Customer Retention Case Study

Submitted by:

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INTRODUCTION

- ## Business Problem Framing

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

- ## Conceptual Background of the Domain Problem

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.

- ## Review of Literature

This is a comprehensive summary of the research done on the topic. This project explains about customer activation and customer retention.

This project explains about the factors affecting the Customers retention.

- **Motivation for the Problem Undertaken**

  To analyze and have more knowledge of the respective domain and hence forth predicting the Customers retentions was motivational and made learning of some concepts like EDA and data processing.

Analytical Problem Framing

- **Mathematical/ Analytical Modelling of the Problem**

Some of the basic mathematical calculations were used for data processing such as for null values checking and uniqueness checking.

Statistical methods of plotting were handled between variables.

- **Data Sources and their formats**

Data source is provided with excel file and with the data's giving Information's about the factors responsible for customer's retention. And a document describing about the Project in details.

- **Data Pre-processing Done**

Checking for the rows and columns.
Checking for the null values and duplicates.
Checking for the uniqueness in data's.

- **Data Inputs- Logic- Output Relationships**

Data inputs are the factors which help in identifying the identification of the Customer retention concept.
Exploratory data analysis has been done to find the customers interest in online shopping.
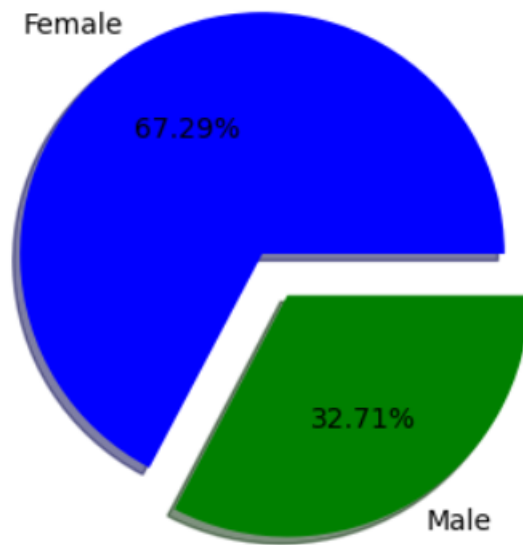
- From above plot I can observe that the count of Female seems to be higher in respondant.

Online Shopping done by different age groups of the society
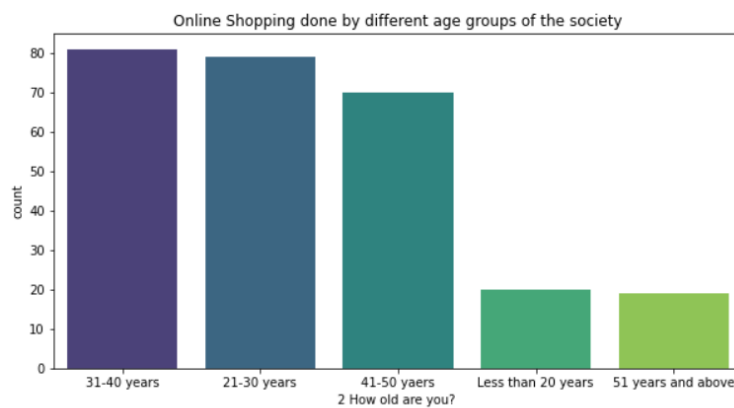
- We can observe that age group between 31-40 years are the highest users of online shopping platforms followed by 21-30 years and 41-50 years of age groups.
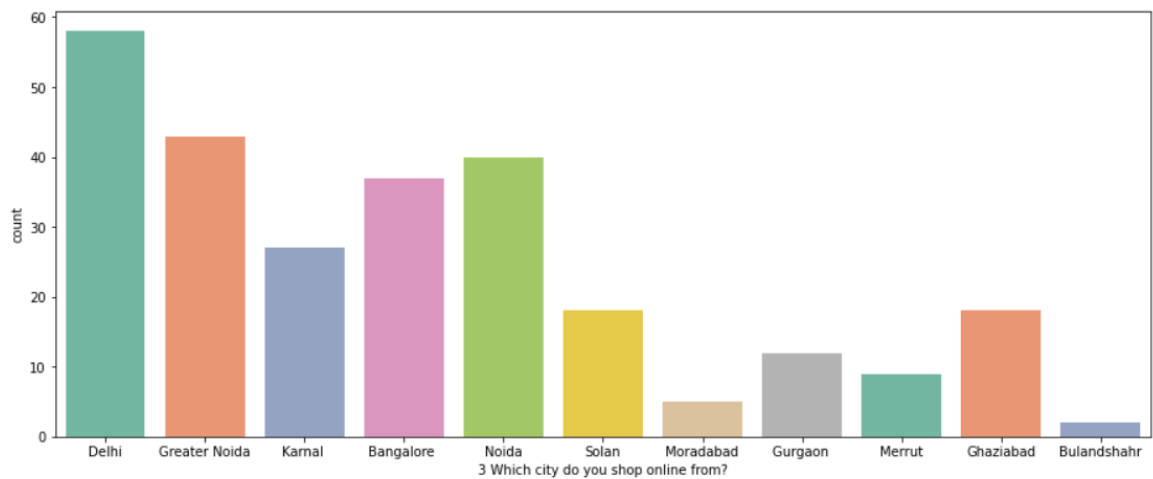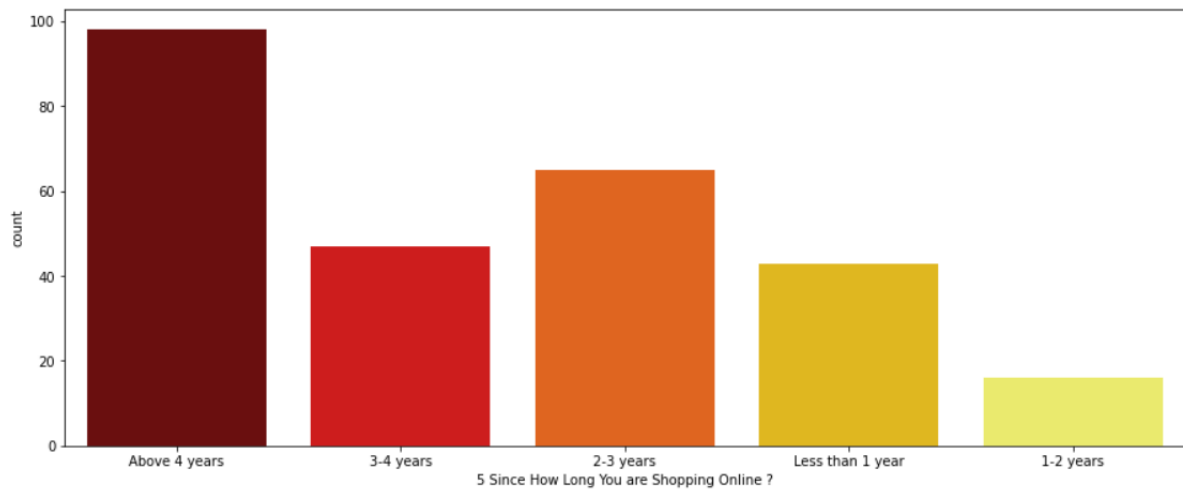

- Delhi has the highest number of customers who shop online and Bulandshahir has the least.
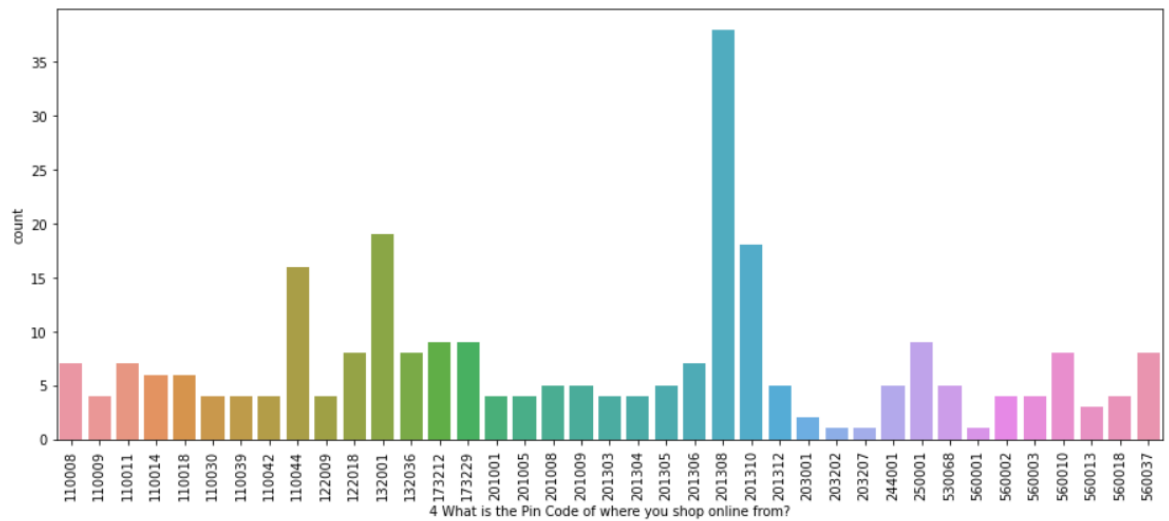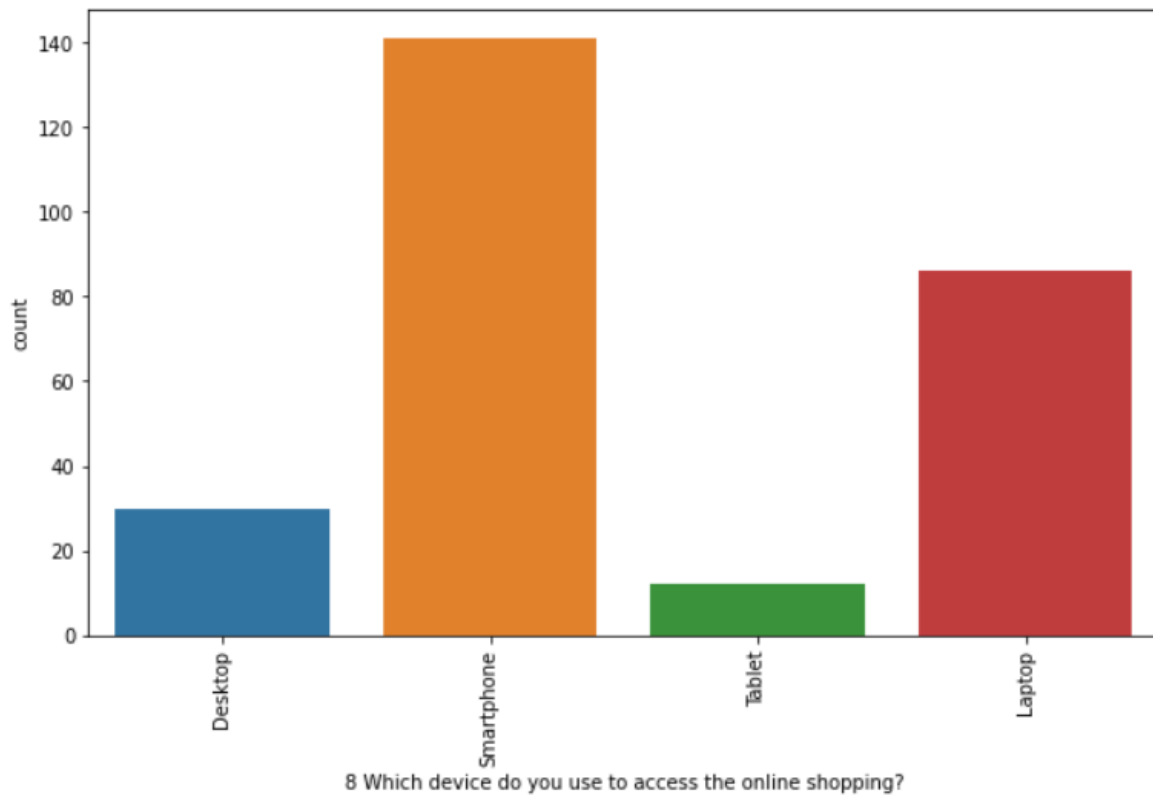
- 201308 is the area pincode from where online shopping have been done more.
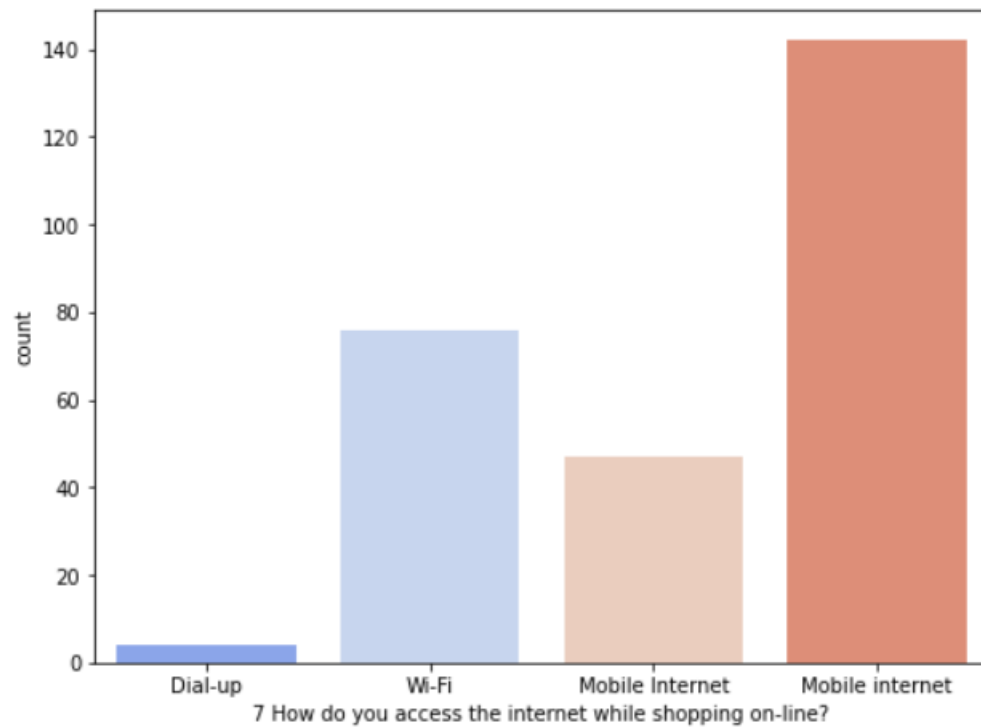
- Most of the customers use Mobile internet while doing online shopping.

- The above graph shows that people shopping sincw more than 4 years seems to be higher in count from the given dataset.


- We can see that "SmartPhone" plays vital role in online purchase.
- The number of count is higher with people using "Smartphone" for online purchase.

9 What is the screen size of your mobile device?
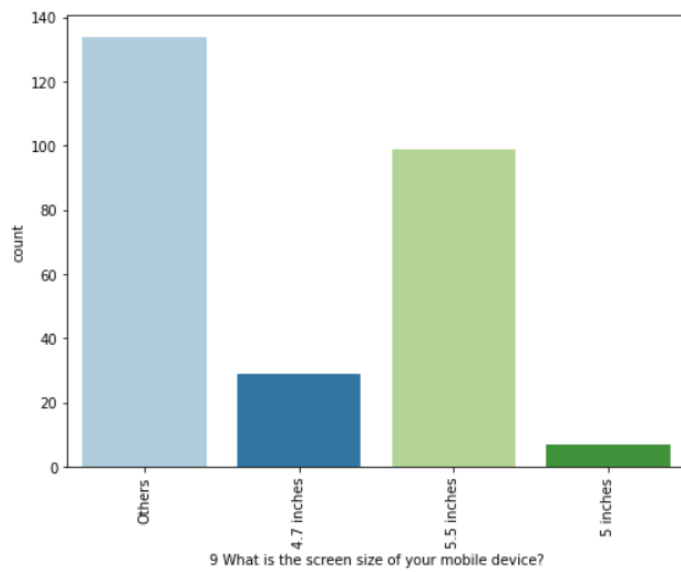
- The count of devices is higher with the screen size greater than 5 inches or may be less that 4.7 inches (i.e) "Others" Catogory class.

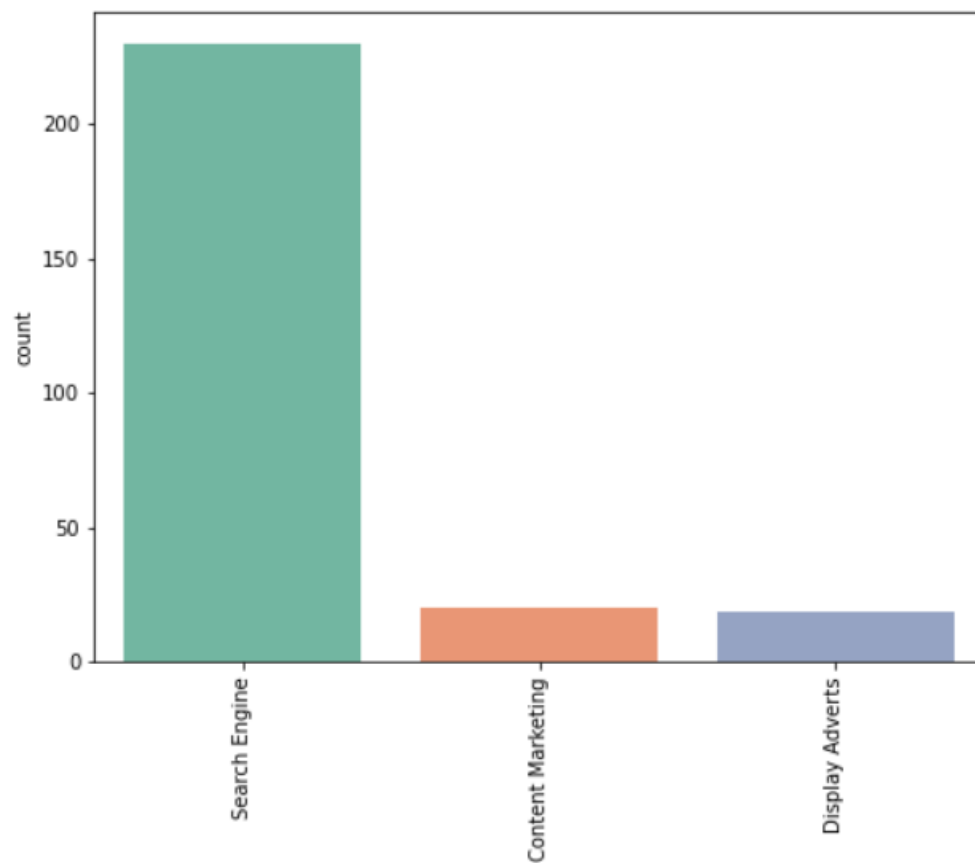10 What is the operating system (OS) of your device?
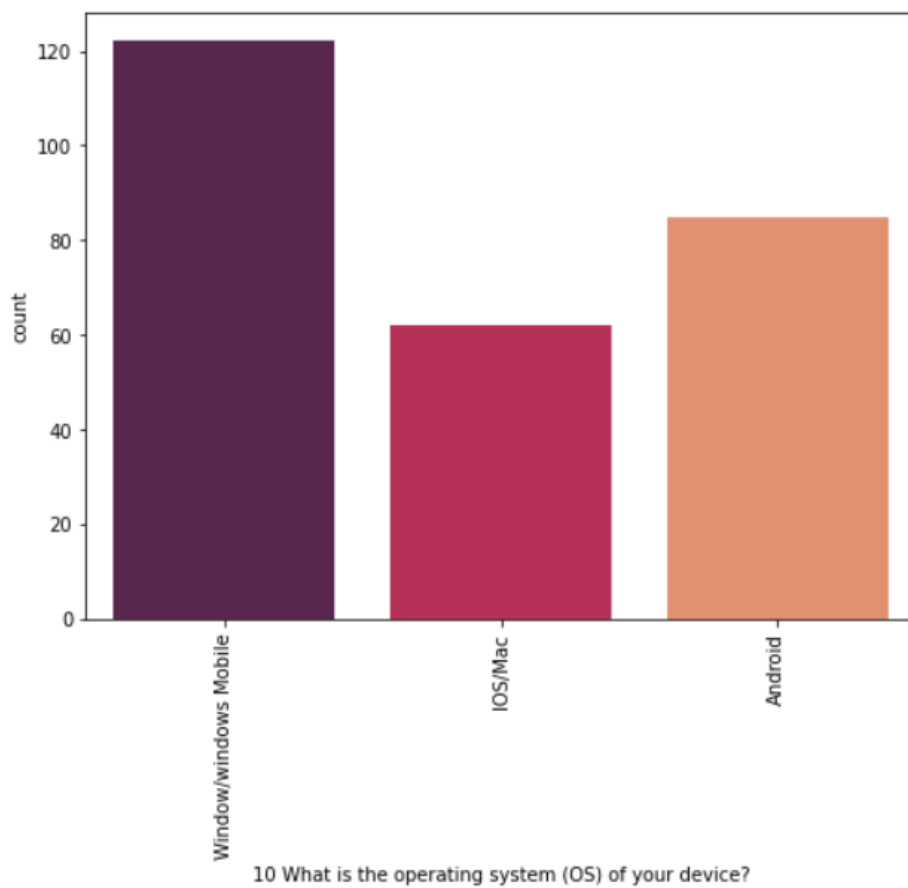
- 'Windows Mobile' OS has the higher counts when compared to IOS,Andrioid for online shopping.
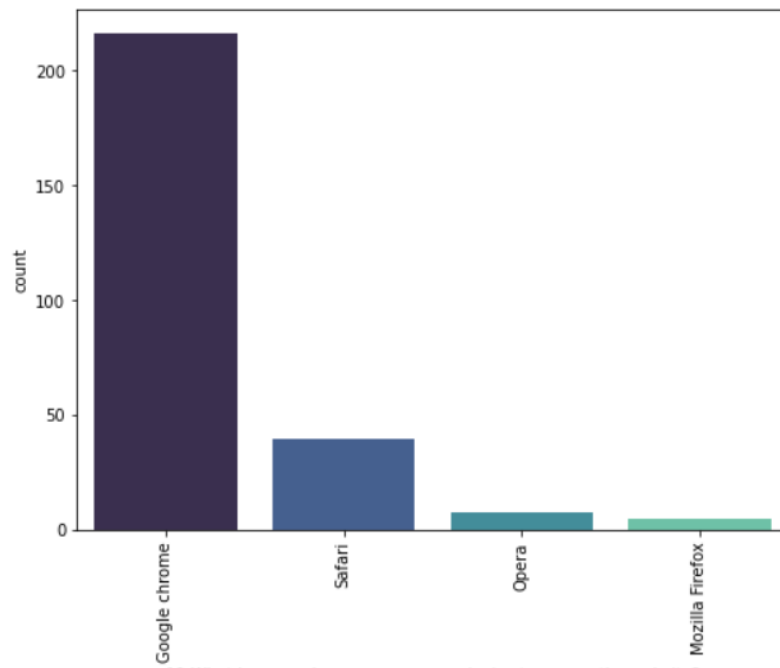
11 What browser do you run on your device to access the website?

- The graph shows that the count of people using "Google Chrome" for online shpping is higher than other browsers.
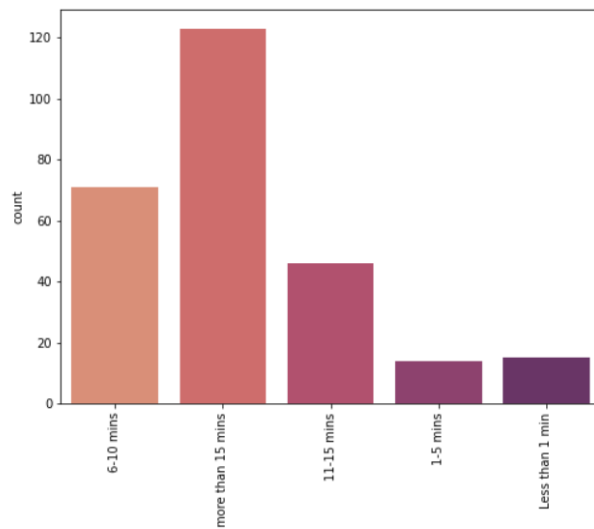

12 Which channel did you follow to arrive at your favorite online store for the first time?

- "Search Engine" has the higher counts to arrive at the favorite online store for 1st time.
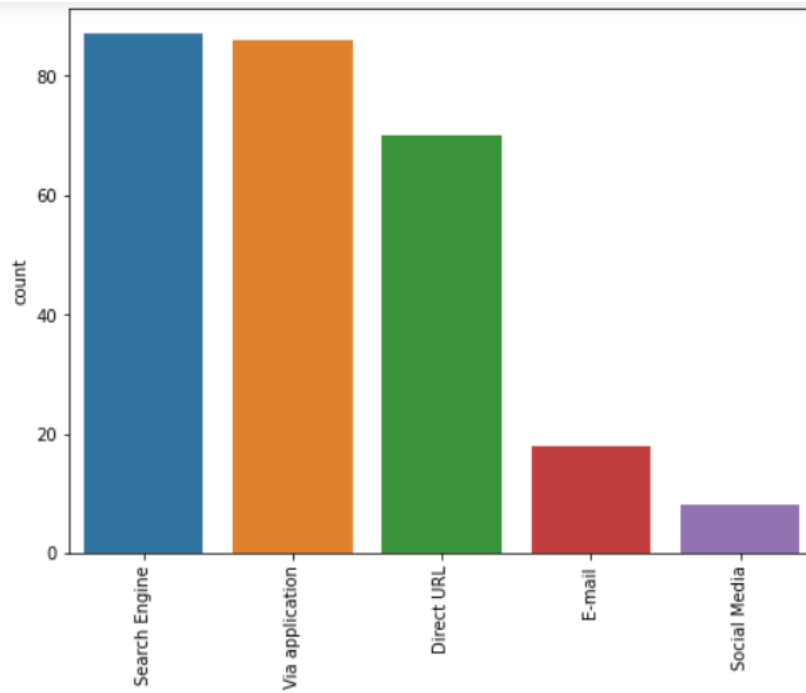
13 After first visit, how do you reach the online retail store?

- Observation tells that after first visit for online store was mostly through "Search Engine",and "Via application".
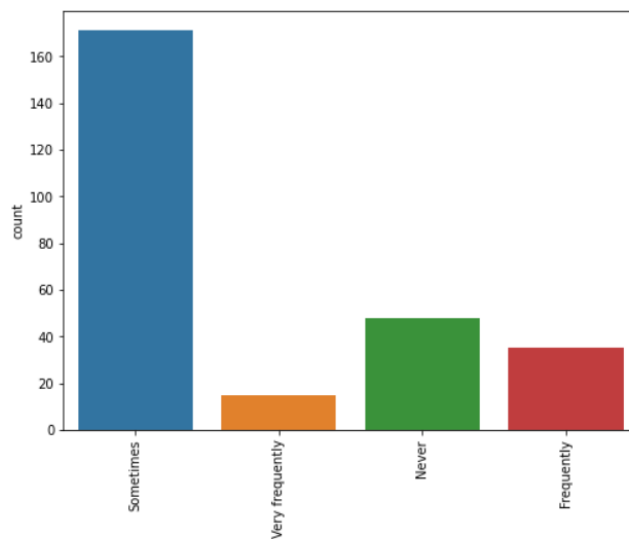

14 How much time do you explore the e- retail store before making a purchase decision?

- Observation shows that the time taken to explore e-retail store for purchase decision is more than 15 mins. So only few purchases are done less than 10 mins.

15 What is your preferred payment Option?
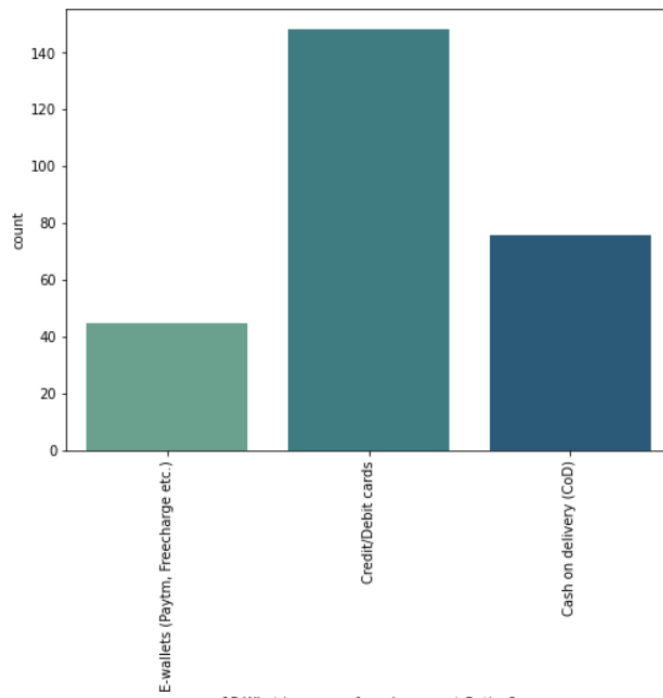
- Observation shows that most of the Payment options are done by "Credit/Debit cards" as the count is higher. Next is by "Cash on delivery".

16 How frequently do you abandon (selecting an items and leaving without making payment) your shopping cart?

- Observation shows that the count of "Sometimes" is higher and hence the tells that people selecting and leaving without making payment is only sometimes.

17 Why did you abandon the "Bag", "Shopping Cart"?
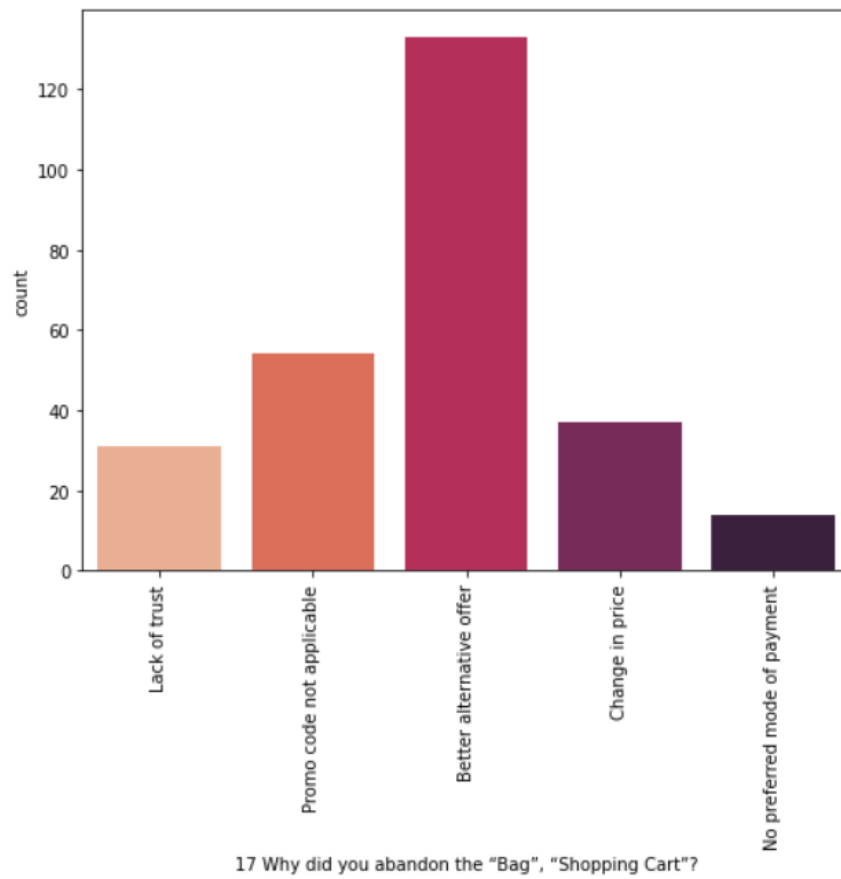
- The Graph shows that most of the time the abandon was due to higher counts of 'Better alternative offer'.

18 The content on the website must be easy to read and understand
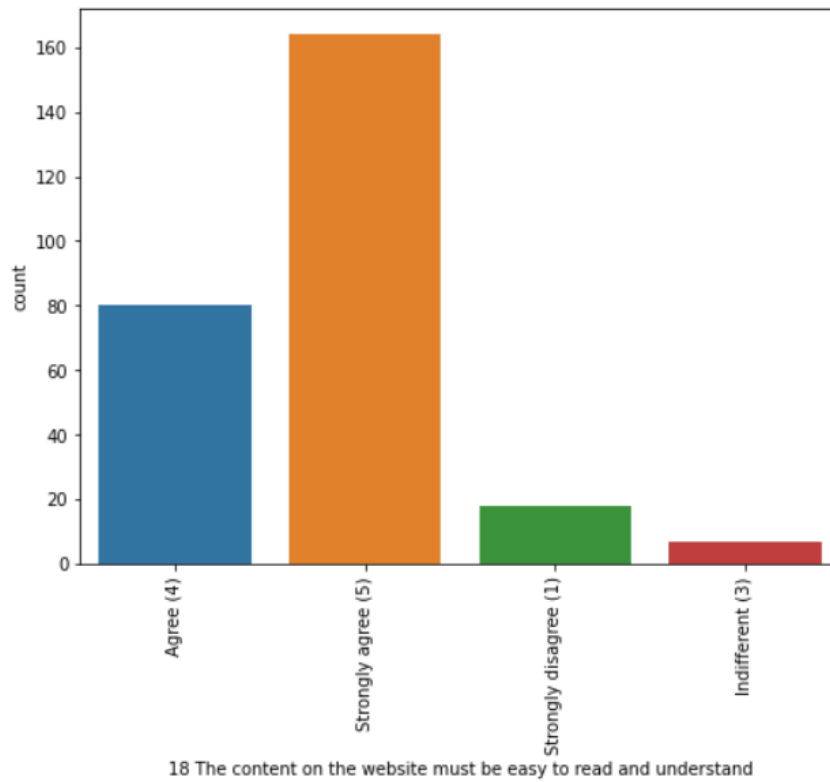
- The content on the website must be easy to read and understand has the higher count on "Strongly agree"
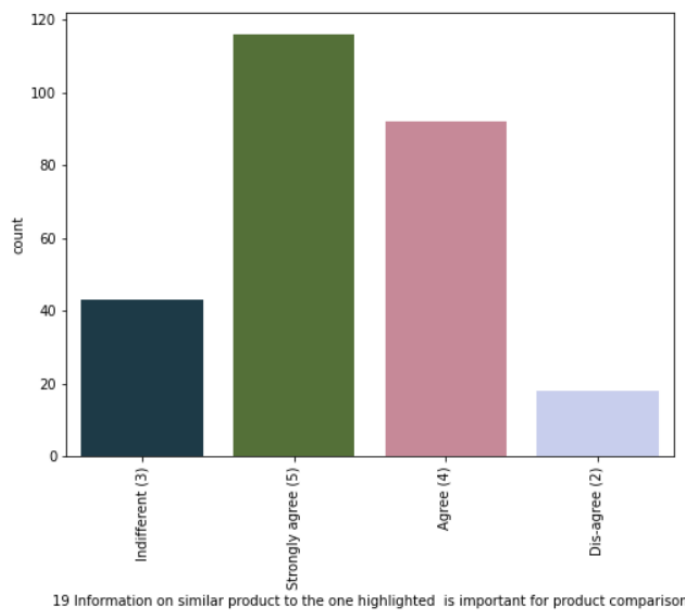
19 Information on similar product to the one highlighted is important for product comparison

- "Information on similar product to the one highlighted is important for product comparison" has higher counts on class "Strongly agree".
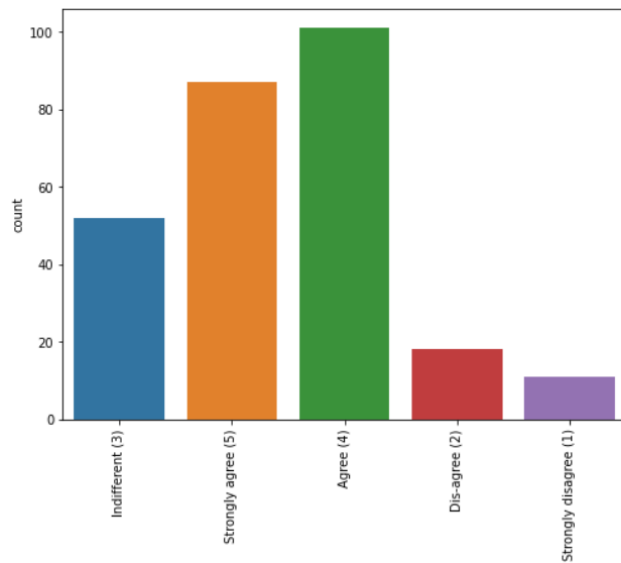
20 Complete information on listed seller and product being offered is important for purchase decision.

- Complete information on listed seller and product being offered is important for purchase decision as the count is higher for 2 classes like "Strongly agree","Agree".
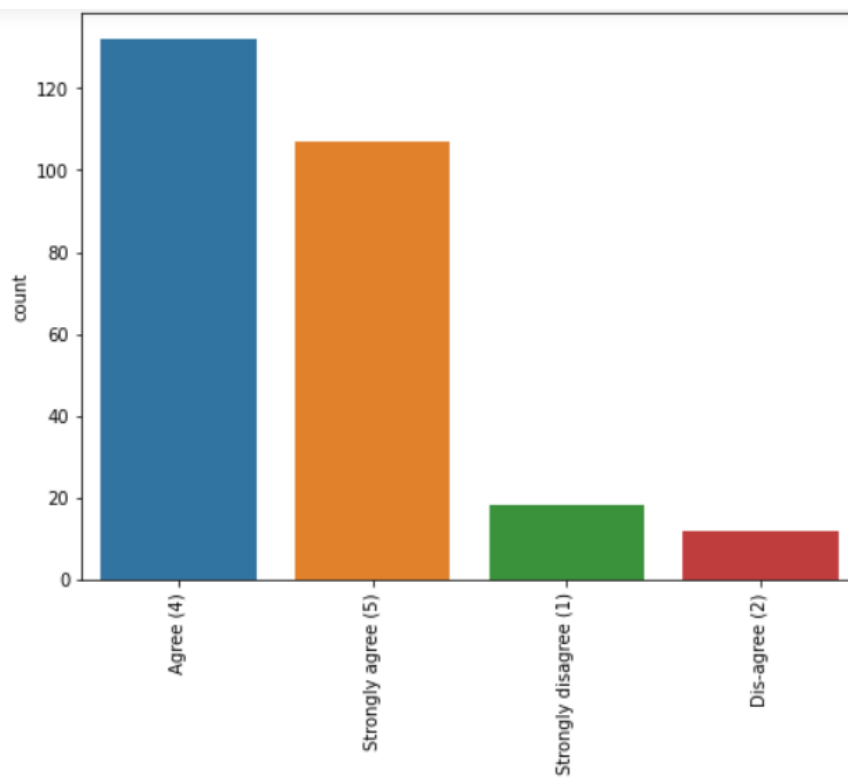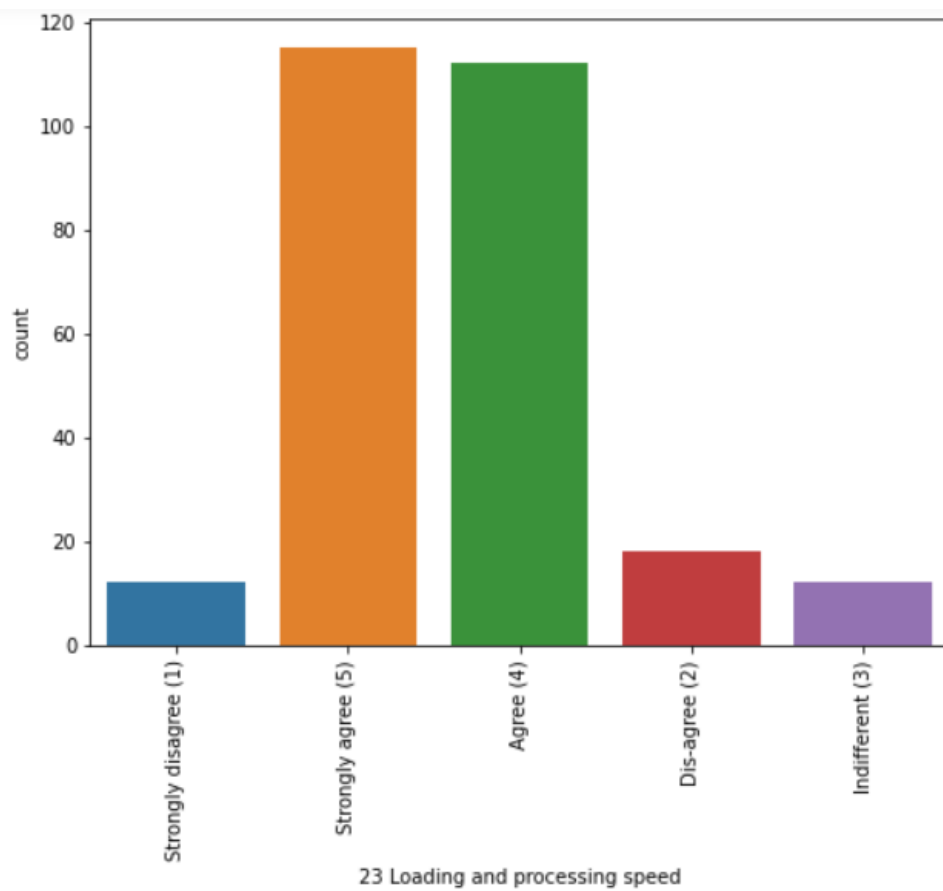

21 All relevant information on listed products must be stated clearly

- All relevant information on listed products must be stated clearly has the higher counts for "Agree" class.
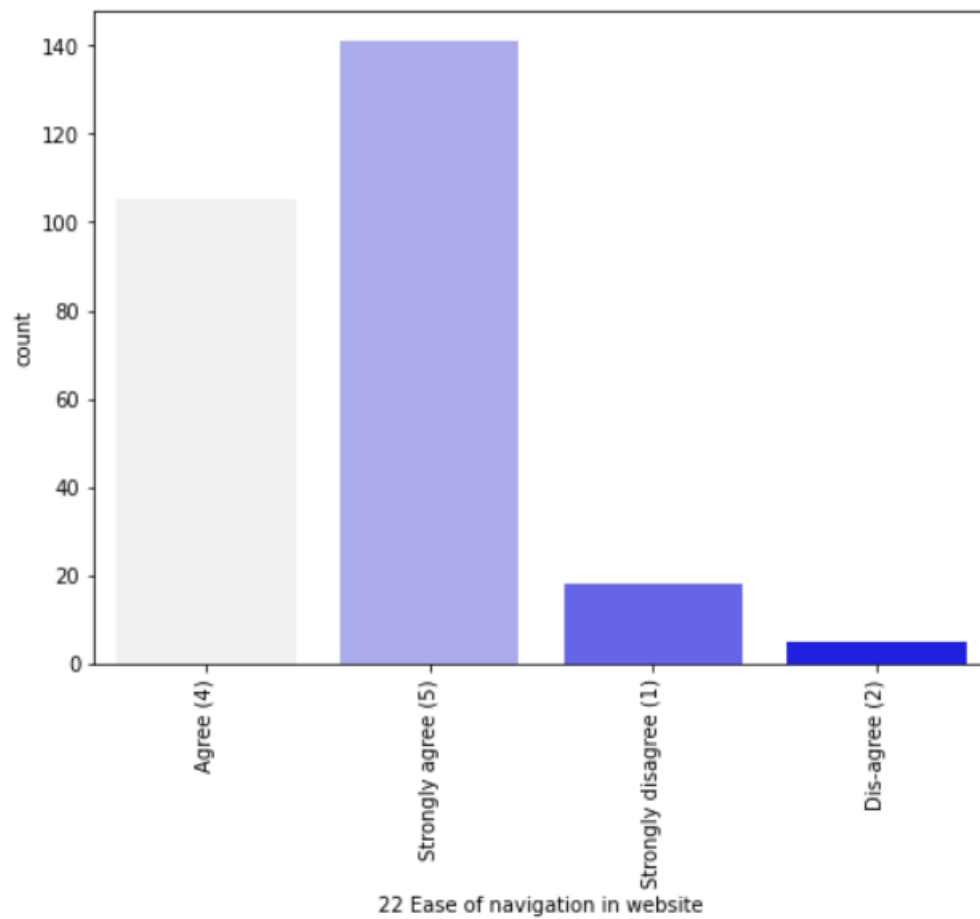
- Ease of navigation in website required has higher count on the "Strongly agree" class.

23 Loading and processing speed

- Loading and processing speed has higher counts on class "Strongly agree" and next is "agree".

24 User friendly Interface of the website
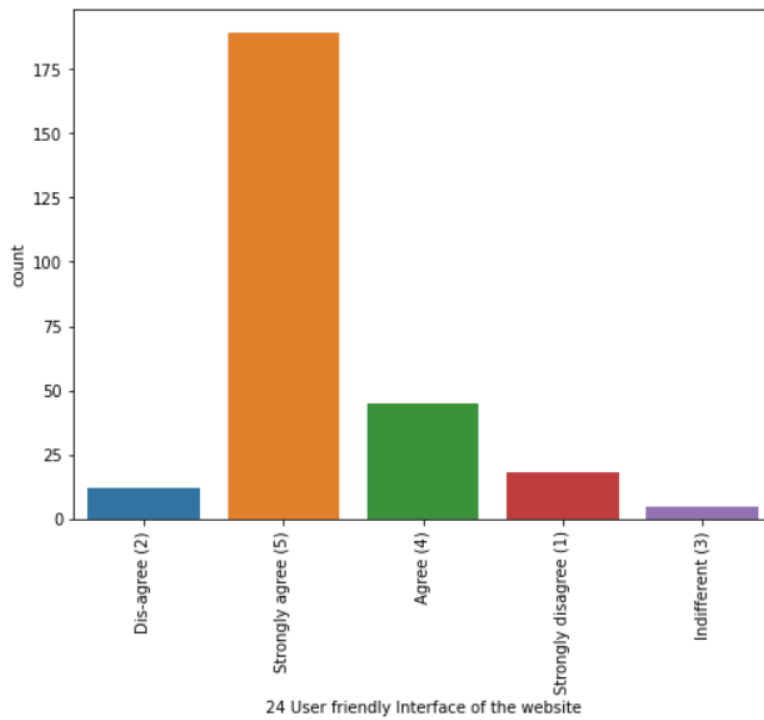
- User friendly Interface of the website is highly required by stating the option "Strongly agree" with maximum counts.

From the following, tick any (or all) of the online retailers you have shopped from;
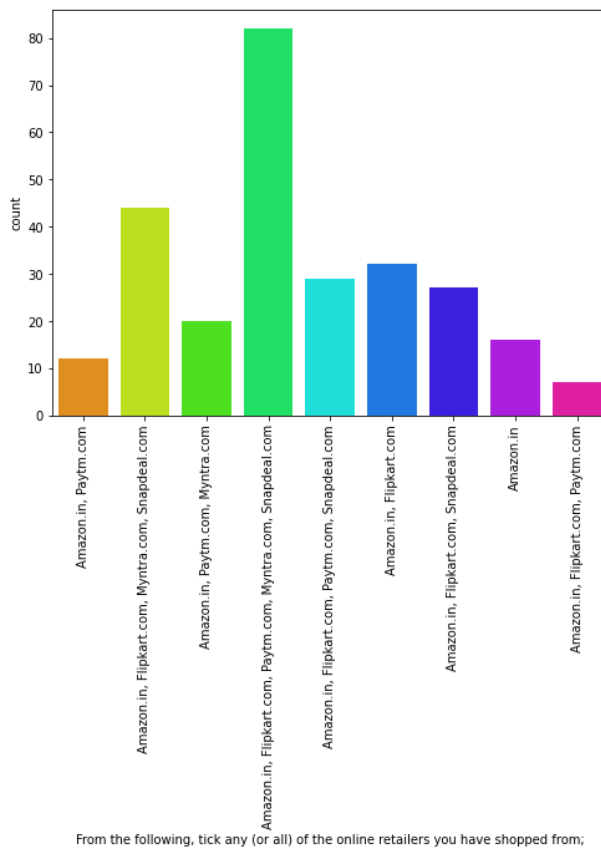
- Observation shows that many of them do shopping from almost all retailers with the class mentioning (having higher counts above 80) "Amazon.in, Flipcart.com, Paytm.com, Snapdeal.com"

Shopping comparison City vs Gender
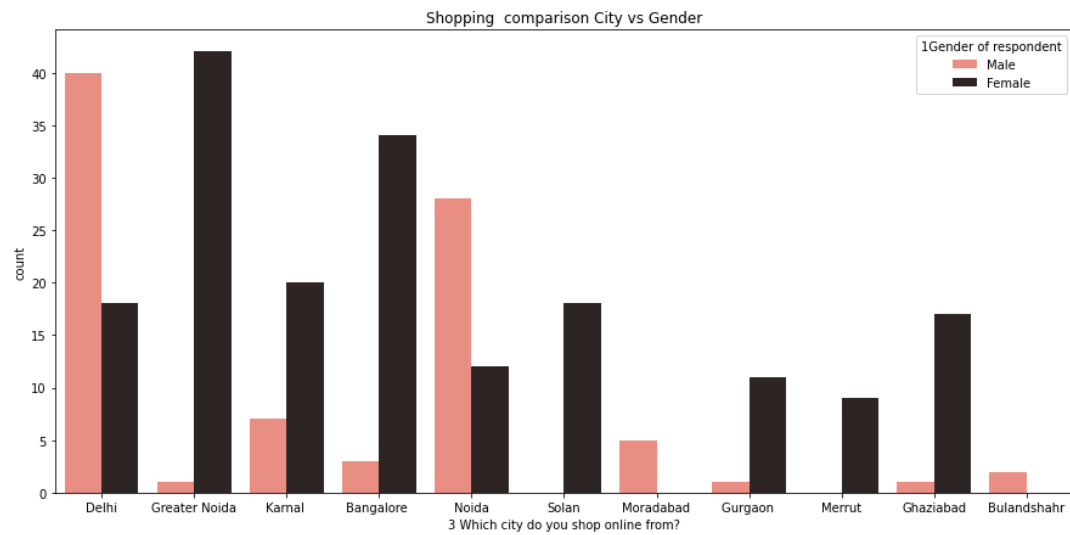
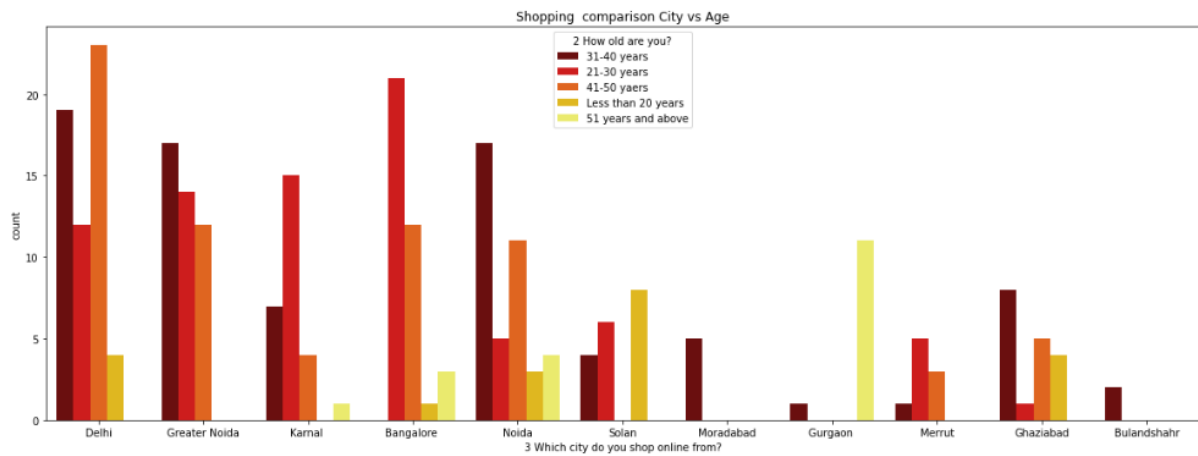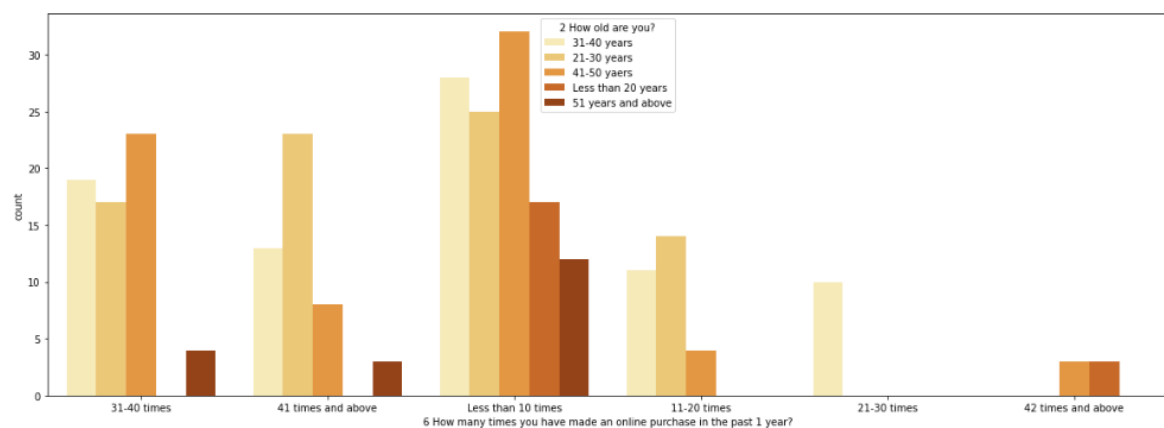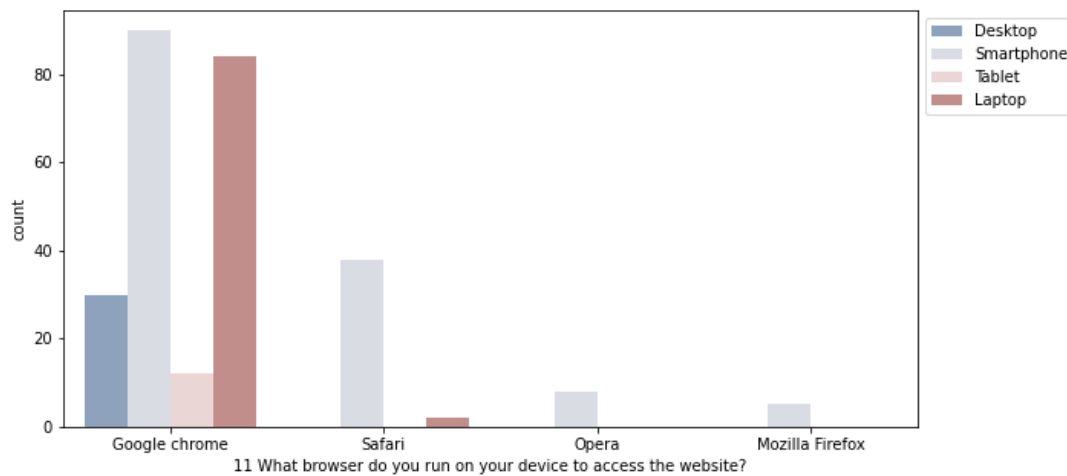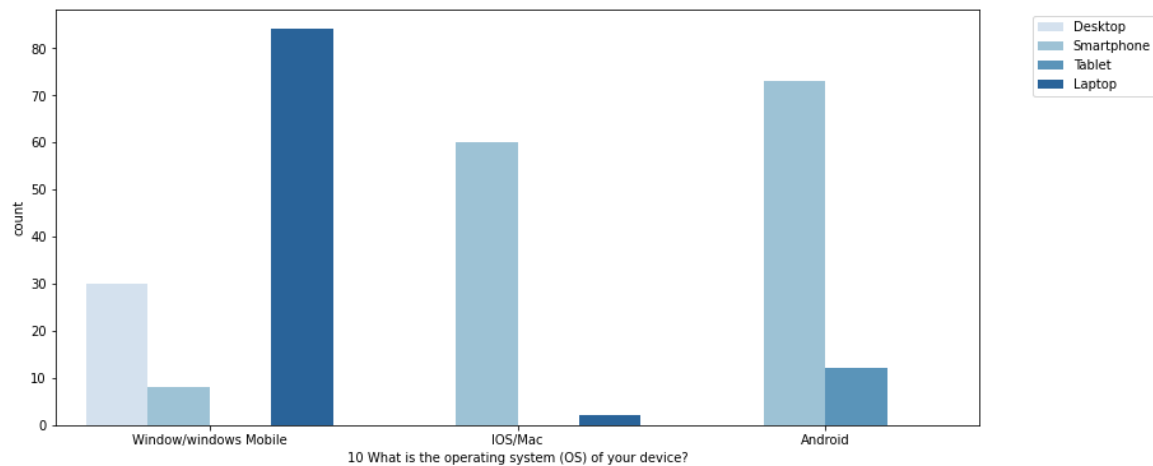- In Delhi, noida, moradabad, bulandsahar online shopping done by male is far more greater than female but in Greaternoida, karnal, Banglore, gurgaon, merrut , Ghaziabd female outnumbered male in shopping.

Shopping comparison City vs Age

- In Delhi shopping done by 41 to 50 years age group are in abundant whearas in greater noida and noida 31 to 40 year age group lead the chart in shopping

10 What is the operating system (OS) of your device?

11 What browser do you run on your device to access the website?

- Overall we can say that Google chrome is widely used in all devices.

• Interpretation of the Results

We are getting much information about the online stores and their ratings for having customer retention.

Probability of people's choice is with Amazon.in as there is lot of customer satisfaction and based on security and service quality, system quality, information quality, trust, and net benefit.

CONCLUSION

- ## Key Findings and Conclusions of the Study

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

   Majority of the people strongly agree that online store plays vital role in Purchases with many factors as explained above exploratory analysis. Customer satisfaction has emerged as one of the most important factors that guarantee the success of online store. 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.

   As per the given data set, almost most of the factors that help in customer retention shows the higher preference with Amazon.in, it has the highest recommendation to other friends.