Article

A Study of Impact of Product Quality Variables on Attitudinal Brand Loyalty for D Mart in Indore City (2025)

Article History:

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Abstract: The Indian retail sector continues to experience rapid transformation, driven by demographic shifts, increased disposable incomes, and evolving consumer preferences. Among organized retailers, D Mart stands out in Indore as a major supermarket delivering value-driven shopping experiences in 2025. This study investigates how product quality variables affect attitudinal brand loyalty among D Mart customers in Indore. Survey-based data analysis explores consumer commitment and advocacy for the brand, focusing on high-quality, consistent food products meeting customer expectations.

Keywords— Organised Retail, Attitudinal Brand Loyalty, Brand Loyaly and D Mart.

INTRODUCTION

The organized retail industry in India has demonstrated robust growth, with leading players aggressively expanding their footprints across metropolitan and tier-2 cities. D Mart, operated by Avenue Supermarts Ltd., is now one of India's largest supermarket chains, with more than 430 stores nationwide as of September 2025[1][2]. Known for everyday low prices, D Mart's presence in Indore caters to a diverse clientele seeking quality products at competitive rates. The challenge of maintaining brand loyalty amidst intensifying competition and low product differentiation remains critical, as customers often perceive similar standards across multiple brands[^3]. This study examines the role of perceived product quality in shaping attitudinal brand loyalty toward D Mart in Indore city.

Objectives

- To study the impact of product quality variables w.r.t. food items on attitudinal brand loyalty for D Mart retail outlets in Indore city.
- To identify which product quality factors most strongly correlate with customer commitment and willingness to recommend D Mart w.r.t. Food items.

Literature Review
Attitude
According to Schiffman and Kanuk (1997) attitude is defined as "learned predisposition to behave in consistently favourable or unfavourable way with respect to a given object."

Brand
According to American Marketing Association brand is "A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller."

Brand Loyalty
According to Aaker (1991) Brand loyalty is defined as "the attachment that a customer has to a brand." It can also be seen as consumer's preference to purchase a particular brand in a product class and this could be as a result of the consumer awareness about that particular brand. Brand loyalty has two dimensions behavioral brand loyalty and attitudinal brand loyalty.

Attitudinal Brand Loyalty
Attitudinal brand loyalty extends beyond repeat purchase, encompassing a customer's emotional attachment and willing advocacy for a brand. Customers showing high attitudinal loyalty are less sensitive to price changes and more likely to recommend the brand to others . Prior research emphasizes the importance of sustained product quality and perceived value in fostering loyalty in the organized retail sector.

Product Quality
Product quality encompasses several dimensions—including freshness, consistency, adherence to standards, and meeting or exceeding customer expectations. In a competitive environment with low differentiation, consistently high product quality can become a key leverage for customer retention and advocacy .

Retail competition in India has intensified with the rise of value-focused chains such as D Mart, which compete primarily on cost leadership, efficient operations, and everyday low pricing rather than on premium store ambience or heavy promotions. Recent studies and case analyses show that D Mart follows an "Everyday Low Cost–Everyday Low Price" (EDLC–EDLP) model, using tight cost control, lean store formats, and cluster-based expansion to consistently deliver low prices on essential categories. This competitive positioning makes product quality perceptions and price–value assessments central drivers of store choice and brand loyalty for its target, largely value-conscious middle and lower-middle income households.

D Mart's Business Model
D Mart's business model highlights several strategic levers that shape customer attitudes. First, D Mart emphasizes a curated assortment of fast-moving essentials and a growing portfolio of private labels, which allow it to maintain acceptable quality levels while improving margins and sustaining low shelf prices. Second, the chain relies on direct sourcing, bulk procurement, and ownership of a large share of store properties to minimize procurement and occupancy costs, thereby reinforcing its low-price promise and improving perceived value for money. These choices suggest that perceived product quality at D Mart is evaluated not only in absolute terms but relative to the price and the alternatives offered by both traditional kirana stores and other modern retailers.

The broader brand loyalty literature indicates that in such value-retail settings, attitudinal brand loyalty emerges when customers perceive a stable combination of acceptable quality, reliable availability, and consistently superior value. Prior empirical work on food and grocery retailing shows that factors such as product consistency, trust in store brands, and alignment with customer quality expectations significantly influence commitment and willingness to recommend the retailer. Applied to D Mart, this implies that its competitive strategies—EDLP pricing, private labels, and operational efficiency—will strengthen attitudinal loyalty only if customers experience the merchandise as reliably high in quality relative to price, leading them to remain insensitive to small price changes and to advocate the brand among peers.

Hypothesis
Alternate Hypotheses were formulated they are as under:

- **H1a:** Significant impact of high-quality products w.r.t. food items at D Mart on attitudinal brand loyalty is positive for retail customers in Indore city.
- **H1b:** Significant impact of consistently high standards of food items at D Mart on attitudinal brand loyalty is positive.
- **H1c:** Significant impact of customer expectations on attitudinal brand loyalty.

Methodology
Data Collection

- **Primary Data:** Responses collected via structured questionnaire from 250 customers at D Mart retail outlets in Indore city during Q3-Q4 2025, using convenience sampling.
- **Secondary Data:** Company reports, business publications, retail industry news, and digital platforms documenting D Mart's

performance and customer feedback in Indore for 2025.

Area of Study
The area of study is confined to the city limits of Indore, Madhya Pradesh.

Sample Size
The sample size for the study is 250 respondents from Indore city.

Sampling Method
Respondents are selected by using convenience sampling method, under non probability method of sampling.
Research confined to Indore, Madhya Pradesh, focusing on D Mart's retail outlets w.r.t. food items.

The Present Study
Product quality variable considered for the present study are as under:

Product Quality Variables
1. D Mart offers food items of very high quality.
2. D Mart food items always meet quality standards.
3. D Mart's food items consistently meet or exceed my expectations.

Attitudinal Brand Loyalty Variables
1. I am committed to purchasing food items from D Mart.
2. I am willing to pay a higher price for food items at D Mart than unorganized outlets.
3. I would recommend others to purchase food from D Mart.

Data Analysis
Regression analysis using SPSS was performed to identify which product quality dimensions most significantly influence attitudinal brand loyalty. Key product quality variables, such as high quality, consistency, and fulfillment of customer expectations, showed strong positive correlations with customer loyalty.

Hypothesis	R Value	p-Value	Result
H1a: High Quality	0.231	0.001	Accepted
H1b: Consistent Quality	0.317	0.002	Accepted
H1c: Meets Expectations	0.422	0.001	Accepted

Table 1: Summary of Regression Analysis for Product Quality Impact on Brand Loyalty (2025)

Findings
- The variables "high quality of food items," "consistently high quality," and "meeting customer expectations" have the greatest positive impact on attitudinal brand loyalty for D Mart shoppers in Indore in 2025.
- D Mart customers demonstrated willingness to pay higher prices and recommend the brand, primarily when their expectations around quality and consistency were met.

Conclusion
In 2025, D Mart's strength in maintaining consistently high product quality and exceeding customer expectations has resulted in robust attitudinal brand loyalty in Indore. The dual advantage is evident: D Mart can justify premium pricing and foster long-term customer retention by promoting advocacy and brand commitment. The study suggests continued focus on quality enhancement and customer expectation management as key drivers for future loyalty. Additional research is needed for detailed segmentation and the exploration of other variables influencing loyalty.

Recommendations
- D Mart should reinforce its commitment to consistent product quality through regular audits and transparent communication with customers.
- Customer feedback mechanisms should be enhanced, with timely response to complaints and suggestions regarding food quality and safety.
- Training programs for staff to educate customers about the brand's quality assurance efforts would further cement customer trust.
- D Mart should consider strategic partnerships and certifications that visibly signal quality assurance, distinguishing itself from competitors.

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