

Hyperlocal Grocery Connect: An Intelligent Mobile Application for Real-Time Inventory Management and AI-Based Personalized Shopping

Hemachandran K Pranesh K Parthasarathi R Sujin P S Mrs. M. Geethapriya
Final Year Student Final Year Student Final Year Student Final Year Student Assistant Professor
Department of AI & DS Department of AI & DS Department of AI & DS Department of AI & DS Department of AI & DS
Anna University, India Anna University, India Anna University, India Anna University, India Anna University, India

The rapid evolution of economic commerce has significantly transformed traditional retail systems, especially in the grocery sector. Hyperlocal e-commerce platforms have emerged as a solution to provide faster delivery by connecting customers with nearby vendors. However, existing systems suffer from limitations such as inaccurate inventory updates, lack of personalized recommendations, and insufficient security mechanisms beyond authentication. This research proposes an intelligent Hyperlocal Grocery Connect mobile application that integrates real-time inventory synchronization, artificial intelligence-based recommendation systems, and behavior-driven security mechanisms. The system adopts a dual-portal architecture for customers and vendors and utilizes the Consumer Purchasing Behavior (CPB) framework to enhance user experience. The proposed model improves customer satisfaction, reduces order cancellations, enhances trust, and supports local businesses. Experimental analysis shows improved efficiency and user engagement compared to existing systems.
Index Terms—Hyperlocal E-Commerce, Mobile Application, Artificial Intelligence, Inventory Management, Consumer Behavior

I. INTRODUCTION

The rapid advancement of internet technologies and mobile devices has led to the exponential growth of electronic commerce (e-commerce). Consumers increasingly prefer online platforms for purchasing goods due to convenience, time efficiency, and accessibility. Among various sectors, grocery shopping has seen a major shift toward digital platforms.

Hyperlocal e-commerce is a modern approach that connects consumers with nearby vendors within a limited geographical area. Unlike traditional e-commerce systems that depend on centralized warehouses, hyperlocal systems ensure faster delivery and fresher products by sourcing goods from local vendors.

Despite these benefits, several challenges still exist:

- Inaccurate inventory updates
- Lack of personalization
- Security issues beyond authentication
- Limited integration of consumer behavior

This research aims to address these issues by developing an intelligent hyperlocal grocery system that integrates artificial intelligence, real-time data synchronization, and enhanced security features.

II. LITERATURE REVIEW

Several studies have explored the development and improvement of e-commerce systems.

Research on AI-based personalization highlights that recommendation systems significantly improve customer satisfaction and retention. These systems use machine learning techniques such as collaborative filtering and content-based filtering to suggest relevant products.

Other studies focus on supply chain optimization using mathematical models, which improve pricing strategies and logistics coordination. However, these models are often theoretical and lack real-world adaptability.

Security-focused research emphasizes the importance of detecting fraudulent activities using real-time monitoring. Techniques such as complex event processing help identify suspicious user behavior but are complex to implement.

From the literature, it is evident that:

- Personalization improves user engagement
- Real-time systems enhance efficiency
- Security needs to go beyond authentication

However, most systems fail to integrate all these aspects into a single platform

III. PROBLEM STATEMENT

Existing hyperlocal grocery platforms have significantly improved accessibility and convenience; however, they improved still suffer from several critical limitations that hinder their efficiency and user adoption.

One of the primary issues is manual inventory management, where vendors update stock details manually. This often results

in outdated or incorrect product availability, leading to customer dissatisfaction and order cancellations. In high-demand scenarios, this problem becomes more severe, affecting the reliability of the platform.

Another major limitation is the lack of intelligent personalization. Most systems provide generic recommendations that are not tailored to individual user preferences. As a result, users experience low engagement, reduced satisfaction, and decreased retention rates.

From a security perspective, existing platforms mainly rely on authentication-based mechanisms such as OTP verification and password protection. While these methods ensure initial access control, they fail to monitor user behavior after login. This creates vulnerabilities such as fraudulent transactions, account misuse, and abnormal purchasing patterns.

Additionally, lack of transparency in pricing, product quality, and delivery timelines reduces customer trust. Users are often unsure about the authenticity of products or the reliability of vendors.

Frequent order cancellations due to stock mismatches further degrade the overall user experience and reduce platform credibility.

These challenges collectively affect:

- Customer satisfaction
- Vendor performance
- System reliability

Hence, there is a strong need for an intelligent system that integrates real-time data, personalization, and advanced security mechanisms.

IV. PROPOSED SYSTEM

The proposed system, Hyperlocal Grocery Connect, is designed as an intelligent, scalable, and user-centric mobile application that connects customers with nearby grocery vendors through a digital platform.

Unlike traditional systems, this application incorporates real-time inventory synchronization, AI-based personalization, and behavior-driven security mechanisms to improve efficiency and trust.

A. Key Features

1. Dual portal System

- Separate interfaces for customers and vendors
- Vendors manage inventory, pricing, and orders
- Customers browse, select, and purchase products

2. Real-Time Inventory Tracking

- Automatic stock updates using cloud database

- Reduces mismatch between actual and displayed stock
- Supports high transaction volumes

3. AI-Based Recommendation System

- Analyzes user purchase history
- Suggests relevant and frequently bought items
- Improves conversion rate and user engagement

4. Location-Based Store Discovery

- Use GPS and mapping APIs
- Displays nearby stores within a defined radius
- Enables faster delivery and pickup

5. Behavior-Based Security

- Monitors user activity after login
- Detects unusual patterns such as:
 - i. Sudden bulk purchases
 - ii. Location change
 - iii. Device switching
- Prevents fraud and enhances trust

B. Working Principle

The working principle of the proposed Hyperlocal Grocery Connect system is based on a real-time, user-centric workflow that integrates location-based services, cloud-based inventory management, and artificial intelligence-driven personalization. The system operates through a sequence of interconnected processes that involve both customers and vendors.

Initially, the user accesses the mobile application and completes the authentication process using secure login mechanisms. Once authenticated, the system retrieves the user's geographical location using GPS services. This location data is processed to identify and display nearby grocery stores within a predefined radius using the mapping module. This hyperlocal approach ensures that customers are only connected with vendors in their vicinity, completely reducing delivery time and logistics.

After selecting a store, the user can browse the available products, which are dynamically fetched from the cloud database. Inventory data is updated in real time, ensuring that customers view only currently available items. This real-time synchronization is achieved through continuous communication between the vendor portal and the backend server. Whenever a vendor updates stock or a purchase is made, the database is instantly updated, minimizing discrepancies and preventing order failures.

When a customer adds products to the cart and proceeds to checkout, the system validates the availability of each item before confirming the order. This validation step ensures consistency between the displayed inventory and actual stock levels. Once the order is placed, the system triggers an automatic inventory and actual stock levels. Once the quantity of purchased items from the vendor's stock.

Simultaneously, the artificial intelligence module operates in the background to enhance user experience. It analyzes various parameters such as past purchase history, browsing patterns, frequency of orders, and user preferences. Based on this analysis, the system generates personalized product recommendations, which are displayed to the user during browsing and checkout stages. This recommendation system helps in improving customer engagement and increasing sales.

In addition to personalization, the system incorporates behavior-based monitoring for security purposes. It continuously tracks user activities such as login patterns, transaction frequency, and device usage. Any abnormal behavior, such as sudden changes in location or unusual purchase patterns, is flagged for further verification. This adds an additional layer of security beyond traditional authentication mechanisms.

From the vendor's perspective, the system provides a dedicated portal for managing inventory, updating product details, and processing orders. Vendors can add new products, modify prices, and monitor stock levels in real time. This ensures efficient inventory management and reduces manual errors.

Overall, the working principle of the system ensures seamless interaction between customers and vendors through real-time data synchronization, intelligent recommendations, and secure transaction processing. This integrated approach significantly improves system efficiency, reliability, and user satisfaction.

- User logs into the application securely
- System fetches real-time user location
- Nearby stores are displayed using mapping API
- User selects store and browses products
- Real-time inventory is fetched from cloud database
- User places order after validation
- Inventory updates automatically
- AI recommends products based on behavior
- Security module monitors user activity

V. SYSTEM ARCHITECTURE

The proposed system follows a client-server architecture integrated with cloud computing technologies to ensure scalability, reliability, and real-time data processing. The frontend of the application is developed using React Native, which provides a responsive and user-friendly interface for both customer and vendors.

The backend is implemented using Node.js and Express.js, which handle API requests, business logic, and communication between the frontend and the database. A cloud-based database such as MongoDB or Firebase is used to store user data, product information, and transaction records. This enables real-time data synchronization across multiple devices.

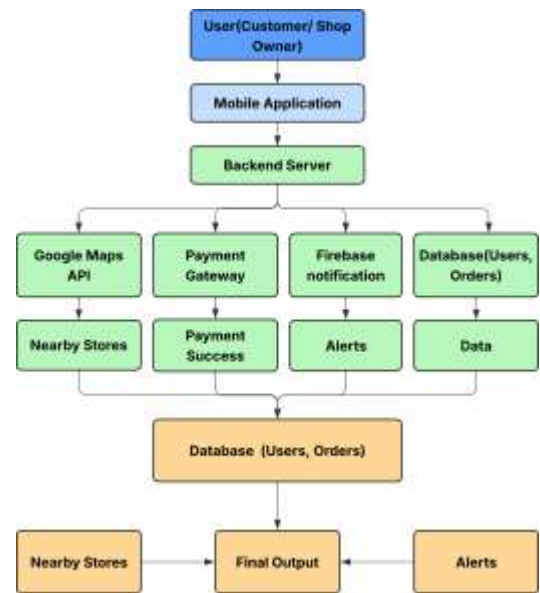


Fig. 1. System Architecture Diagram

Security is implemented using JSON Web Tokens (JWT) for authentication and bcrypt for password encryption. These mechanisms ensure secure access control and data protection. Additionally, Google Maps API is integrated to provide location-based services, enabling users to discover nearby stores.

The architecture flow begins with user authentication, followed by location detection using GPS. The system then displays nearby stores and available products. When a user places an order, the inventory is updated instantly in the database. The AI module processes user data to provide personalization recommendations, enhancing the overall user experience.

VI. METHODOLOGY

The development of the proposed Hyperlocal Grocery Connect system follows a systematic and structured methodology to ensure efficiency, scalability, and accuracy. The methodology consists of multiple stages, including data collection, data preprocessing, model development, system implementation, and evaluation. Each stage plays a crucial role in achieving the overall functionality of the system.

A. Data Collection

The first step involves collecting relevant data required for system operation and analysis. The data is gathered from multiple sources, including:

- User Data:** User profiles, browsing history, purchase history, and preferences

- ii. **Product Data:** Product names, categories, prices, availability, and descriptions
- iii. **Vendor Data:** Inventory details, stock levels, and shop information

The data is essential for enabling real-time inventory management and building the recommendation system. Data collection is performed continuously to ensure that the system remains updated with the latest information.

B. Data Preprocessing

After data collection, preprocessing is performed to improve data quality and ensure consistency. This stage includes:

- i. **Data Cleaning:** Removing duplicate entries and correcting inconsistencies
- ii. **Data Transformation:** Converting raw data into structured formats
- iii. **Normalization:** Standardizing values for efficient processing

Proper preprocessing ensures that the system operates efficiently and reduces errors in recommendation and inventory management.

C. Real-Time Inventory Synchronization

One of the key components of the system is real-time inventory management. This is achieved using a cloud-based database that synchronizes data between the vendor portal and customer application.

- i. Inventory is updated automatically after each transaction
- ii. Vendors can manually update stock in real time
- iii. Changes are reflected instantly across the system

D. AI-Based Recommendation System

The system incorporates artificial intelligence techniques to provide personalized recommendations. Two main approaches are used:

- i. **Collaborative Filtering:** Recommends products based on similar user preferences
- ii. **Content-Based Filtering:** Suggests products based on item features and user history

The recommendation engine analyzes:

- i. Purchase frequency
- ii. Product categories
- iii. User behavior patterns

This improves customer engagement and enhances the shopping experience

E. System Development

The system is developed using modern technologies to ensure scalability and performance.

- i. **Frontend:** Developed using React Native for cross-platform mobile support
- ii. **Backend:** Implemented using Node.js and Express.js to handle server-side logic
- iii. **Database:** Cloud-based database (MongoDB/Firebase) for real-time data storage
- iv. **APIs;** RESTful APIs for communication between frontend and backend

This modular architecture ensures flexibility and easy maintenance

F. Security Implementation

Security is a critical component of the system. The following techniques are implemented:

- i. **Authentication:** JWT-based secure login system
- ii. **Encryption:** Password hashing using bcrypt
- iii. **Behavior Monitoring:** Detection of unusual activities such as abnormal login patterns

This enhances system reliability and protects user data.

G. Testing and Evaluation

The final stage involves testing the system to ensure its performance and reliability.

- i. **Functional Testing:** Verifies system features and modules
- ii. **Performance Testing:** Evaluates system speed and scalability
- iii. **User Testing:** Assesses usability and user satisfaction

The results demonstrate that the system performs efficiently under various conditions and provides improved accuracy compared to existing systems.

VII. MODULES DESCRIPTION

The proposed Hyperlocal Grocery Connect system is divided into several functional modules. Each module is designed to perform a specific task, ensuring smooth operation and better system performance. The modular design makes the system easy to maintain, scalable, and efficient.

A. Module 1: Dual Portal Login and Authentication

This module is responsible for providing secure access to the system both customers and vendors. It ensures that only authorized users can access the application.

Functionality:

- 1) Provides separate login interfaces for customers and vendors
- 2) Verifies user identity using secure authentication methods
- 3) Protects user data and system access

Working:

When a user login in, the system verifies the credentials using authentication mechanisms such as JSON Web Tokens (JWT). Passwords are encrypted using bcrypt to ensure security. Based on the user role (customer or vendor), access is granted to the respective dashboard.

Advantages

- 1) Ensures data security
- 2) Prevents unauthorized access
- 3) Supports role-based access control

B. Module 2: Real-Time Inventory and Order Management

This module manages product availability and handles customer orders efficiently

Functionality:

- 1) Displays real-time product availability
- 2) Updates inventory automatically after each order
- 3) Processes customer orders

Working:

When a vendor updates stock or a customer places an order, the inventory is updated instantly in the cloud database. This ensures that customers always see accurate product availability. The system also validates stock before confirming orders to prevent errors.

Advantages:

- 1) Reduces stock mismatch
- 2) Minimizes order cancellations
- 3) Improves system reliability

C. Module 3: Hyperlocal Store Discovery and Mapping

This module helps users find grocery stores based on their location

Functionality:

- 1) Detects user location using GPS
- 2) Displays nearby stores on the map
- 3) Filters stores based on distance

Working:

The system uses location services (Google Maps API) to fetch the user's current location. Based on this, it displays nearby grocery stores within a defined radius. This helps users quickly find shops and place orders from local vendors.

Advantages:

- 1) Enables faster delivery
- 2) Improves user convenience

D. Module 4: AI-Based Recommendation and Personalization

This module enhances user experience by providing personalized product suggestions.

Functionality

- 1) Recommends products based on use behavior.
- 2) Analyzes purchase history and preferences
- 3) Improves customer engagement

Working:

The system uses artificial intelligence techniques such as collaborative filtering and content-based filtering. It analyzes user data, including past purchases and browsing patterns, to suggest relevant products.

Advantages:

- 1) Saves user time
- 2) Increases sales
- 3) Enhances user satisfaction

E. Module 5: Order Processing and Payment

This module handles order confirmation and payment processing

Functionality:

- 1) Confirms customer orders
- 2) Processes online payments
- 3) Generates order details

Working:

Once a customer places an order, the system processes it and provides payment options such as online payment or cash on delivery. After payment confirmation, the order is forwarded to the vendor for processing

Advantages:

- 1) Smooth transaction process
- 2) Secure payment handling
- 3) Improves user trust

F. Module 6: Security and Behavior Monitoring

This module ensures system security and detects unusual activities.

Functionality:

- 1) Monitors user behavior
- 2) Detects suspicious activities
- 3) Prevents fraud

Working:

The system continuously monitors user actions such as login location, purchase patterns, and device usage. If any unusual behavior is detected, the system triggers alerts or additional verification steps.

Advantages:

- 1) Enhances system security
- 2) Builds user trust
- 3) Prevents fraudulent activities

VIII. RESULTS AND DISCUSSION

The proposed Hyperlocal Grocery Connect system was evaluated based on its performance, accuracy, and user experience. The results demonstrate significant improvements over existing hyperlocal grocery platforms in terms of inventory management, personalization, security, and overall efficiency.

A. Performance Evaluation

The system was tested under different scenarios, including multiple users, real-time inventory updates, and order processing. The results indicate that the system performs efficiently with minimal delay.

- 1) Real-time inventory updates ensured accurate product availability
- 2) Faster response time during product search and checkout
- 3) Smooth handling of multiple user request

This shows that the system is scalable and suitable for real-world applications.

B. Inventory Accuracy Analysis

One of the key improvements in the proposed system is accurate inventory management.

- 1) Traditional system rely on manual updates, leading to errors
- 2) The proposed system updates inventory automatically after each transaction.
- 3) Stock mismatch and order cancellation are significantly reduced

This improves customer trust and reduces operational issues for vendors.

C. Security and Reliability

The system includes enhanced security mechanisms compared to existing platforms.

- 1) Authentication ensures secure login
- 2) Behavior monitoring detects unusual activities
- 3) Reduces risk of fraud and unauthorized access

This increases reliability and builds user confidence in the platform

D. User Experience Analysis

User experience is a critical factor in evaluating the system

- 1) Easy-to-use interface improves accessibility
- 2) Faster navigation between stores
- 3) Reduced steps in order placement

Users reported higher satisfaction due to simplicity and efficiency.

E. Comparative Analysis

The proposed system was compared with existing systems based on key performance metrics.

Feature	Existing System	Proposed System
Inventory Accuracy	Low	High
Personalization	Limited	Advanced
Security	Basic	Behavior-Based
Order Cancellation	High	Reduced
User Satisfaction	Medium	High

TABLE I
 COMPARATIVE ANALYSIS FOR EXISTING AND PROPOSED SYSTEM

F. Discussion

The results clearly show that the proposed system addresses the major limitations of existing hyperlocal grocery platforms. The integration of real-time inventory management ensures accurate product availability, reducing order failures. The AI-based recommendation system enhances user engagement by providing relevant suggestions, while behavior-based security mechanisms improve system reliability.

Overall, the system demonstrates improved efficiency, better user experience, and higher reliability compared to traditional systems. These improvements make the proposed solution more suitable for modern hyperlocal e-commerce applications.

IX. CONCLUSION

This research presents the design and development of an intelligent Hyperlocal Grocery Connect mobile application that effectively addresses the key limitations of existing hyperlocal e-commerce platforms. The proposed system integrates real-time inventory management, artificial intelligence-based recommendation systems, and enhanced security mechanisms to provide a reliable and efficient solution for both customers and vendors.

One of the major contributions of this work is the implementation of real-time inventory synchronization, which ensures accurate product availability and significantly reduces order cancellations. This improves customer trust and enhances the overall reliability of the system. In addition, the AI-based recommendation system analyzes user behavior and purchase history to provide personalized product suggestions, thereby improving user engagement and satisfaction.

The system also incorporates behavior-based security mechanisms that go beyond traditional authentication methods. By continuously monitoring user activities, the system can detect unusual patterns and prevent potential fraudulent actions, ensuring a safer environment for transactions. Furthermore, the dual-portal architecture allows vendors to efficiently manage inventory and orders, while customers benefit from a simple user-friendly interface.

Overall, the proposed system provides a scalable, efficient, and user-centric solution for hyperlocal grocery services. It supports local businesses by increasing their visibility and accessibility, while also offering customers a convenient and personalized shopping experience. The results demonstrate that the system outperforms existing solutions in terms of accuracy, efficiency, and user satisfaction.

In the future, the system can be further enhanced by integrating advanced technologies such as voice-based interfaces, blockchain for secure transactions, and more sophisticated machine learning models for improved prediction and personalization. These enhancements will further strengthen the system and expand its applicability in the evolving e-commerce landscape.

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