**Customer Retention Report**

**Introduction**

Customer retention is the ability of a business to keep customers as repeat customers and keep them from switching to a rival. It shows whether the quality of your service and product is satisfactory to your current customers. The goal is to encourage recurring business by providing exceptional customer service, high-quality products, and a clear advantage over competing goods and services. Understanding your customers' loyalty and level of happiness is one of the most important steps in enhancing customer retention.

**Benefits of customer retention**

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

**Problem Statement**

Websites for online shopping are booming. It is convenient for some customers while being inconvenient for others. Ecommerce websites have offered a variety of goods and services to clients, and their goal is to keep gaining new ones. It must establish a trustworthy relationship for this, make superior offers, and charge a fair fee. And for a business to be in a good position in the market, it also needs to guarantee profit and regularity.

The issue is: how do you keep your customers? What techniques and tactics should be used to guarantee both retention and profit? What obstacles must be overcome in order to keep customers?

**Objectives**

* Present situation of ecommerce websites.
* Strategies to build up the profit
* Challenges facing.
* Ways to retain the customer

**Literature Review**

In today's challenging economic environment and cutthroat business environment, maintaining current clients is crucial to an organization's success. If the business doesn't give the customer a compelling reason to stay, the competition will do so. Customer satisfaction and retention are what drive profits. It is far less expensive to grow an existing customer base and provide more services to them rather than searching for new single-transaction clients. Most industry-specific surveys reveal that keeping an existing client is five to seven times more profitable than finding new ones. Employees still do not adhere to a customer-focused philosophy. Since there is a clear link between client retention over time and profitability and growth, any service company must understand that, in this day and age of strong competition, merely recruiting consumers is insufficient. Retention of customers depends in large part on service quality and customer happiness. Complaints are a normal component of any service activity because mistakes are a part of all human endeavours and, as a result, service recovery. Service recovery is the procedure for putting things right after a service delivery error. Customer retention is the long-term maintenance of continuous commercial connections with clients. High retention is the same as few defections. Studies show that acquiring new customers is ten times more expensive than retaining existing ones. If a business only has a small number of clients, losing those clients could be fatal. Even if there are many consumers, a slight increase in the rate should result in a noticeable rise in income. Customer retention refers to a customer's long-term loyalty to a business, brand, or specific product or service and their refusal to purchase from rivals. These techniques depend heavily on the broader ideas of relationship marketing, customer service, and relationships with customers. Businesses can use a variety of techniques to improve customer loyalty and retention, including database marketing, the creation of loyalty cards that can be redeemed for a variety of products or services, preferential discounts, freebies, special promotions, newsletters or magazines, members' clubs, and customised limited-edition products. Because committed employees develop enduring ties with customers, it has been suggested that employee loyalty and customer retention are related. Customer retention has long been a marketing problem. Many companies in competitive markets will redirect or allocate significant amounts of resources or attention to client retention because direct or "offensive" marketing needs considerably more extensive resources to induce defection from rivals. It can be five times more expensive to draw in new clients in marketplaces with intense competition than it would be to keep your current clientele. The more familiar an organisation gets with a customer over time, the better equipped it is to provide customised services that make it difficult for the customer to leave. This may attempt to open up opportunities for the organisation to charge cost premiums by providing personalised help, which may be challenging for the rivals to provide. Understanding a client's existence and value through time is also crucial. Additionally, if he brings the association only one more client through a favourable testimonial, his value to the association increases. As a result, each employee in the organisation needs to be aware of the existence and value of their clients. With efficient client retention methods, you can transition from the zone of customer contentment to the zone of customer joy. Customer happiness, according to studies, can only be attained when the buyer's expectations and the seller's capacity to fulfil them are entirely in sync. Customers are more likely to come back to you if you can please them since they know what makes you stand out from the competition.

**Conclusion**

A chance to build a relationship that is more centred on the unique needs and wants of your consumers is presented by a repeat customer. Because you know your consumers will return, you may advise changes, learn more about their requirements, and develop products and services that are pertinent to them.