

Retailers' Benevolence and Consumers' Loyalty: The Role of Consumers' Specific Trust in the Retail Supermarkets in Sri Lanka

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ABSTRACT

Purpose: Retailing in Sri Lanka is growing exponentially and the shopping behavior is also changing from small retail outlets to major supermarkets. Retailers' benevolence in fact plays a vital role in the creation of customer loyalty towards retailers. The purpose of the study was to explore impact of retailers' benevolence on the consumer loyalty towards retail supermarkets in Sri Lanka and the role of consumers' specific trust on retailers.

Design/methodology/approach: The study was quantitative in nature. Primary data was used for this study. Questionnaire was developed and administered among 578 customers in Sri Lanka who had experience in shopping in supermarkets. Data was analyzed using SPSS. The sampling technique adapted for this study was convenient sampling as.

Findings: Findings reveal that retailer's benevolence creates consumers specific trust and it leads to consumer loyalty towards the supermarkets in Sri Lanka. Findings also indicate that consumers' specific trust also mediating between retailer's benevolence and consumers loyalty towards retailers in Sri Lanka. Thus, retail industry may enhance its investment on the retailers' benevolence strategies and obtain a good lucrative result by creating consumer specific trust. This study further implies that retailers are committed to the satisfaction of customers and they are doing right things to the customers.

Practical implications: Supermarket retailers in Sri Lanka may further increase the strategies for increasing the benevolence strategies to attract more customers and enhance the profitability of the retailing industry. Further, benevolence also positively influence the customer loyalty towards supermarkets by creating consumer specific trust on the retail supermarkets. This study also finds that the consumer trust is also one of the important factors for the success of retail supermarket in Sri Lanka.

Originality value:

This study is important for the retail supermarket industry in Sri Lanka to grow further while changing the consumer behavior towards shopping.

Keywords: Retailing, Trust, Benevolence, Supermarket Retailing