



Case Study

Volume-06|Issue04|2026

Research on the Marketing Strategy Transformation of Community Supermarkets in the New Retail Environment: A Case Study of Fuyi Longdu Store

Yue-Yuan Jin and An-Shin Shia²

¹Student, Lingnan Normal University, Zhanjiang 524048, Guangdong, China.

²Lingnan Normal University, Zhanjiang 524048, Guangdong, China.

Article History

Received: 10.06.2026

Accepted: 21.07.2026

Published: 27.07.2026

Citation

Jin, Y. Y. & Shia, A. S. (2026). Research on the Marketing Strategy Transformation of Community Supermarkets in the New Retail Environment: A Case Study of Fuyi Longdu Store. *Indiana Journal of Economics and Business Management*, 6(4), 129-137.

Abstract: Traditional chain retail businesses are under immense pressure today. The rapid growth of e-commerce and shifting post-pandemic shopping habits have hit them hard. Taking Fuyi Supermarket Longdu Community Store in Wanzhou District, Chongqing as the research object, this paper adopts questionnaire survey and case study methods, with 200 valid consumer questionnaires collected. It conducts an in-depth analysis combined with the regional macro environment of Wanzhou District covering demographic, economic and technological factors, as well as the competitive landscape of peer retailers including Yonghui and Meiyijia. By integrating the 4P marketing mix theory and SWOT model, this study constructs an integrated SWOT-4P strategic matrix. It systematically identifies prominent deficiencies of the supermarket in product portfolio, pricing system, online-offline channels and promotional innovation, including monotonous product categories, lack of private-label goods, absence of online sales channels, undeveloped B2B group-buying businesses, and insufficient new media marketing layout. Targeted optimization strategies are proposed accordingly: enrich product lines and develop private brands, implement differentiated and flexible pricing, launch self-operated WeChat Mini Programs and cooperate with instant delivery platforms to expand consumer traffic, develop B2B channels covering surrounding schools and enterprises simultaneously, and carry out interactive community promotions via WeChat and Douyin. These measures aim to strengthen the supermarket's market competitiveness and sustainable development capacity. The research conclusions can provide theoretical references and practical guidelines for the marketing transformation of similar community retail stores under the new retail context.

Keywords: Fuyi Supermarket; Marketing Strategy; 4P Marketing; Retail Transformation

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INTRODUCTION

The Plight of Community Supermarkets: Urbanization in China has brought many large chain supermarkets to city corners. In the past, these big chains used a "hub-and-spoke" model. They unified purchasing and logistics to cut costs. While this standardized approach worked well for a long time, it now struggles to keep up with what local shoppers actually want today (Kotler & Armstrong, 2015). As the market matures, supermarkets face obvious problems: everything looks the same, services are identical, and competition is eating into profits. Smaller community supermarkets are especially vulnerable here, as they lack the massive scale of big chains.

The Digital and Post-Pandemic Shock: The internet has completely changed how people shop. E-commerce platforms offer transparent prices, endless choices, and fast delivery, drawing foot traffic away from physical stores (Wang, 2020). To survive, traditional supermarkets can no longer just tweak their strategies; they need a real transformation. The post-pandemic era has only made things harder. Shoppers now care more about safety, have changed their daily routines, and even

older generations are going digital. Therefore, the big question for the retail industry is how to mix the physical strengths of a store—like seeing and touching products—with new digital tools, while also addressing the post-pandemic demand for contactless shopping and community safety (Shen, 2020).

Research Objectives: This paper uses Fuyi Supermarket Longdu Store as a case study to achieve four main goals: (1) Look at how traditional community supermarkets are doing under e-commerce pressure. (2) Find the main bottlenecks in Fuyi Supermarket's current marketing strategies. (3) Suggest practical improvements based on the 4P theory (Product, Price, Place, Promotion). (4) Offer useful lessons for similar traditional retailers trying to transform.

By analyzing this store's real-world operations, this study aims to help management better understand market demand, allocate resources wisely, and ultimately boost customer satisfaction and competitiveness (Chen, 2007).

Analytical Framework and Limitations: To ensure the research is grounded in reality, this study

combines the 4P marketing theory with a SWOT analysis to build a “SWOT-4P” strategic matrix. This framework helps systematically diagnose the store’s internal weaknesses—like a lack of digital channels—and external threats, such as fierce local competition. It is worth noting, however, that as a single-case study, the findings are naturally limited by the specific context of Wanzhou District. The detailed limitations and future research directions will be discussed in the final conclusion.

RESEARCH METHODOLOGY

Research Subject

This study selects Fuyi Supermarket Longdu Store, the author’s internship unit, as the specific case subject for in-depth investigation. Located strategically at Longdu Sijihuacheng, Jinling Road, Wanzhou District, Chongqing, the store spans a business area of 350 square meters and currently employs 13 staff members. As a typical community-based chain store, it primarily serves the residents of the immediate surrounding neighborhoods, adhering to the operational philosophy of “Wholeheartedly for the Customer”. The store was selected because its location, target customers, operational scale, and current dilemmas clearly reflect the common characteristics of traditional community supermarkets in the region. Therefore, choosing it as the research subject offers practical value, providing insights that are transferable to similar contexts.

Data Collection and Analysis

To ensure the objectivity and scientific rigor of the research, this study employs a questionnaire survey method as the primary instrument for data collection. The survey scope was meticulously designed to cover the core commercial radius of Fuyi Supermarket Longdu Store, encompassing surrounding communities such as Wangpai Road, Yongjia Road, and Jinling Road. These areas represent the primary catchment zone for the store’s daily operations. A random sampling method was adopted to investigate on-site consumers and nearby residents to ensure a diverse and representative sample. In total, 220 questionnaires were distributed, and after strict screening and elimination of invalid responses, 200 valid questionnaires were recovered, resulting in a highly satisfactory effective response rate of 90.91%.

Regarding data analysis, the study utilizes a two-step approach. First, descriptive statistics were applied to analyze the questionnaire data to grasp basic consumer behavior characteristics and preferences. This provided the quantitative foundation for understanding consumer actions. Subsequently, a SWOT analysis was

integrated to systematically evaluate the internal strengths/weaknesses and external opportunities/threats of Fuyi Supermarket, providing reliable empirical evidence for the subsequent formulation of marketing strategies. This combination of quantitative data and qualitative strategic analysis ensures a comprehensive diagnostic perspective.

The 4P Marketing Mix Theory

The theoretical framework of this study is the 4P marketing mix theory, originally proposed by Jerome McCarthy in his seminal work *Basic Marketing: A Managerial Approach*. This framework encompasses four critical dimensions: Product, Price, Place, and Promotion (McCarthy, 1960). Approaching from the enterprise perspective, the theory emphasizes meeting market demand by optimizing product structure, setting reasonable prices, expanding sales channels, and innovating promotional means. Despite the evolution of marketing thought into more customer-centric models like the 4C, the 4P framework remains a cornerstone for analyzing retail operations due to its practical utility in resource allocation. This study uses this framework to break down the marketing status of Fuyi Supermarket step-by-step. It gives us a clear, structured path for coming up with better strategies later on.

CASE ANALYSIS

Consumer Survey Results

Consumer Purchase Motivation

Understanding the drivers behind consumer visits is important for strategy formulation. According to the questionnaire data (as shown in Table 1), the primary motivation for visiting Fuyi Supermarket is notably distinct. More than half of the consumers (50.98%) primarily consider transportation convenience, a proportion significantly higher than other factors. This is followed by 25.49% who focus on the completeness of product variety, while attention to product quality (11.76%) and low-price promotions (9.8%) is relatively low, good supermarket reputation accounts for the lowest proportion at 1.97%. Clearly, the store’s community location is its biggest draw. Over half of the shoppers come purely for convenience. But there is a catch: shoppers don’t care much about quality or promotions. This reveals a critical vulnerability, as the supermarket hasn’t built any real product differentiation or promotional appeal to fall back on. In future operations, it is necessary to guard against the vulnerability of competitive barriers caused by over-reliance on geographical advantages, as convenience alone may not sustain loyalty in the long term, especially as delivery services become more common.

Table 1: Consumer Purchase Motivation

Rank	Primary Motivation	Percentage	Note
1	Transportation convenience	50.98%	Significantly higher than other factors
2	Completeness of product variety	25.49%	Second highest
3	Product quality	11.76%	Relatively low attention
4	Low-price promotions	9.80%	Relatively low attention
5	Good supermarket reputation	1.97%	Lowest proportion
Total	-	100.00%	

Purchase Frequency

Data regarding purchase frequency (as shown in Table 2) reveals distinct consumer segments. 41.18% of respondents visit the store within 1-2 days, indicating that the supermarket possesses a stable core loyal customer group that relies on it for daily necessities and fresh goods. Meanwhile, 29.41% visit once a week, belonging to the regular consumer group likely engaging in larger weekly stock-ups; another 19.61% visit once a month, and 9.80% have never visited. The numbers show

the store is doing okay with its daily regulars. However, the stickiness of nearly 30% of customers specifically the weekly shoppers needs work if the store wants to turn them into daily patrons. Furthermore, the nearly 10% of nearby residents who have never visited the store represent an untapped market. Future efforts should focus on converting low-frequency consumers into high-frequency customers and activating potential customer groups who have never visited through targeted promotional drainage to expand market share.

Table 2: Consumer Purchase Frequency

Frequency	Percentage	Customer Characteristics & Analysis
Every 1-2 days	41.18%	Indicates a stable core of loyal customers
Once a week	29.41%	Regular consumer group; customer stickiness needs improvement
Once a month	19.61%	Occasional consumers
Never	9.80%	Unconverted customers
Total	100.00%	The supermarket performs well in retaining high-frequency customers, but the stickiness of nearly 30% (29.41%) of customers still needs to be strengthened

Price Perception Evaluation

Price perception is a critical determinant of store choice and loyalty. Data regarding customers' views on prices (as shown in Table 3) indicates that 52.19% of respondents believe Fuyi Supermarket's prices are relatively low, and 21.57% believe they are comparable to other supermarkets. Conversely, 19.61% believe they are relatively high. Additionally, 6.63% of respondents held an "other/indifferent" attitude. In total,

73.76% of consumers hold a positive or neutral view of Fuyi Supermarket's price level, indicating that the majority of consumers recognize its cost-performance advantage. However, the nearly 20% of consumers who perceive prices as being on the higher side provides a clear direction for improvement in the supermarket's future pricing strategy optimization, suggesting a need for better communication of value or strategic pricing adjustments on key items.

Table 3: Consumer Price Perception Survey Results

Perception Options	Number of People	Proportion (%)
Relatively Low	104	52.19%
Comparable to Others	43	21.57%
Relatively High	39	19.61%
Other/Indifferent	14	6.63%
Total	200	100.00%

Marketing Environment Analysis**Macro Marketing Environment**

Demographic Environment Analysis: The demographic landscape serves as the foundational basis for retail planning. According to data from 2024, the permanent population of Wanzhou District at the end of the year was 1.5388 million, a slight decrease of 7,100 from the previous year. Among them, the urban permanent population was 1.1002 million, accounting for 71.50% of the permanent population (urbanization rate), an increase of 0.49 percentage points compared to

2023. The total registered population at the end of the year was 1.6898 million, with 714,200 in urban areas and 975,600 in rural areas. There were 7,574 births during the year, with a birth rate of 4.48‰; 12,938 deaths, with a mortality rate of 7.65‰; and a natural growth rate of -3.17‰ (as shown in Table 4, Wanzhou District Statistics Bureau, 2025). Changes in population structure directly affect supermarket product selection and consumption patterns, particularly as the aging trend increases demand for fresh foods and healthcare products, necessitating a strategic adjustment in inventory mix.

Table 4: Wanzhou Population Statistics

Indicator	Number /10,000 people	Proportion (%)
Total Population	168.98	100.0
Urban	71.42	42.3
Rural	97.56	57.7
Male	85.57	50.6
Female	83.41	49.4
0-14 years	18.70	11.1
15-59 years	106.02	62.7
60-64 years	11.60	6.9
65 years and above	32.67	19.3

Data Source: Wanzhou District Statistics Bureau, 2025

Economic Environment Analysis: Wanzhou District's economy has maintained stable growth, with per capita disposable income increasing annually and residents' consumption levels continuing to improve. Notably, the post-90s and post-00s generations have become the new main consumer force, placing greater emphasis on convenience, efficiency, service experience, and quality. During the pandemic, consumers placed higher demands on shopping safety, and overall consumption habits have tended towards rationality, with a greater focus on cost-effectiveness and essential goods.

Technological Environment Analysis: The popularization of mobile internet and mobile payments has driven the transformation of the retail industry. Enterprises have expanded their sales networks through channels such as WeChat Official Accounts and Apps,

providing online ordering and delivery services to meet the convenient shopping needs of young consumers. Big data technology enables precision marketing, and digital technology is applied to various stages such as procurement, logistics, and payment, improving operational efficiency and reducing costs. The New Retail model is developing rapidly, with online-offline integration becoming an undeniable industry trend.

Micro Marketing Environment

The positioning and target consumer groups among supermarkets are largely identical, leading to intense competition. An analysis of Fuyi Supermarket's main competitors is presented below (as shown in Table 5). The competitive landscape is characterized by a mix of large chain giants and nimble convenience stores.

Table 5: Competitor Analysis

Competitor	Strengths	Weaknesses	Threats to Fuyi Supermarket
Yonghui Supermarket	Good location, wide product variety, solid infrastructure	High prices, high management and labor costs	• One-stop shopping draws away residents. • Better fresh food facilities divert high-spending customers. • Scale allows occasional low-price promotions, creating price pressure. • Closer proximity captures immediate, small purchases.
Meiyijia Convenience	Many stores, close to residential areas	Small store size, limited to basic needs	• 24-hour operation takes away the nighttime market. • Strong community ties make it hard to steal their regulars.
Baihui Supermarket	High customer loyalty, products fit local habits	Poor environment, slow product updates, near-expired goods	• Products perfectly match daily needs, capturing essential spending. • Same location and target customers directly split local foot traffic.
Huijia Supermarket	Good location, clear target market	Lacks private brands, few promotions	• Similar pricing on daily goods leads to direct homogeneous competition.

Overall, Fuyi Supermarket is clearly losing ground in product variety, convenience, and customer loyalty. These exact pressures are what cause the 4P issues we will see next: a limited product range, dull promotions, and weak channel coverage.

SWOT Analysis and Strategy Matrix Construction

This study combines specific internal and external environmental factors of Fuyi Supermarket, utilizes the SWOT model for analysis, and integrates the 4P marketing theory to construct an "SWOT-4P" strategy matrix, providing logical support for subsequent strategy optimization. The strategies formed by the SWOT analysis are shown in Table 6.

Table 6: SWOT Analysis and Strategy Matrix

Internal Factors	S(Strengths)	W (Weaknesses)
	• Good local reputation of the enterprise brand. • Superior geographical location, possessing localized service advantages.	•Lack of marketing management talent reserves. • Slow information construction, lack of online channels. • Single product variety, low proportion of fresh food. • Unsatisfactory shopping environment, lack of attractive display.
External Factors		
O (Opportunities)	SO (Growth Strategy)	WO (Turnaround Strategy)
• Huge consumption potential, increasing resident income. • Changes in consumption habits, increased demand for online-offline integration. • Wider population distribution, large potential for community group buying.	•Utilize local brand advantage (S) and geographical convenience (S), combine with consumption potential (O) to optimize product structure and improve service quality. •Focus: Product Strategy, Price Strategy.	•Address the disadvantage of slow information construction (W), seize the opportunity of changes in online consumption habits (O), and vigorously expand online channels. •Focus: Channel Strategy, Promotion Strategy.
T(Threats)	ST (Diversification Strategy)	WT (Defensive Strategy)
• Increasingly fierce industry competition. • Threat of substitutes (e-commerce, convenience stores). • Rising labor costs. • Consumers gradually gaining bargaining power.	•Facing fierce industry competition (T), leverage brand reputation (S), enhance competitive barriers through differentiated pricing and bundled promotions. • Focus: Price Strategy, Promotion Strategy.	• Improve shopping environment (W), reduce operating costs to cope with rising labor costs (T), and avoid homogeneous competition. • Focus: Product Strategy, Channel Strategy.

Analysis of Marketing Strategy Problems at Fuyi Supermarket

Based on the SWOT analysis results above, Fuyi Supermarket Longdu Store, under the dual pressure of internal weaknesses and external threats, has exposed the following key issues in its 4P marketing mix.

Product Strategy

- Relatively single product variety, difficult to meet diversified needs: Currently, Fuyi Supermarket's products are mainly concentrated in five categories: daily necessities, tobacco, alcohol, sugar, tea, essential goods, and fruits and vegetables. It lacks emerging products and specialty products, making it difficult to meet the increasingly diverse and personalized needs of modern consumers.
- Lack of private brand products: The absence of private brand products leads to serious product homogeneity, making it difficult to form a differentiated competitive advantage and resulting in low customer loyalty.
- Lack of attractiveness in product display: The shelf layout and product display lack visual appeal and scientific planning, failing to effectively guide consumers in their shopping journey and stimulate impulse purchases. Furthermore, the store relies on a one-size-fits-all display approach, failing to provide a personalized shopping experience for different age groups, such as creating accessible, easy-to-read aisles for the elderly.
- Low proportion of fresh products: Fresh products occupy an important position in community

supermarkets as high-frequency necessity goods, but the proportion of fresh products in Fuyi Supermarket is low, making it difficult to meet community residents' daily demand for fresh food.

Price Strategy

The SWOT analysis shows that the supermarket faces severe external threats such as "increasingly fierce industry competition" and "consumers gradually gaining bargaining power." These changes in the external environment make the current price strategy difficult to adapt.

- Inflexible price system, weak differentiated pricing capability: There is a lack of differentiated pricing strategies for different customer groups and product categories, making it difficult to meet the needs of different consumers.
- Homogenized discount strategy, lack of innovation: Promotional activities lack innovation, and discount methods are single, failing to create a sense of novelty or urgency among consumers.
- Insufficient membership price discount: The membership system has failed to effectively attract and retain customers; the membership price discount is insufficient and lacks appeal, rendering the loyalty program ineffective.

Channel Strategy

The SWOT analysis reveals the key internal weakness of "slow information construction," while also pointing out the external opportunities of "huge consumption potential" and "wider population distribution." However,

due to the failure of internal shortcomings to effectively carry external opportunities, the channel strategy has experienced a disconnect.

- Lack of online sales channels, failure to carry out online marketing: Fuyi Supermarket has not yet established a perfect online sales system, lacks its own App or WeChat Mini Program, and has failed to effectively utilize e-commerce platforms for sales, making it difficult to meet the convenient shopping needs of young consumers in the digital era.
- Insufficient cooperation with third-party platforms (e.g., Meituan, Ele.me): The supermarket has not established cooperative relationships with mainstream delivery and instant delivery platforms, missing the opportunity to use third-party platform traffic to expand the sales radius and increase order volume.
- Insufficient expansion of corporate clients: In terms of developing the B-side market, efforts are insufficient, failing to effectively establish long-term stable group buying or welfare supply relationships with surrounding schools and enterprises, limiting the sales channels for bulk commodities.

Promotion Strategy

The SWOT analysis shows that the supermarket faces the external threat of “increasingly fierce industry competition,” and itself possesses the weaknesses of “lack of marketing management talent reserves” and “slow information construction.” This has led to the current promotion strategy lacking innovation and precision.

- Single promotion method, over-reliance on posters

and discounts: Current promotional activities mainly rely on traditional poster posting and simple price discounts. The form is single, making it difficult to stand out in the fierce market competition and attract consumers' attention.

- Insufficient application of new media marketing: Although the Internet and social media are increasingly popular, Fuyi Supermarket's marketing efforts on new media platforms such as Weibo, WeChat, and Douyin are insufficient, failing to effectively utilize low-cost, high-coverage digital channels to reach young consumer groups.
- Lack of creativity in holiday promotions: In holiday marketing activities, the form of activities lacks novelty, merely discounting seasonal products, lacking creative planning and interactive experiences deeply combined with festival themes, making it difficult to stimulate consumers' purchasing impulse and emotional resonance.
- Lack of systematic customer relationship management (CRM): The current membership system has failed to effectively attract and retain customers. Essentially, the store lacks a systematic CRM approach to track purchase histories and deliver targeted promotions to its core loyal customers, rendering the loyalty program ineffective.

OPTIMIZATION SUGGESTIONS FOR SUPERMARKET MARKETING STRATEGIES

Using the SWOT-4P matrix results, this paper sets up specific marketing strategies designed just for Fuyi Supermarket Longdu Store. Table 7 outlines these paths, and we will discuss them in detail below.

Table 7: Fuyi Supermarket Marketing Strategy Optimization Path

Dimension	Orientation	Core Objective	Specific Implementation Measures
Product Strategy	SO / WT	Enrich product lines; enhance experience.	• Introduce popular (“internet-famous”) products; develop private brands; optimize fresh food layout and environment.
Price Strategy	ST / WO	Flexible pricing; lock in customer groups.	• Differentiated membership pricing; innovative bundled sales; establish dynamic pricing mechanisms.
Place Strategy	WO	Expand online presence; omni-channel integration.	• Develop WeChat Mini Programs; settle on third-party platforms; expand corporate clients.
Promotion Strategy	ST / WO	Precision marketing; enhance stickiness.	• Operate new media matrix; plan creative holiday events; optimize hierarchical membership promotions.

Product Strategy: Optimization Based on SO and WT Strategies

According to the SO strategy, Fuyi Supermarket should fully leverage its advantage of good local brand reputation (S) and combine it with the opportunity of huge resident consumption potential (O) to enrich its product lines. Meanwhile, in accordance with the WT strategy, it should improve the shopping environment (W) to cope with fierce industry competition (T).

- Perfect product categories to meet diverse needs: To fix the "single product variety" issue, the supermarket needs to actively bring in emerging and

specialty products (such as imported foods and “internet-famous” products) while maintaining existing categories to meet the increasingly diverse needs of consumers. This involves analyzing consumption data to identify trending items and stocking them promptly.

- Develop private brands to build competitive barriers: Creating private brand products (like store-brand tissues or cooking oil) is a smart move to boost margins and loyalty. By leaning on its brand advantage (S), the store can set itself apart, add value, and protect itself against competitors' price

wars (T).

- Optimize fresh food layout and shopping environment: Targeting the weaknesses of “low proportion of fresh products” and “unsatisfactory shopping environment” (W), the supermarket should increase the procurement of fresh products, optimize shelf layout, and use lighting and color to create a comfortable shopping atmosphere, thereby enhancing the customer experience. A well-lit, clean fresh food section acts as a traffic driver. By segmenting the store layout based on local demographic data (e.g., placing health foods near areas frequented by older residents), the supermarket can significantly enhance the personalized shopping experience.

Price Strategy: Optimization Based on ST and WO Strategies

Based on the ST strategy, in an environment where consumers' bargaining power is rising (T) and industry competition is fierce (T), the supermarket should leverage its brand advantage (S) to implement flexible pricing. Simultaneously, combining with the WO strategy, it should reduce operating costs through digital means to create space for price advantages.

- Implement differentiated and psychological pricing strategies: Addressing the threat that “consumers are gradually taking the initiative in bargaining” (T), the supermarket should change its unitary low-price strategy. Launch member-exclusive prices for high-value customers and limited-time discounts for slow-moving products, utilizing the “anchoring effect” to guide consumers to form a perception of good value for money.
- Innovate discount and bundled sales: To cope with the impact of competitors (T) and break conventional discount methods, the supermarket can launch “seasonal combo packages” (e.g., Hot Pot Festival sets). Bundling best-selling products with slow-moving products can boost sales volume while avoiding damage to brand image caused by direct price cuts.
- Optimize the membership price system: Addressing the pricing rigidity caused by the “lack of marketing management talent” (W), a dynamic price management mechanism should be established. Increase the discount intensity for members and establish a points redemption system to enhance member loyalty and lock in core customer groups.

Place (Channel) Strategy: Focusing on WO Strategy

The WO strategy clearly points out the need to resolve the weakness of “slow information construction and lack of online channels” (W) to seize the opportunity of “changing consumption habits and increased demand for online-offline integration” (O).

- Expand online channels to build an omni-channel marketing network: Addressing the weakness of “lack of online sales channels,” actively develop an official WeChat Mini Program or community group

buying app to provide consumers with convenient online selection services, adapting to the New Retail trend.

- Deepen cooperation with third-party platforms to expand service radius: Seizing the opportunity of “wider population distribution” (O), the supermarket should proactively settle on mainstream local life service platforms like Meituan and Ele.me. Utilizing their efficient delivery systems, the service range can be extended from surrounding communities to a 3-kilometer radius, breaking geographical limitations.
- Expand corporate clients to develop the B-side market: Leveraging the local advantage (S), establish a dedicated key account sales team to proactively contact surrounding schools and enterprises, offering customized group buying services to open new sales growth points.

Promotion Strategy: Optimization Based on ST and WO Strategies

According to the ST strategy, promotional means are needed to consolidate market position. Simultaneously, based on the WO strategy, the supermarket should seize the opportunity of new media (O) to make up for the shortcoming of single marketing method (W).

- Deepen new media marketing to reach young customer groups: Addressing the weakness of “insufficient application of new media marketing” (W) and seizing the opportunity of mobile internet popularization (O), the supermarket should establish and operate official WeChat Official Accounts and Douyin accounts. By posting product recommendation videos and life hacks, it can enhance interaction and stickiness with young consumers.
- Plan creative holiday marketing to enhance customer experience: To cope with “increasingly fierce industry competition” (T) and avoid a pure price war, the supermarket should plan theme-clear holiday events (e.g., parent-child DIY, community gatherings), transforming the supermarket into a community interaction center to increase customer footfall.
- Optimize the membership promotion system to enhance stickiness: Building on the existing membership system, establish “Member Days” and a hierarchical membership system (e.g., Diamond members enjoy free delivery). This hierarchical system acts as the foundation for a basic Customer Relationship Management (CRM) strategy. By utilizing digital tools to record member preferences, the supermarket can transition from mass discounting to precise, data-driven retention marketing.

CONCLUSION AND PROSPECTS

Research Conclusion

By combining 4P marketing theory with survey data and a SWOT analysis, this study took a deep dive

into how Fuyi Supermarket Longdu Store is doing in today's new retail environment. The findings indicate that while Fuyi Supermarket possesses significant advantages in geographical convenience and local brand cognition, it exhibits obvious shortcomings in digital transformation, product differentiation, and promotion innovation. In response, this paper constructs a SWOT-4P strategy matrix, proposing a channel optimization strategy centered on "online-offline integration," a product strategy supported by "differentiation and private brands," a price strategy guided by "value competition," and a promotion strategy focused on "new media interaction." These strategies aim to help Fuyi Supermarket effectively overcome external competitive threats and internal resource disadvantages, achieving a transformation from a traditional community supermarket to a modern retail terminal.

Managerial Implications

This study offers the following insights for the transformation and development of similar traditional community supermarkets:

Deepen community roots and strengthen localized service advantages: Traditional supermarkets should transform geographical convenience into service advantages, constructing a solid positioning as a "community life service center" through fresh food category optimization and community interaction activities.

Embrace digitization and promote omni-channel integration: Facing online impact, physical supermarkets must break the limitations of a single offline channel, combining third-party platforms with self-built traffic pools to meet consumers' all-scenario shopping needs.

Value-driven approach to build differentiation barriers: Pure price competition is no longer sustainable; enterprises should shift to value competition, enhancing customer stickiness and brand loyalty by developing private brands and optimizing membership benefits.

Dynamic adjustment to establish flexible operational mechanisms: Enterprises need to establish rapid response mechanisms based on market data, adjusting product structures and marketing means in a timely manner to cope with the changing market environment.

These findings corroborate the theoretical view that in the new retail context, the competitive barriers for community supermarkets have shifted from traditional "geographical location" to "service experience" and "digital capability."

Research Prospects

As mentioned in the introduction, this study is limited by time and resources, relying on just one store as a case. Because of this, the findings might not apply

perfectly everywhere. To build on this research, future studies could look into three main areas:

Expanding the sample size: Future research shouldn't just stop at one store. It would be valuable to compare community supermarkets across different regions and of various sizes. This would help test whether the strategies suggested here truly work on a broader scale.

Applying new technologies: This paper touched on digital transformation, but there is more to explore. Future studies could dive deeper into how tools like big data and artificial intelligence can be used for precision marketing in small community stores, making operations even smarter.

Understanding consumer psychology: Different age groups shop differently. Future research could look at consumer psychology to see how older residents and younger generations behave differently in community retail settings. Understanding these nuances will give the industry much better theoretical support.

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