

Consumer market have impacted on food retailing

[Business](#), [Industries](#)



In this task I will be producing a report where I will be writing how food retailing is influenced by the consumer market and how food retailers have adapted to meet such developments. Food retailing operations- these are the different stores which are used to sell the products that they have to offer, they include different outlets that sell a vast range of products.

Superstore- a superstore is a large supermarket but they are normally not located in the town areas, also can be defined as a large retailer store where they have diverse merchandise, such as groceries, electrical product, and even clothing or even they sell a wide variety of products in a selected product, such as clothing, computing and even sporting goods. Business' like this include Morrison's, Tesco and even store likes wait rose, that specialize in selling variety of products.

Super stores in the UK include Tesco Extra and Asda where their target audience is more than half then the country, so supermarkets are influenced by the consumer market where they listen to the ideas and thoughts and see what products they would like on the shelf, for instance if the customers want low fat products the business will provide low fat products, superstores currently provide almost every type of food product that is out there from food products for a healthy meal such as vegetables, low fat yogurt, low fat food in general to products such as meats, tuna, peanut butter for people who just like them products and even different vast foods for worldwide food for the different ethnicity groups in the UK such as eastern Europe, far east and middle eastern Asia and even African food, supermarkets are not really influenced by the consumer market because of the various different products

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that they have to offer because they do not just have one target audience but lots of different audience because if one audience does like a product they sell the business knows a different audience will like that product.

Limited range- this is the limited range products where they sell limited range products these can include independent stores that sell limited products but customers still buy them, limited ranges stores generally sell products that are in trend where as a larger supermarket sell a larger variety of products. So at a limited range store that they know customers are going to buy.

Discount food store- they can simply be called department stores, these types of stores simply sell store cheaper than the average retail store, the most common stores in the UK include stores like home bargain where they sell big brand food products for cheaper product, whereas store like Aldi, Lidl and farm food sell like branded products where they have the same supplier and manufacturer of the original brand but just sell the like branded product for cheaper products. These type of stores are not really affected by the consumer market where it is similar to how the consumer market affects the super store, this is because they sell a large variety types of product where they sell healthy products for who those want it and other type of products such as ready meals, and fresh fruit at veg like the superstores but are cheaper prices.

Petrol station- the UK petrol station sell petrol which is not edible, but the location where you pay for fuel there are other products that are available to purchase, most commonly snacks but in recent years they have started to

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sell lots of different products like a variety of different snacks, drinks, fruit and veg, sandwiches, petrol station like the ones that are run by supermarkets like Morrison and Tesco, where they sell in store products in the petrol station, this is because a lot of customers may just come to the supermarket locations to use their petrol station but they may be attracted to the other products that they have to offer in the petrol stations. The bigger petrol station in like the service stations on the motor ways include lot of different businesses such as having mini supermarkets like Morrison's and Tesco and even fast foodstore such as KFC and McDonalds. The larger petrol station offers a larger variety of food products for their customers whereas the small petrol stations offer products that are for on the go such as snacks.

Top up/ home essential store- top up stores are stores that allow the customer to come to the store and top up their mobile phones, which makes stores like Tesco become more convenient for customers and also allow them to do their normal shopping alongside topping up their phones, a lot of businesses have introduced the top up feature because it allows them to have that additional feature to retain customers. Home essential store are stores that sell products for the home like furniture, food, accessories, decoration these stores include Tesco, when you link a top up store and a home essential store you have a convenient business for customers to do all their shopping in one spot.

City stores- these are simply stores that are located in the city, these stores are purposely located in city Centre because they are in the busiest part in the city, where not only people use the city Centre to get to and from work

but also to do their shopping, so Tesco, Morrison's and Asda stores in the city Centre make it easier for people to shop. These stores have become more of a trend because people come back from work and school get snacks for themselves from a familiar store. Mail order- when the mail service was first invented it was used to send mail from one monarch to another or one leader to another, where they will sell an informative letter to one person to another, but in recent years they have become a famous method to get their product they ordered online to get it sent to their homes, like the click and collect and service can be used to send a large variety of products to send to the consumers home.

Delivering to homes have now become a trend because it is not that much time consuming and also mail order can be accessed from anywhere.

Farmer's market- sell fresh and organic products has also become a trend in society where people want fresh and organic products and also on television programs chefs like Jamie Oliver promote using organic and fresh products, so farmers in the Yorkshire have their own businesses set up where they sell their products directly to their customers, instead of selling the products to a third party business and then getting sold to the customers, farmer market sell directly from their farms or they have stalls set up set up in towns and in a market on weekends and week days.

Radical- in the online dictionary radical refers to changes that have immediately occurred like a mutation or even changes in trends in society, in recent years relating it to business radical change has occurred in on online shopping where it has become a lot more acceptable, where many business

including Tesco has released a click and collect service so that they can meet these changes to “ stay on top of their game”.

Other radical changes include changes that have occurred when there is a change that has occurred in products that are acceptable for instance product that are like food for instance Twinkies are now acceptable to eat a breakfast, lunch, dinner, tea and supper so demand has increased in these specific products so business needs to meet these demands. Continuing changes- this refers to trends that are continuously changing for instance instead of having Twinkies for break best it is now acceptable just to have chocolate Twinkies instead so this is referred as a continues change.

A continuing change refers to a trend that is customers want value formoney, because of the tight budgets that they have so they wish to save money wish is now sociable acceptable, businesses do this so that their shopping experience is more pleasant online or in store. Customer expectations and demands- something that customers expect is something that they have standards for instance in store they expect to have cleanenvironmentto work in, whereas in demands this is something that the customers want for instance there is an increase demands in Twinkies so a business like Tesco will need to meet these demands if they want to run successfully.

Changing social and working patterns- changes in social and environment include changes like working patterns that have occurred for instance more people are concerned about theirhealth’s where they want to live healthier life style, Tesco can find information about what information they need

through the club card system, where they pick up new trend that are occurring in society. Affluence- affluence has simply got to do with money and the income that the house holds achieves on a yearly basis, it has got to do with what budget families have available to spend on food for instance, some people have the budget to buy the expensive products whereas the other families don't so businesses like Tesco has overcome this problem by placing a variation of different products on sale for instance, they have different brands and types of the same products.

Increase mobility- this refers to the increase use of transportation where less people are walking but are actually using cars and other means of transportation, for the business point of view it is an excellent trend because they can build a store like Tesco supermarket in city center because they know people from the suburbs will travel to the Centre to do their weekly shopping. Environmental issues- environmental issues refers to the damage the business makes on the surround internal and external environment, many business pump so much CO2 that is damaging the earth in many ways and the land that businesses destroy to create factories and additional stores also affects the earth, but this is only happening because the business is listening and meeting the customers demand, but a business that damages the earth can also create a negative image for the business.

Technology- Tesco has improved their business because of the vast change in technology, now percentage of the business run on electrical products, like the self-checkout till to the phones they have on display, they also have made many other improvements for instance creating their website and click

and collect service with the technology that they have available. Task 4- a customer service handbook- In the food retailing industry it is important to have different customer services in order to keep customers satisfied, the different areas are important to consider because it keeps the business running smoothly without having any loss of customers and having customer service allows the business to achieve the 7p's which allows the business to retain customers. The different areas that have been identified are classed as the key areas for good customer service in the food industry these area include-

Checkout queue and staffing- the checkout are the tills that customers go to checkout their food and other products, no matter what the business is there is always going to be a queue unless they have multiple checkout tills like business like Morrison's and Tesco have around ten or even more tills and in Tesco promises that there queue will never be longer than two people, in order for them to achieve this they have multiple tills and good staffing, the importance of having good staffing is so that they can operate the tills immediately and checkout products as fast but smoothly as possible but in businesses like KFC and McDonalds they have consist request on fast food orders so they will require good staffing where they are able take orders and serve the products accordingly, so having short queues and good staff keeps the customers satisfied. (also have self-checkout systems)

Quality of service- the quality of service is important because if customers are not satisfied with how their food was made or served it reduces the chances of the customer to return to that store, the quality of service in

many food industries need to be at an exceptional level such as fast food stores like KFC and McDonalds, where if the service is not exceptional it may lead to a loss of customers and potential customers because of the reviews the customers give on the internet or to friend and family, the importance of quality of service is so that they can retain customer because service fall under the 7p's which include people, process and physical evidence.

People- this is the 6th P of the marketing mix where it is used for the service industry, but they can also be used for the food products as well, this is because employees that come into contact with customers will create a lasting impression and for business like Tesco or even fast food stores like KFC they would hope it is a positive impression that the employees make this is because it has a thoughtful effect on the business, this also allows to build the business' reputation where it meets their aim of having satisfied customers so the business does this by having excellent customer service. Tesco has a customer service team where their role is to keep customers satisfied by face-to-face communication by listening to what complaint/compliments they have, even the employees at Tesco have appropriate training so that they can approach customers kindly and assist them with whatever they need help with. Process- This is related to service delivery, complaints and response time.

Service delivery is where Tesco tries to get its services as quickly delivered to the customer, for instance a service at Tesco can include information on what type of food products will arrive to the store or which products they will have available, so the customers are not really kept waiting that long

because the employee looks on to the system and whatever dates that are on the database they inform the customers with or inform them with current food products and great alternatives, the average time in any business including Tesco to provide a selected service to a customer is 122 seconds, so in Tesco customers do not wait that long and also in one of the values of Tesco is to “ treat other how they will be like to be treated.

So nobody likes being kept waited so the initial aim when a customer ask for a service is to respond as fast as possible but also the delivery of the service such as how they provide that service, if it is verbal information the customer is looking for the service delivery would be how helpful the information was, and the tone of the employee which falls under the behavior of those who deliver the service, if the employee delivering the service in Tesco is using a disrespectful tone they may leave a negative image of the business to that customer, but in Tesco they have trained employees to deal with situation like this where it has a positive outcome for both the employee and the customer.

This also has to do with how Tesco responds to a complaints, in store the customers can inform the customer service team with whatever is upsetting them and if that factor is controllable by the business they can respond to have satisfied customers, whereas the customer can also use the online services where they can send complaint directly to the manager so (s)he knows what made their shopping trip unpleasant and if that factor is also controllable the manager will try to respond to that as the best of their ability. Customer expectations- customers have expectation on what they

expect the business to have and the business needs to meet these expectations, this is important because if they do not meet these expectations they may lose potential customers which is bad. This includes their choice of food and quality of the food product such as it is important to meet the quality standard of how the food in a fast food shop should be presented, such as not being burnt, the cheese is on the Centre of the burger not dripping of on one side, and how much salad and sauce should be added etc.

even the price sold to be considered when meeting customers expectation because the customers would want a realistic price range for whatever product they are purchasing plus the rang of product that are available like customers expect stores like Tesco to sell known and own branded products so that they have a variety of product. Adding value to customer experience- this includes recipe cards, free magazines, in store support for elderly/disabled, sampling and evenloyaltycards, it is important to have in store support for the elderly and disabled because not only does it give a good reputation for the business but it also allows the business to have a larger customer base which what every business wants.

A lot of businesses have the wheel chair entrance for those people who require a wheel chair in most of the business and businesses like supermarket like Tesco and Morrison's have wide aisle so that there is an easy access for people in wheel chairs to get around the store, the store does also have support for the elderly where the businesses have trained staff to take in consideration of all customers including the elderly who may

find it difficult to do their shopping this is why businesses train their staff to help the elderly. A lot of businesses also have loyalty cards such as Tesco have their club card where customers are rewarded for every shopping trip that they make, which allows them to build up points to spend on in store products, this is a good method to retain customers.

Stock control and product ranging- stock control is the regulation of the stock in trade of a company so that all the merchandise are available without delay but without tying up unnecessarily large sums of money, so the stock is just products that are stored for a business for production or sales, it is important for businesses to control the stock that they have because it will allow them to know if they can meet demand and it will also allow them to know when to buy new stock when the current stock is almost finish, but a lot of business sell a lot of fresh product that will go bad after a couple of days so the importance of a business to regulate its stores is so that they do not end up wasting any product such as stacking up their stock and it gets left in the warehouse where it runs out of date before they are able to use it.

Product range is different variation of the same product this is commonly done with supermarket where they have lots of different version of the same product such as different types and brand of bread that they sell this allow the business to target different segments of the market. Ordering service- the ordering service is where the business must guarantee that there customer's get the products they ordered alongside the county they are in and also then receive the products in the correct time.

The ordering service is an additional method that business like Asda uses so that they can use it as a retaining method, the ordering service can be accessed by the stores website or even in store if the products are too big. Ordering service is an additional feature that allows customers to have an easier shopping visit where they can do their shopping at home. Right product at the right time- this is that the business has a specific product at the correct time, for instance selling the correct specialized items at the correct seasonal time, this also includes any celebration, festivals and events, so sell products relating to them events so that they attract customers with these products, this can include Christmas decorations, birthday cakes, Easter eggs, deck chairs for summer etc.

a lot of the big business like Tesco and Asda use this method to sell their products, this can also be used as a method to retain customer and also meet customers' needs and expectations. Technology and data use to tailor product range to customer profiles- A customer relationship management system is a technique used by a specific business to retain customers, the system is where they look at the customers shopping history pattern, where they look at the specific products that customers buy and even the type of products they buy so they know what promotional scheme they can send to the customer, it can be used as a profile prospecting where they can understand the segments needs so they can provide with products that are suitable needs.

The system creates a data base of the customer so when the business needs to send promotional schemes they know what desired promotion the

customers are looking for. CRMS is a method used by many businesses including Tesco where they use different schemes to not attract new customers but to retain existing customers; Tesco uses the club card system where they get points for each shopping visit they have, with enough points that they have built up both the business and customer have a mutual benefits, the customers get discounts on selected products and even vouchers that they can use in store and even usable by outside business such as a ? 2. 50 worth of club card may be worth ? 10 of pizza at pizza express.

The benefit for the business is where they get information (data) that they are looking for, this is a benefits for the business because they get inside information such as customer shopping history so they can pick out a pattern and look at what type of product they buy the most so they can give out promotional schemes or know what type of products that customers want to buy, also market research is time consuming and cost money plus with this method you can get data instantly. The function of customer relationship management system is where they get to have direct communication with their customers so that they can get information of their customers, the information they get may seem pointless such as where they live, who else in their family visits their store, how many children they have etc. but it allows to build up an image of the customer, this allows the business to send information such as promotional schemes to them customers that are relevant to them.

The business can send and retrieve information from their customers from direct information from phone call, mail such as discount voucher to see which one the customer use, and even from their club card because a lot of the retention schemes are built around the club card because they can get a lot of information from it such as where they live and the last time they bought a certain product. So Tesco use this to the best of their abilities because they do have their club card which makes Tesco stand out from other business but they also have the club card points where at the end of the month they can either spend their pints on in store products or they can save them up for something big.

Customer relationship management system can be used in the reviewing and planning of marketing activities, in Tesco they use the club card system a lot to see what products commonly buy and see what product they buy every other week so they can identify the reason before this, such as that products may be too expensive to buy on a daily basis, by identifying the situation such as the product being expensive they can identify what the customers want, they also look at what promotional schemes that customers respond to so they can plan anew marketing activity, for instance if customers do not respond to the 1/3 of product voucher the business may need to send a ? of certain products and see if the customers will respond to the voucher, with the information they retrieve they can identify what promotional schemes customers are looking for. Tesco can also use information from customers to firstly review what customers shopping visit has changed to such as where customers have down branded because they do not have the budget to buy expensive products, so Tesco will create a

future plan to lower a lot of necessary products that are relevant to the customers. But this has a lot to do with if the country is in a recession or there is an economy boost.

Also the benefits of having inside information is that they can share intelligent such as if the Tesco has identified the customer buys their contacts from this business but do not buy their contact fluid they can then inform that department that specialize in selling contacts to contact that customer sending promotional schemes on contact fluids because in the future they may buy it. Conclusion- the importance of relationship marketing is that it allows inside information of what product and promotional schemes that customers want to see, because if the business is losing customers to competitors they can research why and use that information to their benefits, the potential benefits of successful information retrieved is that they will get a loyal customer out of it but if quality is poorly perceived they may end up annoying customers with updates like vouchers they do not want which can lead to a bad review and also other customers may not want to go to their store. Task 5 newsletter-

In this task I will be outlining the importance of how seasonal changes affect specialist diets; more specifically I will be looking at how festival and celebration are affected by specialist diets like religious groups and health issues. The following information just provides an inside on why it is important for the food industry to take in consideration the specialist diet of the different customers. The festival and celebrations that I will be looking at is birthdays because everybody celebrate birthdays once a year, and

birthdays are celebrated in multiple cultures in their own way but they all have one thing in common everybody eats a lot of food on their birthday, but birthday are not celebrated for living people but for many religions celebrate birthdays for their founders, like Buddha's birthday and Christmas.

In the Jewish culture when a boy hits 13 they have a bar mitzvah to represent their transition to become obligated to the commandments, birthday are not really celebrated in Jewish culture but are actually seen as a day of gathering for family and friend make a positive resolution for the individual for that year, but with the Jewish community adapting to modern celebration there has been an acceptance for having a celebration on an individual's birthday, the most common birthday tradition is to get a cake for the individual on their birthday, this may seem like a really simple task but in the Jewish community they can only eat kosher food, so the ingredients required for the cake must be kosher, fit to use which fall under the halakha (the Jewish law), some may assume that this only include the way an animal is slaughtered but it also the animal products that can be used, this all falls under the law of kashrut (Jewish dietary law), kosher rulings effect on what ingredients can be used which can include eggs, where if there is blood in the yolk it's not permitted to be used or if the embryo the black little dot is visible it must be removed before use, but in modern times they have introduced the battery egg where it cannot produce a possible embryo so the egg is classed as kosher.

The majority of the food industry in the UK and possibly the rest of the world may and probably do use non-kosher egg and do not see the problem of this,

but what they do not see is that they are excluding a potential targeted audience which can increase the customer base of the business, if the different businesses look at the statistics they will find out what they are missing, currently the three fastest growing religions in the world is Christianity, Islam and Judaism, and currently in the UK 0.

57% of the people are Jewish but what businesses do not understand is that 80% of sales come from loyal customer and repeat customers spend 33% more than new customer, even though the Jewish population seems small if they can target this segment of the market the businesses can increase sale figures, and have a dependent income source. The startup cost may seem large, but it will be worth the risk because if the business does target a potential audience they will not need to worry about anything else, for instance a new bakery can run a strictly kosher business in Jewish community if they can attract the potential customers they have nothing else to worry about because there is a 107% chance of getting referrals from a happy customer then an upset one, so if the business does have a great start they have nothing else to worry about. Also an advantage is that non-Jews could also eat the food too, because it still tastes the same.

The effects of a business selling kosher food is not only that they increase sale and have a slightly larger customer base but they can also get a better reputation with their customers, if the business starts to sell kosher products the business can be seen as a diverse business where they try to help to all of their potential customers, business like Tesco will also get a positive reputation because one of their values is to " treat other like how they want

to be treated” and they have said “not on tries harder for their customers then we do”, if Tesco do try to target this segment of the market they will have the opportunity to be seen as a business that goes above and beyond for their customers. Conclusion- the food industry sells different kinds of food, some are nice some are not, other foods comes in packaging where other don't because they are fresh food that are sold freshly, the food industry is the largest industry in the world where it is the only industry that has a target audience of the entire local and foreign consumers, but there is many businesses in this industry which has increased competition in the market, where business try to attract and retain customers in order to stay on top of the game.