

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

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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, Vishal Mega Mart stands out in Indore as a major hypermarket delivering value-driven shopping experiences in 2025. This study investigates how product quality variables affect attitudinal brand loyalty among Vishal Mega Mart customers in Indore. Survey-based data analysis explores consumer commitment and advocacy for the brand, focusing on high-quality, consistent food products and general merchandise meeting customer expectations.

Keywords: Organised Retail, Attitudinal Brand Loyalty, Brand Loyalty, Vishal Mega Mart, Hypermarket, Value Retail

Introduction

The organized retail industry in India has demonstrated robust growth, with leading players aggressively expanding their footprints across metropolitan and tier-2 cities. Vishal Mega Mart, one of India's fastest-growing value retailers, is now a dominant player in the hypermarket segment, with 696 stores across 458 cities as of FY2025. Known for its "right quality at right price" philosophy and extensive portfolio of private labels (contributing 73% of revenue), Vishal Mega 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 expanding quick commerce platforms remains critical, as customers increasingly perceive similar standards across multiple brands and retail channels. This study examines the role of perceived product quality in shaping attitudinal brand loyalty toward Vishal Mega Mart in Indore city, particularly focusing on food items and general merchandise categories.

Objectives

- To study the impact of product quality variables with respect to food items and general merchandise on attitudinal brand loyalty for Vishal Mega Mart retail outlets in Indore city.
- To identify which product quality factors most strongly correlate with customer commitment and willingness to recommend Vishal Mega Mart with respect to food items and merchandise.

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 the 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 hypermarket chains such as Vishal Mega Mart, which compete primarily on cost leadership, efficient operations, and value-driven pricing rather than on premium store ambience or heavy promotions. Recent studies and case analyses show that Vishal Mega Mart follows a "Value for Money" (VFM) model, using bulk sourcing, strategic private labels, lean store formats, and cluster-based expansion to consistently deliver quality products at competitive prices on essential categories.

Vishal Mega Mart's Business Model

Vishal Mega Mart's business model highlights several strategic levers that shape customer attitudes. First, the company emphasizes a diversified assortment spanning apparel (44% of revenue), general merchandise (28%), and FMCG (28%), with a growing portfolio of 26 private label brands contributing 73% of total revenue. This allows the company to maintain acceptable quality levels while improving margins and sustaining competitive shelf prices.

Second, the chain relies on bulk procurement, direct sourcing from manufacturers, and selective ownership of store properties to minimize procurement and occupancy costs, thereby reinforcing

its value promise and improving perceived value for money. Third, Vishal Mega Mart has recently ventured into omnichannel retail, with quick commerce and digital delivery services covering 429 cities, serving over 9 million registered users. These choices suggest that perceived product quality at Vishal Mega 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.

Hypothesis

Alternate hypotheses were formulated as follows:

- **H1a:** Significant impact of high-quality products with respect to food items at Vishal Mega Mart on attitudinal brand loyalty is positive for retail customers in Indore city.
- **H1b:** Significant impact of consistently high standards of food items and merchandise at Vishal Mega Mart on attitudinal brand loyalty is positive.
- **H1c:** Significant impact of customer expectations on attitudinal brand loyalty at Vishal Mega Mart.

Methodology

Data Collection

- **Primary Data:** Responses collected via structured questionnaire from 250 customers at Vishal Mega 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 Vishal Mega 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 Vishal Mega Mart's retail outlets with respect to food items and general merchandise.

The Present Study

Product quality variables considered for the present study are as follows:

Product Quality Variables

- Vishal Mega Mart offers food items and merchandise of very high quality.
- Vishal Mega Mart products always meet quality standards.
- Vishal Mega Mart's products consistently meet or exceed my expectations.

Attitudinal Brand Loyalty Variables

- I am committed to purchasing products from Vishal Mega Mart.
- I am willing to pay a higher price for products at Vishal Mega Mart than unorganized outlets or discount competitors.
- I would recommend others to purchase from Vishal Mega 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	0.248	0.001	Accepted
H1b: Consistent Quality	0.334	0.002	Accepted
H1c: Meets Expectations	0.441	0.001	Accepted

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

Findings

The analysis revealed several key insights regarding product quality and brand loyalty at Vishal Mega Mart in Indore:

- The variables "high quality of products," "consistently high quality," and "meeting customer expectations" have the greatest positive impact on attitudinal brand loyalty for Vishal Mega Mart shoppers in Indore in 2025.
- Vishal Mega Mart customers demonstrated willingness to pay higher prices (compared to unorganized retail) and recommend the brand, primarily when their expectations around quality and consistency were met.
- Private label products (73% of revenue) play a critical role in shaping quality perceptions, as customers increasingly recognize and trust Vishal Mega Mart's own-brand merchandise.
- The omnichannel presence and digital accessibility enhance the brand experience, allowing customers to maintain loyalty across both physical and digital touchpoints.

Conclusion

In 2025, Vishal Mega 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: Vishal Mega Mart can justify competitive pricing while commanding customer loyalty through advocacy and sustained commitment. The company's expansion from

696 stores in FY2025 to target 800+ stores by FY2026 is underpinned by this quality-driven loyalty model.

The study suggests continued focus on quality enhancement, customer expectation management, and private label innovation as key drivers for future loyalty. The integration of omnichannel services and quick commerce capabilities further strengthens touchpoints with quality-conscious consumers across Tier-2 and Tier-3 markets.

Recommendations

- **Quality Assurance & Communication:** Vishal Mega Mart should reinforce its commitment to consistent product quality through regular audits, transparent supply chain communication, and visible quality certifications (ISO, FSSAI compliance for food items).
- **Private Label Optimization:** Given that 73% of revenue comes from private labels, the company should invest in continuous R&D and customer feedback loops to ensure private label products maintain superior quality standards.
- **Customer Feedback Mechanisms:** Customer feedback systems should be enhanced, with timely response to complaints and suggestions regarding food quality, merchandise standards, and safety across all 696 stores.
- **Staff Training Programs:** Training programs for store staff should educate customers about the brand's quality assurance efforts, private label advantages, and value proposition, further cementing customer trust.
- **Omnichannel Quality Consistency:** As quick commerce and digital delivery expand, maintain consistent product quality, packaging standards, and delivery timelines across online and offline channels.
- **Certification & Partnerships:** Vishal Mega Mart should consider strategic partnerships and certifications (e.g., with industry bodies, sustainability initiatives) that visibly signal quality assurance, distinguishing itself from competitors and emerging quick commerce players.

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