



CUSTOMER RETENTION

Submitted by:

DEVANSH PALIWAL

ACKNOWLEDGMENT

I have taken efforts in this project. However, it would not have been possible without the kind support and help of many individuals and organizations. I would like to extend my sincere thanks to all of them.

I am highly indebted to my mentor Mr.Sajid Choudhary for their guidance and constant supervision as well as for providing necessary information regarding the project & also for their support in completing the project.

INTRODUCTION

E-retail factors for customer activation and retention: A case study from Indian e-commerce customers

Customer satisfaction has emerged as one of the most important factors that guarantee the success of online store; it has been posited as a key stimulant of purchase, repurchase intentions and customer loyalty. A comprehensive review of the literature, theories and models have been carried out to propose the models for customer activation and customer retention. Five major factors that contributed to the success of an e-commerce store have been identified as: service quality, system quality, information quality, trust and net benefit. The research furthermore investigated the factors that influence the

online customers repeat purchase intention. The combination of both utilitarian value and hedonistic values are needed to affect the repeat purchase intention (loyalty) positively. The data is collected from the Indian online shoppers. Results indicate the e-retail success factors, which are very much critical for customer satisfaction.

• *Motivation for the Problem Undertaken*

The main objective is to visualise on what factors people are satisfied over online shopping.

Analytical Problem Framing

• *Data Sources and their formats*

-Data is provided in .xlsx (excel) format.

• *Data Preprocessing Done*

-Columns are renamed in shorter form to avoid overlapping of names in plot.

-There is no null or nan values.

-The dataset consists of 269 rows and 71 columns

Columns are :

- 'Gender', 'Age', 'City', 'Pincode', 'Years of shopping',

- 'Purchase in last one year', 'Internet_Access', 'Device used',
- 'Device_Screen_Size', 'OS', 'Browser', 'Channel_Followed',
- 'Reach_to_online_store', 'Time_spent', 'Payment_option', 'Abandon',
- 'Reason_of_Abandon', 'Content_type', 'similar_product_info',
- 'complete_info_importance', 'Relevant info', 'Navigation',
- 'Website speed', '24 User friendly Interface of the website',
- '25 Convenient Payment methods', 'Trust', 'Empathy',
- 'Customer privacy guarantee', 'Responsiveness and availability',
- 'Benefits and discounts',
- '31 Enjoyment is derived from shopping online',
- '32 Shopping online is convenient and flexible',
- 'Importance of return and replacement', 'Loyalty program benefits',
- 'Display quality info', 'User derive satisfaction',
- 'Net benefit Derived',
- '38 User satisfaction cannot exist without trust',
- 'Offering wide variety',
- '40 Provision of complete and relevant product information',
- '41 Monetary savings', 'Convenience', 'Adventure', 'Social status',
- 'Feel Gratification',
- '46 Shopping on the website helps you fulfill certain roles',
- '47 Getting value for money spent',
- 'From the following, tick any (or all) of the online retailers you have shopped from;
,
- 'Easy to use website or application',
- 'Visual appealing web-page layout', 'Wide variety of product on offer',
- 'Complete, relevant description information of products',
- 'Fast loading website speed of website and application',
- 'Reliability of the website or application',
- 'Quickness to complete purchase',
- 'Availability of several payment options', 'Speedy order delivery',
- 'Privacy of customers' information',
- 'Security of customer financial information',
- 'Perceived Trustworthiness',
- 'Presence of online assistance through multi-channel',
- 'Longer time to get logged in (promotion, sales period)',
- 'Longer time in displaying graphics and photos (promotion, sales period)',
- 'Late declaration of price (promotion, sales period)',
- 'Longer page loading time (promotion, sales period)',
- 'Limited mode of payment on most products (promotion, sales period)',
- 'Longer delivery period', 'Change in website/Application design',
- 'Disruptive', 'Website is as efficient as before', 'Recommendation'

- ***Hardware and Software Requirements and Tools Used***

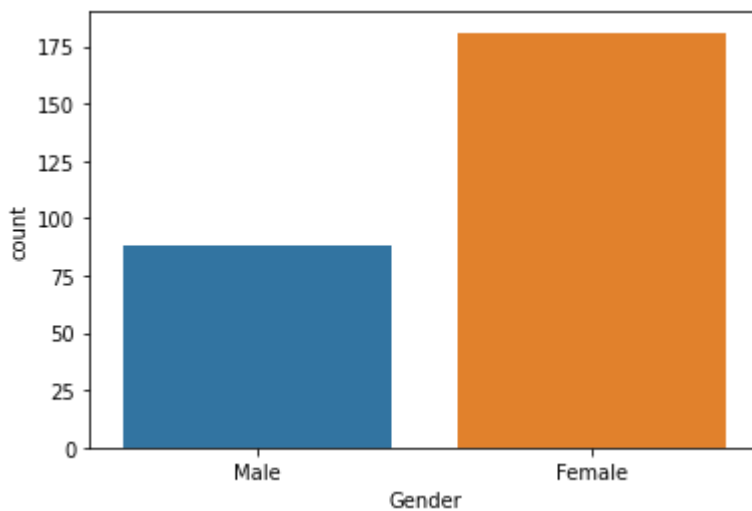
-Libraries used are Pandas, Matplotlib and Seaborn.

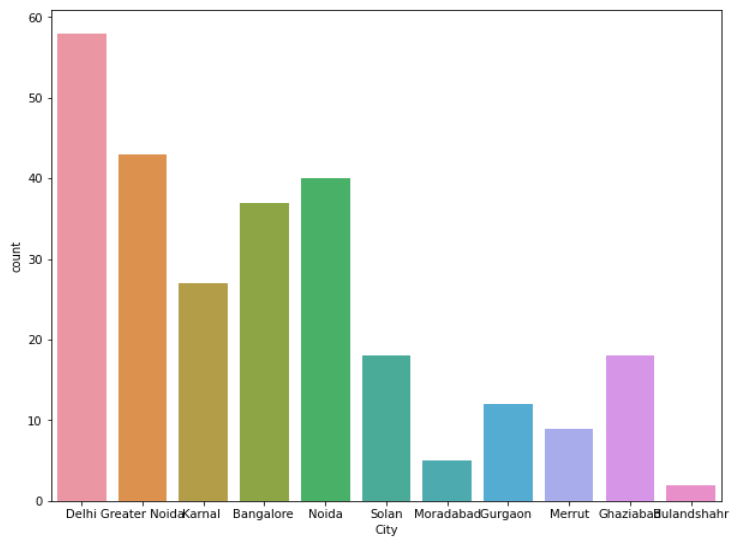
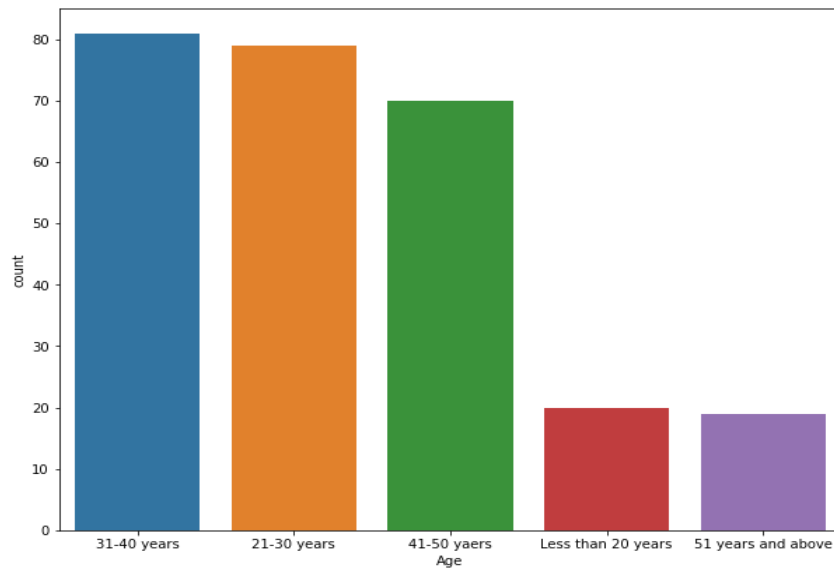
Model/s Development and Evaluation

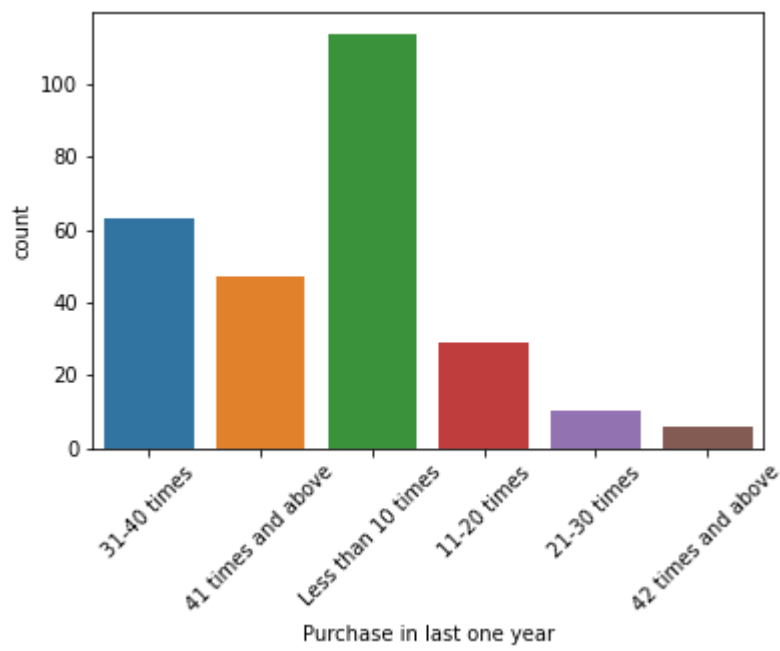
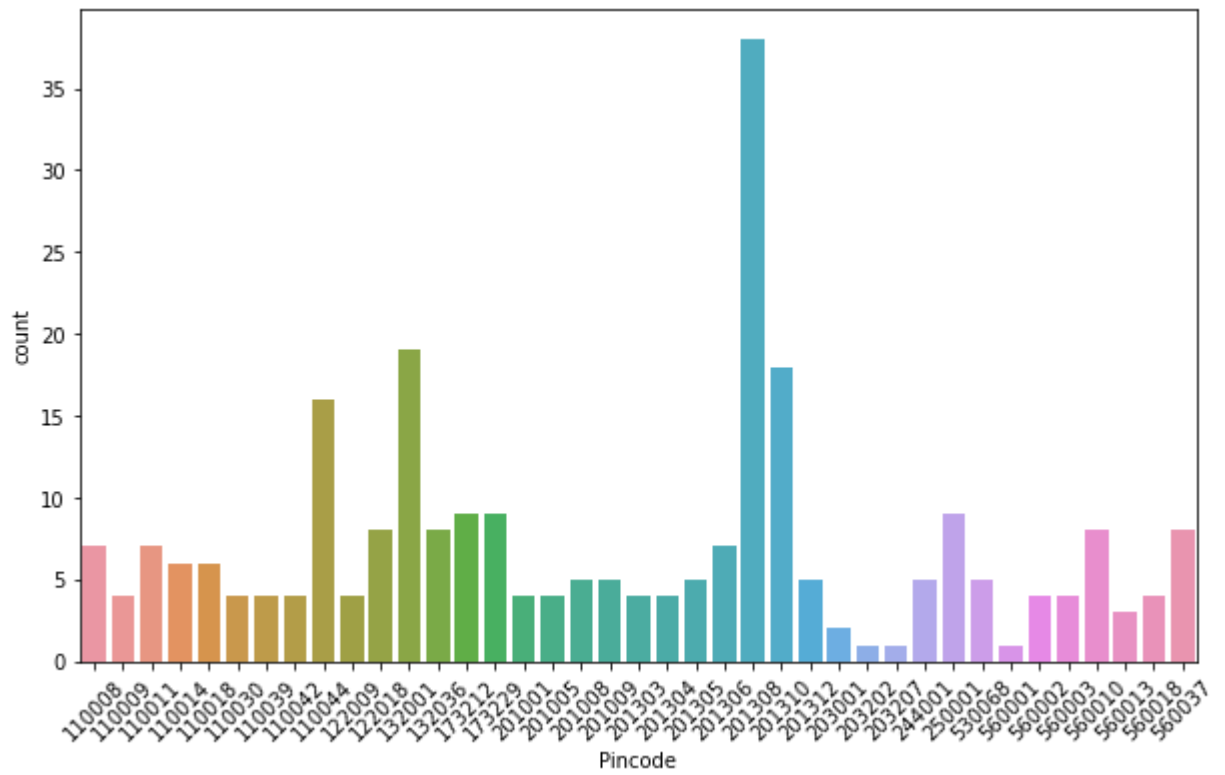
- ***Identification of possible problem-solving approaches (methods)***

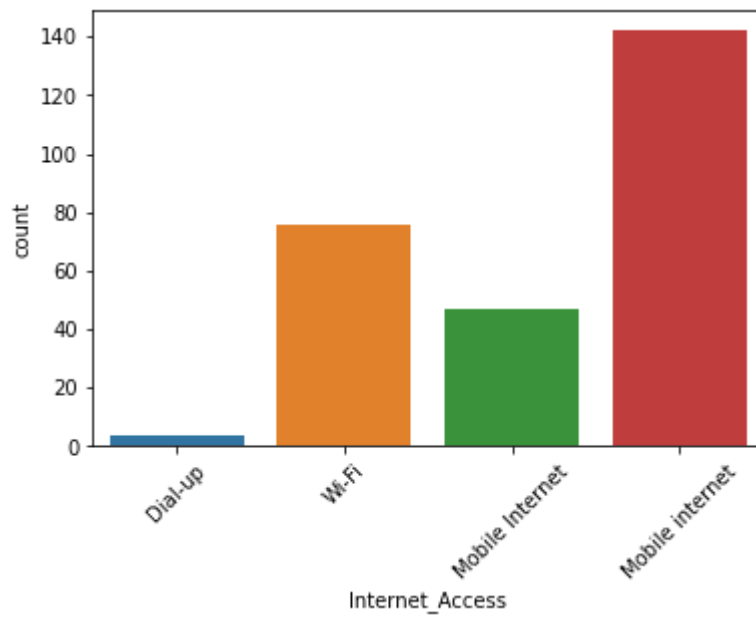
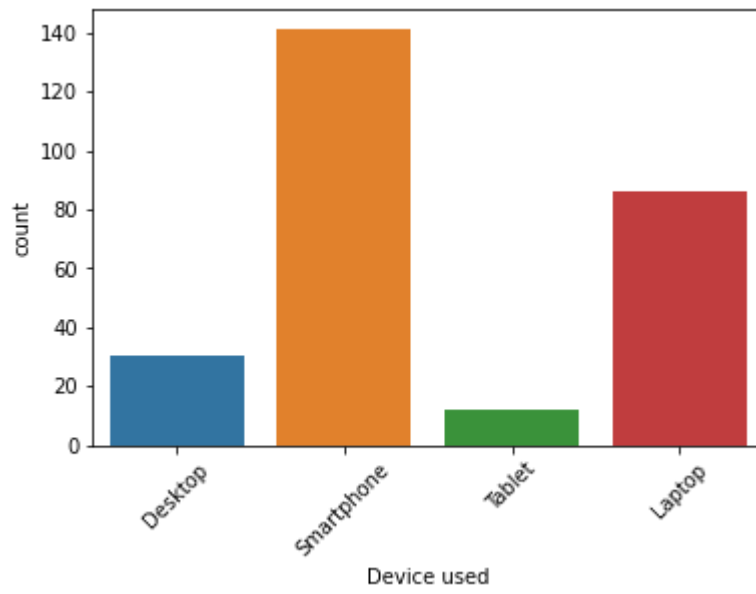
-I went for countplot of each and every given column to check out majority of people responses for every question being asked in association with E-commerce.

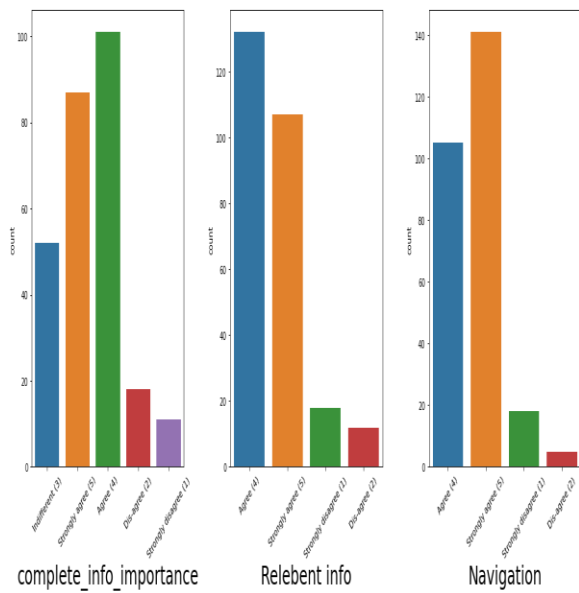
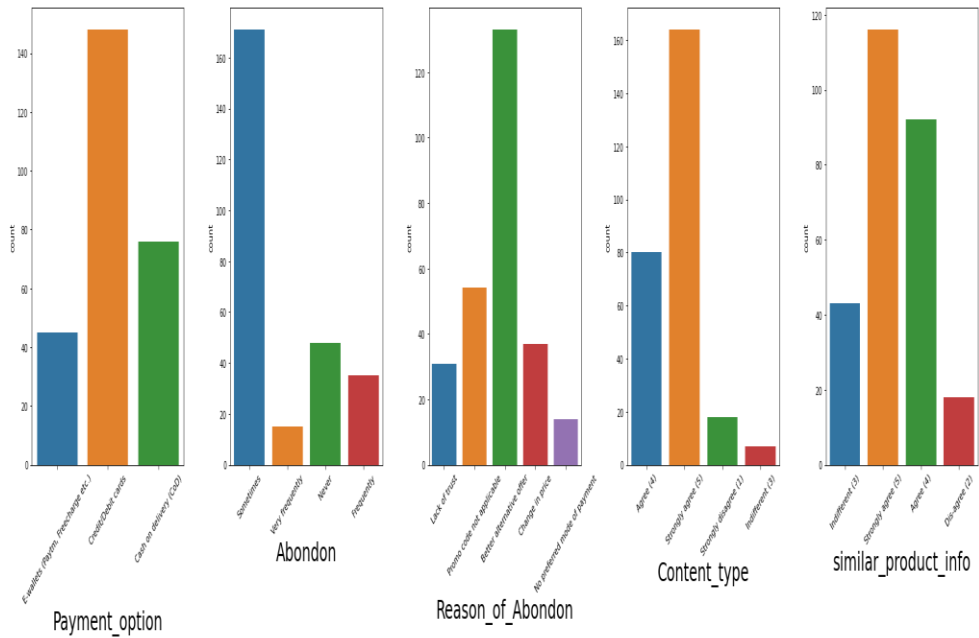
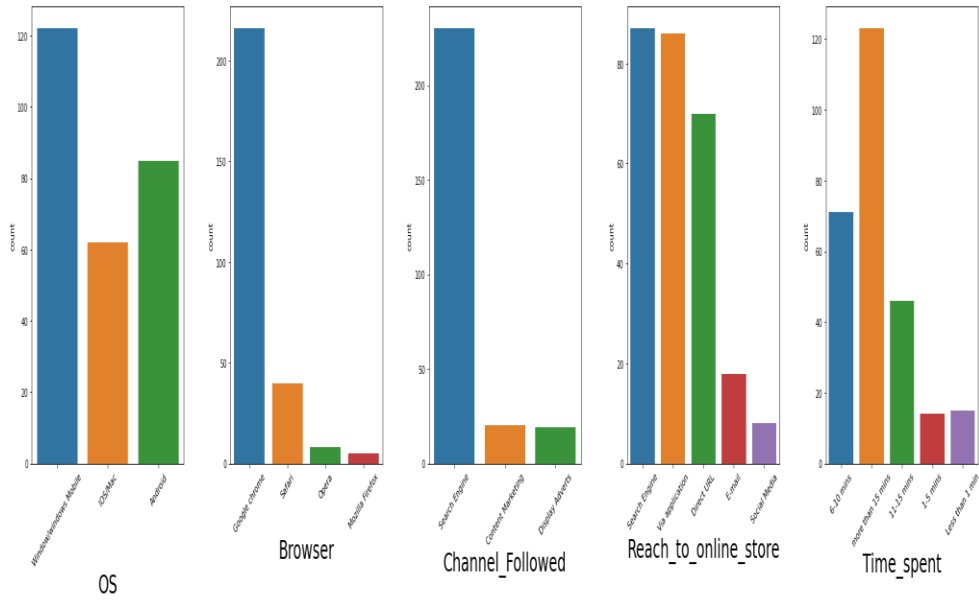
- ***Visualizations***

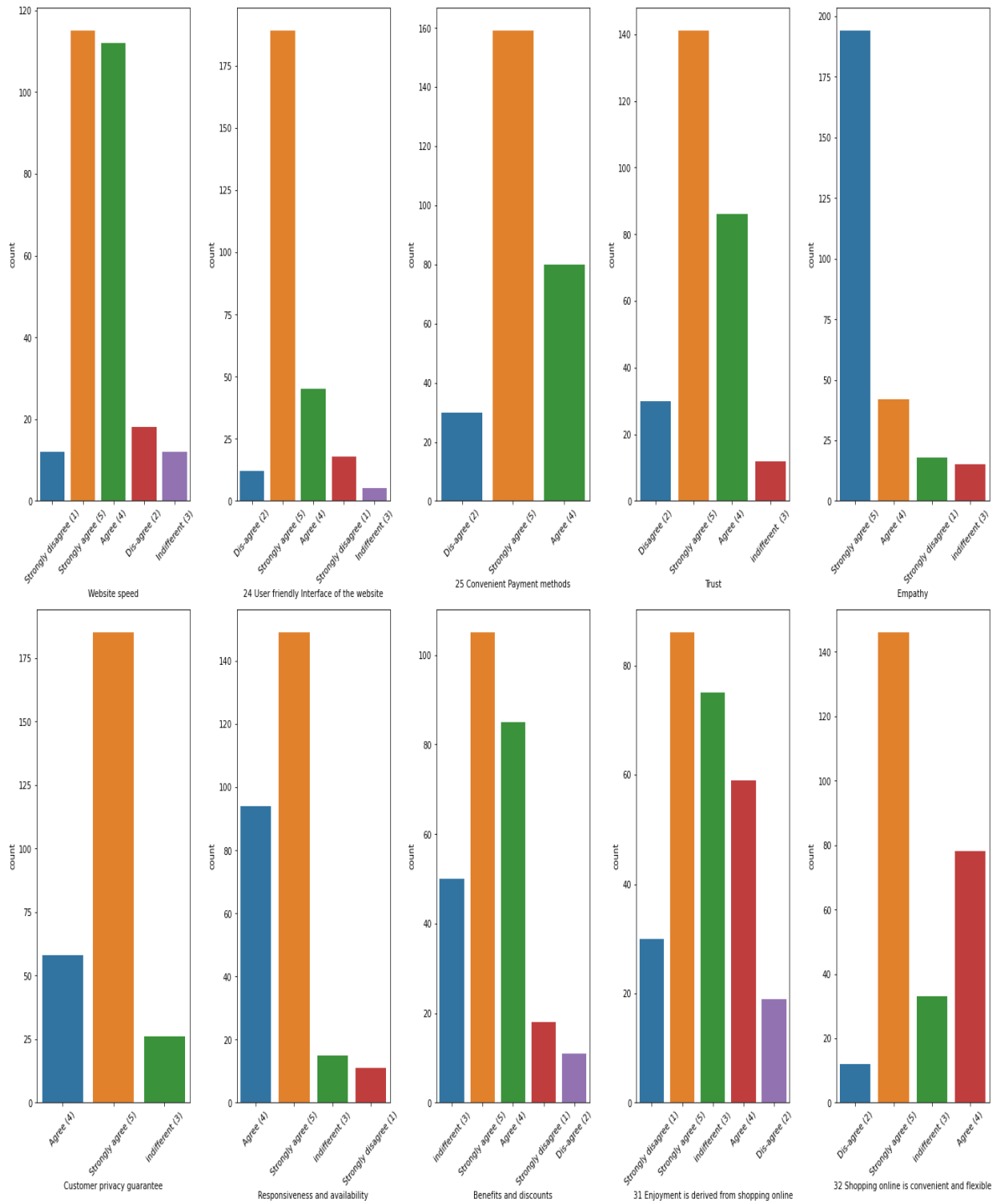


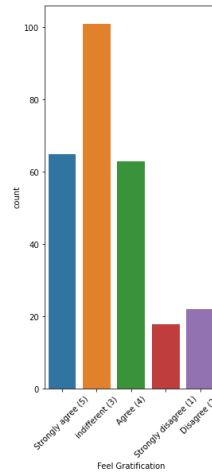
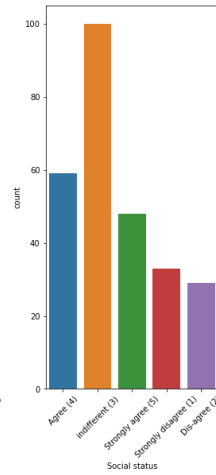
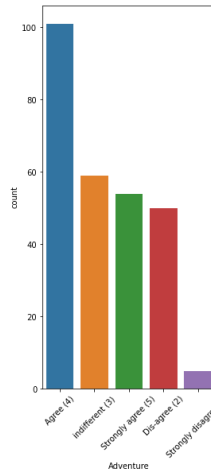
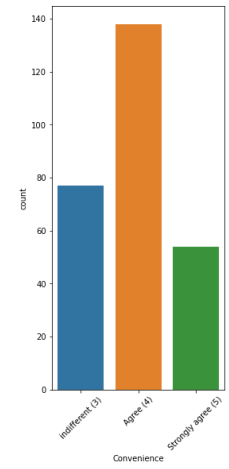
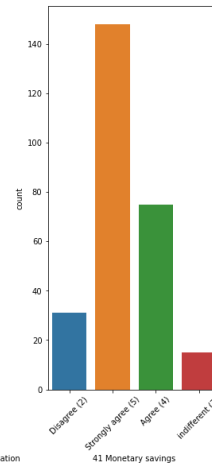
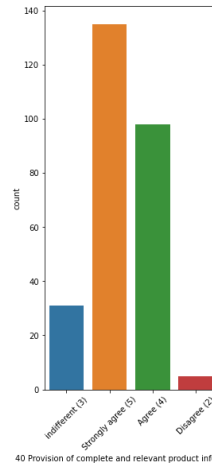
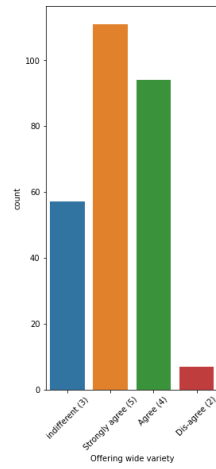
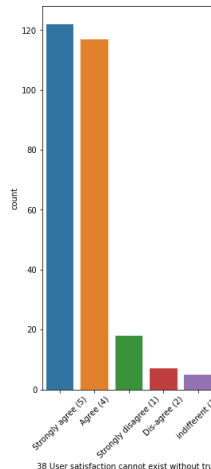
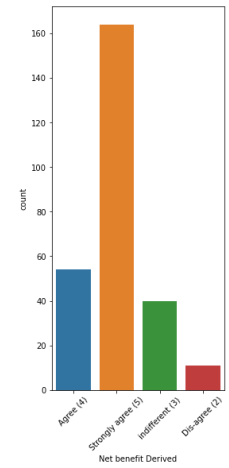
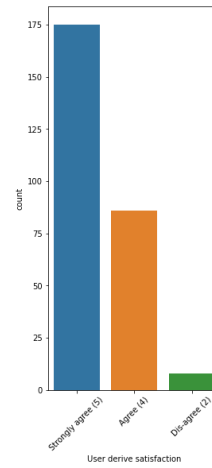
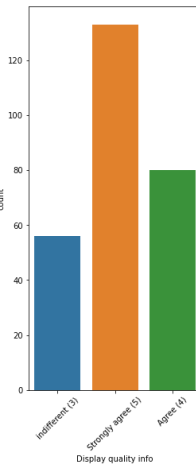
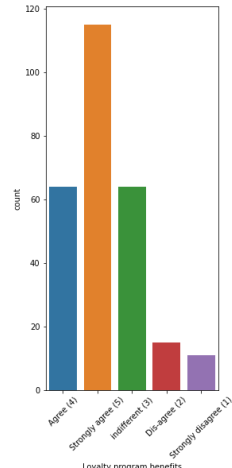
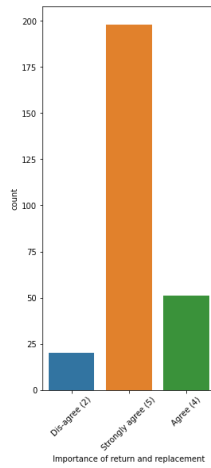


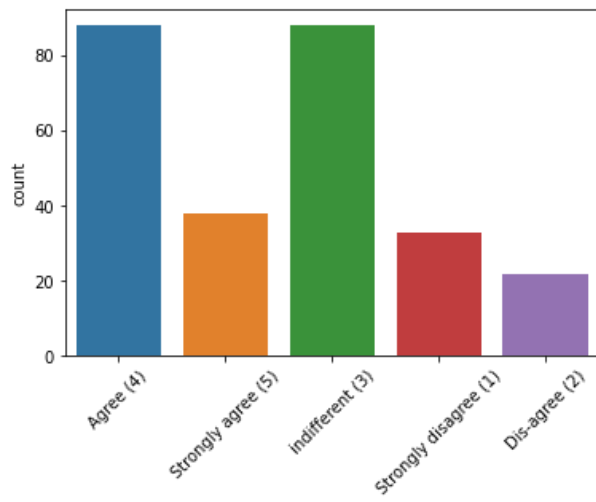




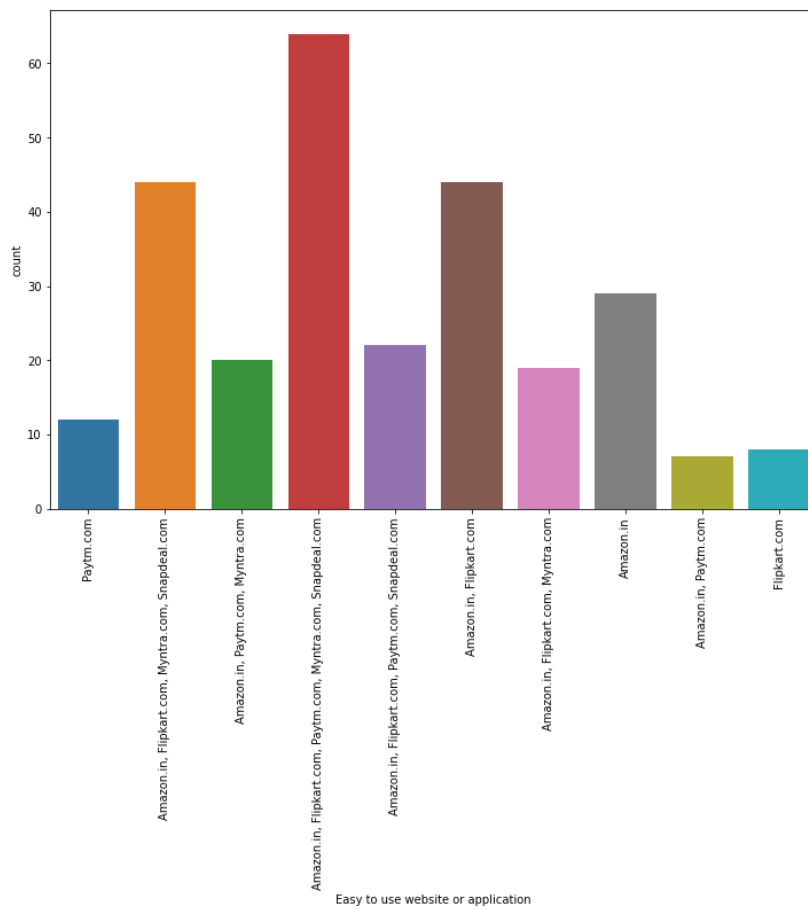




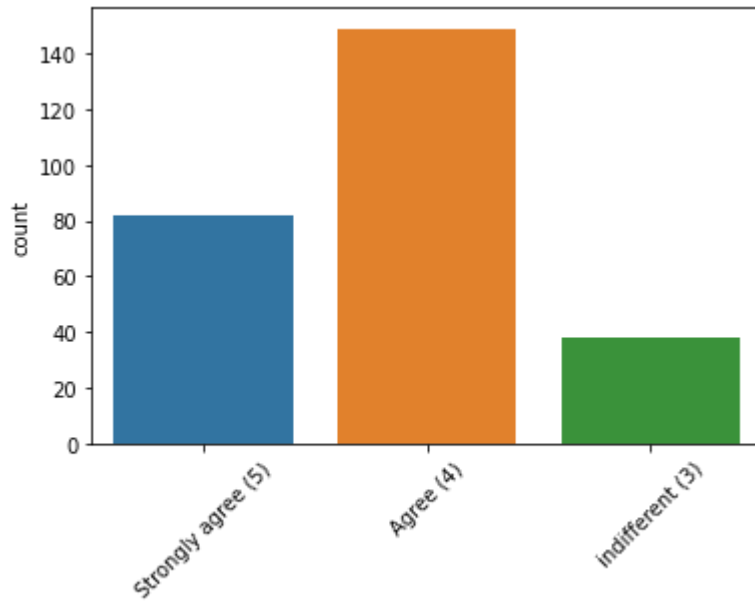




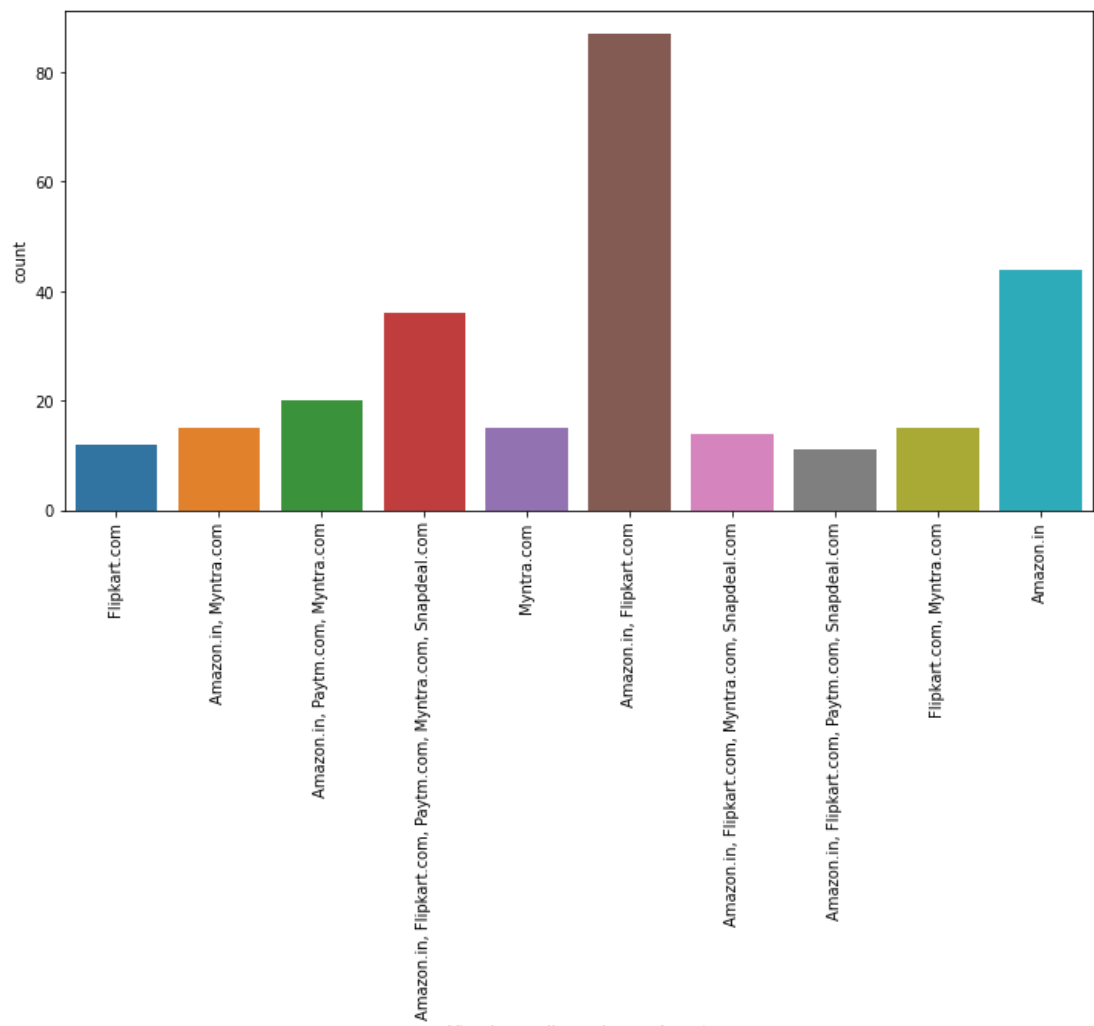
46 Shopping on the website helps you fulfill certain roles



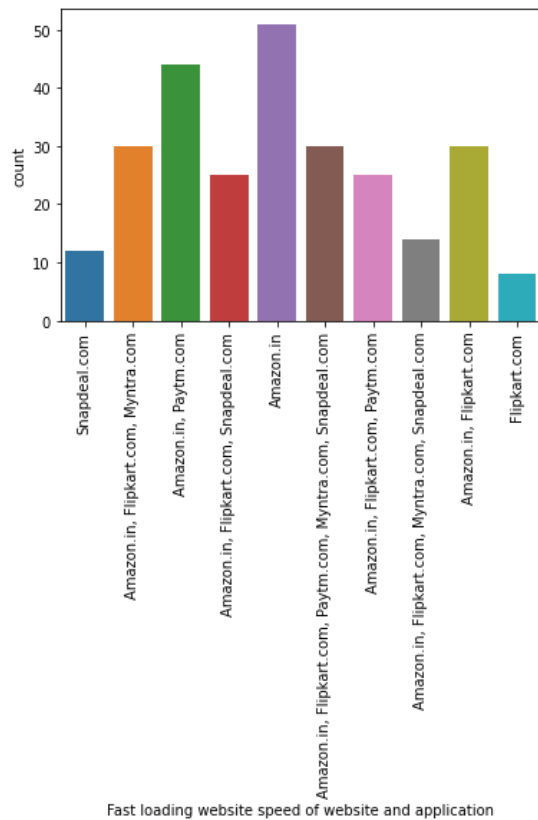
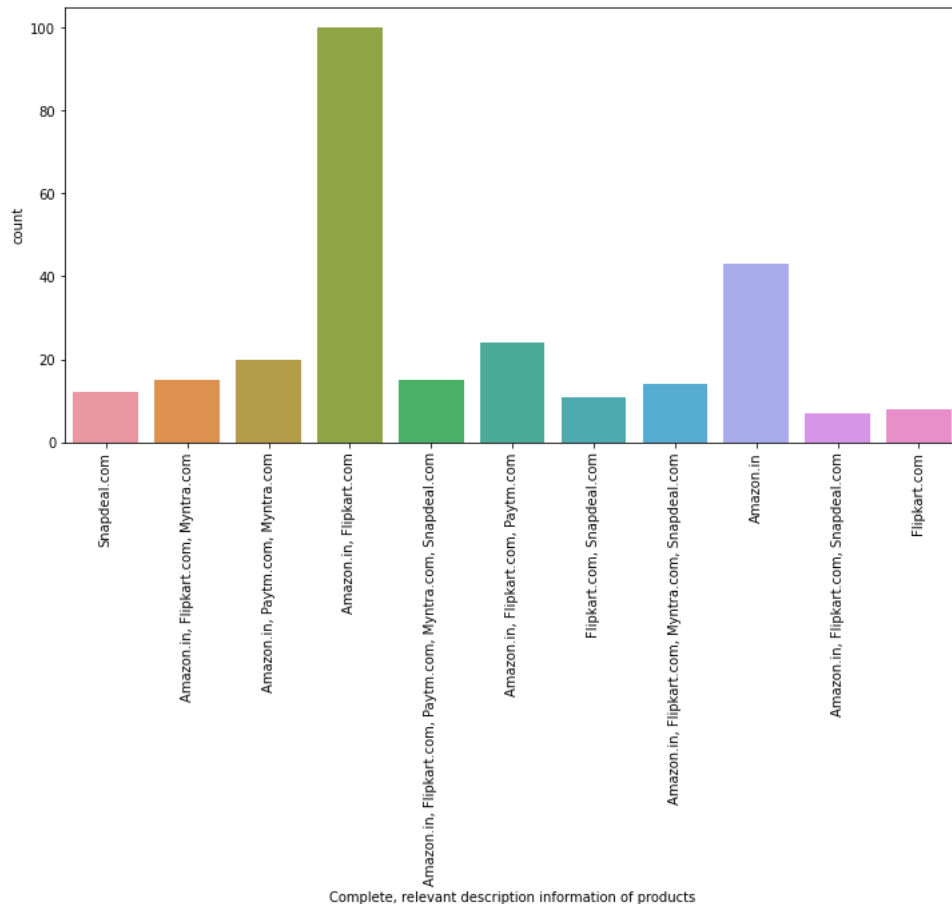
Easy to use website or application

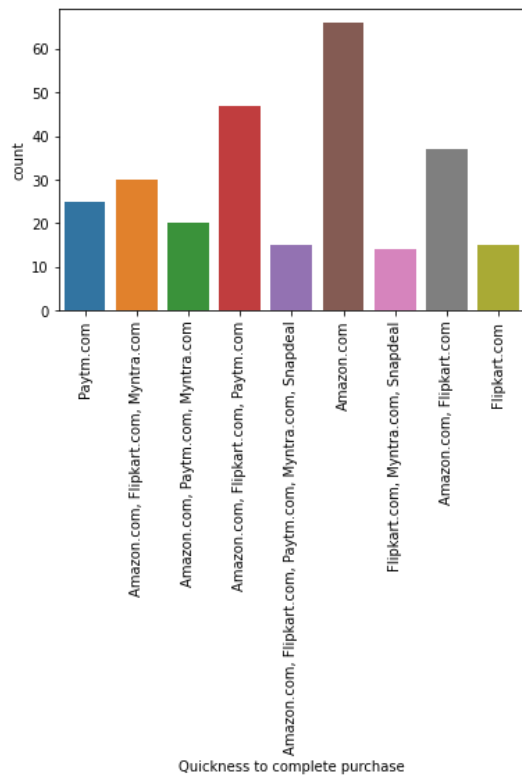
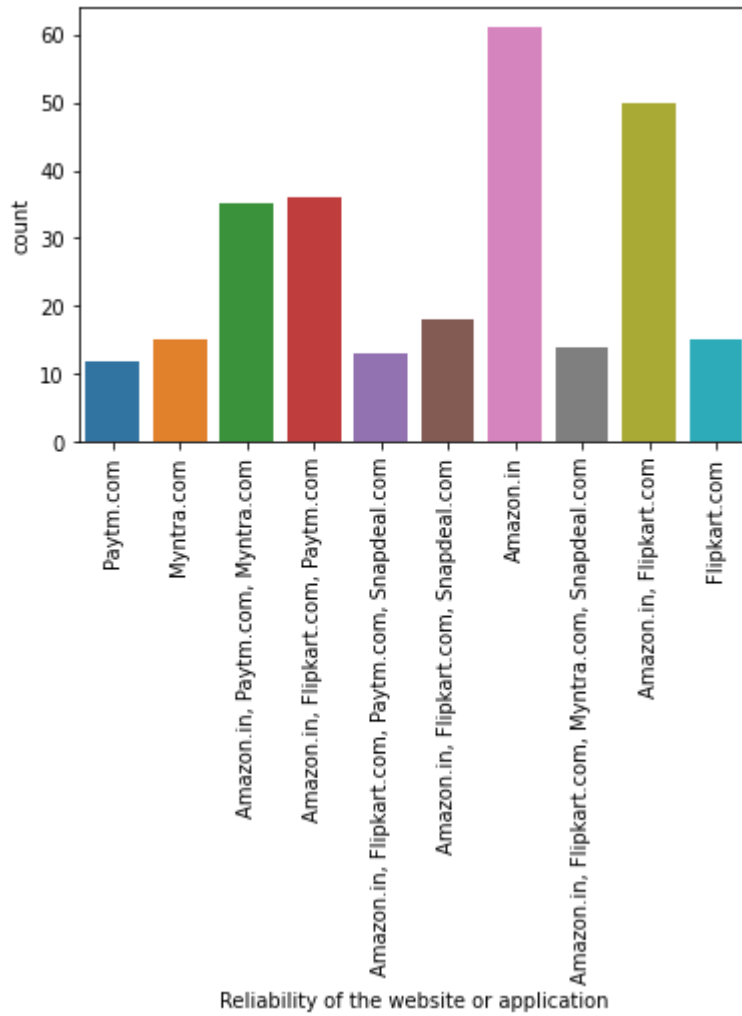


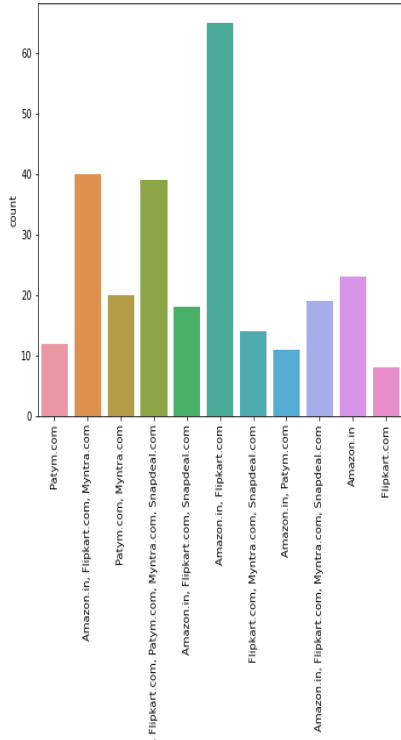
47 Getting value for money spent



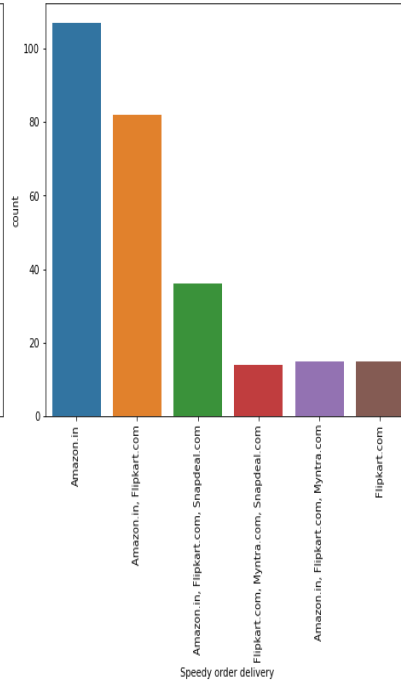
Visual appealing web-page layout



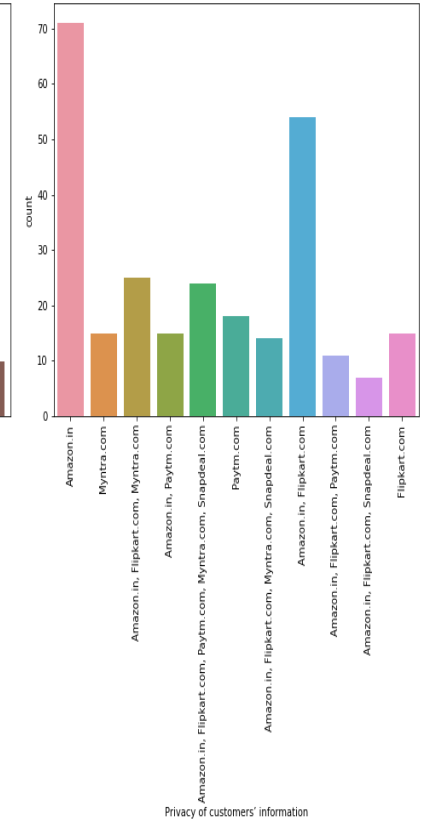




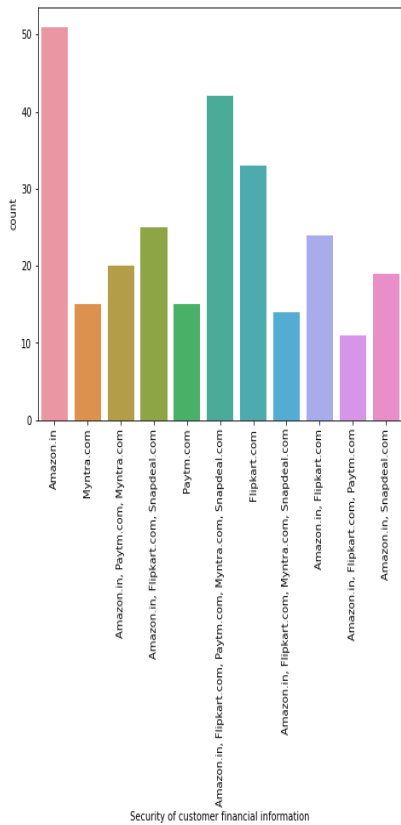
Availability of several payment options



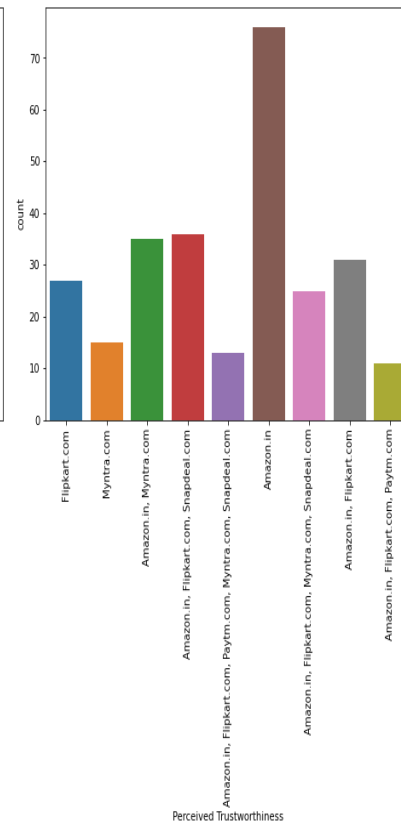
Speedy order delivery



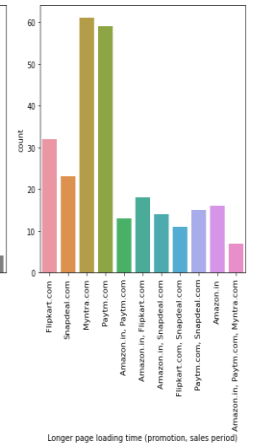
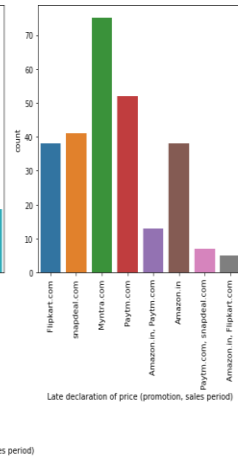
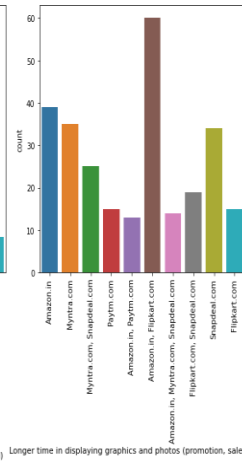
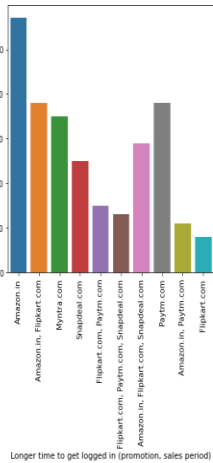
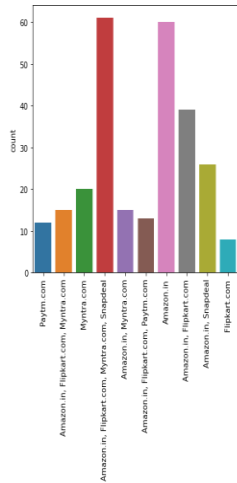
Privacy of customers' information



Security of customer financial information



Perceived Trustworthiness

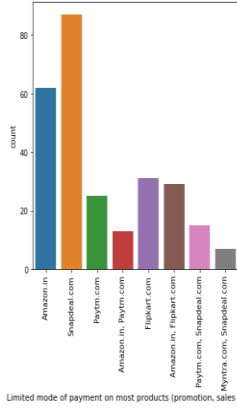


Longer time to get logged in (promotion, sales period)

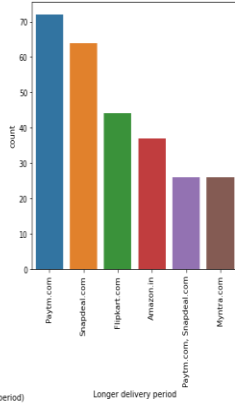
Longer time in displaying graphics and photos (promotion, sales period)

Longer page loading time (promotion, sales period)

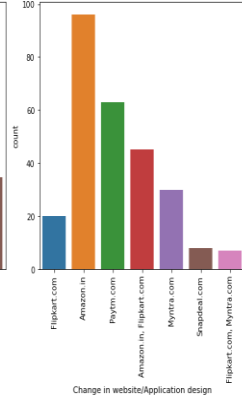
Presence of online assistance through multi-channel



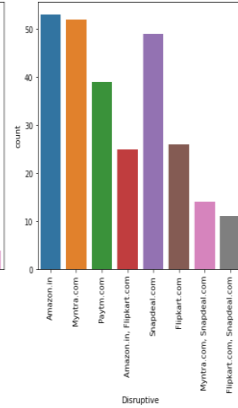
Limited mode of payment on most products (promotion, sales period)



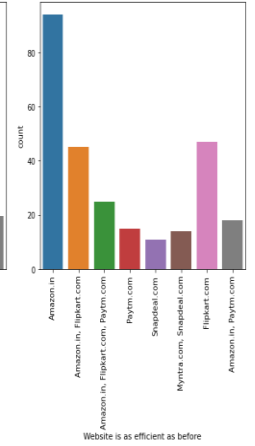
Longer delivery period



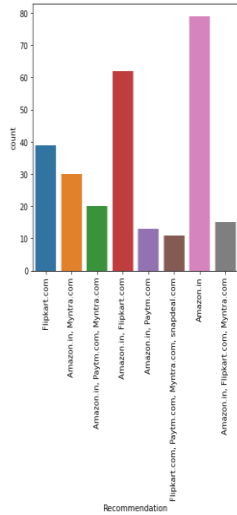
Change in website/Application design



Disruptive



Website is as efficient as before



Recommendation

- **Interpretation of the Results**

From the above plots we interpret the following for each and every column:

- Fig 1 shows count plot for how many times a customer shops in a year based on their Gender, by looking at this plot we can say that female customer's number is higher than males and also female customer shops for more time in a year when it is compared to males.
- Fig 2 shows the age range of customers; here we can see the number of customers more in the age range 21 – 30 as well as 31 – 40.
- The bar plot for cities from where customers shop online is represented, this will tell us that large number of customers are from Delhi, Greater Noida and Noida. And very less customers from Meerut, Moradabad, Bulandshahar.
- Count plot of browser used by customers, we can say by looking at this plot large number of customers uses Google chrome browser.
- Another plot will tell us customers shopping since 2-3 years and above 4 years are shopping large number of times in a year compared to others. And customers who are shopping since 1-2 years are having very less tendency to purchase things online.
- By looking at above plot we can say most of the people uses mobile internet for shopping, and also they shops for more times compared to others. Very less number of customers uses Dial-up to access internet.
- Looking at the above plot we can conclude that most of the customers are using smart phones for shopping online and very less customer's uses tablet and desktop for online shopping.
- One plot shows through what media customer visit online retail shop after first visit. By this plot we can say most of the customers use search engine and applications to visit the store again.
- Another plot represents time taken by customers to make a decision to purchase a thing; we can say more number of people took more than 15 minutes for making the decision.
- By observing preferred payment option plot we can say most of the customers prefer to pay by credit/debit card and also cash on delivery.
- For retaining our customers we need to provide better offers to our existing customers so that we can retain their loyalty towards organization/company.

Points on which most of the customers strongly agree:

- The content on the website must be easy to read and understand
- Information on similar product to the one highlighted is important for product comparison

- Ease of navigation in website
- Loading and processing speed
- Convenient Payment methods
- Trust that the online retail store will fulfill its part of the transaction at the stipulated time
- Empathy (readiness to assist with queries) towards the customers
- Being able to guarantee the privacy of the customer
- Responsiveness, availability of several communication channels (email, online rep, twitter, phone etc.)
- Online shopping gives monetary benefit and discounts
- Enjoyment is derived from shopping online
- Shopping online is convenient and flexible
- Return and replacement policy of the e-tailer is important for purchase decision
- Gaining access to loyalty programs is a benefit of shopping online
- Displaying quality Information on the website improves satisfaction of customers
- User derive satisfaction while shopping on a good quality website or application
- Net Benefit derived from shopping online can lead to users satisfaction
- User satisfaction cannot exist without trust
- Offering a wide variety of listed product in several category
- Provision of complete and relevant product information
- Monetary savings
- **Points on which most of the customers are agree:**
- Complete information on listed seller and product being offered is important for purchasedecision.
- All relevant information on listed products must be stated clearly
- The Convenience of patronizing the online retailer
- Shopping on the website gives you the sense of adventure
- Getting value for money spent
- **Points on which most of the customers are indifferent:**
- Shopping on your preferred e-tailer enhances your social status
- You feel gratification shopping on your favorite e-tailer
- Shopping on the website helps you fulfill certain roles

From column number 48 to 71; I observed that these columns contain data which is derived by taking reviews or feedback from every customers on different aspects.

- Plot represents the data regarding which website or applications are easy to use according to customers, and most customers says amazon.in and flipkart.com are much easier sites compared to others.
- Plot represents the data regarding sites from customers have shopped. Here also we can say most number of customers have shopped from amazon.in and flipkart.com.
- By seeing plot, we can say according to most of the customers the visual appealing of web-page layout is good in case of amazon.in and flipkart.com.
- Plot represents the variety of products made available on offer by the online retail company. According to customers amazon and flipkart provides wild variety of products and vary few customers' votes for this criteria for snapdeal.com and paytm.com.
- Plot represents customers voting on the bases of complete, relevant information of product and most of the customers votes for amazon.in and flipkart.com in this case.
- Plot represents customers voting based on fast loading website or application, by observing this plot we cansay according to most of the customers amazon.in is a fast loading website whereas very few customers votes for myntra.com and snapdeal.com in this aspect.
- Plot represents reliability of the website; according to most of our customer amazon.in is a reliable website and very less customers says snapdeal.com is as a reliable website.
- Plot represents the customer voting's on the bases of quickness to complete a purchase and in this case also most of the customers say amazon.in has quickness to complete a purchase. Very less number of customers votes for snapdeal.com in this aspect.
- Plot tell us which online retail shopping platform is providing speedy order delivery according to mostcustomers, and by looking at this plot we can say most customers says amazon.in is good at providing speedy delivery, very less customers says myntra.com is giving speedy delivery.
- Plot represents the customers voting on the bases of privacy of customers' information. According to most of the customers we can say amazon.in providing good privacy security for customers' information.
- Fig 29 represents customers voting based on longer time to logged in a website, which may somewhat disappointing for any customer, by looking at the above plot we can say according to most customers amazon.in and flipcart.com are taking much time to logged in, very few customers say myntra.com is taking longer time which is good thing for myntra.com.
- Fig 30 represents longer time in displaying graphics and photos, this feature also may not satisfactory for customers. Most of the customers say amazon.in takes longer time in displaying graphics and photos but very less number of customers says paytm.com is taking longer time which is good for paytm.com
- Fig 31 shows customers voting based on late declaration of price, this factor may not satisfactory for customers and by looking at this plot it seems like this problem will be there in every website as there is significant voting for every website. Higher voting is observed in case of myntra.com and paytm.com.
- Fig 32 represents voting of customers based on delivery period. According to most of the customers paytm.com and snapdeal.com will take longer delivery period and less people says myntra.com is taking longer duration which is good thing about myntra.com.

- By looking at the last plot, we can conclude that most number of customers would recommend their friends for amazon.in for online shopping next to which is flipkart.com. Very less customers would recommend snapdeal.com for their friends.

CONCLUSION

This study gives an insight about the opportunity as well as the challenges of retaining customers. By observing and analyzing various features given in this dataset I can conclude few things –

It is noticed that companies cannot hold on to existing customers when the old strategies are being used, therefore to be able to retain customers new retention strategies should be used. An organizations' total output greatly depends on existing customers.

It seems like companies like 'Snapdeal' and 'Paytm' are not using new customer retention strategies hence the performance as well as the profit of such companies goes down.

And companies like 'amazon' and 'Flipkart' implementing new customer retention strategies hence these are able to retain existing customers and became reliable online shopping platforms.