 26 | 6.5% |
| | 11-20 years | 28 | 6.8% |
| | Above 20 years | 354 | 86.7% |
| **Dealing of Ready to Mix Products** | Below 10 years | 26 | 6.5% |
| | 11-20 years | 28 | 6.8% |
| | Above 20 years | 354 | 86.7% |
| **Sales Person Visit** | Daily | 52 | 12.7% |
| | Weekly | 167 | 41% |
| | Monthly | 189 | 46.3% |

**Inference:**

The demographic profile of the respondents offers insights into various demographic factors related to the sample population. In terms of location, the respondents are primarily from Urban areas (51.4%), followed by Semi-Urban areas (30.8%) and Rural areas (17.8%). When considering the type of retail outlet, the majority of respondents frequent Convenience Stores (51.6%), with Supermarkets accounting for 20% and Departmental Stores at 28.4%. Regarding the years of existence, a significant proportion of respondents are associated with retail outlets existing for above 20 years (86.7%), while smaller percentages are linked to outlets below 10 years (6.5%) and 11-20 years (6.8%). Furthermore, the data indicates that a vast majority of respondents have been dealing with Ready to Mix Products for above 20 years (86.7%), with smaller percentages for 11-20 years (6.8%) and below 10 years (6.5%). Lastly, in terms of Sales Person Visit frequency, the responses vary with 12.7% reporting Daily visits, 41% Weekly visits, and 46.3% Monthly visits. These demographic insights provide a

comprehensive overview of the characteristics and distribution of the respondent sample, offering valuable information for further analysis and decision-making processes.

### Table 2: Reliability Analysis

| Factors | No .of Items | Cronbach's Alpha |
|---|---|---|
| Product | 4 | .912 |
| Price | 3 | .900 |
| Promotion | 4 | .868 |
| Place | 3 | .879 |
| Satisfaction | 3 | .899 |
| Loyalty | 4 | .923 |

The table provided presents the results of a reliability analysis for various factors related to a business. Each factor is assessed based on the number of items included in the analysis and the corresponding Cronbach's Alpha coefficient, which indicates the internal consistency or reliability of the measurement scale. The factors examined include Product, Price, Promotion, Place, Satisfaction, and Loyalty. Among these factors, Loyalty demonstrates the highest level of reliability with a Cronbach's Alpha of .923, followed closely by Product at .912 and Satisfaction at .899. Price, Place, and Promotion also exhibit good reliability with Cronbach's Alpha values of .900, .879, and .868 respectively. These findings suggest that the measurement scales for these factors are internally consistent, indicating a reliable assessment of each construct within the business context.

### Table 3: Model Fitness

| Chi-Square | Probability level | DF | CMIN/DF | RMSEA | GFI | AGFI | NFI | CFI |
|---|---|---|---|---|---|---|---|---|
| 1.701 | 0.427 | 2 | .851 | .000 | .996 | .956 | .995 | 1.000 |

The table provided presents the results of a model fitness analysis, evaluating the fit of a particular model to the data. The assessment includes various statistical measures such as Chi-Square, Probability level, Degrees of Freedom (DF), CMIN/DF ratio, RMSEA, GFI, AGFI, NFI, and CFI. The Chi-Square value of 1.701 with a corresponding probability level of 0.427 indicates a relatively good fit between the model and the data. The CMIN/DF ratio of .851 falls below the recommended threshold of 2, suggesting an acceptable model fit. Additionally, the RMSEA value of .000 indicates a perfect fit, while the GFI, AGFI, NFI, and CFI values are all close to 1, indicating a high level of goodness-of-fit for the model. Overall, these results suggest that the model under consideration fits the data well and provides a reliable representation of the relationships among the variables being studied.

### Table 4: Model Path and Hypothesis Testing

| Variables | | | Estimate | S.E. | C.R. | P |
|---|---|---|---|---|---|---|
| Loyalty | ← | Product | .196 | .077 | 2.530 | .011 |
| Loyalty | ← | Price | .380 | .065 | 5.842 | .000 |
| Loyalty | ← | Promotion | .364 | .044 | 8.261 | .000 |
| Satisfaction | ← | Product | .377 | .086 | 4.403 | .000 |
| Satisfaction | ← | Price | .197 | .071 | 2.765 | .006 |
| Satisfaction | ← | Promotion | .230 | .049 | 4.700 | .000 |
| Satisfaction | ← | Place | .555 | .067 | 8.305 | .000 |

The table provided displays the results of a model path and hypothesis testing analysis, focusing on the relationships between different variables. The table shows the estimates, standard errors (S.E.), critical ratios (C.R.), and p-values for each path in the model. The results indicate significant relationships between the variables. For instance, Loyalty is positively influenced by Product (.196, C.R. 2.530, p=.011), Price (.380, C.R. 5.842, p=.000), and Promotion (.364, C.R. 8.261, p=.000). Similarly, Satisfaction is positively influenced by Product (.377, C.R. 4.403, p=.000), Price (.197, C.R. 2.765, p=.006), Promotion (.230, C.R. 4.700, p=.000), and Place (.555, C.R. 8.305, p=.000). These results suggest that Product, Price, Promotion, and Place have a significant impact on both Loyalty and Satisfaction within the model, highlighting the importance of these factors in influencing customer loyalty and satisfaction in the context under study.
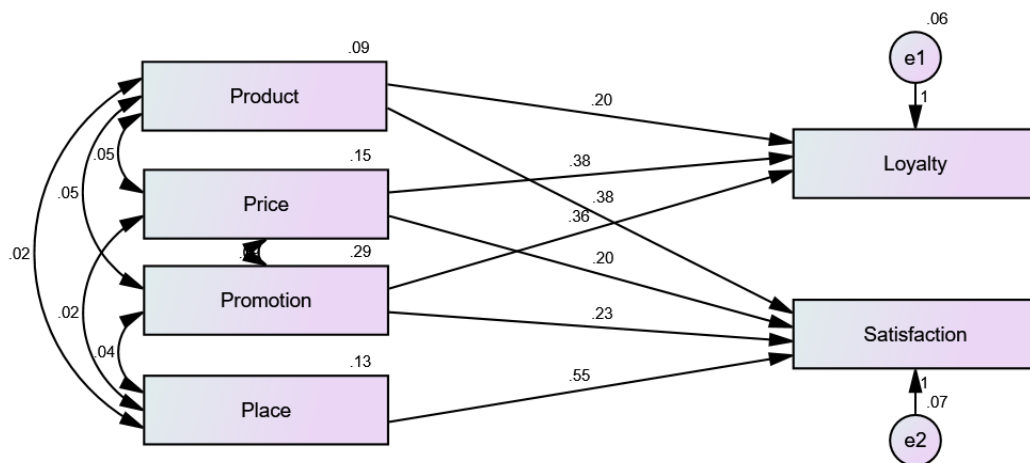
**Fig. 2: Research Model Result**

**Table 5: Effects of Model Variables**

|  | Variables | Total Effects | Direct Effects | Indirect Effects |
|---|---|---|---|---|
| Loyalty | Product | .146 | .146 | .000 |
|  | Price | .361 | .361 | .000 |
|  | Promotion | .486 | .486 | .000 |
| Satisfaction | Product | .259 | .259 | .000 |
|  | Price | .172 | .172 | .000 |
|  | Promotion | .282 | .282 | .000 |
|  | Place | .449 | .449 | .000 |

The table presented outlines the effects of model variables on Loyalty and Satisfaction, distinguishing between total effects, direct effects, and indirect effects. For Loyalty, the variables Product, Price, and Promotion exhibit significant total effects of .146, .361, and .486 respectively. These total effects are entirely accounted for by their direct effects, indicating no indirect effects present in the model for Loyalty. Similarly, Satisfaction is influenced by Product, Price, Promotion, and Place with total effects of .259, .172, .282, and .449 respectively. In this case as well, the total effects are equivalent to the direct effects for each variable, suggesting that there are no indirect effects contributing to the relationship between the model variables and Satisfaction. These findings suggest a straightforward and direct impact of Product, Price, Promotion, and Place on both Loyalty and Satisfaction within the model being analyzed.

**Managerial Implications**

The results of this study offer several critical insights for retailers dealing with ready-to-mix foods. First, the significant influence of Product, Price, Promotion, and Place on both customer Satisfaction and Loyalty underscores the importance of a well-rounded marketing strategy. Retailers should prioritize offering high-quality products that meet consumer expectations, as this directly impacts satisfaction and loyalty. Additionally, competitive pricing strategies are crucial, as price has a substantial effect on customer loyalty. Promotions, particularly those that highlight the convenience and quality of ready-to-mix products, can further enhance customer engagement and retention. Given the strong relationship between place and satisfaction, retailers should ensure that these products are easily accessible in convenient locations, such as well-organized sections within stores or through online platforms. Lastly, the data suggests that regular salesperson visits positively indicating that maintaining a consistent and supportive relationship with retailers could enhance the overall shopping experience and foster long-term customer loyalty. By focusing on these areas, retailers can better meet the needs of their customers, leading to sustained business growth in the competitive ready-to-mix food market.

## Conclusion:

The study concluded the critical factors influencing retailers' satisfaction and loyalty in the ready-to-mix foods market, specifically focusing on the marketing mix elements—Product, Price, Promotion, and Place. The analysis demonstrates that high-quality products, competitive pricing, effective promotional strategies, and convenient product placement significantly impact retailer satisfaction and loyalty. The findings emphasize the importance of maintaining consistent product quality and ensuring that pricing strategies are both attractive and sustainable. Promotions that emphasize product convenience and quality can further enhance customer engagement, while ensuring product accessibility in well-organized sections or online platforms is crucial for maintaining satisfaction. Additionally, regular interactions between sales personnel and retailers contribute positively to the overall customer experience, fostering stronger loyalty. Retailers that strategically focus on these areas can better align with consumer expectations, ultimately leading to increased satisfaction, loyalty, and business growth in the ready-to-mix food sector.

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