

Customer Retention

Customer retention refers to the activities and actions companies and organizations take to reduce the number of customer defections. The goal of customer retention programs is to help companies retain as many customers as possible, often through customer loyalty and brand loyalty initiatives. It is important to remember that customer retention begins with the first contact a customer has with a company and continues throughout the entire lifetime of the relationship.

The next few slides contain observations from collected from the Indian online shoppers. Results indicate the e-retail success factors, which are very much critical for customer satisfaction.

Let us go through few factors which help in determining the success behind an Online Platform

Required Libraries:

```
In [1]: import pandas as pd
import seaborn as sns
import matplotlib.pyplot as plt
import warnings
warnings.filterwarnings('ignore') #Importing the necessary libraries
```

Loading the dataset:

```
In [3]: Data=pd.read_excel("Customer Retention.xlsx") # Loading the dataset
```

1st Observation:

Majority of the online shopping is done by females and the age group is between 21 to 40 from Delhi, Noida and Greater Noida region. This is the range of the target audience who mainly involve in Online Shopping.



Target Variable

The main target variable which helped us to understand whether a particular customer has been retained or churned. The below data shows us how long a customer has been retained and in the later part of the dataset all comparisons have been done keeping this in mind. For the betterment, I have transformed the below years into numbers.

The main target variable which helped us to understand whether a particular customer has been retained or churned. The below data shows us how long a customer has been retained and in the later part of the dataset all comparisons have been done keeping this in mind. For the betterment, I have transformed the below years into numbers.

```
Less than 1 year':0,'1-2 years':1,'2-3 years':2,'3-4 years':3,'Above 4 years':4}}
```

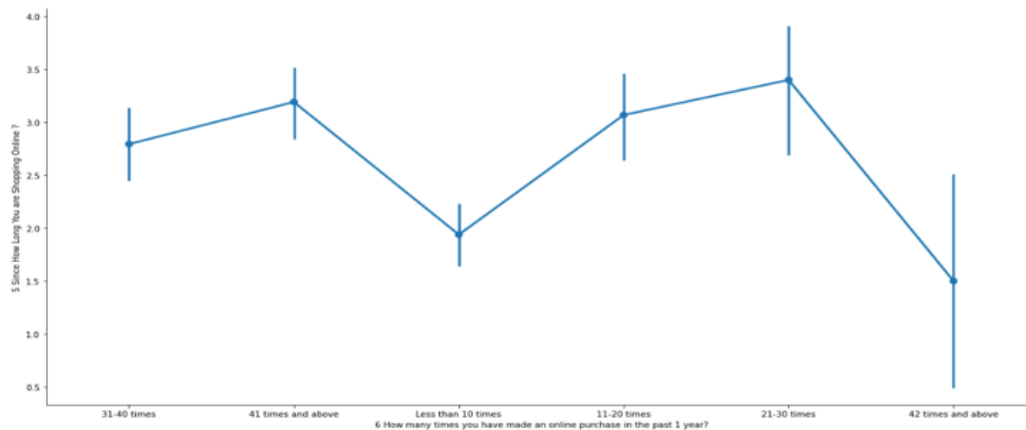
```
In [30]: Data['5 Since How Long You are Shopping Online ?'].value_counts()
```

```
Out[30]: Above 4 years      98
2-3 years      65
3-4 years      47
Less than 1 year  43
1-2 years      16
Name: 5 Since How Long You are Shopping Online ?, dtype: int64
```

This column directly gives us an idea on customer behaviour. We need to observe the answers of customers who are using online shopping platform over 4 years to get an idea as to what are the factors that worked favourable for them as well as the customers who are using the platform for 4 years or less to understand what are the scenarios which did not work for them

Number of times a customer made online purchase last year

```
sns.catplot(x='6 How many times you have made an online purchase in the past 1 year?',y='5 Since How Long You are Shopping Online ?')
```

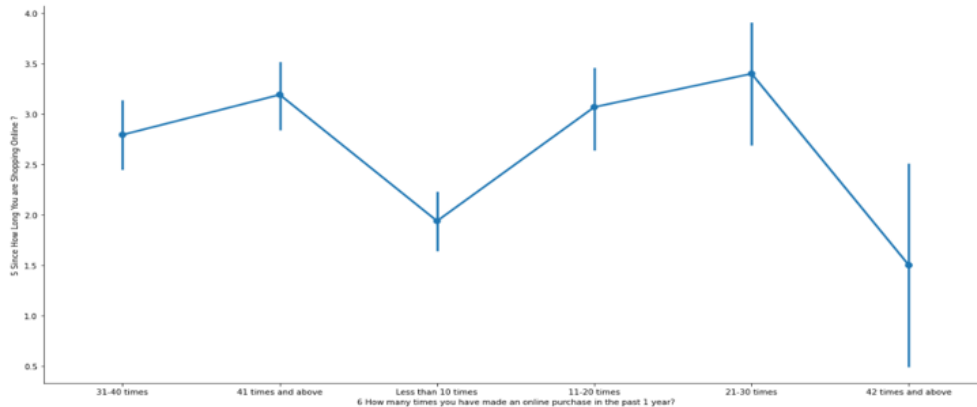


Observation

From the data in the previous page it is observed that customers who have been retained visited the platform maximum around 31 times however maximum visits of 42 times and above have been given by those who are maximum 2-2.5 years old. Therefore, visiting a page numerous time will not give an idea whether the customer can be retained.

Number of times a customer made online purchase last year

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sns.catplot(x='6 How many times you have made an online purchase in the past 1 year?', y='5 Since How Long You are Shopping Online')
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Observation

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Internet Connection, Device Used and Operating System

```
In [40]: Data['7 How do you access the internet while shopping on-line?'].value_counts()
```

```
Out[40]: Mobile Internet    142
Wi-Fi                    76
Mobile Internet           47
Dial-up                   4
Name: 7 How do you access the internet while shopping on-line?, dtype: int64
```

```
In [46]: Data['8 Which device do you use to access the online shopping?'].value_counts()
```

```
Out[46]: Smartphone    141
Laptop                86
Desktop               30
Tablet                12
Name: 8 Which device do you use to access the online shopping?, dtype: int64
```

```
In [50]: Data['9 What is the screen size of your mobile device?'].value_counts()
```

```
Out[50]: Others          134
5.5 inches              99
4.7 inches              29
5 inches                 7
Name: 9 What is the screen size of your mobile device?, dtype: int64
```

```
In [52]: Data['10 What is the operating system (OS) of your device?'].value_counts()
```

```
Out[52]: Window/windows Mobile    122
Android                          85
IOS/Mac                           62
Name: 10 What is the operating system (OS) of your device?, dtype: int64
```

Observation

- Majority of the customers use Wifi and mobile internet on their smart phone and laptop with a normal screen size from their windows/android device. Therefore all the sites

should be made in such a way which is compatible with the user's device by not slowing it down or by using huge internet.

Online Sites

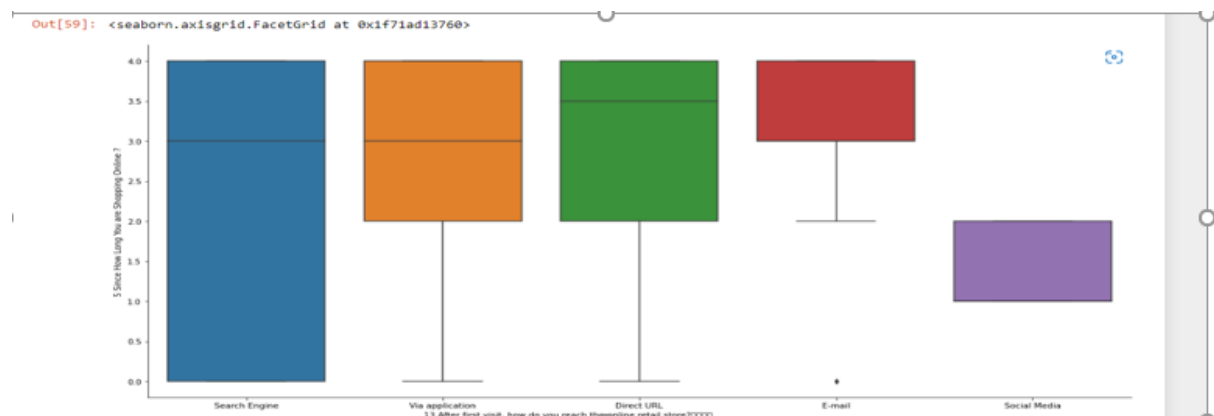
```
In [55]: Data['11 What browser do you run on your device to access the website?\\t\\t\\t']
Out[55]: Google chrome      216
Safari                    40
Opera                     8
Mozilla Firefox           5
Name: 11 What browser do you run on your device to access the website?\\t\\t\\t
, dtype: int64

In [57]: Data['12 Which channel did you follow to arrive at your favorite online store for the first time?']
Out[57]: Search Engine      230
Content Marketing          20
Display Adverts           19
Name: 12 Which channel did you follow to arrive at your favorite online store for the first time?
, dtype: int64

In [58]: Data['13 After first visit, how do you reach the online retail store?\\t\\t\\t\\t'].value_counts()
Out[58]: Search Engine      87
Via application             86
Direct URL                  70
E-mail                      18
Social Media                 8
Name: 13 After first visit, how do you reach the online retail store?\\t\\t\\t\\t
, dtype: int64
```

Observation

- *Majority of the customers are able to know about an online platform from their search engines (mainly Chrome) and interestingly social media platform have taken a backseat here when it comes to retaining a customer for a long time.*



Time Taken: Majority of the customers spend minimum 15 mins behind every choice



Mode of Payment: Customers who are retained usually go for Debit/Card transaction whereas majority of the customers between the period of 1-2 years go for Cash on Delivery (COD).



Frequency of Abandoning the cart

- Data has been replaced in the following mode: 'Sometimes':0, 'Never':1, 'Frequently':2, 'Very frequently':3

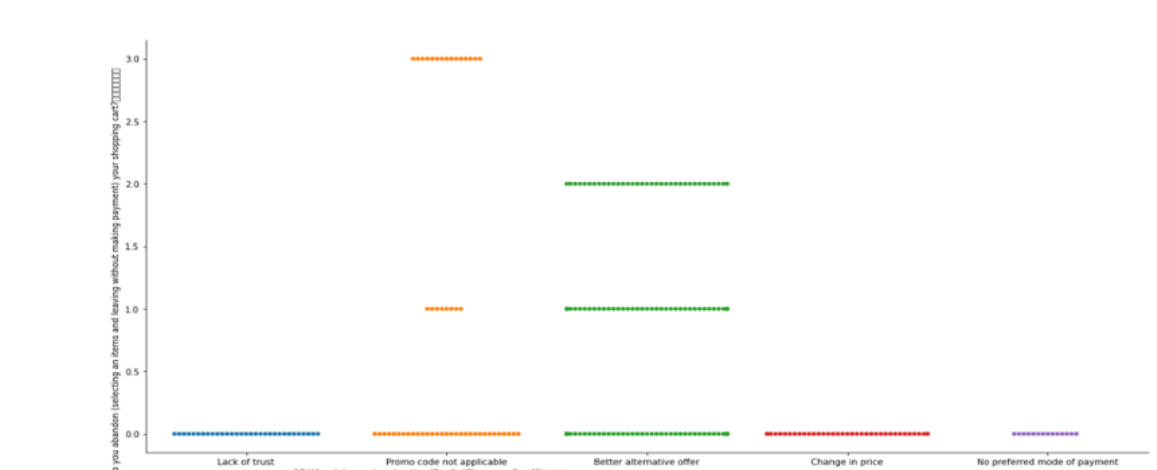
Reasons for abandoning:

```
Data[17 Why did you abandon the "Bag", "Shopping Cart"?\\t\\t\\t\\t\\t\\t
<
Better alternative offer      133
Promo code not applicable     54
Change in price               37
Lack of trust                 31
No preferred mode of payment  14
Name: 17 Why did you abandon the "Bag", "Shopping Cart"?\\t\\t\\t\\t\\t\\t
dtype: int64
```

The common reason for customer abandoning the cart is they have received better alternate offer. In the next slide we will see what made the customer abandon the cart frequently/sometimes/never/very frequently

Reasons for abandoning: Best Alternate Offer and Promo Code Not Applicable

```
Data["16 How frequently do you abandon (selecting an Items and leaving without making payment) your shopping cart?"] %>%
  mutate(
    Q16 = replace(Q16, "Sometimes", 0, "Never", 1, "Frequently", 2, "Very frequently", 3))
  
```



Customer Remarks and Opinions

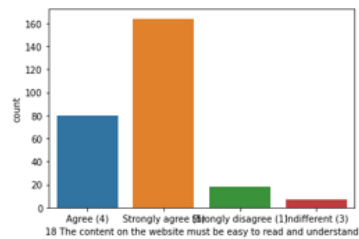
Content must be easy to write and understand

```
In [82]: Data['18 The content on the website must be easy to read and understand'].value_counts()
```

```
Out[82]: Strongly agree (5)    164  
         Agree (4)            80  
         Strongly disagree (1)  18  
         Indifferent (3)       7  
         Name: 18 The content on the website must be easy to read and understand, dtype: int64
```

```
In [83]: sns.countplot(Data['18 The content on the website must be easy to read and understand'])
```

```
Out[83]: <AxesSubplot:xlabel='18 The content on the website must be easy to read and understand', ylabel='count'>
```



```
In [85]: Data['19 Information on similar product to the one highlighted is important for product comparison'].value_counts()
```

```
Out[85]: Strongly agree (5)    116  
         Agree (4)            92  
         Indifferent (3)      43  
         Dis-agree (2)        18  
         Name: 19 Information on similar product to the one highlighted is important for product comparison, dtype: int64
```

```
In [86]: Data['21 All relevant information on listed products must be stated clearly'].value_counts()
```

```
Out[86]: Agree (4)            132  
         Strongly agree (5)    107  
         Strongly disagree (1)  18  
         Dis-agree (2)         12  
         Name: 21 All relevant information on listed products must be stated clearly, dtype: int64
```

```
In [88]: Data['22 Ease of navigation in website'].value_counts()
```

```
Out[88]: Strongly agree (5)    141  
         Agree (4)            105  
         Strongly disagree (1)  18  
         Dis-agree (2)         5  
         Name: 22 Ease of navigation in website, dtype: int64
```

1. *Similar Product Information for comparison is important*
2. *All relevant information should be listed.*
3. *Ease of navigation in Website*

```

In [89]: Data['23 Loading and processing speed'].value_counts()
Out[89]: Strongly agree (5)      115
         Agree (4)             112
         Dis-agree (2)         18
         Strongly disagree (1) 12
         Indifferent (3)       12
         Name: 23 Loading and processing speed, dtype: int64

In [91]: Data['24 User friendly Interface of the website'].value_counts()
Out[91]: Strongly agree (5)      189
         Agree (4)             45
         Strongly disagree (1) 18
         Dis-agree (2)         12
         Indifferent (3)        5
         Name: 24 User friendly Interface of the website, dtype: int64

In [92]: Data['25 Convenient Payment methods'].value_counts()
Out[92]: Strongly agree (5)      159
         Agree (4)             80
         Dis-agree (2)         30
         Name: 25 Convenient Payment methods, dtype: int64

```

1. ***Speed in Loading and Processing.***
2. ***User Friendly Interface.***
3. ***Convinient Payment methods***

```

In [93]: Data['26 Trust that the online retail store will fulfill its part of the transaction at the stipulated time'].value_counts()
Out[93]: Strongly agree (5)      141
         Agree (4)             86
         Disagree (2)          30
         Indifferent (3)       12
         Name: 26 Trust that the online retail store will fulfill its part of the transaction at the stipulated time, dtype: int64

In [94]: Data['27 Empathy (readiness to assist with queries) towards the customers'].value_counts()
Out[94]: Strongly agree (5)      194
         Agree (4)             42
         Strongly disagree (1) 18
         Indifferent (3)       15
         Name: 27 Empathy (readiness to assist with queries) towards the customers, dtype: int64

In [95]: Data['28 Being able to guarantee the privacy of the customer'].value_counts()
Out[95]: Strongly agree (5)      185
         Agree (4)             58
         Indifferent (3)       26
         Name: 28 Being able to guarantee the privacy of the customer, dtype: int64

```

Trust, Empathy and Customer Privacy


```

In [96]: Data['29 Responsiveness, availability of several communication channels (email, online rep, twitter, phone etc.)'].value_counts()
Out[96]: Strongly agree (5)    149
         Agree (4)          94
         Indifferent (3)     15
         Strongly disagree (1) 11
         Name: 29 Responsiveness, availability of several communication channels (email, online rep, twitter, phone etc.), dtype: int64

In [98]: Data['30 Online shopping gives monetary benefit and discounts'].value_counts()
Out[98]: Strongly agree (5)    105
         Agree (4)           85
         Indifferent (3)     50
         Strongly disagree (1) 18
         Dis-agree (2)       11
         Name: 30 Online shopping gives monetary benefit and discounts, dtype: int64

In [99]: Data['31 Enjoyment is derived from shopping online'].value_counts()
Out[99]: Strongly agree (5)    86
         Indifferent (3)     75
         Agree (4)          59
         Strongly disagree (1) 30
         Dis-agree (2)       19
         Name: 31 Enjoyment is derived from shopping online, dtype: int64

```

Responsiveness, Monetary Benefits and Enjoyment

```

In [100]: Data['32 Shopping online is convenient and flexible'].value_counts()
Out[100]: Strongly agree (5)    146
          Agree (4)           78
          Indifferent (3)     33
          Dis-agree (2)       12
          Name: 32 Shopping online is convenient and flexible, dtype: int64

In [101]: Data['33 Return and replacement policy of the e-tailer is important for purchase decision'].value_counts()
Out[101]: Strongly agree (5)    198
          Agree (4)           51
          Dis-agree (2)       20
          Name: 33 Return and replacement policy of the e-tailer is important for purchase decision, dtype: int64

In [102]: Data['34 Gaining access to loyalty programs is a benefit of shopping online'].value_counts()
Out[102]: Strongly agree (5)    115
          Agree (4)           64
          Indifferent (3)     64
          Dis-agree (2)       15
          Strongly disagree (1) 11
          Name: 34 Gaining access to loyalty programs is a benefit of shopping online, dtype: int64

```

Convinient and Flexible/Return and Replacement Policy/Access to Loyalty Programs

```

In [105]: Data['36 User derive satisfaction while shopping on a good quality website or application'].value_counts()
Out[105]: Strongly agree (5)    175
          Agree (4)           86
          Dis-agree (2)        8
          Name: 36 User derive satisfaction while shopping on a good quality website or application, dtype: int64

In [106]: Data['37 Net Benefit derived from shopping online can lead to users satisfaction'].value_counts()
Out[106]: Strongly agree (5)    164
          Agree (4)           54
          Indifferent (3)     40
          Dis-agree (2)       11
          Name: 37 Net Benefit derived from shopping online can lead to users satisfaction, dtype: int64

In [107]: Data['38 User satisfaction cannot exist without trust'].value_counts()
Out[107]: Strongly agree (5)    122
          Agree (4)           117
          Strongly disagree (1) 18
          Dis-agree (2)        7
          Indifferent (3)        5
          Name: 38 User satisfaction cannot exist without trust, dtype: int64

```

Deriving Satisfaction

```
In [108]: Data['39 Offering a wide variety of listed product in several category'].value_counts()
```

```
Out[108]: Strongly agree (5)    111  
Agree (4)                    94  
Indifferent (3)              57  
Dis-agree (2)                7  
Name: 39 Offering a wide variety of listed product in several category, dtype: int64
```

```
In [109]: Data['40 Provision of complete and relevant product information'].value_counts()
```

```
Out[109]: Strongly agree (5)    135  
Agree (4)                    98  
Indifferent (3)              31  
Disagree (2)                 5  
Name: 40 Provision of complete and relevant product information, dtype: int64
```

```
In [110]: Data['41 Monetary savings'].value_counts()
```

```
Out[110]: Strongly agree (5)    148  
Agree (4)                    75  
Disagree (2)                 31  
Indifferent (3)              15  
Name: 41 Monetary savings, dtype: int64
```

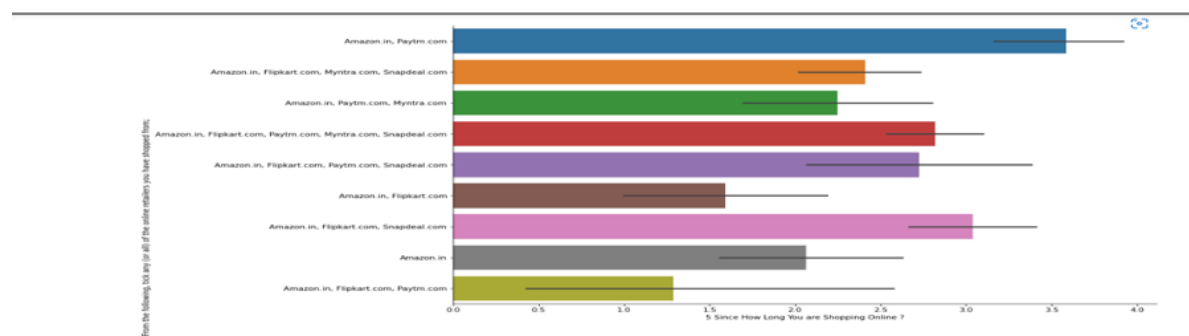
Wide Product Variety/Complete product Information/Monetory Savings

Opinions on Few Online Retailers

(Comparison has been made taking public's opinion as well customers who have been retained by the online platforms)

Commonly Used Online Platform

```
In [143]: Data['From the following, tick any (or all) of the online retailers you have shopped from;']
Out[143]: Amazon.in, Flipkart.com, Paytm.com, Myntra.com, Snapdeal.com    82
          Amazon.in, Flipkart.com, Myntra.com, Snapdeal.com            44
          Amazon.in, Flipkart.com                                        32
          Amazon.in, Flipkart.com, Paytm.com, Myntra.com                29
          Amazon.in, Flipkart.com, Snapdeal.com                        27
          Amazon.in, Paytm.com, Myntra.com                             20
          Amazon.in                                                    16
          Amazon.in, Paytm.com                                         12
          Amazon.in, Flipkart.com, Paytm.com                           7
          Name: From the following, tick any (or all) of the online retailers you have shopped from;
          dtype: int64
```

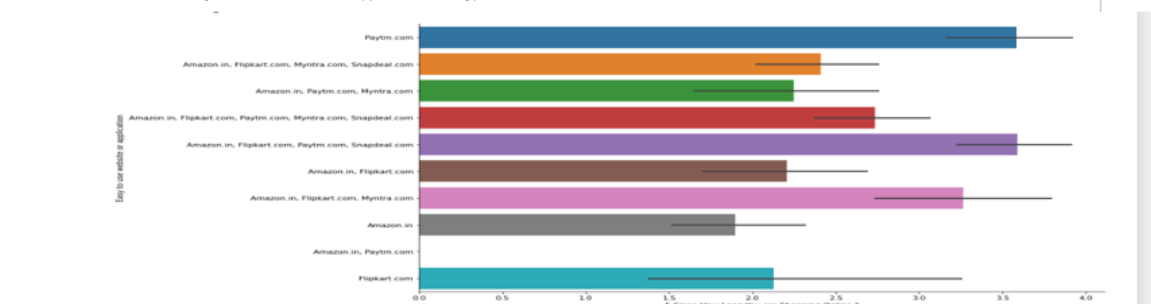


Observation:

- Amazon, Myntra, Paytm, Flipkart Snapdeal are mostly used
- In the above list however Amazon in and Paytm has retained more customers

Easy to use website or application

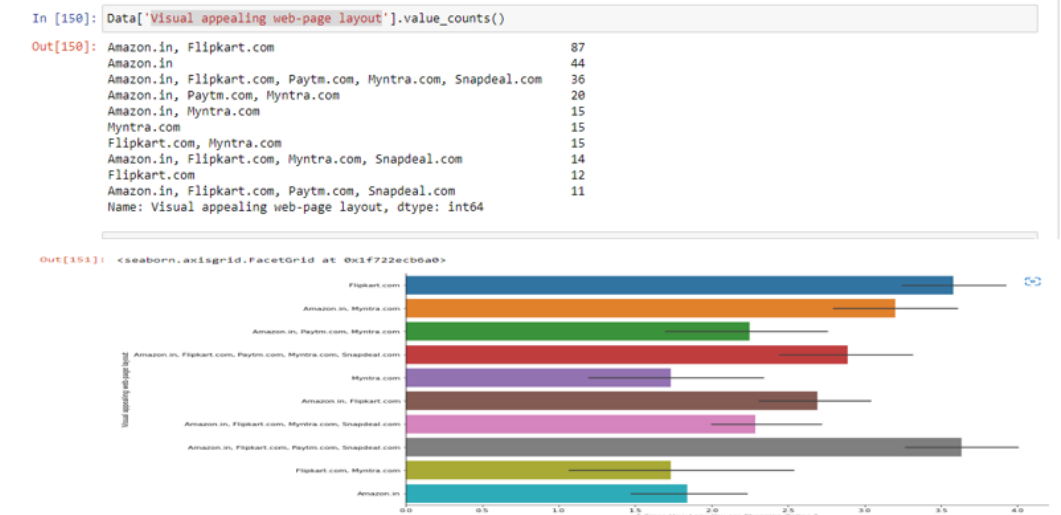
```
In [147]: Data['Easy to use website or application'].value_counts()
Out[147]: Amazon.in, Flipkart.com, Paytm.com, Myntra.com, Snapdeal.com    64
          Amazon.in, Flipkart.com, Myntra.com, Snapdeal.com            44
          Amazon.in, Flipkart.com                                        44
          Amazon.in                                                    29
          Amazon.in, Flipkart.com, Paytm.com, Snapdeal.com             22
          Amazon.in, Paytm.com, Myntra.com                             20
          Amazon.in, Flipkart.com, Myntra.com                         19
          Paytm.com                                                    12
          Flipkart.com                                                  8
          Amazon.in, Paytm.com                                         7
          Name: Easy to use website or application, dtype: int64
```



Observation:

- Amazon, Myntra, Paytm, Flipkart Snapdeal are easiest to use and has also helped in retaining customers

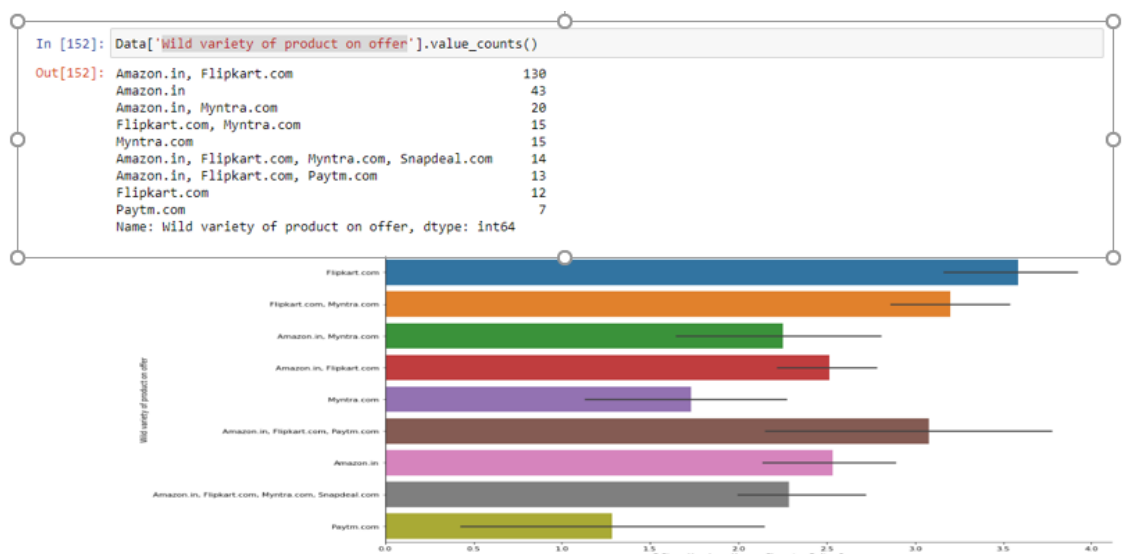
Appealing Web Layout:



Observation:

- In terms of numbers Amazon and Paytm has the most appealing web layout
- However customers who have been retained has also favoured Snapdeal and Paytm

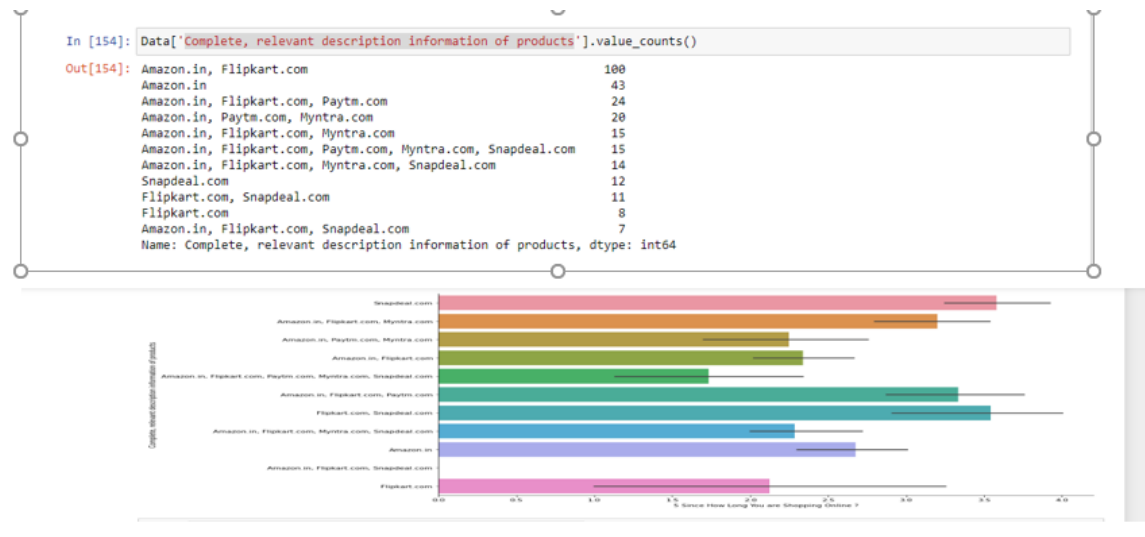
Product Variety:



Observation:

- Amazon and Flipkart has more product variety
- However Flipkart has retained more customers than Amazon

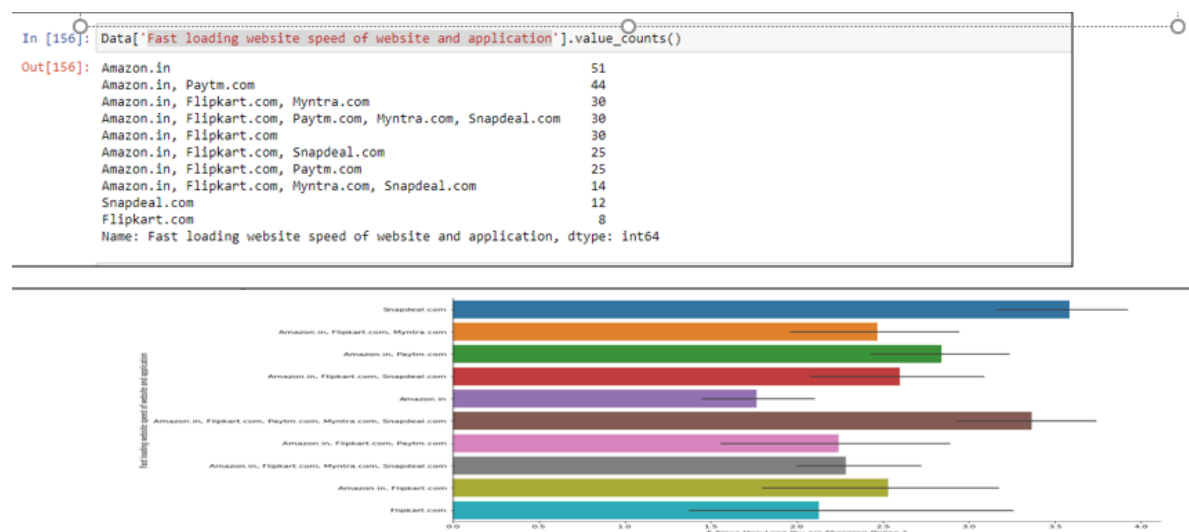
Product Description and Information



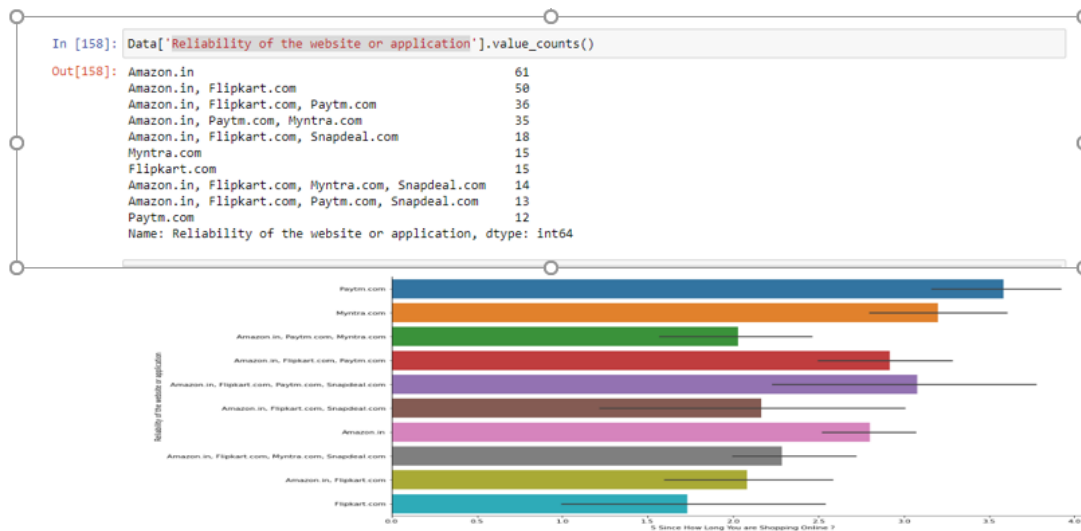
Observation:

- Amazon and Flipkart has been more reliable in product description
- However customers who have been retained for a longer time also agrees with Snapdeal

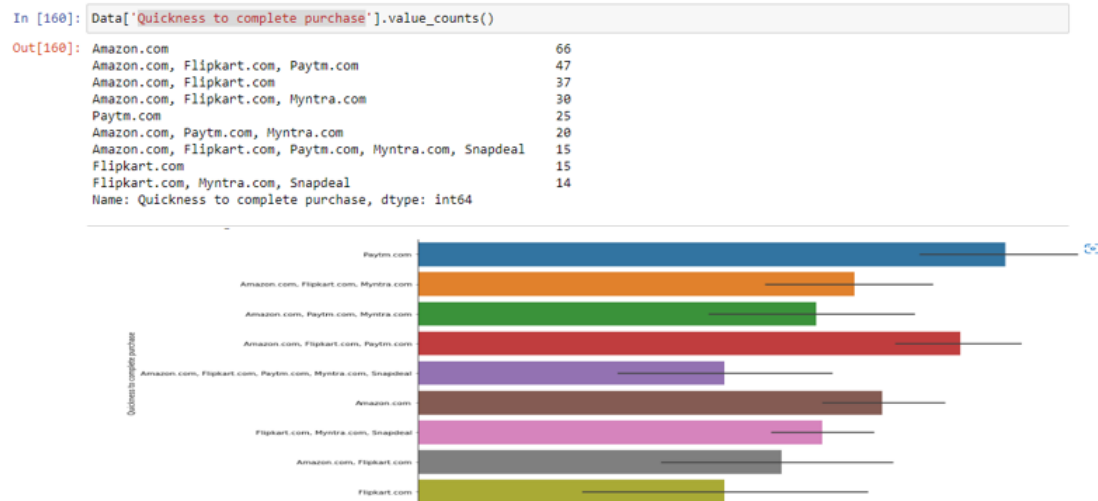
Fast Loading (Amazon In and Snap Deal):



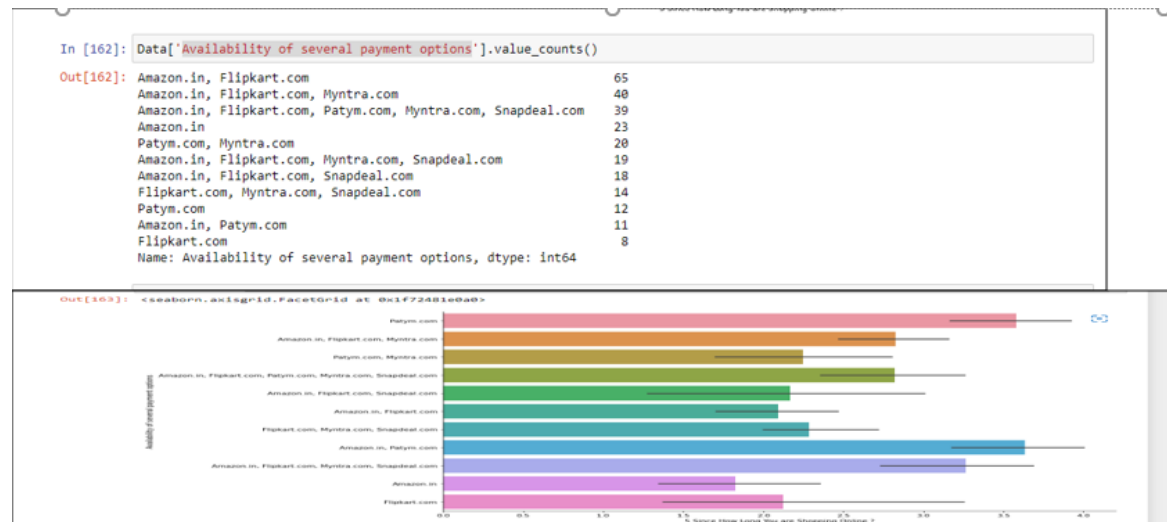
Reliability- Amazon and PayTm (Longer Customer Retention):



Quick Purchase- Amazon and Paytm (Longer Customer Retention)



Several Product Availability- Amazon, FlipKart and PayTm (Longer Customer Retention)



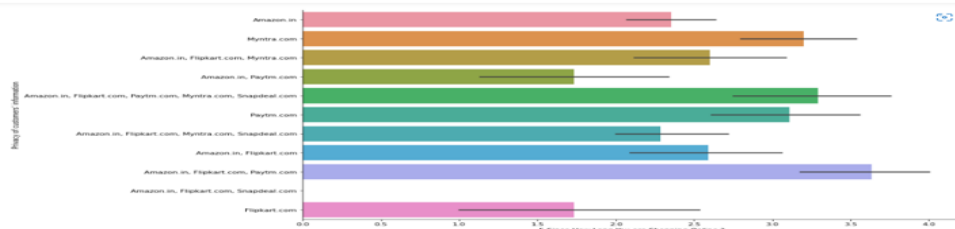
Speedy Delivery- Amazon, FlipKart and Snapdeal (Customer Retention)



Customer Privacy- Amazon, FlipKart and PayTm (Customer Retention)

```
In [166]: Data[["Privacy of customers' information"]].value_counts()
```

```
Out[166]: Amazon.in          71
Amazon.in, Flipkart.com      54
Amazon.in, Flipkart.com, Myntra.com  25
Amazon.in, Flipkart.com, Paytm.com, Myntra.com, Snapdeal.com  24
Paytm.com                    18
Myntra.com                   15
Amazon.in, Paytm.com         15
Flipkart.com                 15
Amazon.in, Flipkart.com, Myntra.com, Snapdeal.com  14
Amazon.in, Flipkart.com, Paytm.com  11
Amazon.in, Flipkart.com, Snapdeal.com  7
Name: Privacy of customers' information, dtype: int64
```



Longer Time to Log, Limited Payment:

```
In [175]: Data[["Longer time to get logged in (promotion, sales period)"]].value_counts()
```

```
Out[175]: Amazon.in          57
Amazon.in, Flipkart.com      38
Paytm.com                    38
Myntra.com                   35
Amazon.in, Flipkart.com, Snapdeal.com  29
Snapdeal.com                 25
Flipkart.com, Paytm.com       15
Flipkart.com, Paytm.com, Snapdeal.com  13
Amazon.in, Paytm.com          11
Flipkart.com                   8
Name: Longer time to get logged in (promotion, sales period), dtype: int64
```

```
In [184]: Data[["Limited mode of payment on most products (promotion, sales period)"]].value_counts()
```

```
Out[184]: Snapdeal.com      87
Amazon.in        62
Flipkart.com     31
Amazon.in, Flipkart.com  29
Paytm.com        25
Paytm.com, Snapdeal.com  15
Amazon.in, Paytm.com   13
Myntra.com, Snapdeal.com  7
Name: Limited mode of payment on most products (promotion, sales period), dtype: int64
```


Longer Delivery, Change in website, Frequent Disruption

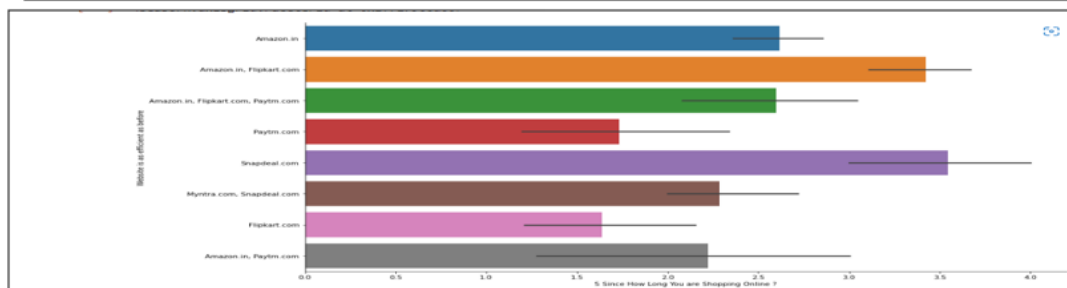
```
In [186]: Data['Longer delivery period'].value_counts()
Out[186]: Paytm.com          72
          Snapdeal.com       64
          Flipkart.com       44
          Amazon.in         37
          Paytm.com, Snapdeal.com 26
          Myntra.com        26
          Name: Longer delivery period, dtype: int64

In [188]: Data['Change in website/Application design'].value_counts()
Out[188]: Amazon.in          96
          Paytm.com         63
          Amazon.in, Flipkart.com 45
          Myntra.com        30
          Flipkart.com       20
          Snapdeal.com       8
          Flipkart.com, Myntra.com 7
          Name: Change in website/Application design, dtype: int64

In [189]: Data['Frequent disruption when moving from one page to another'].value_counts()
Out[189]: Amazon.in          53
          Myntra.com         52
          Snapdeal.com       49
          Paytm.com          39
          Flipkart.com       26
          Amazon.in, Flipkart.com 25
          Myntra.com, Snapdeal.com 14
          Flipkart.com, Snapdeal.com 11
          Name: Frequent disruption when moving from one page to another, dtype: int64
```

Efficient Website:

```
In [191]: Data['Website is as efficient as before'].value_counts()
Out[191]: Amazon.in          94
          Flipkart.com       47
          Amazon.in, Flipkart.com 45
          Amazon.in, Flipkart.com, Paytm.com 25
          Amazon.in, Paytm.com 18
          Paytm.com          15
          Myntra.com, Snapdeal.com 14
          Snapdeal.com       11
          Name: Website is as efficient as before, dtype: int64
```



Conclusion

In terms of various online platforms there is a slight difference in common public opinion and sites which have retained customers over 4 years. Therefore the conclusion can be divided into two parts **1. Customer Popularity** **2. Customer Retention**

This has been explained in next.

Customer Popularity:

Amazon has the most popularity in terms of common usage, wide variety products, reliability, fastest speed, efficiency, customer privacy, product availability and quick purchase. However it also has disadvantage in Longer time to log, payment mode issue, frequent page disruption and change in website. Due to which there is also a lot of churning.

Customer Retention:

Customer Retention over 4 years has been mainly maintained by Flipkart, Paytm and Snapdeal with fastest speed, efficiency, customer privacy, product availability and quick purchase. It also has a recommendation from customers using Online Platform for a long time and has less payment issue, logging time and a low frequent page disruption and website change.

Recommendation:

