CUSTOMER RETENTION CASE STUDY

<u>Introduction</u>

Problem Statement:

• 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.

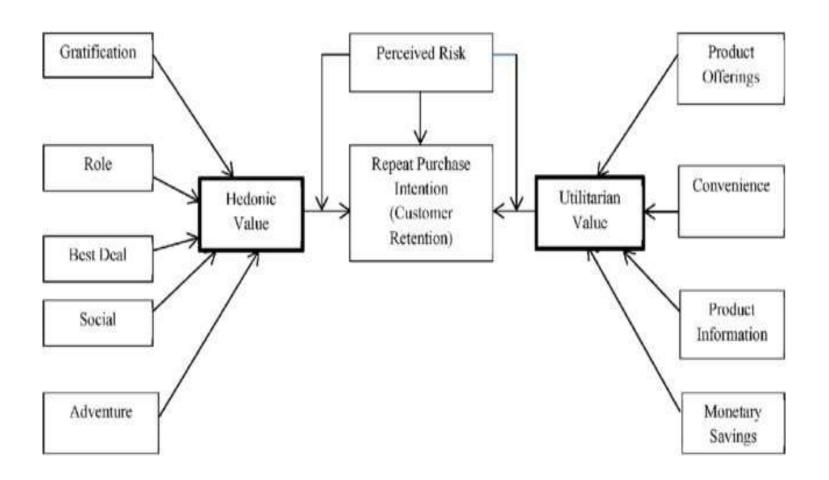
• Five major factors that contributed to the success of an e-commerce store have been identified as: service quality, system quality, information quality, trust and net benefit.

 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.

The data is collected from

• <u>E-retail factors for customer activation and retention: A case study from Indian e-commerce customers</u>



- Table of Contents:
- Exploratory Data Analysis
- Checking type of data
 - Checking columns of the data
 - Checking shape of the data
 - Check there are null values present in the data
 - ✓ if present handle it,
 - ✓ if it is a numerical column then fill it with mean() of that column
 - ✓ If it is a categeorical column fill it with mode() of that column

- Check the correlation of the data
- Check the description of the data, which tells statistical information about the data like, count, min, max, standard deviation, and the quartiles data
- Check the outliers present in the data, which tells some of the datapoints are outside the whiskers so, we have to handle it
- Check the skewness of the data
- Data visualization:

Here we have visualized the data by univariate, By variate/multivariate analysis

- Countplot
- Scatter plot
- pair plot

Data Sources and their formats

We got the data in the form of excel sheet And read that excel file into jupyter notebook i.e loading our data Import the necessary libraries

- import pandas as pd
- import numpy as np
- import matplotlib.pyplot as plt
- import seaborn as sns
- import warnings
- warnings.filterwarnings('ignore')

And load the excel file

df=pd.read_excel(r'C:\Users\polasasuresh\Downloads\Customer_retention_dataset\customer.xls')

df

- #check the columns present in the dataset
- df.columns

Gives the total number of columns present in the data. Here total 71 columns present

```
1 # Let's check datset information
In [6]:
           2 df.info()
                                                                                                11 12 Which channel did you follow to arrive at your favorite online store for the first time?
          <class 'pandas.core.frame.DataFrame'>
                                                                                                12 13 After first visit, how do you reach the online retail store?
          RangeIndex: 269 entries, 0 to 268
                                                                                                 13 14 How much time do you explore the e- retail store before making a purchase decision?
         Data columns (total 71 columns):
           # Column
                                                                                                14 15 What is your preferred payment Option?
          Non-Null Count Dtvpe
                                                                                                269 non-null object
                                                                                                15 16 How frequently do you abandon (selecting an items and leaving without making payment) your sh
                                                                                                opping cart?
              1Gender of respondent
                                                                                                269 non-null
                                                                                                             object
                                                                                                16 17 Why did you abandon the "Bag", "Shopping Cart"?
          269 non-null
                           object
           1 2 How old are you?
                                                                                                 17 18 The content on the website must be easy to read and understand
          269 non-null
                           object
          2 3 Which city do you shop online from?
                                                                                                 18 19 Information on similar product to the one highlighted is important for product comparison
          269 non-null
                           object
          3 4 What is the Pin Code of where you shop online from?
                                                                                                 19 20 Complete information on listed seller and product being offered is important for purchase dec
          269 non-null
                           int64
                                                                                                ision.
          4 5 Since How Long You are Shopping Online ?
                                                                                                269 non-null
                                                                                                 28 21 All relevant information on listed products must be stated clearly
         269 non-null
                            object
          5 6 How many times you have made an online purchase in the past 1 year?
                                                                                                269 non-null
                                                                                                              object
                                                                                                 21 22 Ease of navigation in website
          269 non-null
                           object
                                                                                                269 non-null
                                                                                                              object
          6 7 How do you access the internet while shopping on-line?
                                                                                                 22 23 Loading and processing speed
          269 non-null
                            object
                                                                                                            object
               8 Which device do you use to access the online shopping?
                                                                                                 23 24 User friendly Interface of the website
          269 non-null
                            object
                                                                                               269 non-null
                                                                                                             object
             9 What is the screen size of your mobile device?
```

	-
MATERIAL TO THE STATE OF THE ST	41 42 The Convenience of patronizing the online retailer
269 non-null object	269 non-null object
26 27 Empathy (readiness to assist with queries) towards the customer	42 43 Shopping on the website gives you the sense of adventure
269 non-null object	269 non-null object
27 28 Being able to guarantee the privacy of the customer	43 44 Shopping on your preferred e-tailer enhances your social status
269 non-null object	269 non-null object
28 29 Responsiveness, availability of several communication channels	44 45 You feel gratification shopping on your favorite e-tailer
hone etc.)	269 non-null object
269 non-null object	45 46 Shopping on the website helps you fulfill certain roles
29 30 Online shopping gives monetary benefit and discounts	269 non-null object
269 non-null object	46 47 Getting value for money spent
30 31 Enjoyment is derived from shopping online	269 non-null object
269 non-null object	47 From the following, tick any (or all) of the online retailers you have shopped from
31 32 Shopping online is convenient and flexible	269 non-null object
269 non-null object	48 Easy to use website or application
32 33 Return and replacement policy of the e-tailer is important for	269 non-null object
269 non-null object	49 Visual appealing web-page layout
33 34 Gaining access to loyalty programs is a benefit of shopping onl	269 non-null object
269 non-null object	50 Wild variety of product on offer
34 35 Displaying quality Information on the website improves satisfac	269 non-null object
269 non-null object	51 Complete, relevant description information of products
35 36 User derive satisfaction while shopping on a good quality websi	269 non-null object
269 non-null object	52 Fast loading website speed of website and application
36 37 Net Benefit derived from shopping online can lead to users sati	269 non-null object
269 non-null object	53 Reliability of the website or application
37 38 User satisfaction cannot exist without trust	269 non-null object
269 non-null object	54 Quickness to complete purchase
38 39 Offering a wide variety of listed product in several category	269 non-null object
269 non-null object	

Data Preprocessing

To clean the data, here we have to check the null values

df.isnull().sum()

1Gender of respondent 0

2 How old are you? 0

3 Which city do you shop online from? 0

4 What is the Pin Code of where you shop online from? 0

5 Since How Long You are Shopping Online? 0

. .

Longer delivery period 0 Change in website/Application design 0

Frequent disruption whenmoving from one page to another 0

Website is as efficient as beforeWhich of the Indian online retailer would you recommend to friend? 0

Length: 71, dtype: int64

• There is no null values present in the data

- We can check with heat map
- sns.heatmap(df.isnull())
- plt.figure(figsize=(14,7))
- plt.show()



Replacing with proper formats

```
1 df['7 How do you access the internet while shopping on-line?'].value counts()
In [11]:
Out[11]: Mobile internet
                       142
       Wi-Fi
                        76
       Mobile Internet
                        47
       Dial-up
       Name: 7 How do you access the internet while shopping on-line?, dtype: int64
In [12]:
        1 # Replacing characters wiht same information
         2 df['7 How do you access the internet while shopping on-line?']=df['7 How do you access the internet while shopping on-line?'
 In [17]:
                  # Replace with correct values
                  for i in websites:
                       websites[i]=websites[i].str.replace('Amazon.com','Amazon.in')
              4
               5
                       websites[i]=websites[i].str.replace('Snapdeal', 'Snapdeal.com')
              6
              7
                       websites[i]=websites[i].str.replace('snapdeal.com', 'Snapdeal.com')
              8
                       websites[i]=websites[i].str.replace('Snapdeal.com.com','Snapdeal.com')
              9
                       websites[i]=websites[i].str.replace('Patym.com', 'Paytm.com')
             10
```

Hardware and Software Tools used

- There is no hardware used
- Software:Jupyter Notebook (Anaconda), Microsoft windows, Microsoft Power point
- Languages used: pandas
- Libraries:
 - Pandas
 - Numpy
 - Matplotlib
 - Seaborn

Exploratory Data Analysis

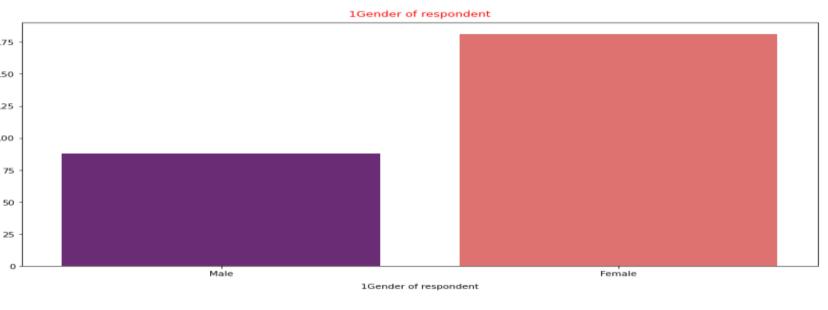
Checking gender wise data

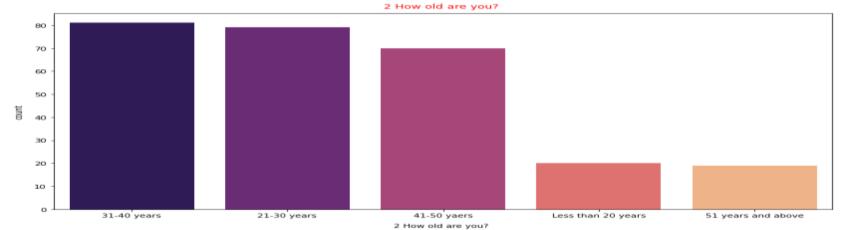
```
# Let's check data distribution based on Gender
In [10]:
                 print(cl("Male dataset - {}".format(df[df['1Gender of respondent']=='Male'].shape),color='blue',at
                print(cl("Female dataset - {}".format(df[df['1Gender of respondent']=='Female'].shape),color='blue
           Male dataset - (88, 71)
           Female dataset - (181, 71)
           So based on the gender, we can see that our data is not balanced. We have more of Female data.
In [15]:
                # Let's copy the dataset for websites analysis
                websites = df.iloc[:,47:]
                # We have extraced the features which contains websites information
In [16]:
                websites
Out[16]:
                     From the
                     following.
                   tick any (or
                                                                             Complete.
                                                                                         Fast loading
                                                                                                       Reliability of
                                                    Visual
                                                                                                                                    Availa
                                                                              relevant
                     all) of the
                                 Easy to use
                                                             Wild variety
                                                                                             website
                                                                                                                      Quickness
                                                 appealing
                                                                                                       the website
                                                                                                                                     of se
                                  website or
                                                              of product
                                                                            description
                                                                                            speed of
                                                                                                                     to complete
                        online
                                                 web-page
                                                                                                                                      pay
                  retailers you
                                  application
                                                                 on offer
                                                                           information
                                                                                         website and
                                                                                                                       purchase
                                                    layout
                                                                                                        application
                                                                                                                                      or
                         have
                                                                           of products
                                                                                          application
                     shopped
                        from:
                    Amazon.in.
                                                                                       Snapdeal.com
                                  Paytm.com
                                               Flipkart.com
                                                             Flipkart.com
                                                                         Snapdeal.com
                                                                                                        Paytm.com
                                                                                                                      Paytm.com
                                                                                                                                    Patyr
                    Paytm.com
                    Amazon.in.
                                  Amazon.in,
                                                                            Amazon.in,
                                                                                          Amazon.in,
                                                                                                                    Amazon.com,
                                                                                                                                    Amaz
                   Flipkart.com,
                                 Flipkart.com,
                                                             Flipkart.com,
                                                Amazon.in,
                                                                           Flipkart.com,
                                                                                         Flipkart.com,
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                                                                                                                     Flipkart.com,
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                   Myntra.com.
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```

Visualization

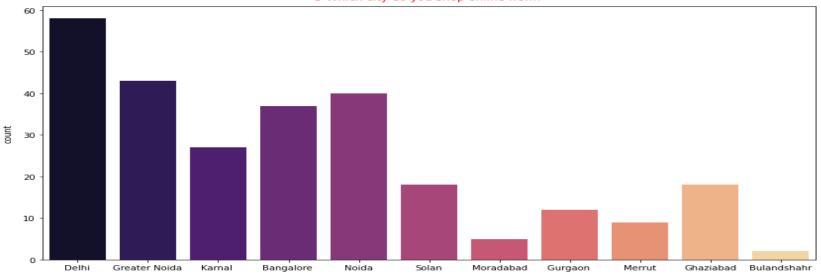
Created a function for plotting the data

```
1 # Let's plot countplot for some of the features
In [13]:
             for i in df.columns[:17]:
                 plt.figure(figsize=(10,4))
                 sns.countplot(df[i],palette='magma',saturation=0.75)
                 plt.title(i)
                 plt.setp(plt.title(i,pad=10), color='red', style='italic')
                 plt.setp(plt.xlabel(i,labelpad=10), size='large', color='k', style='italic')
                 plt.setp(plt.ylabel("count",labelpad=10), size='large', color='k', style='italic')
         10
                 plt.xticks(rotation=90)
         11
         12
                 plt.show()
                 print(45*"--")
         13
```

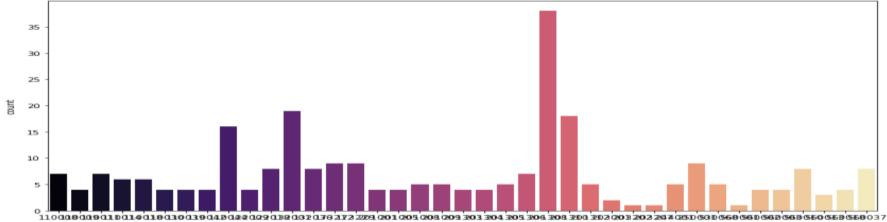








3 Which city do you shop online from?
4 What is the Pin Code of where you shop online from?

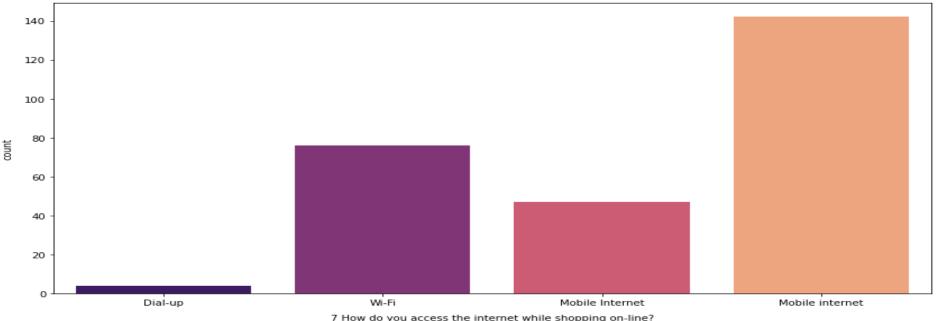


4 What is the Pin Code of where you shop online from?



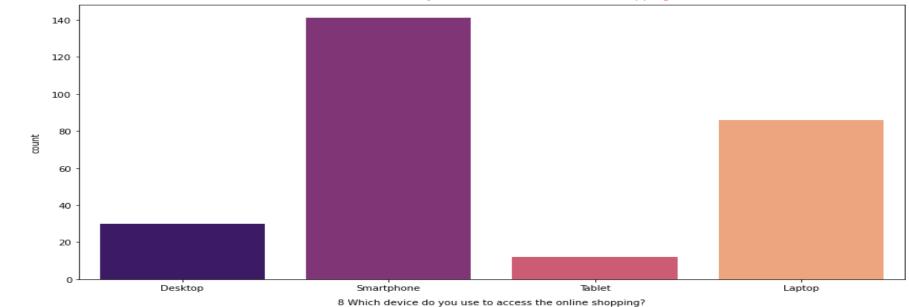


7 How do you access the internet while shopping on-line?

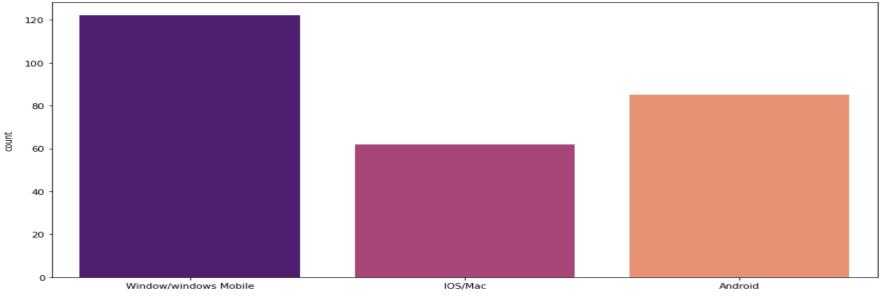


7 How do you access the internet while shopping on-line?



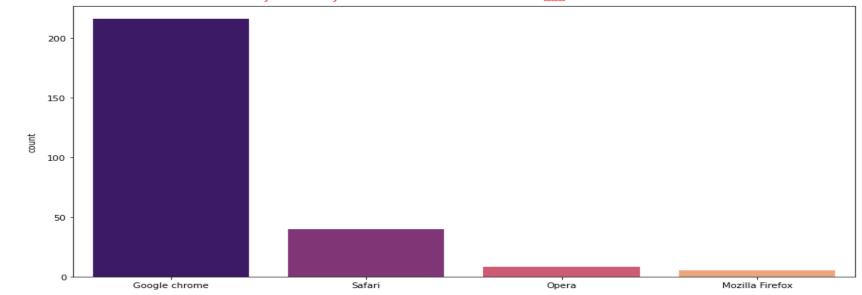


10 What is the operating system (OS) of your device?



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

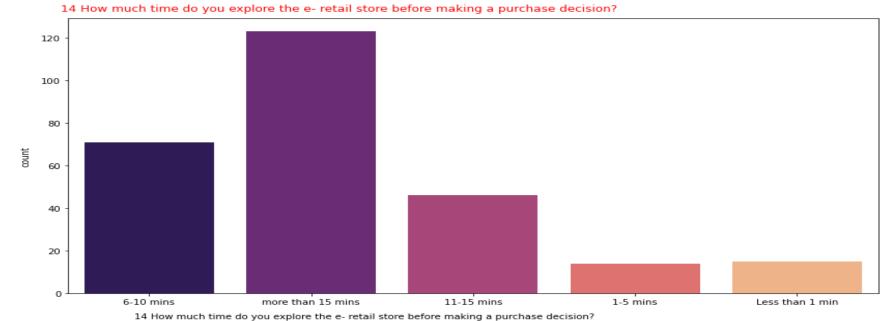
11 What browser do you run on your device to access the website?[[[[]



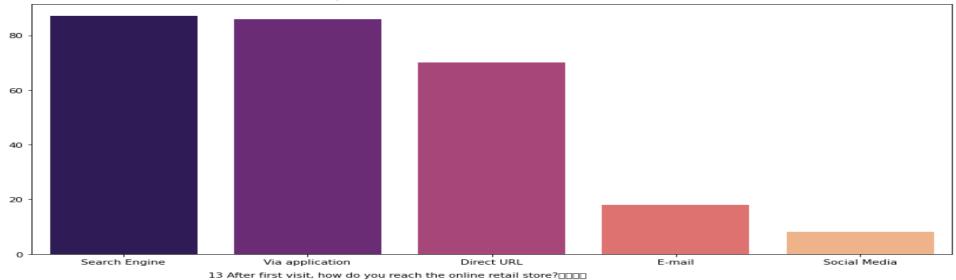
11 What browser do you run on your device to access the website?

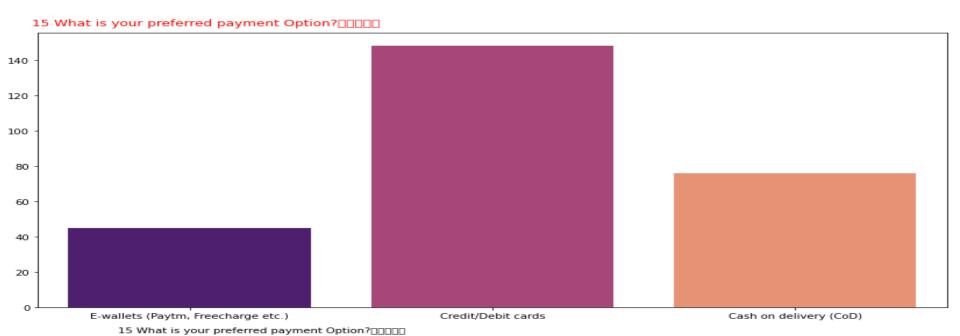




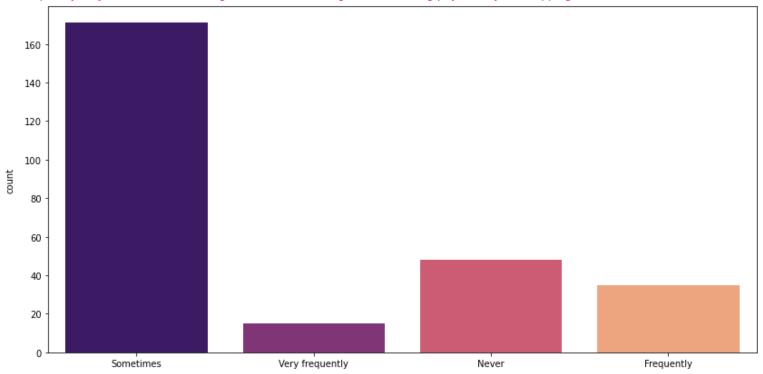


13 After first visit, how do you reach the online retail store?





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



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

•

• observations from countplot:

.females are doing more shopping through online shopping than male.

.In cities like "Delhi, Greater NOida & Bangolore" are doing more shopping throgh onlines may be beacause of their busy schedule or easy/quick delivery

based on time period There are many customers doing online shopping since more than 4 yrs while every year new customer is added.

No.of times online purchase done in last 1 yr is more no of customer done online shopping upto 10 times

Most of the customers are using "Mobile Internet" for online shopping.

Most of the customers doing online shopping through their mobile Phones

- and laptops only.
- The screen size they are using is "others & 5.5 inches". may be the
- Customers are using the scrrens of more than 5.5
 screen i.e laptops
- Most of the customers are using the operating system of "window/windows"
- mobile"than Android.
- The browser they are using is "Google Chrome"
- "Search Engine" channel is mostly used by the customers to do online
- Shopping
- The cusomers are again using the "search Engine or Application of the
- store" to reach the online retail store.
- most of the customers are spnding morethan 15 mins on e-retail store
- before making purchase.
- most of the customers are doing payments through credit/debit cards
- The customers are abandon the items sometimes because they are getting
- better roducts in less price and good quality

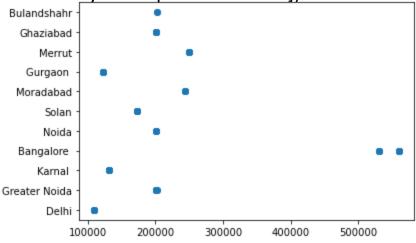
CHECKING CORRELATION

- df.corr()
- corr_mat=df.corr()
- plt.figure(figsize=[80,80])
- sns.heatmap(corr_mat,annot=True)
- plt.title("CorrelationMatrix")
- plt.savefig('correlation_matrix.jpg')
- plt.show()

Bivariate Analysis

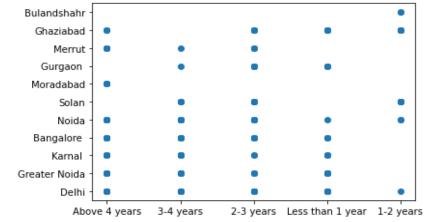
plt.scatter(df['4 What is the Pin Code of where you shop online from?'],df['3 Which city do

you shop online from?'])



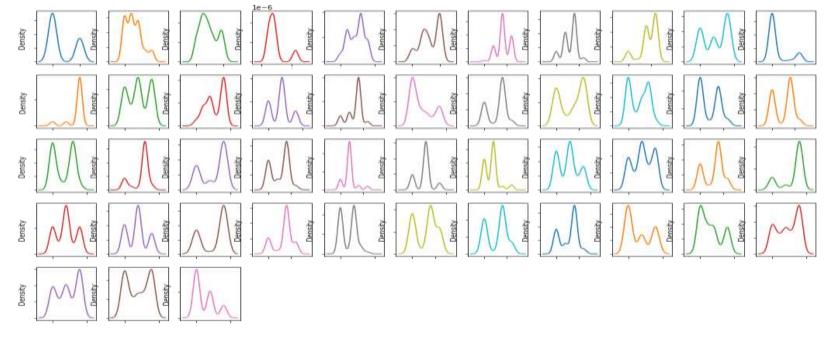
plt.scatter(df['5 Since How Long You are Shopping Online?'],df['3 Which city do

you shop online from?'])



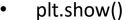
changing the categeorical values into numerical by using OrdinalEncoder

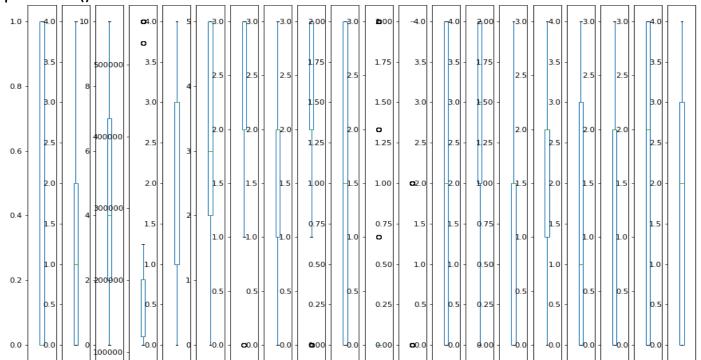
- from sklearn.preprocessing import OrdinalEncoder enc=OrdinalEncoder()
- **for** i **in** df.columns[:47]:
- **if** df[i].dtypes=='object':
- df[i]=enc.fit_transform(df[i].values.reshape(-1,1))
- df
- Let's check the data distribution among all the columns



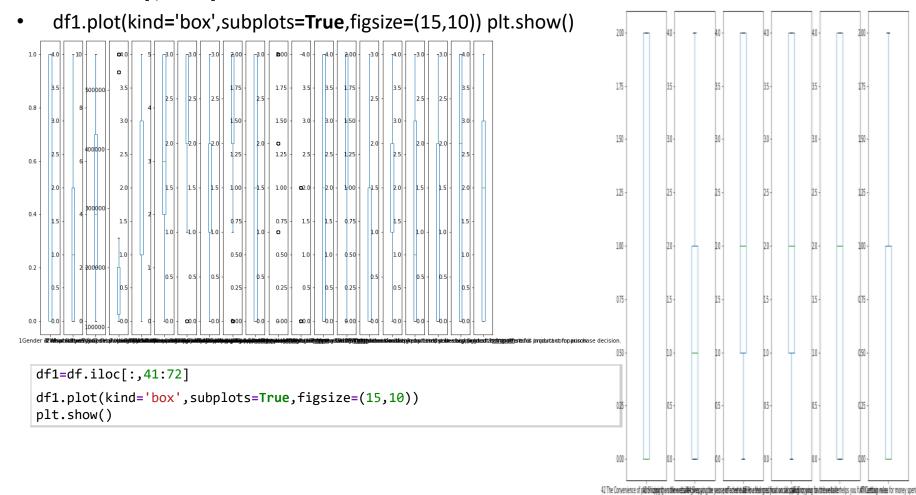
checking outliers

- There are 71 columns in dataset so its not possible to plot each and every columns seperately or plot all together also, so we will print some of the columns first and later ones as second
- #plotting boxplots for first 20 columns
- df1=df.iloc[:,:20]
- df1.plot(kind='box',subplots=True,figsize=(15,10))





df1=df.iloc[:,21:40]

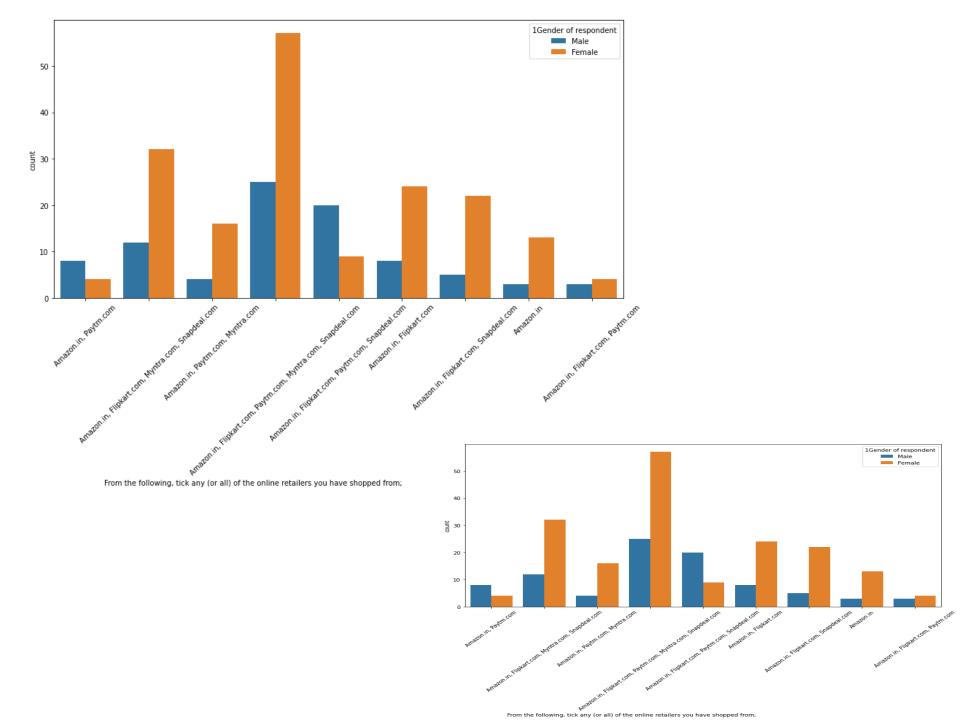


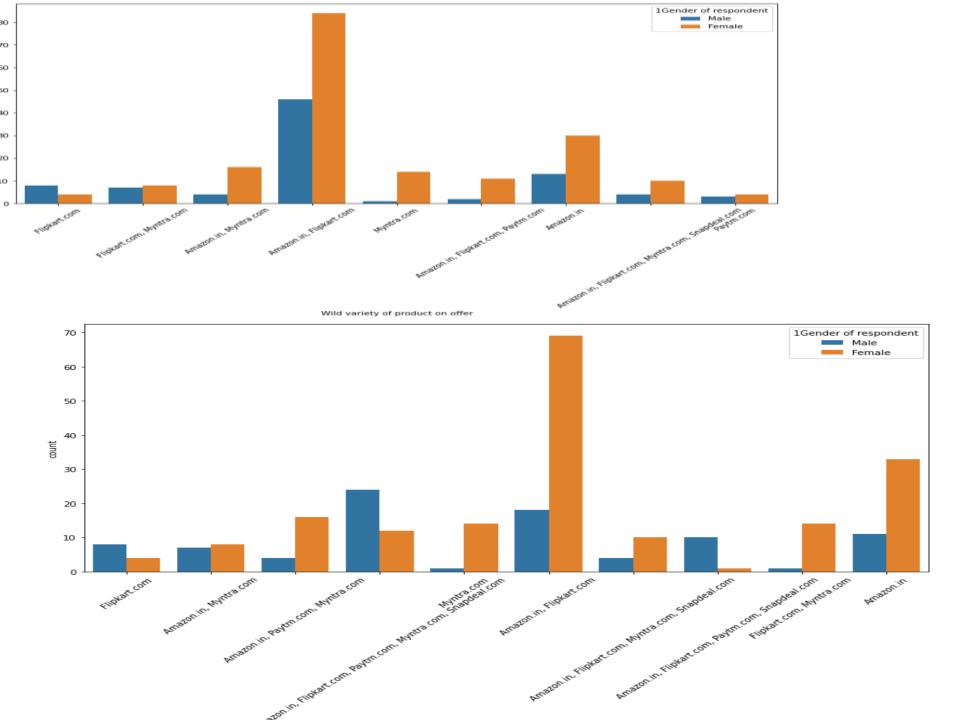
There are no outliers present **in** the data.

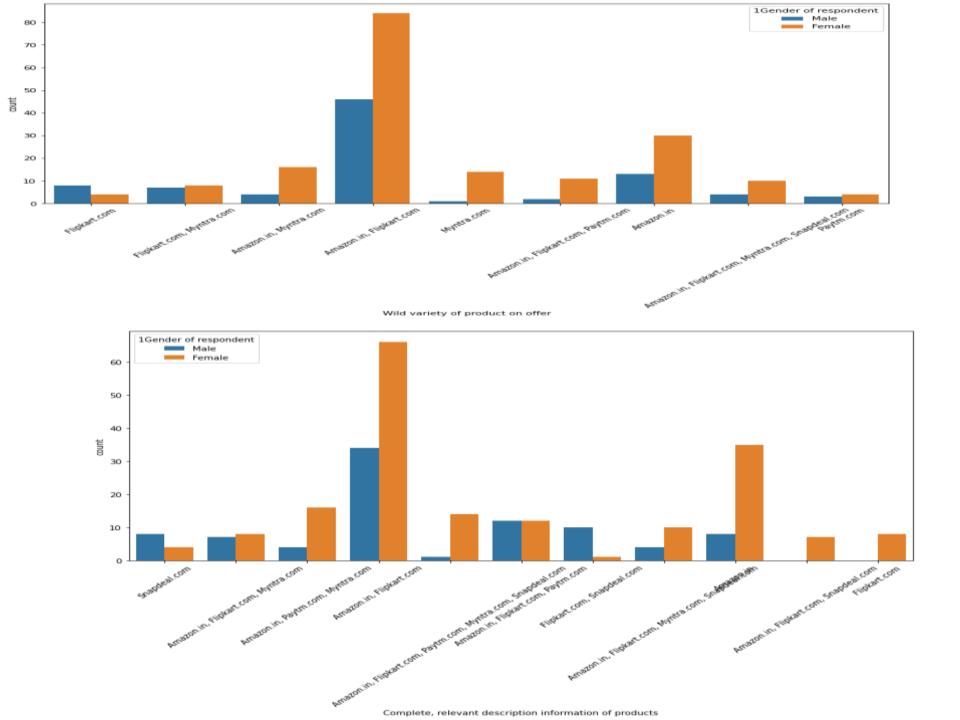
- Analysing the websites data
- websites=df.iloc[:,47:]
- websites
- df['From the following, tick any (or all) of the online retailers you have shopped from;
 '].value counts()
-]: Amazon.in, Flipkart.com, Paytm.com, Myntra.com, Snapdeal.com 82
- Amazon.in, Flipkart.com, Myntra.com, Snapdeal.com
- Amazon.in, Flipkart.com
- Amazon.in, Flipkart.com, Paytm.com, Snapdeal.com
- Amazon.in, Flipkart.com, Snapdeal.com
- Amazon.in, Paytm.com, Myntra.com
- Amazon.in 16
- Amazon.in, Paytm.com
 12
- Amazon.in, Flipkart.com, Paytm.com
- Name: From the following, tick any (or all) of the online retailers you have sh opped from;
- , dtype: int64

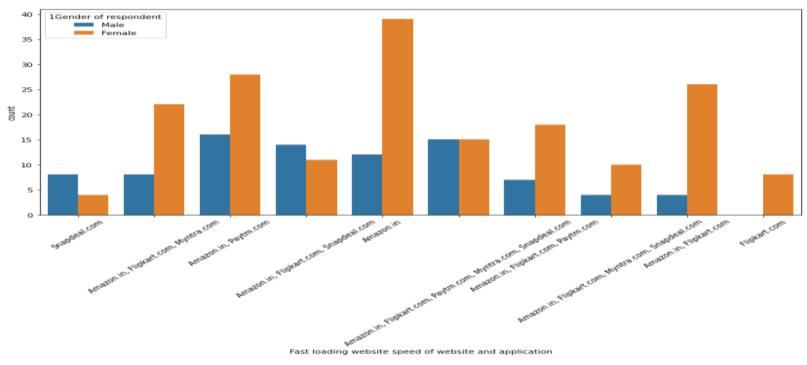
- for i in websites:
- websites[i]=websites[i].str.replace('Amazon.in','Amazon.com')
 websites[i]=websites[i].str.replace('Snapdeal','Snapdeal.com')
- websites[i]=websites[i].str.replace('Snapdeal.com.com','Snapdeal.com')
 websites[i]=websites[i].str.replace('Paytm.com','Paytm.com')
- websites[i]=websites[i].str.replace('Flipkart.com','Flipkart.com') websites
- plt.figure(figsize=(14,7))
- sns.countplot(df['From the following, tick any (or all) of the online retailers you have shopped from; '],hue=df['1Gender of respondent'])
- plt.xticks(rotation=45)
- array([0, 1, 2, 3, 4, 5, 6, 7, 8]), [Text(0, 0, 'Amazon.in, Paytm.com'), Text(1, 0, 'Amazon.in, Flipkart.com, Myntra.com, Snapdeal.com'), Text(2, 0, 'Amazon.in, Paytm.com, Myntra.com'), Text(3, 0, 'Amazon.in, Flipkart.com, Paytm.com, Snapdeal.com'), Text(4, 0, 'Amazon.in, Flipkart.com, Paytm.com, Snapdeal.com'), Text(5, 0, 'Amazon.in, Flipkart.com'), Text(6, 0, 'Amazon.in, Flipkart.com, Paytm.com')])

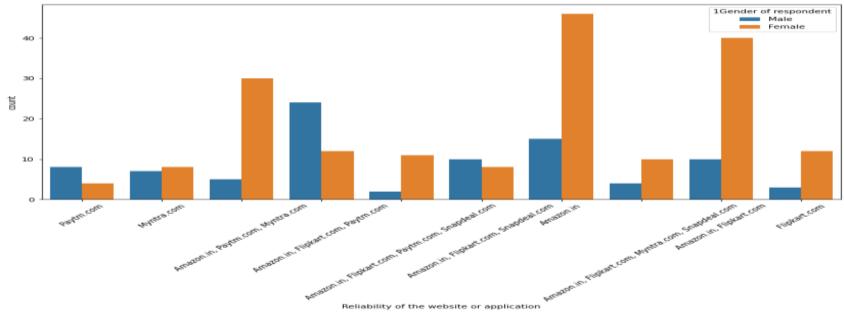
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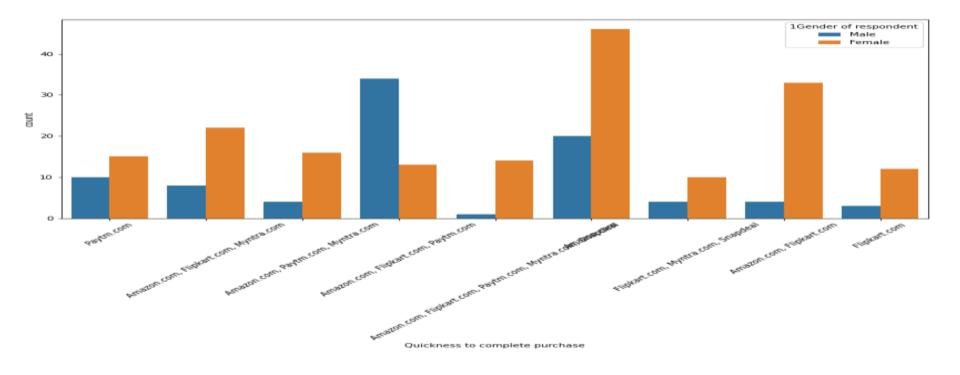


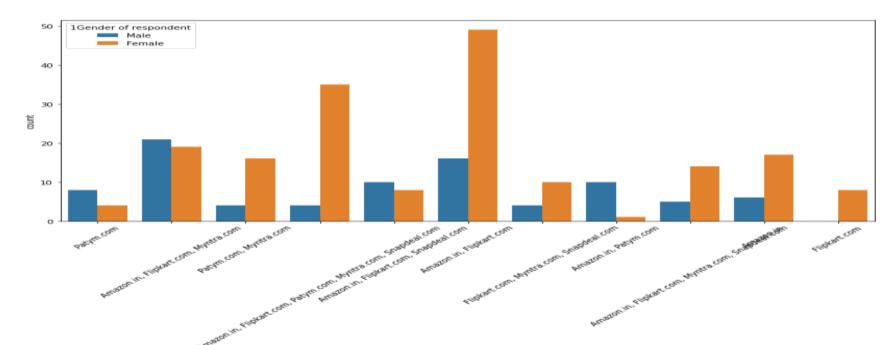












- From the following, tick any (or all) of the online retailers you have shopped from; most of the people shopped from Amazon.in,Myntra.com and paid from paytm.com
- most of the people used Amazon.in, Flipkart.com, Paytm.com, Myntra.com, Snapdeal.com(64) as Ease to use website or application
- Amazon.in, Flipkart.com are mostly used as Visual appealing web-page layout
- Wild variety of product on offer is on Amazon.in and flipkart.com are the two sites widely used
- Complete, relevant description information of products is given by Amazon.in and Flipkart.com sites only
- Fast loading website speed of website and application is in Amazon.in website
- Most Reliability of the website or application is Amazon.in
- For Quickness to complete purchase females are using Amazon.com, males are using Amazon.com, Flipkart.com, and for puchasing they are using paytm.com
- For Availability of several payment options females are using Amazon.com, Flipkart.com, snapdeal.com and males are using Amazon.com, Flipkart.com, snapdeal.com, Myntra.com
- Privacy of customers' information is more available in Amazon.in and then Flipkart.com and then Myntra.com
- Security of customer financial information is in most in Amazon.in, and then Flipkart.com, Paytm.com, Myntra.com, Snapdeal.com
- Longer time to get logged in (promotion, sales period) is in Amazon.in,Flipkart.com
- Longer page loading time (promotion, sales period)' is much time in myntra.com and then snapdeal.com
- Limited mode of payment on most products (promotion, sales period) is in snapdeal.com
- Longer delivery period is in snapdeal.com
- Frequent disruption when moving from one page to another is in Amazon.com and Myntra.com less in flipkart.com and snapdeal.com
- Website is as efficient as before is Amazon.com
- Which of the Indian online retailer would you recommend to a friend? is Amazon.in and Flipkart.com

Conclusion

- Amazon.com --is the most recomanded website –page layout, easy to use, relevant descriptive information, product offers reliability of website, fastness to purchase, trust worthiness
- →And it takes longer time to login, late declaration or price during sales and promotion, frequent disruption when moving from one page to another, limited mode of payment on most of products
- Flipkart.com-- is the second most website recommended easy to use, payments easy, fast opening of website, trust worthy. But it display longer time for graphics, security of customer info less, less relaibility.
- Myntra.com—is the Third most website recommended because of its easy access, payment options.
- Paytm.com
 – speedy deliver of products, quickness in purchase
- Snapdeal.com--- is the least website recommended because of its less payment options, no speedy delivery, longer time to go from one page to another

• Thank you