Building Loyalty Beyond Transactions

Creating the Next Generation Customer Relationship

2027 Student Case Study Competition

Big Y Foods is one of the largest independently owned supermarket chains in the Northeast, serving communities throughout Massachusetts and Connecticut. Founded in 1936 and still family-owned today, Big Y has built its reputation on exceptional customer service, community involvement, quality fresh foods, and a commitment to helping families live healthier, happier lives.

As competition for grocery shoppers intensifies, customers have more choices than ever when deciding where and how to shop. Traditional loyalty programs focused primarily on discounts and rewards points are becoming less effective as retailers seek new ways to create meaningful, long-term customer relationships.

Recognizing these market dynamics, Big Y has recently introduced enhanced digital capabilities including a customer-facing mobile application, personalized offers, and expanded digital engagement tools designed to create a more convenient and connected shopping experience. While these investments provide a strong foundation, Big Y leadership believes there is an opportunity to think beyond conventional loyalty programs and redefine what customer loyalty could mean in the future.

Big Y is looking for innovative ideas that strengthen emotional connections with customers, build a strong foundation with the emerging generational shifts in their customer base, create unique value beyond price, and establish a sustainable competitive advantage that differentiates the company from both regional competitors and national grocery chains.

The Scenario

The grocery industry is undergoing rapid transformation. Consumers increasingly expect personalized experiences, seamless digital integration, convenience, transparency, and authentic engagement from the brands they support.

While loyalty programs remain important, today's shoppers are often motivated by a broader set of factors, including:

- Personalized and relevant shopping experiences
- Health and wellness support

- Product Quality & Freshness
- Meaningful Connection, Brand Affinity & Service Excellence
- Community connection and local engagement
- Convenience and time savings
- Values-based purchasing decisions
- Digital engagement and mobile experiences
- Exclusive access to products, services, and experiences
- Trust and transparency from retailers

For a regional grocer like Big Y, these loyalty drivers should also reflect the company's differentiation in product quality, freshness, brand affinity, and service excellence. In particular, the combination of affinity for the Big Y brand and the trust, familiarity, and service customers experience from team members can create loyalty that extends well beyond discounts and pricing.

As consumer habits evolve, Big Y wants to better understand how a regional grocer can create customer loyalty that extends beyond transactions and discounts. The company is interested in identifying innovative ways to deepen customer relationships, increase engagement, and build a competitive advantage that competitors cannot easily replicate.

The challenge is to create a customer loyalty ecosystem that strengthens customer retention, increases shopping frequency, improves customer lifetime value, and reinforces Big Y's position as a trusted community-focused retailer.

The Objectives

1. Identify Innovative Loyalty Drivers

Recommend at least three innovative strategies that would increase customer loyalty and differentiate Big Y from competitors. These may include digital experiences, community engagement, wellness initiatives, subscription services, exclusive membership benefits, experiential retail, AI-driven personalization, or other creative concepts.

2. Create an Integrated Customer Engagement Strategy

Define the future of grocery loyalty by designing a connected customer journey that combines in-store, online, mobile app, and community touchpoints. Explain how these channels should work together to create a seamless customer experience.

3. Leverage Data Responsibly and Effectively

Recommend how Big Y can utilize customer data and insights to improve personalization while maintaining customer trust. Identify key technologies, capabilities, and operational processes required to support your recommendations.

4. Establish Key Metrics and Business Impact

Define the metrics Big Y should track to evaluate success, including customer retention, engagement, shopping frequency, basket size, digital adoption, and customer lifetime value. Outline the expected business benefits and return on investment.

5. Develop an Implementation Roadmap

Create a practical three-year roadmap that prioritizes initiatives, identifies required resources, and outlines how Big Y can successfully implement and scale the proposed customer loyalty strategy.