**FLIP ROBO**

# <u>CUSTOMER RETENTION</u>

## Submitted by-

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# <u>ACKNOWLEDGMENT</u>

All thanks to Fliprobo technologies for providing me the opportunity to work on this project. I learned a lot from this 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.
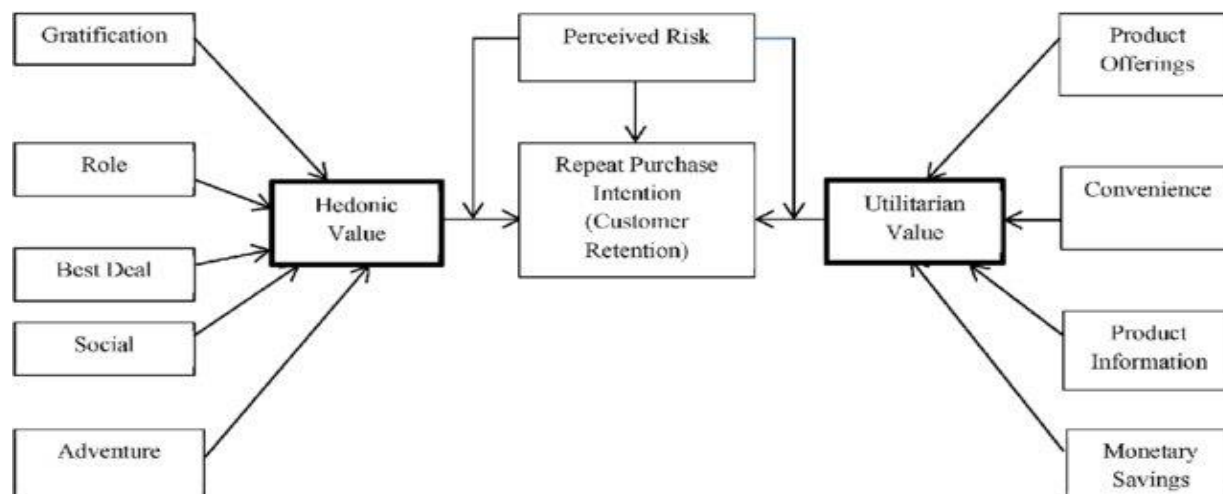
Many businesses work hard to create products that delight their customers. They continuously seek to improve their customer relationships and bring new ideas every day.

Negative word-of-mouth can severely damage your brand's image. And it takes time to get people to forget those opinions or reviews about you on social media. The best way to protect your brand's image is through prevention, or by addressing those complaints before they turn out to be too negative.

It's very important to keep customers happy as they are most likely to recommend the platform to other people which will help the platform to gain more customers.

# DATA PREPARATION

| | 1Gender of respondent | 2 How old are you? | 3 Which city do you shop online from? | 4 What is the Pin Code of where you shop online from? | 5 Since How Long You are Shopping Online ? | 6 How many times you have made an online purchase in the past 1 year? | 7 How do you access the internet while shopping on-line? | 8 Which device do you use to access the online shopping? | 9 What is the screen size of your mobile device? \t\t\t\t\t | 10 What is the operating system (OS) of your device? \t\t\t | ... | 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) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | Male | 31-40 years | Delhi | 110009 | Above 4 years | 31-40 times | Dial-up | Desktop | Others | Window/windows Mobile | ... | Amazon.in | Amazon.in | Flipkart.com |
| 1 | Female | 21-30 years | Delhi | 110030 | Above 4 years | 41 times and above | Wi-Fi | Smartphone | 4.7 inches | IOS/Mac | ... | Amazon.in, Flipkart.com | Myntra.com | snapdeal.com |
| 2 | Female | 21-30 years | Greater Noida | 201308 | 3-4 years | 41 times and above | Mobile Internet | Smartphone | 5.5 inches | Android | ... | Myntra.com | Myntra.com | Myntra.com |
| 3 | Male | 21-30 years | Karnal | 132001 | 3-4 years | Less than 10 times | Mobile Internet | Smartphone | 5.5 inches | IOS/Mac | ... | Snapdeal.com | Myntra.com, Snapdeal.com | Myntra.com |
| 4 | Female | 21-30 years | Bangalore | 530068 | 2-3 years | 11-20 times | Wi-Fi | Smartphone | 4.7 inches | IOS/Mac | ... | Flipkart.com, Paytm.com | Paytm.com | Paytm.com |
| ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... ... | | ... | ... | ... |

Above is the snapshot of the data that was provided.

It contains 269 number of rows and 71 columns

The whole data is in object type data which we need to encode for performing analysis but we have already been provided with the encoded dataset and below is the snapshot of the same.

| | 1Gender of respondent | 2 How old are you? | 3 Which city do you shop online from? | is the Pin Code of where you shop online from? | 5 Since How Long You Long Are Shopping Online ? | many times you have made an online purchase in the past 1 year? | 7 How do you access the internet while shopping on-line? | 8 Which device do you use to access the online shopping? | 9 What is the screen size of your mobile device? \t\t\t\t\t | 10 What is the operating system (OS) of your device? \t\t\t | ... | 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) | Lon load (pro sale |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 | 0 | 3 | Delhi | 110009 | 5 | 4 | 4 | 3 | 5 | 1 | ... | Amazon.in | Amazon.in | Flipkart.com | Flip |
| 1 | 1 | 2 | Delhi | 110030 | 5 | 5 | 2 | 1 | 2 | 3 | ... | Amazon.in, Flipkart.com | Myntra.com | snapdeal.com | Snap |
| 2 | 1 | 2 | Greater Noida | 201308 | 4 | 5 | 3 | 1 | 4 | 2 | ... | Myntra.com | Myntra.com | Myntra.com | My |
| 3 | 0 | 2 | Karnal | 132001 | 4 | 1 | 3 | 1 | 4 | 3 | ... | Snapdeal.com | Myntra.com, Snapdeal.com | Myntra.com | Pa |
| 4 | 1 | 2 | Bangalore | 530068 | 3 | 2 | 2 | 1 | 2 | 3 | ... | Flipkart.com, Paytm.com | Paytm.com | Paytm.com | Pa |
| ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... ... | | ... | ... | ... | |

# Column names of the data are :-

```
Index(['1Gender of respondent', '2 How old are you? ',
       '3 Which city do you shop online from?',
       '4 What is the Pin Code of where you shop online from?',
       '5 Since How Long You are Shopping Online ?',
       '6 How many times you have made an online purchase in the past 1 year?',
       '7 How do you access the internet while shopping on-line?',
       '8 Which device do you use to access the online shopping?',
       '9 What is the screen size of your mobile device?\t\t\t\t\t\t                                                     ',
       '10 What is the operating system (OS) of your device?\t\t\t\t\t                                                  ',
       '11 What browser do you run on your device to access the website?\t\t\t
',
       '12 Which channel did you follow to arrive at your favorite online store for the first time?
',
       '13 After first visit, how do you reach the online retail store?\t\t\t\t
',
       '14 How much time do you explore the e- retail store before making a purchase decision?
',
       '15 What is your preferred payment Option?\t\t\t\t\t\t
',
       '16 How frequently do you abandon (selecting an items and leaving without making payment) your shopping cart?'
\t\t                                                                                           ',
       '17 Why did you abandon the "Bag", "Shopping Cart"?\t\t\t\t\t\t
',
       '18 The content on the website must be easy to read and understand',
       '19 Information on similar product to the one highlighted  is important for product comparison',
       '20 Complete information on listed seller and product being offered is important for purchase decision.',
       '21 All relevant information on listed products must be stated clearly',
       '22 Ease of navigation in website', '23 Loading and processing speed',
       '24 User friendly Interface of the website',
       '25 Convenient Payment methods',
       '26 Trust that the online retail store will fulfill its part of the transaction at the stipulated time',
       '27 Empathy (readiness to assist with queries) towards the customers',
       '28 Being able to guarantee the privacy of the customer',
       '29 Responsiveness, availability of several communication channels (email, online rep, twitter, phone etc.)',
       '30 Online shopping gives monetary benefit and discounts',
       '31 Enjoyment is derived from shopping online',
       '32 Shopping online is convenient and flexible',
       '33 Return and replacement policy of the e-tailer is important for purchase decision',
       '34 Gaining access to loyalty programs is a benefit of shopping online',
       '35 Displaying quality Information on the website improves satisfaction of customers',
       '36 User derive satisfaction while shopping on a good quality website or application',
       '37 Net Benefit derived from shopping online can lead to users satisfaction',
       '38 User satisfaction cannot exist without trust',
       '39 Offering a wide variety of listed product in several category',
       '40 Provision of complete and relevant product information',
       '41 Monetary savings',
       '42 The Convenience of patronizing the online retailer',
       '43 Shopping on the website gives you the sense of adventure',
       '44 Shopping on your preferred e-tailer enhances your social status',
       '45 You feel gratification shopping on your favorite e-tailer',
       '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', 'Wild 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)',
```

The columns names are too large so we converted the column names into short names for better understanding and less time consuming.

```
Index(['gender', 'age', 'city', 'pinCode', 'shopping_since',
       'shopping_frequency_1year', 'internet_type', 'device', 'screen_size',
       'OS', 'browser', '1_channel', 'Access', 'time_spent',
       'prefered_payment_mode', 'cancel_shopping', 'cancel_reason',
       'content_readability', 'similar_product', 'seller_info',
       'product_info_clarity', 'navigation_ease', 'web_speed', 'UI',
       'UI_payment_mode', 'trust_process', 'customer_support',
       'privacy_garauntee', 'Channel_Diversity', 'benefit', 'satisfaction',
       'convenient', 'Return/Replacement', 'loyalty_program',
       'info_satisfaction', 'UI_Satisfaction', 'net_benefit', 'trust',
       'product_category', 'relevant_info', 'Savings', 'patronizing',
       'experience', 'Status', 'gratification', 'role', 'Worthy',
       'platform_Used', 'convinient_accessibility', 'Appealing_UI',
       'product_diversity', 'product_info', 'performance_platform',
       'reliable_UI', 'navigation', 'payment_mode_availability',
       'speed delivery', 'customer privacy', 'financial security',
```

We will be dropping the screen size and pincode.

By logical reason we already have the city name and pincode does not help in a special way.

Screen size does not matter while ordering online as long as the information is readable.

# DATA ANALYSIS
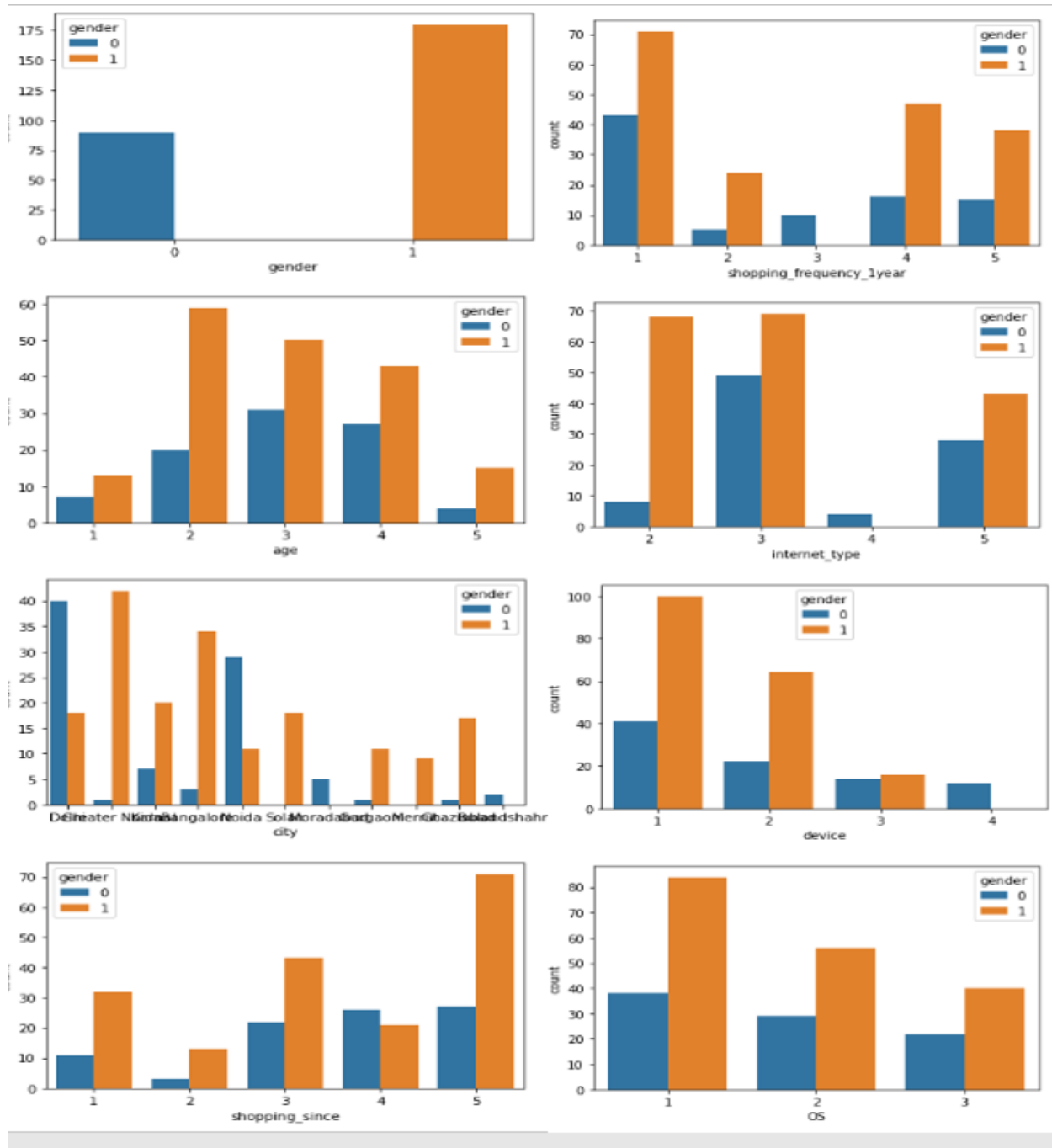


From the above graphs we observed that :-

We can see the majority of online shoppers on the female side

Most number online female shoppers comes from under 21-30 age group and for male the majority shoppers comes from 31-40 age group.

Delhi is having the highest number of male shoppers as well as the over all majority of shoppers compared to the city. greater noida have the highest number of female online shoppers.

Majority of the people have been shopping since last 4 years.

The frequency of people shopping in a year is less than 10 times.

Mostly people will use smartphones to purchase products online.
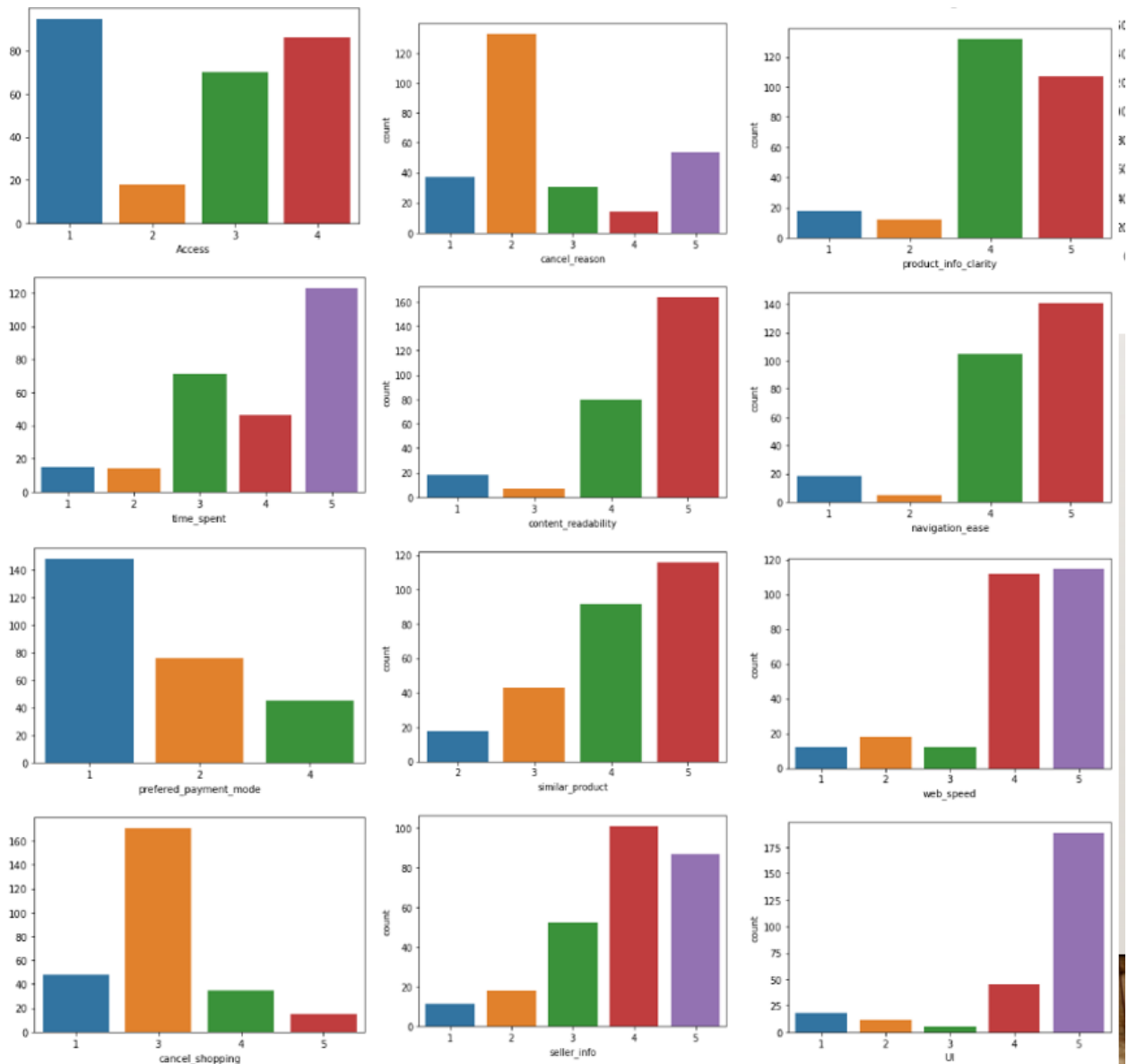
OBSERVATIONS

- Generally people spent more than 15 mins on online shopping platforms and browse through the variety of products.

- Credit cards and debit cards are mostly used for making payments online as they also offer various discounts and EMI services.

- Sometimes people also cancel some orders after placing the orders. Most of the times the reason to cancel is finding better alternative of the products on the platforms or the same platform.

- People strongly agree that similar products should be found for product comparison.

- Seller information should be mentioned says most of the people. Product details should be mentioned in detail.

- People wants ease of navigation for finding products, good connectivity, user interface should be easy to understand and convenient payment methods.

- All these things helps the consumer to do online shopping very easily.
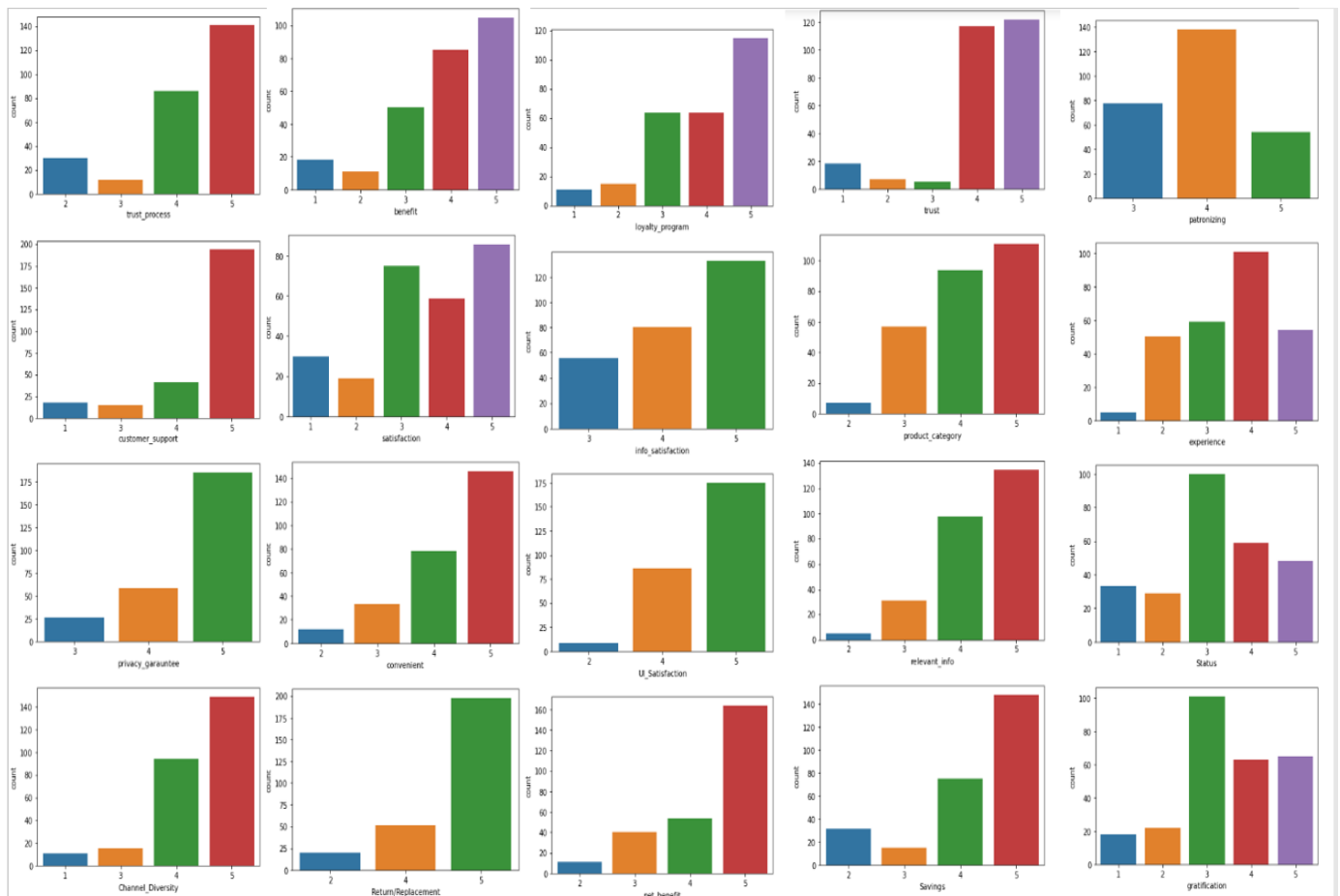
<u>OBSERVATIONS</u>

- People strongly trust the idea of this online shopping and if they face any problem the platform will be ready to assist them.

- People believe that they will keep their private data safe and secure and they will be responsiveness on multiple places like email, chats, etc.

- People strongly agree that Online shopping gives monetary benefit and discounts, Enjoyment is derived from shopping online, Shopping online is convenient and flexible.

- People wants to see the return and replacement policy to be mentioned clearly and in detail before taking their decision, information of the products should be easily understandable is what improves customer satisfaction and giving them access to loyalty programs will help in customer retention.

- Users derive satisfaction while shopping on a good quality website or application.

- People find a variety of products on online websites which help them to take better buying decisions and help in customer satisfaction.

- People look for products which are value for money on the online platforms and help them in monetary savings.
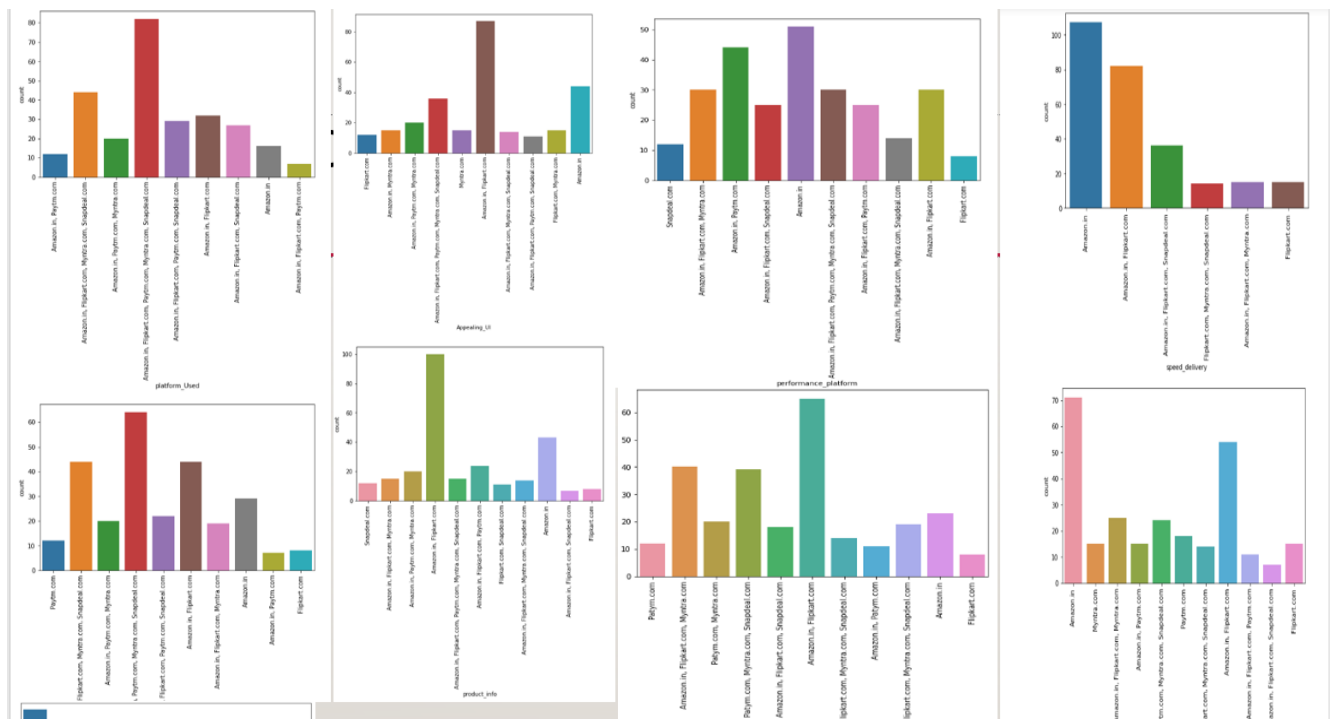
In terms of 'platform_Used','convinient_accessibility','Appealing_UI','product_diversity' people strongly prefer amazon and flipkart for online purchases as the user interface is very easy to understand and there are variety of products provided and product diversity is good and it helps in customer satisfaction and these platforms are most used and trusted by the people.

- People trust amazon in terms of data privacy and financial security and over all trust worthiness followed by flipkart and myntra.

- flipkart tops in fastest login time

- myntra and snapdeal are slow in loading the website compared to other platforms.

- PayTm is very slow in delivery of the products and amazon is the fastest

- People are most likely to recommend amazon and flipkart for making online purchases to other people.

# REPORT ON CUSTOMER RETENTION FROM THE ANALYSIS

- We checked the hedonic values as well as the utilitarian values and what we found is

- Social status of among the peers, finding best deals frequently and platforms role helps in customer retention positively.

- Convenience is using the website, detailed information of the product strongly influence customer buying decision positively.

- From above we can see that when user has used all the platform he is never recommending Snapdeal.¶

- Amazon & flipkart are most recommended.

- Fast speed of delivery and fast loading speed, login time is also one of the factors that leads to customer retention.

- Better Customers support helps people in retention of customers.

- loyalty programs, discounts and monetary benefits helps customers to find value for money products and are most likely to recommend the platform to other people.

- People wants ease of navigation for finding products, good connectivity, user interface should be easy to understand and convenient payment methods.

- Product details and images of the product should be clearly mentioned as well as return policy is what a customer checks before ordering any product online which help the customer to trust the platform.

- Keeping the private data and giving financial data security helps the customer to build a trust a factor towards the particular platform.

- Assisting the customers on time and providing wide range of products with variety will keep the customer on the platform for longer period.

- Good payment gateway helps the customer in making payments easily also providing EMI services will help them to buy more products.

- Appealing User interface helps the customers to browse the platform easily and find products faster which helps in Customer Satisfaction.

- People wants ease of navigation for finding products, good connectivity, user interface should be easy to understand and convenient payment methods.

- Product details and images of the product should be clearly mentioned as well as return policy is what a customer checks before ordering any product online which help the customer to trust the platform

# CONCLUSION

- Amazon and Flipkart are most used and recommended platforms.

- These platforms have higher rating in every terms.

- Amazon and flipkart are the ones which has higher chances of customer activation and recommendation.¶

- Rest all platforms should be improved or their existing users are going their platforms.

- People wants to see the return and replacement policy to be mentioned clearly and in detail before taking their decision, information of the products should be easily understandable is what improves customer satisfaction and giving them access to loyalty programs will help in customer retention. Amazon and flipkart are already better in these terms and other platforms are getting better day by day.

- we can see the majority of online shoppers on the female side and most number online female shoppers comes from under 21-30 age group and for male the majority shoppers comes from 31-40 age group.

- Most of the people are shopping since more than 4 years and platforms are using aggresive discounts and advertising to attract customers.

- People trust Amazon and flipkart for keeping their data safe but other platforms are also building trust factor with their customers and they are getting better day by day.

- Ease of navigation and finding value for money product is what a customers tries to find on a platform and Amazon is very good in these terms.

- Amazon and flipkart are the oldest platforms hence people first preferece is amazon and flipkart and mostly recommended.

- People tend to buy more products if there are more discounts and better EMI services.