

Marketing Strategies and Customer Purchase Preferences in Madura Owned Grocery Stores in Surabaya

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ABSTRACT

This study explores the marketing strategies implemented by Madura owned grocery stores in Surabaya and their influence on consumer purchase preferences amidst the dominance of modern retail. Using a qualitative case study approach, data were gathered through interviews, observations, and documentation. the findings reveal that these stores rely on relational approaches, affordable pricing strategies, strategic locations, and 24 hour operations as their primary competitive advantages. Social bonds with customers significantly contribute to building loyalty. The study concludes that these simple yet contextual strategies enable Madura grocery stores to remain resilient and competitive.

INTRODUCTION

Traditional grocery stores continue to play a significant role in retail distribution, particularly in major urban centers such as Surabaya. Despite the growing dominance of modern minimarkets that offer convenience, digital based promotions, and visually appealing merchandising, traditional grocery stores remain a primary option for fulfilling daily household needs (Widiyastuti & Ningtyassari, 2023). A noteworthy phenomenon is the persistence and growth of Madura-owned grocery stores, which exhibit unique characteristics such as competitive pricing, 24-hour service, and close personal engagement with customers. These distinctive features allow them to retain customer loyalty without relying on advanced or digital marketing techniques.

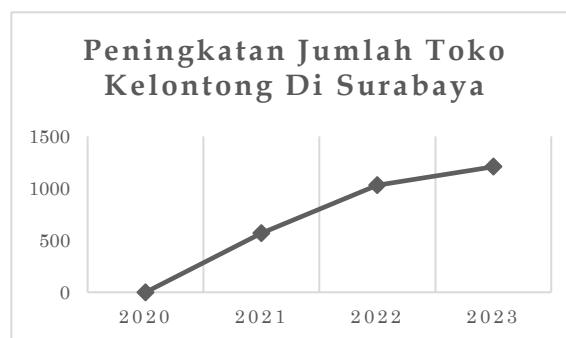


Figure 1. Increase in The Number of Grocery Store in Surabaya

As illustrated in Figure 1, the number of grocery stores in Surabaya has experienced a notable increase between 2020 and 2023. In 2021, there were 567 stores, which rose sharply to 1,031 in 2022 – a year-on-year growth of 82%. This upward trend continued into 2023, reaching a total of 1,207 stores, reflecting a further increase of 17%. This expansion signifies growing demand and commercial opportunity within the local grocery retail sector, positioning Surabaya as a vital distribution hub for daily consumer goods. A study by Cerrato Caceres & Geoghegan (2017) supports this trend, indicating that the proliferation of neighborhood grocery stores in urban areas corresponds with rising urban consumer demand.

Among these developments, Madura grocery stores stand out, particularly in East Surabaya. Operated predominantly by the Madura ethnic community, these stores distinguish themselves through low-price strategies, continuous (24/7) operations, and a highly personalized customer service approach. Their ability to foster consumer loyalty, even in the absence of modern promotional tools employed by large retail chains, presents an intriguing marketing phenomenon. It suggests the implementation of unwritten yet effective localized marketing strategies. Despite limitations such as minimal use of digital technologies and conventional promotional practices, these stores remain competitive and sustainable within the urban retail landscape.

Table 1. Distribution of Madura Grocery Store in East Surabaya Village

No.	Village	Number of Store
1	Kedungbaruk, Wonorejo, Medokanayu, Rungkut Kidul, Kali Rungkut, Penjaringansari	53
2	Gunung Anyar, Gunung Anyar Tambak, Rungkut Menanggal, Rungkut Tengah	27
3	Tenggilis Mejoyo, Panjang Jiwo, Kutisari, Kendangsari	19
4	Gubeng, Airlangga, Kertajaya	11
5	Keputih, Semolowaru	8

Table 1 illustrates the spatial distribution of Madura grocery stores across various villages in East Surabaya. The data indicate varying concentrations, with sub-districts such as Rungkut and Gunung Anyar recording the highest number of stores. This disparity may be attributed to demographic factors, population density, or specific local demand conditions.

Given the growing prominence of Madura grocery stores in Surabaya, it is important to consider how this phenomenon compares with existing research in similar contexts. Previous studies have investigated marketing strategies in traditional retail, such as the work of Ismi et al., (2024), which examined how grocery store owners in Kubu Raya adapt to the rise of modern retail using the marketing mix. Similarly, Saputri & Priyono (2024) explored the implementation of the 7P marketing mix in Madura-owned stores in Bekasi, highlighting the importance of product completeness and strategic location. However, these studies did not explicitly explore the link between marketing strategies and customer purchase preferences, nor did they focus on Madura-owned grocery stores operating in Surabaya a city with a unique urban and ethnic retail dynamic. This creates a research gap in understanding how localized and culturally embedded marketing practices influence consumer behavior within urban traditional retail ecosystems. Addressing this gap, the present study aims to examine the specific strategies used by Madura grocery stores in Surabaya and how these strategies impact customer purchase preferences.

This study seeks to examine in-depth the marketing strategies employed by Madura grocery stores and how these strategies shape consumer purchase preferences in Surabaya. The novelty of this research lies in its focus on a culturally distinct retail community using a case study approach, which remains underexplored in academic literature, particularly within competitive urban retail settings. Moreover, this study aims to explore the application of the marketing mix and STP (segmentation, targeting, positioning) concepts in a culturally localized context. The main objective of this research is to identify and analyze the marketing strategies implemented by Madura grocery stores and to

determine the key factors influencing consumer purchasing preferences toward these stores in the East Surabaya area.

THEORETICAL REVIEW

Marketing Strategy

Marketing strategy is a series of actions and decisions that aim to achieve marketing targets through optimal utilization of existing resources. According to Kotler & Keller (2016), marketing strategy is the marketing logic by which business units hope to create value and achieve profitable relationships with consumers. Malau (2018) adds that strategy is the process of determining top leaders' plans that focus on the organization's long-term goals, including the steps needed to achieve them. Thus, strategy not only involves plans, but also includes making major decisions that determine the success or failure of the organization. In the context of marketing, marketing strategy is defined as a directed plan to create competitive advantage through an optimal combination of many strategies including the 4P strategy (Product, Place, Price, and People) and the STP strategy (Segmenting, targeting, and positioning). Indri Novie Wulansari et al., (2024) defines marketing strategy as a form of directed plan in the field of marketing to obtain optimal results.

Marketing Mix Strategy

Marketing mix is a strategic concept used by companies to manage core marketing elements in an integrated manner to achieve business goals and satisfy consumer needs. Kotler & Keller (2015) define marketing mix as a set of tactical marketing tools that a company can control to produce the desired response from the target market. As a strategy, the marketing mix helps companies understand how to integrate each marketing element so as to create added value, both for consumers and for the company itself. The elements in the marketing mix are interrelated, where changes to one component will affect the overall strategy.

STP Marketing Strategy (Segmenting, Targeting, Positioning)

STP (Segmenting, Targeting, Positioning) marketing strategy is an approach that focuses on identifying and fulfilling consumer needs through market grouping, selecting the right targets, and positioning products in the market. According to Kotler & Keller (2016), STP allows companies to create a competitive advantage by efficiently directing resources to the most potential market segments. STP is an important framework in modern marketing because markets are heterogeneous, where consumers have diverse needs, preferences, and behaviors. By applying STP strategies, companies can build more personalized relationships with consumers, increase marketing effectiveness, and create products that are relevant to the specific needs of market segments.

1. Segmenting

Market segmentation is the first step in the STP strategy, where companies divide a broad and heterogeneous market into smaller, more homogeneous groups based on certain characteristics. According to Surveyandini et al., (2022), market segmentation is carried out to understand

consumer needs, wants, and preferences more deeply so as to enable companies to design appropriate products and services.

2. Targeting

Following segmentation, the company needs to evaluate these segments to determine which segment best suits its business objectives. Targeting is the process of selecting one or more market segments to be served with specific marketing strategies.

3. Positioning

Positioning is the final step in the STP strategy, where the company creates a unique image or perception of its product or brand in the minds of consumers. Kotler & Keller (2015) define positioning as an effort to place products in a way that is different, relevant, and attractive compared to competitors in the target market.

Purchase Preferences

Purchase preference is a consumer's tendency to choose one product or brand over another based on value, quality, or personal needs. Purchase preferences refer to consumers' tendency to choose a particular product or service based on their perceptions of attributes that are considered important. Kotler & Keller (2016) explains that preferences reflect consumers' cognitive processes in processing information about certain products or services, which ultimately influence purchasing decisions. Preference can be understood as a preference or inclination towards something, which involves both rational and emotional factors (Candra Puspita Ningtyas et al., 2023).

METHODOLOGY

This research employed a qualitative approach using a case study method. Data were gathered through in-depth interviews, observation, and documentation. The study was conducted in Surabaya, with a specific focus on East Surabaya, an area notable for its high concentration of Madura grocery stores. The research subjects included store owners, consumers, representatives from the Cooperative and MSME Office, as well as economic analysts. The sampling technique adopted was snowball sampling, a non-probability method in which initial informants recommend subsequent participants in a sequential manner. Data analysis followed the Miles et al., (2018) framework, encompassing data reduction, data display, and conclusion drawing. NVivo 12 software was utilized to assist in theme mapping and data categorization.

According to Sugiyono (2017), data collection was carried out with three main techniques, namely observation, in-depth interviews, and documentation. Observations were made to understand patterns of interaction in the store, product arrangement, and consumer shopping behavior. In-depth interviews were conducted with key stakeholders, such as store owners and customers, to gain comprehensive and context-specific insights. Documentation served as a source of secondary data, including photographs, field notes, and supporting records. The data were processed using an interactive model as proposed by Miles et al., (2018), which consists of three stages: data reduction, data display,

and conclusion drawing/verification. NVivo 12 Plus software facilitated the thematic analysis and classification of information according to the study's core objectives.

RESULTS

The research findings show that Madura Grocery Stores utilize low price strategies, personalized services, and strategic locations to attract consumers. 24-hour operations and emotional closeness to customers are significant differentiating factors compared to modern retailers. Promotion strategies are carried out informally, such as word-of-mouth communication and limited adaptation to social media. Market segmentation is focused on the surrounding community, especially students and informal workers. This strategy shapes the store's positioning as a practical, affordable, and socially close shopping place.

a. Nvivo Data Visualization

As an initial stage of qualitative data analysis, this study used a word cloud visualization technique to identify the dominant themes that emerged from the interview transcripts. This was created using NVivo 12 software based on the frequency of occurrence of keywords in in-depth interviews with several resource persons as perspectives in the retail business ecosystem of Madura Grocery Stores.



Figure 2 Seller Word Cloud Results

The visualization in figure 2 displays the most dominant words from the shopkeeper's perspective. The dominance of the words price, cigarettes, products, and cheap reflects the orientation of the business strategy that focuses on competitive pricing and product choices tailored to consumer needs. The words service and friendly also indicate an awareness of the importance of service aspects in maintaining customer loyalty.



Figure 3. Consumer Word Cloud Results

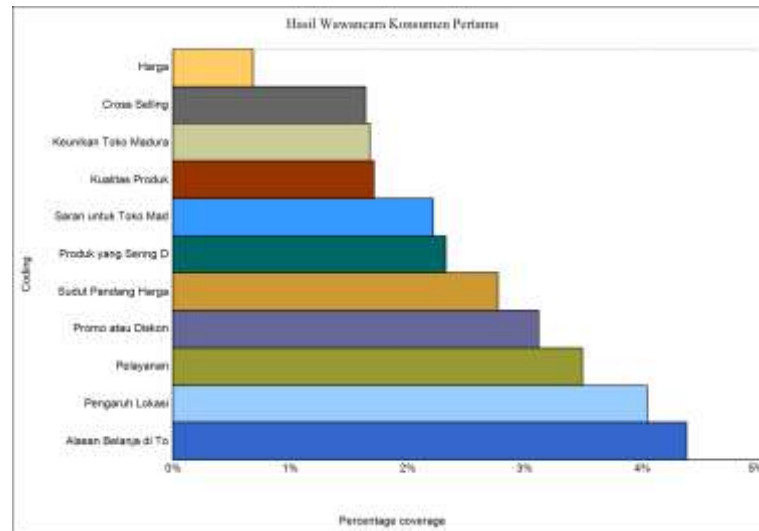


Figure 6 Chart of First Consumer Interview Results

Figure 6 shows the main factors that encourage consumers to shop at Toko Madura, such as location proximity, seller friendliness, product variety, and 24-hour operating hours. Garda, one of the consumers, said: *"It's close to my boarding house, and the sellers are usually friendly and can be joked with."* This confirms that emotional comfort is one of the determining factors of shopping preference.

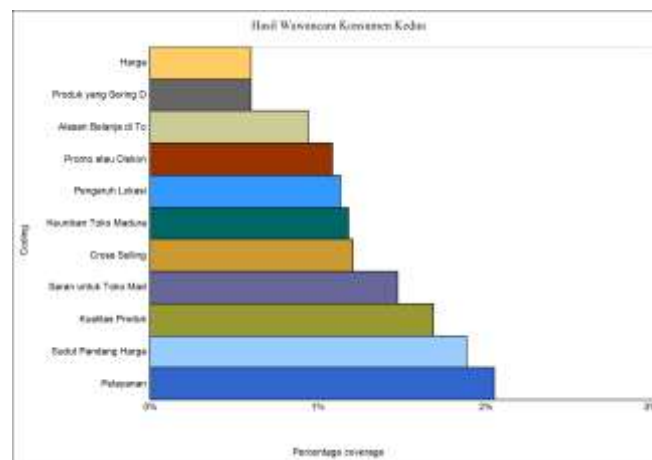


Figure 7 Chart of Second Consumer Interview Results

Figure 7 highlights other factors that strengthen consumer loyalty to Toko Madura. Service and price are dominant aspects in facing competition with modern retailers. Rafi, a consumer, revealed that *"cigarettes at Madura stores can be Rp3,000 to Rp4,000 cheaper, and instant noodles are about Rp1,000-1,500 cheaper than minimarkets."* Garda also added, *"If you calculate my monthly expenses, it's more economical."* indicating that price flexibility and the retail sales model are the main attractions, especially for middle to lower income consumers.

DISCUSSION

Marketing Strategy

The marketing strategy applied by Madura Grocery Stores is based on the principles of the marketing mix (4P) as well as the STP (Segmenting, Targeting, Positioning) approach that develops organically in the field. In terms of products, these stores not only sell basic necessities, but also offer services such as e-wallet top-ups, LPG sales, and retail gasoline (mini pom), which makes them relevant to the needs of urban communities (Gofur, 2019).

In terms of pricing, the strategy used is competitive by offering lower prices than modern retailers, especially for basic necessities and daily consumption products. Flexible payment systems such as debt are also utilized as a strategy to build customer loyalty from the middle to lower class. In terms of location, Madura stores operate for 24 hours and are generally located in strategic locations such as near residential areas, campuses, or main roads, which facilitate consumer access. Promotion strategies tend to be conventional and rely on relational closeness through word-of-mouth communication, although some stores have begun to utilize technology such as QRIS and TikTok Live.

In market segmentation, these stores target the surrounding community with daily shopping characteristics, such as students, housewives, and informal workers. For the targeting aspect, consumers choose Madura Stores because of the ease of access, speed of service, and flexibility of transactions. In terms of positioning, this store is seen as an affordable, practical, and friendly shopping place, not only as a place to buy and sell but also as a space for social interaction that strengthens relationships with consumers.

Pricing Strategy

Price strategy is one of the main strengths in the competitiveness of Madura Grocery Stores. They set lower prices than modern minimarkets, especially for basic needs and daily consumption products such as instant noodles, cigarettes, rice, and other basic necessities. This is reinforced by direct testimonials from consumers, as expressed by Rafi:

"Cigarettes are cheaper, the difference can be Rp 3,000-4,000."

This statement shows that there is a significant price difference at the consumer level. This difference not only reflects a varied pricing approach, but also indicates that businesses take the purchasing power of the public seriously. Sellers choose to sell at low prices to attract consumers and speed up the rotation of goods, although the consequence is a smaller profit margin. This approach is effective, especially in a competitive market where consumers are highly sensitive to price changes.

In retail practice, businesses are often faced with a dilemma between maintaining profit margins or accelerating turnover. Particularly in traditional grocery stores, the choice of a low-price strategy is often the main solution to ensure a smooth cash flow. This strategy is mostly applied by businesses targeting the lower-middle segment, where consumers are very responsive to price differences. This is corroborated by the statement of the shop owner, Mr. Mahfud, who said:

"I take the price that is important to sell quickly, even though the profit is small."

The statement indicates sales that are oriented towards transaction volume and capital acceleration rather than profit per unit. This strategy is in line with the principles in pricing theory in perfectly competitive markets, where businesses set the lowest possible price to increase sales volume (Kotler & Keller, 2016). In the context of Madura grocery stores, which are dominated by consumers with no brand attachment or loyalty to a particular store, low pricing is a decisive factor. These stores are known as providers of daily necessities at low prices, relying on frequent transactions as an effort to survive amid the dominance of modern minimarkets that have capital and infrastructure advantages.

Location and Layout Strategy

Determining the business location and designing the store layout are crucial elements in maintaining the existence of a retail business, especially in the informal sector such as grocery stores. Madura stores, as a representation of the traditional retail business model that has mushroomed in urban areas, show that the right location selection strategy and consistent store layout play a major role in attracting consumers. The distribution of these stores, which are dominantly located around densely populated areas, main traffic lanes, and student boarding houses, makes their existence easily accessible to the community. Rafi, one of the customers, said:

"Madura shops are everywhere. In my boarding house, you can even find it 50 meters away."

This statement reinforces the general view that Madura stores are very easy to find because they consciously choose locations with high levels of mobility and large concentrations of population. This strategy is designed to provide easy access to consumers, while strengthening emotional and functional attachments, which encourage loyalty even though transactions are small and daily. Apart from location, the store layout aspect also plays an important role. As explained by Mr. Arief, an economist:

"Madura stores, the layout is typical: cigarette display in front, refrigerator in front."

The statement shows that the distinctive visual arrangement of the store is part of a deliberate strategy. The placement of the cigarette display case and refrigerator at the front not only makes it easier for consumers to make quick purchases, but also serves as a striking visual element from outside the store. This layout creates a sense of familiarity and a strong visual identity, distinguishing Toko Madura from other traditional grocery stores.

Product and Service Diversification

In the midst of the increasing complexity of increasingly diverse and fast-paced consumer needs, Madura Grocery Stores demonstrate high adaptability through product and service diversification strategies. Not only limited to providing basic necessities, these stores also provide additional services such as e-wallet refills, LPG sales, water gallons, and retail gasoline. With this approach, Madura stores are not just a place to shop, but develop as multifunctional service

centers that are relevant to the lifestyle of urban communities. This is confirmed by the following statements from the interviewees:

"Everything you need is available, from staples to e-wallet top-ups." Rafi, Consumer

"The best-selling items are cigarettes and drinks. We have to provide goods for all groups." Mr. Mahfud, Shop Owner

"Madura store is more to answer daily needs." Mr. Arief, Economist

The statements from Rafi and Pak Mahfud reflect the businesses' deep understanding of local consumption patterns. Not only providing basic necessities, these stores also complement their services with features that address the needs of the digital age. This strategy represents the implementation of a broad product mix, with a range of product lines designed around consumer preferences.

Mr. Arief's statement highlights the function of Madura stores as direct providers of daily needs without constraints on access to time, location, or technology. This position strengthens the role of Madura stores as a practical solution that is able to compete with modern retailers that tend to be limited by service segmentation. By integrating various needs in one place, the Madura grocery store strengthens its role as a center of micro-economic activity in its neighborhood.

Madura grocery stores have successfully demonstrated adaptiveness in providing goods and services that are relevant to local consumers. Products such as instant noodles, cigarettes and rice remain mainstays, while additional services such as e-wallet top-ups and LPG gas add to their appeal. Consumers appreciate the completeness of goods as the main reason for continuing to shop at these stores. However, some consumers began to observe issues related to product quality. Garda, one of the consumers, said:

"The goods are more complete than minimarkets, and the salesperson immediately knows that I usually buy cigarettes and noodles."

This statement underscores the power of Madura stores in building social relationships with consumers. In addition to offering a complete range of products, the personal interaction between sellers and buyers creates a more personalized and warm shopping experience. This strategy reflects a community-based retail approach, where product assortments are tailored to local preferences, a differentiative advantage that is difficult to compete with by modern retailers that tend to be uniform in their operational approach.

Promotion Strategy

Within the marketing framework, promotion is a crucial element that plays a role in attracting and retaining customers. However, the promotional patterns applied by Madura Grocery Stores tend to be simple and informal. Unlike modern retailers that utilize massive advertising and massive discounts, Madura stores rely more on a personal approach through direct communication or word-of-mouth from loyal consumers.

Some stores have also started to adopt mild forms of promotion such as product bundling offers or small incentives tailored to local consumption habits. This is reflected in the following statements:

"Promotion is from the price. Sometimes if you buy cigarettes, you get a lighter."

Mr. Kurwanto, Shop Owner

This statement shows that the form of promotion used tends to be contextual and functional. Giving a lighter as a bonus for purchasing cigarettes is an example of a promotion that directly adds value, albeit in a simple form. This practice reflects that relational promotion is not oriented towards large discounts, but rather on small incentives that strengthen consumer closeness and loyalty.

Since Madura stores generally operate with relatively thin profit margins, this form of promotion is considered appropriate. This strategy allows the store to remain attractive to customers without having to sacrifice the financial stability of the business.

On the other hand, Madura community networks also play an important role as a means of informal promotion. Relationships between shop owners create a micro business network that supports each other from sharing supplier information to pricing strategies as described by Perwira et al., (2024). This pattern forms an ethnic-based business ecosystem that becomes the foundation of collective strength in maintaining business sustainability.

Interestingly, some Madura shops have also started to respond to digital developments by adopting cashless payment technologies such as QRIS. Local government support, particularly from the Cooperatives and SMEs Agency, is also evident in the form of training and facilitation of digital promotions such as the utilization of TikTok Live. This shows a gradual awareness to integrate community-based promotion strategies with a broader digital approach.

Segmenting

The market segmentation applied by Madura Grocery developed organically, without going through a systematic formal research process. Nevertheless, this approach remains highly contextual and relevant to local needs. The stores are strategically placed in densely populated areas, especially around residential areas, boarding houses or student dormitories, traditional markets, and main traffic routes in Surabaya City. These locations allow the stores to be easily reached on foot by local consumers. This is confirmed by the following statement:

"I usually look for locations that are densely populated, near highways, campuses, and so on. The important thing is that it's crowded."

Mr. Mahfud, Shop Owner

This placement strategy shows that location selection is based on the principles of accessibility and potential consumer traffic, not solely based on statistical studies or marketing data. In an urban context like Surabaya, where high mobility and the need for speed are part of people's lifestyle, this strategy is very effective.

Judging from the background of its consumers, Madura Grocery Stores tend to target groups of people from the lower middle class. This customer profile consists of students, housewives, informal workers, and local residents who are accustomed to making retail purchases. This is reinforced by the following statement from one of the shop owners:

"My main target customers are the surrounding community, especially those who live in the complex. There are also many workers there, such as construction workers."

Mr. Kurwanto, Shop Owner

This statement shows that businesses have a good understanding of their consumer structure. Product, price and service options are tailored to the consumption patterns of local consumer groups that have limited purchasing power but high shopping frequency. This strategy demonstrates a community-based segmentation approach, focusing on geographic affordability and emotional closeness between sellers and buyers.

By targeting consumers who live around the store, Madura grocery stores have succeeded in creating relationships that are not only functional, but also social. This segmentation is the main strength of the store in maintaining its existence in the midst of competition with modern retailers that tend to be more demographically segmented and data-driven.

Targeting

In practice, the targeting strategy implemented by Madura Grocery Store has not been written down or systematically designed as modern retailers do. However, the results of observations and interviews show that this targeting approach has taken place naturally and consistently. The main target consumer groups are local people who live within a short radius of the store.

The main characteristics of these consumers are daily shopping patterns in small quantities, needs that tend to be urgent, and preferences for time efficiency and payment flexibility. They make Madura grocery stores the main reference for fulfilling daily needs such as groceries, credit, and e-wallet top-ups.

"For example, if you need gallons or noodles in the middle of the night, the Madura store is definitely open."

Rafi, Consumer

The statement emphasizes the main strength of Madura stores, which is the availability of services for 24 hours. This makes Madura stores a solution provider for urgent needs that cannot be delayed, especially during hours outside of modern minimarket operations which are generally limited by company policies. In this case, the existence of Madura stores fills a gap in the urban retail ecosystem that requires high time flexibility.

However, challenges remain. Most stores still do not utilize technology such as WhatsApp Business to manage orders or display product catalogs. Customer loyalty systems such as membership, periodic promos, or special discounts have not been developed. In fact, implementing a targeting strategy

based on data and more specific consumer needs will provide a great opportunity for Madura stores to grow and compete more strategically.

By targeting local consumers who are accustomed to fast, small and organized shopping patterns, Madura grocery stores have the potential to maintain customer loyalty while expanding their market segmentation. This strategy not only maintains their distinctive community-based character, but also opens up opportunities to compete more adaptively amidst the dominance of modern retail.

Positioning

Positioning is a crucial element in marketing strategy because it determines how a business is perceived by consumers compared to its competitors. Although not formally designed, Toko Kelontong Madura has managed to form a strong image in the minds of its customers through daily practices and interactions.

The image of the store as a cheap, fast and accessible place to shop for daily necessities is naturally formed from consumer experience. Its main advantage lies in the flexibility and consistency of its services, especially through its 24-hour operating hours. The presence of a store that is always ready to serve whenever needed provides a sense of security and convenience for customers.

"They remember my shopping habits and the Madura store is open 24 hours."

Garda, Consumer

Garda's statement shows that Madura stores are not only a place to buy and sell, but also part of a familiar and supportive social environment. The store's ability to recognize customer habits and establish emotional relationships is an added value that is difficult to replicate by modern retailers. Minimarkets may excel in terms of visual appearance and massive promotions, but Madura stores excel in terms of warm relationships and adaptability to the needs of local consumers.

Although their positioning is perceptually strong, Madurese grocery stores have not fully utilized marketing communication strategies to strengthen their image. Most stores do not have consistent visual elements such as logos, slogans, or uniform service standards. In fact, according to Kotler & Keller (2016), effective positioning must be supported by integrated and consistent communication across all points of contact with customers, whether in the form of services, physical appearance of the store, or marketing messages.

By strengthening the communication and visual aspects, Toko Kelontong Madura has the potential to strengthen the image that has been formed naturally, while increasing its competitiveness in facing challenges from modern retailers.

Factors Affecting Purchase Preference in Madura Grocery Stores

Interviews with consumers show that there are a number of key factors that influence their preference for Madurese grocery stores, particularly when compared to modern minimarkets. The most frequently mentioned factor is more affordable prices. Consumers consider that the considerable price difference between grocery stores and minimarkets allows them to save money on their

monthly expenses. The next factor is location and operating hours. Most Madurese grocery stores are located near residential areas, often even close to each other as described by consumers as follows:

"Around my boarding house, there are many Madurese shops. If one shop is empty, I just move to the next shop."

Rafi, Consumer

Rafi's statement explains the importance of physical proximity in daily consumption patterns. Madurese shops located around residential areas allow consumers to access needed goods without having to travel far. In consumer behavior theory, this is the tendency of consumers to choose products and services that provide convenience and time efficiency. Therefore, the existence of Madurese grocery stores close to each other actually provides a competitive advantage, because customers can easily move from one store to another, depending on the availability of goods or personal desires (Wardani et al., 2020). In addition, Madura stores are generally open 24 hours, making them a reliable place to fulfill urgent needs outside of minimarket operating hours. This information was explained by Rafi as a consumer:

"Sometimes I come home from work or internship at 1am, Madura shop is still open"

Rafi, Consumer

Rafi's statement explains that the great advantage possessed by Madura stores, namely their ability to remain operational 24 hours, which makes them the first choice for consumers who need goods outside normal hours. This advantage provides its own convenience for consumers who have busy activities, such as working or interning until late at night. In this context, Madura stores not only function as a place to shop, but also as a priority when there is an urgent need when minimarkets or modern supermarkets are closed. The existence of this round-the-clock store also proves that Madura grocery stores understand the consumption patterns of urban communities who are increasingly busy and cannot always shop during the day. Madura stores, with their flexible operating hours, have succeeded in creating added value in the form of easy access that is needed by people who are active outside normal working hours.

CONCLUSIONS AND RECOMMENDATIONS

Madura grocery stores in Surabaya implement local-based marketing strategies centered around affordable pricing, personalized service, and flexible operations such as 24 hour availability. These contextual and relational approaches have proven effective in retaining customer loyalty despite limited reliance on digital platforms or modern promotional tools. The findings of this study reinforce the importance of social and cultural proximity in shaping purchasing preferences, especially within urban communities. This confirms that informal and community-rooted business practices remain highly relevant in the face of modern retail competition. The ability of Madura stores to adapt organically to consumer needs without formalized strategies demonstrates a unique model of grassroots entrepreneurship that is sustainable and resilient.

To strengthen their long-term competitiveness, it is recommended that Madura store owners begin incorporating low cost digital innovations such as WhatsApp Business, QRIS payments, and social media promotions like TikTok Live to reach younger, tech-savvy consumers. Improvements in product arrangement, signage clarity, and basic store aesthetics can also enhance customer experience and satisfaction. A simple loyalty program such as point-based rewards or discounts for frequent buyers may further encourage repeat transactions. Collaboration with local government and MSME training programs is also essential to improve digital literacy and business resilience. Involving academic institutions through community-based initiatives could bridge knowledge gaps and provide ongoing mentorship. By blending traditional business wisdom with modern adaptation, Madura grocery stores can maintain their cultural identity while embracing necessary innovation to face future challenges.

FURTHER STUDY

This study is limited in scope, as it focuses on Madura-owned grocery stores located in East Surabaya. As a result, the findings may not be applicable to other regions with different socioeconomic and cultural characteristics. Additionally, the research relies heavily on qualitative methods, which are inherently subjective and lack supporting quantitative data to strengthen the validity of the conclusions.

Future research is encouraged to broaden the geographic scope to include both urban and rural areas, allowing for a more comprehensive understanding of local marketing strategies. Employing a mixed-methods approach is also recommended to enable a more objective and measurable analysis of consumer preferences. Furthermore, future studies may explore the readiness of traditional grocery businesses to adapt to digital transformation and the implications of such shifts on long-term business sustainability.

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