**Customer Retention Report**

**Introduction**

Customer retention refers to a company's ability to turn customers into repeat buyers and prevent them from switching to a competitor. It indicates whether your product and the quality of your service please your existing customers. Through superior customer service, product value, and a distinct advantage over similar products or services, the objective is to build customer loyalty and increase repeat purchases. Understanding your customers' satisfaction and loyalty are two of the most crucial aspects of improving customer retention.

**Benefits of customer retention:**

1. Encourage long-term company expansion.
2. Make each sale worth more to each customer.
3. Increase referrals and customer loyalty while lowering your acquisition costs by better understanding your customers' motivations
4. Develop better products, faster.

**Problem statement:**

Ecommerce websites are flourishing. Some of the Customers find it convenient and others don’t. Ecommerce websites have provided variety of products and services to customers and its aim is to add more and more customers. For this, it needs to make a trust worthy relationship, give better offers and a good reasonable price. And along with it, it needs to ensure profit and consistency for a company to be at a good place in the market.

The problem is how to retain customers? What method and strategies are to be involved to ensure retention as well as profit.? What are the challenges that are too be faced to retain customers?

**Objectives:**

1. Ways to retain the customer
2. Present situation of ecommerce websites.
3. Strategies to build up the profit
4. Challenges facing.

**Literature review:**

Retaining existing client is essential to the success of an organization in today's challenging economic climate and competitive business environment. The company's rivals will give the customer a reason to leave if the company doesn't give them a good reason to stay. Profits are driven by customer retention and satisfaction. Rather than looking for new single-transaction customers, it is much cheaper to cultivate an existing customer base and offer more services to them. According to the majority of industry-specific surveys, retaining an existing customer is five to seven times more profitable than acquiring a new one. There is still no customer-focused approach among its employees. Any service company must recognize that, in this day and age of fierce competition, merely acquiring customers is insufficient because there is a direct correlation between customer retention over time and profitability and growth. Service quality and customer satisfaction are significant factors in customer retention. Since errors are inherent in all human endeavours and, consequently, service recovery, complaints are a natural part of any service activity. After a service delivery error, service recovery is the process of making things right. The long-term upkeep of ongoing business relationships with customers is known as customer retention.

Low defections are equivalent to high retention. According to studies, it costs ten times more to acquire a new customer than to keep an existing one. If a company only has a few customers, losing a few could cripple the business. Even if there are a lot of customers, even a small increase in the rate should significantly boost profits.When a customer is committed to a company, brand, or particular product or service for a long time and refuses to buy from competitors, this is called customer retention. The broader concepts of relationship marketing, customer service, and relationships with customers are crucial to these strategies. Various strategies, such as database marketing, the issuance of loyalty cards that can be redeemed for a variety of goods or services, preferential discounts, free gifts, special promotions, newsletters or magazines, members' clubs, and customized limited-edition products, can be used by businesses to increase customer loyalty and retention. Employee loyalty has been argued to be linked to customer retention because loyal employees form long-term relationships with customers. Marketing has always been concerned with customer retention.

Because direct or "offensive" marketing requires much more extensive resources to cause defection from competitors, many businesses in competing markets will redirect or allocate large amounts of resources or attention to customer retention. In markets with increasing competition, it may cost five times more to attract new customers than it would to retain existing customers. The longer the client stays with an association, the more the association is familiar with him, which empowers it to offer a redid administration which makes it hard for the client to surrender. This might try and give open doors for the association to charge cost premiums by offering individualized assistance which might be hard for the contenders to offer. It is likewise vital to comprehend the existence and time worth of a client. Further, in the event that by a positive verbal, he carries only another client to the association, his worth to the association copies. Consequently, every one of the workers in the association must comprehend the existence and time worth of their clients. You can move from the zone of customer satisfaction to the zone of customer delight with effective strategies for maintaining your customer base. According to research, customer satisfaction can only be achieved when both the buyer's expectations and the seller's ability to meet those expectations are perfectly aligned. Because they now know what sets you apart from the competition, customers are more likely to return to you if you are able to satisfy them.

**Conclusion:**

A repeat customer presents an opportunity to develop a relationship that is more focused on the particular requirements and requirements of your customers. Because you know your customers will keep coming back, you can make suggestions for improvements, gain a better understanding of their needs, and create relevant products and services.