Customer Loyalty: Factors Influencing Online Shopping with Special Reference to Electronic Products in Flipkart Company

Dr. S. Kavitha1, Dr. B. Mathivanan2
Assistant Professor1, Professor and Head2
Department of Commerce
St. Joseph's college of Arts and Science for Women, Hosur, India1
MGR Arts and Science College, Hosur, India2

Abstract:
Loyalty means that customer is sticking to the supplier on certain grounds though he may be having other options also. It may be possible that the supplier may not have the best product or the customer may be having some problems with the supplier in respect of his supply of the product but the customer likes to ignore other options and prefers to continue with the same supplier as the customer thinks the supplier provides him more value and benefit than others. Such loyal customers tend to spend more money buy more, buy longer and tell more people about the product or supplier. This type of long-term customer loyalty can only be created by making the customers feel that they are number one priority with the supplier. Customer loyalty has made life easy and convenient for individuals and customer expectation in online shopping is different from the physical market where he has access to see the product. Although consumers continue to purchase from a physical store, consumers feel very convenient to shop online since it frees the customer from personally visiting the store. Online shopping has lots of advantages like it saves time and energy of the consumer while buying. Due to the global reach of the internet, consumers can buy goods and services with a wide range of categories anywhere, anytime and at any location. Besides, online sellers deliver the goods to the buyer’s home, and customers can order as many items as they can afford with wide range of product selection and also better product comparison which improve the customer repurchase decision process and enhance the customer loyalty.

Key Words: Convenience, Time Saving, Anywhere buying, Rating of Products, Retention.

I. INTRODUCTION
The customers who are targeted by a retention program demonstrate higher loyalty to a business. Therefore such customer retention programs should include regular communication with customers, and provide them opportunities to remain active and choosing to do business with the supplier. Customer Loyalty can be examined through behavioral and attitudinal loyalty. Behavioral loyalty is customer willingness to continue a relationship and repurchase the product. Attitudinal loyalty is the level of the customer’s attitudinal advocacy and psychological attachments to the service provider. Another way to measure loyalty is using composite approach. Rapid growth of customer loyalty reflects the compelling advantages that it offer over conventional online shopping and retailer stores, including greater flexibility, enhanced market outreach, lower cost structures, faster transactions, broader product lines, greater convenience, and customization. However, e-retailing also comes with its own set of challenges which hinders the enhancement of customer loyalty. Customers’ loyalty is the key for improving the sales performance and also to establish a better customer relationship which is more important for electronic commercial enterprises to retain and sustain the advantage of competition. The speedy development of technology and the internet penetration has diverted the company’s direction to retain customer e-loyalty. Maintaining customer loyalty has been recognized as one of the essential factor for business survival and growth. The purpose of this study is to know the factors customer loyalty towards online shopping with special reference to electronic products in Flipkart company.

SCOPE
Many companies across the globe tend to create and maintain strong links with their customers, which carefully managed all "Sensitive points" in relation to customers in order to maximize their loyalty. Consumers today are difficult to enjoy, are wiser, more aware of quality, price, content, asking for more, forget harder and more alternatives offered by other competitors to offer the same or even better. According to some economists are not difficult to acquire satisfied customers, some companies may even do this. But the challenge is to produce loyal customers and captivated. Customer loyalty the most important factor which influence the customers to purchase the products continuously in order to maximize the profit of the company and get the satisfaction out of buying products.

SIGNIFICANCE OF THE STUDY
In order to achieve this goal, it is necessary for seller to build the relationship with customers to strengthen customer loyalty. Thus the main purpose of this paper is to find out how to exactly strengthen customer loyalty of Flipkart, and further to build a long lasting relationship with customers so that Flipkart could keep going successfully.

This facility is very easy accessible by each internet users. It also saves a lot of time. Flipkart is very safe and secure with help of mobile pin and all records will be safe in the account details. Flipkart is less expensive comparative to others online shopping. It is very less and no delivery charges will be charged by transferred fee. Flipkart shopping is done by the internet users in a very fast speed as compare to other online shopping receives the delivery of service.
II. REVIEW OF LITERATURE

1. Hang, J.L., & Wei, F.X. (2001) studied interactive relationship between customer satisfaction and customer loyalty, the study showed that there is a significant relationship between customer satisfaction and customer loyalty. Peter, J., Isaac, W., Robert, A., & Davis (2003) The study compared the brand loyalty between online shopping and offline shopping. When comparing traditional shopping environment and the difference between observed and predicted brand loyalty is not related to brand share. Xu, B., & Wang, Y.G. (2008) studied on preventing the loss of loyal customers. The economic benefits that a firm receives from cultivating close relationships with its customers, a variety of customer behavior benefits and human resource management benefits are also often received. Ali Abbas (2013) The study revealed the customer loyalty models and the review of literature has been taken from the peer reviewed journal to support the objectives of the study. The paper analyzed primary determinants such as customer satisfaction, trust, perceived value, perceived service quality, secondary determinants found the loyalty factors based on research and moral determinants which include spiritual, cultural and religious factors. Sri Astuti Pratminingih., Christina Lipuringtyas & Tetty Rimenta (2013) The study is conducted to know the factors influencing customer loyalty towards online shopping, maintaining customer loyalty is recognized as one of the essential factors for business survival and growth. Sanjit Singh (2017) This paper investigates the challenges faced by the environment to retain the customer in the competitive world. It examined the factors influencing e-trust, e-satisfaction, e-loyalty and e-purchase intention in online shopping. It is concluded that quality maintenance is the most attracted factor influencing customer loyalty. Majid Mahammad Shafiee & Negin Angar Bazargon (2018) The author focused on customer loyalty towards online shopping and the factors affecting purchase intentions. It is found that information security and website performance influence e-service quality both positively and directly. E-recovery has positive impact one-loyalty. It is recommended that more hypothesis could be used in this study.

OBJECTIVES OF THE STUDY

• To know the factors influencing customer loyalty while purchasing electronic products through online shopping in flipkart company.
• To assess the significant level of satisfaction of customers while shopping online.

LIMITATIONS

• The study is restricted to limited geographical area.
• The respondents would have given the biased opinion. Hence the findings and suggestions has its own limitation.

RESEARCH METHODOLOGY: A systematic methodology is adopted to conduct a research in a successful manner. In the present study, it follows the descriptive research strategy. It includes surveys and fact finding enquiries of different kinds. The main characteristics of this method that the researcher has no control over the variables, he can only report what has happened or what is happening. In the study the interview method is conducted from the respondents.

SAMPLE DESIGN: It is a definite plan for obtaining a sample from a given population and particularly those who are purchasing electronic products in Flipkart company is chosen for the study. The respondents are selected based on convenience sampling.

SAMPLE UNIT: A sample of 50 respondents was taken for the study. The opinion from the respondents is collected by conducting the interview.

DATA COLLECTION: Sources of data the data collected by the research were based on primary and secondary data.

PRIMARY DATA: The primary data was collected through a specially designed questionnaire, which is constructed to measure the perception level of the customer towards their online shopping.

The respondents were personally interviewed with the help of structured questionnaire and their responses were entered in the questionnaire. The questionnaire and the method of collecting data were selected keeping in mind prerequisites of reliability and accuracy.

SECONDARY DATA: Secondary data are collected through the books, Journals, magazines and other social websites.

PROFILE OF FLIPKART COMPANY: Flipkart is one of India’s leading online book store established in October 2007, headquartered in Bengaluru. It was founded by Sachin Bansal and Binny Bansal and the company initially started as an online book store. Later, as the company’s popularity grew, it also started selling other items such as music, movies and mobile phones.

As the e-commerce revolution gained momentum in India, Flipkart grew at an accelerated pace and added several new product ranges in its portfolio.

As of now, the company offers more than 80 million products spread across more than 80 categories such as mobile phones & accessories, computers and accessories, laptops, books and e-books, home appliances, electronic goods, clothes and accessories, sports and fitness, baby care, games and toys, jewellery, footwear, etc.

Table 1 exhibits that 54% of the respondents are female and remaining 46% of them male who are the loyal customers buying products in Flipkart online shopping.
Table 2. Education Qualification

<table>
<thead>
<tr>
<th>EDUCATION QUALIFICATION</th>
<th>NO. OF RESPONDENTS</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH SCHOOL</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>BACHELOR DEGREE</td>
<td>23</td>
<td>46</td>
</tr>
<tr>
<td>MASTER DEGREE</td>
<td>14</td>
<td>28</td>
</tr>
<tr>
<td>DOCTORATE</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

The table 2 shows the educational qualification that is 46% of the respondents have completed bachelor's degree, 28% of them completed master's degree, 20% of them completed their high school and remaining 6% of them are doctorate.

Table 3. The factors influencing the respondents towards purchase of products in online shopping

<table>
<thead>
<tr>
<th>FACTORS</th>
<th>NO. OF RESPONDENTS</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>THE LOWER PRICE</td>
<td>14</td>
<td>28</td>
</tr>
<tr>
<td>CONVENIENT AND FAST SERVICE</td>
<td>19</td>
<td>38</td>
</tr>
<tr>
<td>GOOD CUSTOMER RELATIONSHIP</td>
<td>13</td>
<td>26</td>
</tr>
<tr>
<td>REPUTATION</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

The above table 3 shows the factors influencing the respondents towards online shopping of Flipkart, 38% of respondents influenced by the factor convenient and fast service, 28% of them are influenced by lower price, 26% of them are influenced by good customer relationship and remaining 8% of respondents have reputation.

Table 4. The Frequent Purchase of Product in Online Shopping

<table>
<thead>
<tr>
<th>KINDS OF PRODUCTS</th>
<th>NO. OF RESPONDENTS</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOBILE PHONE</td>
<td>28</td>
<td>56</td>
</tr>
<tr>
<td>WASHING MACHINE</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>TELEVISION</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>LAPTOP AND ACCESSORIES</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4 shows the frequent purchase of products in online shopping, 56% of the respondents frequently buy mobile phone in online shopping, 16% of the respondents buy washing machine frequently in online shopping, 16% of the respondents buy laptop and accessories in online shopping and the remaining 12% of the respondents purchase television in online shopping.

Table 5. Factors influencing customers to purchase products in Flipkart company

<table>
<thead>
<tr>
<th>FACTORS</th>
<th>NO. OF RESPONDENTS</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>SECURE E-PAYMENT</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>RETURN AND REFUND POLICY</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>OFFERS AND DISCOUNTS</td>
<td>25</td>
<td>50</td>
</tr>
<tr>
<td>QUICK DELIVERY</td>
<td>18</td>
<td>36</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 5 showing the factors influencing the customer to purchase products in Flipkart company, 50% of the respondents influenced to purchase because of the offers and discounts, 36% of the respondents prefer to buy in Flipkart because of quick delivery and remaining 8% of respondents are influenced to buy because of return and refund policy, 6% of the respondents are influenced by secured E-payment.

Table 6. Respondents Preference To Continue To Shop Electronic Goods In Flipkart.Com

<table>
<thead>
<tr>
<th>MOTIVATIONAL FACTORS</th>
<th>R1</th>
<th>R2</th>
<th>R3</th>
<th>R4</th>
<th>WEIGHTED SCORE</th>
<th>MEAN SCORE</th>
<th>RANK</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOWER PRICE</td>
<td>50</td>
<td>52</td>
<td>54</td>
<td>18</td>
<td>174</td>
<td>3.48</td>
<td>IV</td>
</tr>
<tr>
<td>OFFERS AND DISCOUNTS</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>5</td>
<td>193</td>
<td>3.96</td>
<td>III</td>
</tr>
<tr>
<td>GOOD SERVICE</td>
<td>185</td>
<td>40</td>
<td>9</td>
<td>0</td>
<td>234</td>
<td>4.68</td>
<td>I</td>
</tr>
<tr>
<td>QUALITY OF PRODUCT</td>
<td>15</td>
<td>188</td>
<td>0</td>
<td>0</td>
<td>203</td>
<td>4.06</td>
<td>II</td>
</tr>
</tbody>
</table>

SOURCE: PRIMARY DATA

The table 6 shows the motivational factors influenced the customers to continue shopping in flipkart.com. Good service is the factor influenced most with first rank, quality of product is the factor influenced the customers with second rank, offers and discount is the factor influenced the customers with third rank and the fourth rank is given to lower price.
THE COMPARISON BETWEEN THE GENDER AND OVERALL SATISFACTION USING CHI SQUARE

NULL HYPOTHESIS (H0):
There is no significant relationship between gender and overall satisfaction

ALTERNATIVE HYPOTHESIS (H1):
There is a significance difference between gender and overall satisfaction.

RESULT:
There is no significant relationship between the gender and overall satisfaction.

FINDINGS
1. 54% of the respondents are female and remaining 46% of them male who are the loyal customers buying products in Flipkart online shopping.
2. 46% of the respondents have completed bachelor's degree, 28% of them completed master's degree, 20% of them completed their high school and remaining 6% of them completed their doctorate degree.
3. 38% of the respondents are influenced by the factor convenient and fast service, 28% of them are influenced by lower price, 26% of them are influenced by good customer relationship and remaining 8% of respondents have reputation.
4. 56% of the respondents frequently buy mobile phone in online shopping, 16% of the respondents buy washing machine frequently in online shopping, 16% of the respondents buy laptop and accessories in online shopping and the remaining 12% of the respondents purchase television in online shopping.
5. 50% of the respondents influenced to purchase because of the offers and discounts, 36% of the respondents prefer to buy in Flipkart because of quick delivery and remaining 8% of respondents are influenced to buy because of return and refund policy, 6% of the respondents are influenced by secured E-payment.
6. Good service is the factor influenced most with first rank, quality of product is the factor influenced the customers with second rank, offers and discount is the factor influenced the customers with third rank and the fourth rank is given to lower price.
7. There is no significant relationship between the gender and overall satisfaction.

SUGGESTIONS
- The service of warranty and guaranty of electronic goods can be provided without time delay.
- The company can deliver the product with real colour and quality to the customer as shown in the picture.
- The performance of the company can be inspired by maintaining good customer relationship.
- The time period for exchange of product can be extended.
- The e-payment security can be increased by bio-metric authentication.
- The after sale service can be improved.
- When the customer does not like the product, the time for refund can be increased.
- The shipping charges can be reduced.

III. CONCLUSION
Loyalty is the most important factor for success of a retail business and longevity. The loyalty of the customer plays a vital role in determining the years of existence of any business or any format. The above essentials like customer preference and frequent purchases are the two components considered in loyalty of the shoppers towards online shopping of electronic goods.

IV. REFERENCES