

Determination of Potential Factors and Preparation of Model for Customer Retention

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ABSTRACT

The paper aims to increase the understanding of customer retention by investigating the customer's perception towards a local retail store brand. If the company doesn't give their customer some good reason to stay, the competitors will give the customer a reason to leave. Evaluating the past and present behaviour makes it possible for the stores to adopt the most effective business strategy. A qualitative research method is adopted to explore the relationships between a local retail store chain in Dehradun, Uttarakhand, India, and their customers to promote their customer retention strategy. The results of the research indicate the potential factors leading to customer retention for the store and a model is also prepared to find the customer's preference to shop from the store. This way, the stores not only can increase their competitive advantage but can also develop a sense of seeking benefits not just for the store but also for their customers. The Retail brand will have a better chance to overcome its competitors and be more efficient in building relationships with their customers by promoting customer retention.

Key Words: Customer Retention, Logistic Regression

1. Introduction

In today's difficult economy and competitive business world, retaining their client base is crucial to success in the organization. If the corporate does not offer their client some sensible reason to remain with them, their competitors can offer the client a reason to go away. Client retention and client satisfaction usher in profits. Most surveys across varied industries show that it is way less costly to cultivate an organization's existing client base and sell additional service to the client than to hunt new, single-transaction customers. During this era of high level of competition, any company needs to retain the existing client since there is a direct link between client retention over time and gain & growth. Client retention to a good extent depends on the quality of products & services offered as it leads to client satisfaction. Client retention is about the maintenance of continuous trade relationships with customers over an extended term. Customer retention is the mirror image of customer defection or chum and hence, high retention is similar to low defection.

Studies say that it prices ten times additional to get a brand-new client than to take care of the existing one. The upkeep of the record of individuals who have purchased a company's goods or services once and the gaining of repeat purchases is incredibly vital. Customer retention happens when a client is loyal to a corporation, brand, or to a selected product or service, expresses semi-

permanent commitment, and refusing to get from different competitors. The broader ideas of customer service, customer relations, and relationship management are of crucial importance to such methods. Firms will build loyalty and retention through the utilization of many techniques, as well as info promoting, the problem of loyalty cards, redeemable against a spread of products or service, discriminatory discounts, gifts, special promotions, newsletters or magazines, members' clubs, or tailored product in restricted editions. It's been argued that customer retention is connected to employee's loyalty since loyal workers build up semi-permanent relationships with customers. A major principle of relationship marketing is the retention of customers through various ways and practices to ensure repeated trade from pre-existing customers by satisfying their requirements above those of competing firms through a mutually beneficial relationship. This technique is currently used as the simplest way of counter reconciliation of new customers and opportunities with current and existing customers as the simplest way of maximising profit and counteracting the "leaky bucket theory of business" during which new customers attained to marketing destined businesses were at the expense of or coincided with the loss of older customers. This method of "churning" is less economically viable than holding all or the bulk of customers using both direct and relationship management as the generation of lead via new customers requiring additional investment.

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Several corporations in competitive markets can direct or allot the massive amounts of resources or attention towards client retention as in markets with increasing competition, it should value five times additional to draw in new customers than it might retain current customers as a result of direct or "offensive" promoting needs which is way more in-depth resources to cause defection from competitors. However, it's prompt that because of the extensive classic marketing theories, centre on means that of attracting customers and making transactions instead of maintaining them, the main usage of direct marketing employed in the past is currently bit by bit getting used as additional aboard relationship marketing as its importance becomes greatly recognizable. Consistent with Buchanan and Gilles, the exaggerated gain related to client retention efforts happens attributable to many factors that incidence a relationship has been established with a client.

1. The acquisition cost occurs only at the beginning of the relationship, so the longer the relationship, the lower the amortized cost.
2. Account maintenance costs decline as a percentage of total costs or as a percentage of revenue.
3. Long-term customers tend to be less inclined to switch, and also tend to be less price sensitive. This can result in stable unit sales volume and an increase in money-sales volume.
4. Long-term customer may initiate free word of mouth promotions and referrals.
5. Long-term customers are more likely to purchase ancillary products and high margin supplemental products.
6. A customer that who with the company tends to be satisfied with the relationship and is less likely to switch to competitors, which can make it difficult for competitors to enter the market or gain market share.

2. Literature Review

Tabaku and Zerellari, Brand loyalty and loyalty programs (2015) has depicted that there are two methodologies on client dedication: social and attitudinal. The conduct approach on client faithfulness alludes to the client reliably and constantly purchasing from a similar supplier, while attitudinal dedication is the result of a mental association with the item or administration, that includes an inclination and segments like an inspirational frame of mind and duty.

Ludin & Cheng, Factors Influencing Customer Satisfaction and E-Loyalty, Explaining customer satisfaction with complaint handling (2014) portrays client faithfulness as a

nonstop connection between the client and the brand. It tends to be viewed as a protection from switch brands in spite of any circumstance or issue experienced during the business procedure. Also, they depict client dedication as the reshaped acquisition of an item from a similar brand.

According to Varela-Neira, Vazquez-Castelles & Iglesias, Explaining customer satisfaction with complaint handling (2010), loyalty behaviour shows an increase in the number of purchases, an increase in the number of customers and lower price sensitivity. Loyal customers guarantee a reduction in marketing costs for long periods.

Reichheld and Kenny, Customer Satisfaction (2007) determined six factors as basic to improving maintenance: senior administration responsibility; a client-centered culture in which all representatives and directors concentrated their complete consideration on consumer loyalty; maintenance data frameworks that followed and investigated the underlying drivers of rebellions; strengthening of bleeding-edge workers to take activities that gave quick consumer loyalty; constant preparing and improvement; and motivation frameworks dependent on client maintenance.

Parasuraman, Customer Satisfaction (2009) recognized a lot of disparities, or holes, between how administrators see the nature of the administration they furnish, and the errands related to conveying those administrations to clients. They found that the client's impression of administration quality relies on the size and bearing of the hole between the administration the client hopes to get and what the person sees to have been getting. The extent of this hole (which can be either positive or negative) was controlled by four interrelated factors: (1) the contrast between real shopper desires and the board impression of those desires; (2) between the executives view of desires and the interpretation of those discernments into administration quality details; (3) between administration quality determinations and administration conveyance; and (4) between both help quality particulars and administration conveyance, and outside correspondences to clients. He noticed that these holes "can be a significant obstacle in endeavouring to convey assistance which purchasers would see as being of top-notch." Because this investigation concentrated on the cooperation between the company's delegates and its clients, this creator found the fourth hole (between both help quality determinations and administration conveyance, and outside interchanges to clients) to be of specific importance.

Lim Larry, Customer Lifetime Value (2005) noticed that lone 14% of clients quit disparaging assistance business since they were disappointed by the nature of the item, while more than 66% deserted because of what they

decided to be uninterested or unhelpful help. This discovery upheld the perception that clients' decisions of high and low help quality rely upon "how purchasers see the real assistance execution with regards to what they anticipated".

Berry L. A and Zeithaml Parsuraman, (2005) referred to the requirement for client contact work force to "assume liability, have an independent perspective and react well to pressure from clients".

Berry L. A and Zeithaml Parsuraman, Customer Satisfaction (2005) Customer Satisfaction emphasized the importance of training and support in "communication, performance management, team building, coaching and empowerment" for front-line workers and their managers. They also found that companies that exhibited these policies and attitudes experienced not only higher customer retention and profits, but also an increase in employee loyalty and a reduction in job turnover.

Lake Laura, Exploring the value of Customer Retention (2008), recommended the utilization of four instruments: correspondence, criticism, certainty and skill. They underlined that workers need exact data about their jobs; explicit and visit correspondence from administrators about what they were relied upon to do; and complete and current data about items, administrations, and client desires.

Lim Larry, Customer Lifetime Value (2005) inferred that preparation and input in two territories, specialized information and relational aptitudes (which were identified with their "SERVQUAL" measurements of responsiveness, confirmation and compassion), could expand representatives' certainty and skill, and give more prominent lucidity in regard to their jobs. They additionally noticed the significance of giving criticism to representatives on their intuitive abilities.

Miller Robert, Customer Profitability Study (2010) noticed that not many scientists have investigated the client sales rep cooperation from a correspondence viewpoint. They proposed a model that concentrated on correspondence as an essential component of this connection. They found that, albeit numerous creators focused on the significance of "verbal and non-verbal code, for example, message request, examples of contention, utilization of proof, visual contact, and so forth in close to home selling, the majority of the examination had focused on non-deals communications. The client maintenance work necessitated that business aptitudes be joined with administration abilities related to quality and client reliability. This specialist recognized territories in which these two ranges of abilities covered, to figure out which

(assuming any) practices concerning the delegates may change a client's choice to take a few or the entirety of their business to another provider.

Heinlein Michael and Kaplan Andreas The ABCs Approach to Unprofitable Customer Management, Business Horizons (2009) focused on the estimation of "absconding examination" to decide and address the main driver of rebellions, referencing the estimation of skillful testing (questioning) in distinguishing the reasons why clients drop, and utilizing that data as an "early notice signal" for development.

Ward Susan, Customer Relationship Management (2009) supported posing inquiries to build up a "characteristic stream, which thus will prompt a characteristic arrangement". He underlined the significance of "qualifying expertise," which they characterized as: (1) unexpectedly making testing "subset" questions and reacting to the client's circumstance; (2) the capacity to utilize listening aptitudes to guarantee that client's remarks are comprehended and deciphered effectively; and (3) smooth and coherent association of steps in the conversational procedure.

Gómez, Arranz&Cillán, The role of loyalty programs in behavioural and affective loyalty (2006) accentuate that the client reliability program needs to manufacture conduct and emotional dependability. As indicated by social methodology, the reliability program assumes a significant job in the buy recurrence. Members in this program make a higher number of visits to the retailer than non-members.

Hoffman &Lowitt, A better way to design loyalty programs (2008) demonstrate the significance of how chiefs run devotion programs. It is fundamental to keep up a client's steadfastness for quite a while. Motivation draws clients into an incidental buy as well as upgrade dedication. The termination dates on dedication cards empower directors to accomplish transient money related objectives. Clients will most likely attempt association's offering; however, it is hard to figure out what items they may pick next time. Steadfastness programs have money related advantages as well as give clients a sentiment of insight and pride when they purchase something at a superior cost or get something free, particularly when something is costly. At the point when purchasers feel like uncommon clients, they begin to recognize all the more emphatically with the organization.

Gómez, Arranz&Cillán, The role of loyalty programs in behavioural and affective loyalty (2006) portrayed that responsibility is when there is a sane and full of feeling bond in the relationship. A few creators concede that there

is no client unwavering without enthusiastic viewpoints. Just rehearsed exchanges aren't sufficient for dedication to last.

Alan, Introduction to Forecasting Methods for Actuaries (2009) portrayed prescient demonstrating as a part of the insights and information mining system utilized in getting data from information and utilizing such data to anticipate occasions. It contains various indicators, factors that potentially will aid future occasions.

Kapai and Moronge, Determinants of effective customer retention in the mobile communication industry in Kenya (2015) applied linear regression in a portable correspondence industry to investigate how consumer loyalty, client care administration, deals advancement, and duty structure impacts client maintenance.

Lam & Lee (1999) Identified page loading, business content, navigation efficiency, security, and marketing/consumer focus as the determinants of successful web design. The authors also hypothesised that a more successful web-site design was associated with a higher level of customer satisfaction. It also stated that if there was an inconsistency between what the customers expected and what they experienced, then their level of satisfaction drops.

Thelwall (1999) the categorizing ease of use into four groups. Accessibility (whether the site works at all, also if it could be accessed anytime); Navigation (whether the user can easily be able to see what is available on the whole site from the main page. Readability (whether the text on a website could be read and can commit basic errors); Download speed (the time that it takes to download, but this is partially dependent on factors beyond the control of the site designer).

Lyer et al. (2000) Good websites not only attract and sell to customers but also increase the potential of return visits. This raises important implications for organisations thinking of making an appearance on the internet (as well as presenting them with pertinent issues to keep in mind when designing their websites).

Zona Research Inc. (2000) states that poorly constructed web sites can lead to lost revenues from non-realized transactions and negative affect on organization image.

2.1 Theoretical Framework

2.1.1 Customer Retention

Customer retention can be defined as how companies or organizations can maintain the existing customer base on establishing good relations with all those who buy the products of the company, (Kotler, 2008). Customer

retention marketing is a strategically driven approach based on the customers' behaviour. Johnson (1998) marked some philosophies of retention-oriented:

1. Retention marketing requires the allocation of resources of the market: the company needs to recognize some of the marketing activities for customers to generate higher profits in the company. The company can keep its budget flat or decrease it at the same time as growing sales and profits.
2. Active customers are retained: customers are probably to experience they are in control and smart about selections they make, and they prefer to be ok with their behaviour. Marketers take benefit of this by offering promotions of various sorts to get consumers to engage in behaviour and sense correct about doing it.
3. Retaining customers simply means to keep them active with the organization. If the organization fails in doing so, they will slip away and ultimately no longer be customers.
4. Marketing can also be understood as a conversation between clients and the marketer. Marketing with the statistics of the client is a noticeably developed and treasurable conversation but it must be backed and forth among the customer and the marketer because the marketer must pay attention to what the customer is saying to improve their products or services provided.

2.1.2 Attracting Customers

Customers are getting smarter, more price-aware, more demanding while products are not very conducive to them and offered better products from the competitors. According to Cooper and Kaplan, (May-June 1991), it is not always to produce satisfied customers because numerous competitors can do this but is to produce delighted and loyal customers. This means that the customers are should not only be satisfied with services and products but also be retained in the company. Companies who are seeking to expand their sales and profit must spend time and resources searching for new customers.

To begin, the company develops advertisements and places them in media in order to attain new prospects, it also sends direct e-mail and makes phone calls to find new possibilities.

According to Gitomer (1998), to attract new prospects, the company can use:

1. Product Development: which involves the

development of new products for the prevailing market with a view to:

- i. Meet the changing needs of customers.
- ii. Match new competitive offerings.
- iii. Take advantage of latest technology.
- iv. Meet the needs of particular market segments.

Product development is suitable when changing needs and tasks results in the unfolding of new segments or when technological and competitive changes encourage firms to modify their product lines.

2. Packaging: It is the development of a design for containers and graphs for a product. It involves all the activities of designing and producing the container or wrapper for a product.
3. Promotions: It is the use of any short-term incentives to motivate customers to interact with the company.
4. Advertising: It is a paid form of non-personal communication about a company, its product or its activities and used to inform, convince and remind the customers.

2.1.3 Need for Customer Retention

According to Senge (2001), most of the marketing theory and practices focus on the art of attracting new customers as opposed to retaining and cultivating existing ones, traditionally, the emphasis has always been on making sales and not on building relationships. A company is supposed to measure customer satisfaction on a regular basis because the key to customer retention is customer satisfaction. A highly satisfied customer is going to stay loyal for longer, will buy more, talk in favour of the company and its product, do not pay attention to other competing brands and is comparatively way less sensitive to cost, offers service or product ideas to the company and cost less to serve than the new customers because transactions are routine. Some companies think that obtaining a sense of customer satisfaction is all about solving customer complaints, but as per studies, 96% of unsatisfied customers never complain but many just stop buying the products.

2.1.4 Forming Strong Customer Bonds

Berry and Parsuraman (2005) have identified three techniques for retention-building:

- Adding Financial Benefits: Two financial benefits that companies can offer are frequency packages and membership marketing. Frequency programs are designed in order to offer rewards to customers who

purchase often and in extensive amounts. Frequency marketing is all about the acknowledgment of the truth that 20 percent of a company's customers would possibly account for 80 percent of its business. Many companies have created membership club programs to bond customers closer to the company and it is open for all individuals who purchase a service or product.

- Adding Social Benefits: Company employee works on growing social bonds with customers by the way of individualizing and personalizing customer relationships.
- Adding Structural Ties: The Company can also supply customers with special equipment or computer linkages that can help customers to manage orders, payroll and inventory.

According to Alan See, (2003) following are the eight steps to build strong customer bonds:

- Brand: The Company needs to start with a very strong brand identity that can be identified easily by the customer. The brand must not only communicate a message but also inform, inspire and deliver as promised.
- Learning Relationships: Companies that put into effect mastering relationships are able to understand and predict a customer's unique needs. Learning companies put into account that great customer experiences begin with paying attention to the customer and their need to learn instead of talking to the customer to sell.
- Use Technology: To join in advantageous and collaborative approaches, technology also enhances customer loyalty and delivers a faultless experience across channels and touchpoints while demonstrating integrity and interest.
- Ensure and Empower: Ensure a first-rate customer interaction that demonstrates a caring attitude of the company by empowering employees to resolve problems. Loyalty can never be developed if the companies do not truly care for customers.
- Great service: every customer has a service support need. Use support incident as an opportunity to solidify the relationship in offering excellence and quick service and solutions to develop customer trust.
- One view of the company: regardless of the desires of cooperating managers, the customer in the long run controls the relationship. Great customer experience starts when the company focuses on making the

business easier for the customer.

- Layers: customers have different layers and relationships are built on trust and dialogue over time. Customer loyalty requires the care and commitment that takes time, investment of money, and have the patience to grow the relationship.
- Dynamic real-time processes: building relationships is time-consuming; however instant satisfaction has been a future of everyday lives for a long time. Rewards the customers and keep promises on time.

2.1.5 Logistic Regression

The troubles that take place in many fields and sectors are solved primarily based upon numerical values via statistical analysis. Logistic Regression estimates the influence of independent variables on dependent variables. The logistic regression finds the relationship of the result or output variable with independent variables in binary or multiple phases. In case of various assumption distortions (such as normality, common variances, etc.), logistic regression is used as an alternative to discriminant analysis and crosstabs. If the dependent variable is binary or discrete, it also is an alternative to the linear regression analysis. The Logistic Regression analysis creates alternative solutions in line with the data of emerging problems. There are multiple reasons to use this method in many fields. They may be gathered under many titles. Among them are parameter estimate methods (maximum likelihood method, weighted iterative least-squares method, minimum logit chi-squared method). If it consists of more variables than the model variables, then the "Multiple Logistic Regression" model is used.

Logistic Regression is a regression technique that helps in performing categorization and appointment process. The reason to use Logistic Regression is that it determines the relationship between dependent and independent variables to have excellent suitability by means of the least variable. It is a regression model that examines the relationship among independent variables and those which have binary result variables as the dependent variables. Logistic Regression is used not only when dependent variables are binary but also when they are tertiary, ternary or quaternary.

Logistic Regression aims at estimating parameters according to the logistic model that is formed. It is possible to include common variables into the models within the Logistic Regression.

2.1.6 Binary Logistic Regression (BLOGREG) Analysis

It is a form of logistic regression analysis which is made through dependent variables having binary outcomes

(1/0, yes/no, does/do not, proves/does not provide, etc.). It indicated the correlation between one or more input variables and a binary output variable. Input variables are either expressive or common variables. Factor variables are on the nominal scale and common variables should be continuous. As the process to define a model in BLOGREG analysis may be performed as per the direct user defining method (the enter method), it may be done through the progressive approach.

2.1.7 Importance of the Logistic Regression

The Logistic Regression is preferred because it aims at building a biologically suitable model that can identify the relationship between the dependent and independent variables in such a way that it will have excellent suitability while using the least variables. The use of logistic regression is increasing especially in recent years. This method is an alternative to the linear regression as the normality assumption fails in case of a binary categorical or multi-categorical discrete variable. About its flexible usage since it does not have any assumption limitation, the fact that the model from the analysis is mathematically very flexible and it can be easily interpreted has increased its interest in the method.

3. Research Methodology

3.1 Type of Research

This is descriptive research, specifically a survey. The motive of this descriptive research is to acquire data and to know the perspective of the customer towards a local retail store chain and to know the potential factors leading to customer retention.

3.1.1 Population

The target population for the research is visitors to the store.

3.1.2 Sample and Sampling Technique

Convenience sampling has been used to gather data from respondents who were readily available to provide the necessary information.

3.2 Type of Data

The source for this research was mainly the primary source or the customers visiting the store. The primary data gathered for this study was acquired through a self-designed questionnaire filled by the visitors of the store.

3.2.2 Instrument for data collection

The instrument used to gather data was a questionnaire. The questionnaire was divided into two sections. The first section consisted of the questions about personal data of

respondents and the second section was drafted to know the perception of the customers about various factors leading to customer retention.

3.2.3 Procedure for Data Collection

The questionnaire was distributed to the stores to collect the customer's responses and the store authorities were requested to get it filled as more as possible in 10 days. After 10 days, the researcher collected the questionnaire from the store and analysed it.

3.3 Method of Data Analysis

The analysis has been done by creating a regression model using Python programming with the data collected from the store.

4. Research Gap

Several studies have been done to determine the potential factors leading to customer satisfaction and retention and developing a model to find it for the big scale companies, but it has never been done on a local retail store chain. Local retail stores have different marketing needs to retain customers and work is being done to identify those needs based on that, preparing a model to identifying the same is being done in this study.

5. Data Analysis

The data for the research is collected via a questionnaire. In this research, 19 independent (input) variables and 1 dependent (output) variable are used to develop a regression model. Numeric coding for the data is done in excel and data cleaning, data analysis, and model development is done on Python Jupyter console as described below:

1. Coding of Data in Microsoft Excel: The data collected from the questionnaire was raw and uncleaned and saved in the .csv format. The uncleaned data has 130 rows with some missing values. The column named 'Timestamp' is removed and the file is saved for analysis in python.
2. Data Cleaning in Python: The libraries and the dataset are imported in python console and the dataset is checked for missing values. Then, the rows with missing values are removed and the data set is again checked for missing values so as to make sure that all the missing values are removed.
3. Data Analysis in Python: The number of rows left and the datatype of variables are checked, the libraries for data analysis are imported and a heatmap is developed to represent the correlation between the variables.

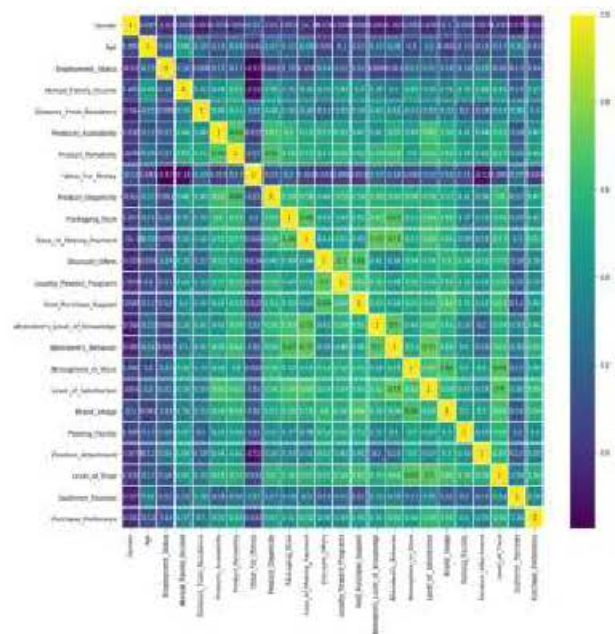
4. Model Development in Python: After the analysis, the Logistics Regression model is developed with customer retention as the output variable and all other variables as the input variables. For this, libraries for Logistic Regression are imported, dependent and independent variables are defined, and the data is parted into training and testing sample. In this model, the test size is taken to be 0.3, which means that 60% of available data is used for training the model and the rest 30% of data is used for testing the model accuracy.

After this, the Logistic Regression model is developed, is fitted on the training dataset and the output values are predicted for the testing data.

5. Checking the Accuracy of Regression Model: Firstly, the library for accuracy check is imported and the model accuracy is checked on the basis of actual and predicted output. The accuracy of the Logistic Regression model is found to be 82.86% which is very good.
6. Forming the Regression Equation: The β -coefficients and the intercept are also obtained from the model to develop the equation.

5.1 Data Interpretation

It can be clearly seen from the heatmap below representing the correlation between different variables that the level of satisfaction a customer gets after making a purchase from the store has the highest correlation with customer retention. Other variables with a comparatively



higher degree of correlation include Customers' trust in the brand, their brand image, and the behaviour of attendants.

After this, the Logistic Regression model is developed with 82.86% model accuracy and the regression equation is found to be:

$$\begin{aligned}
 Y \text{ Purchase Preference} &= -1.37 + 0.62X_{\text{Gender}} - .71X_{\text{Age}} - 0.10X_{\text{Employment Status}} + 0.64X_{\text{Annual Family Income}} \\
 &- 0.07X_{\text{Distance From Residence}} - 0.52X_{\text{Product Availability}} + .26X_{\text{Product Reliability}} - 0.84X_{\text{Value for Money}} \\
 &+ 0.21X_{\text{Product Originality}} - 0.56X_{\text{Packaging Style}} + 0.76X_{\text{Ease of Making Payment}} + 0.22X_{\text{Discount Offers}} \\
 &- 0.41X_{\text{Loyalty Reward Programs}} + 0.20X_{\text{Post Purchase Support}} - 0.54X_{\text{Attendant's Level of Knowledge}} \\
 &+ 0.90X_{\text{Attendant's Behavior}} - 0.17X_{\text{Atmosphere In Store}} + 0.74X_{\text{Level of Satisfaction}} + 0.64X_{\text{Brand Image}} \\
 &- 0.37X_{\text{Parking Facility}} - 0.27X_{\text{Emotion Attachment}} + 0.44X_{\text{Level of Trust}} + 0.04X_{\text{Customer Reviews}}
 \end{aligned}$$

6. Finding and Suggestion

Under this research, the customer's perspective on various factors that affects the customer's shopping preference from the brand store is collected and analysed to identify the potential factors that affect the customer's purchase decision the most. The most affecting factor among all the factors is found to be the customer's level of satisfaction on purchasing products from the stores. Other potential factors include customer's trust in the brand, their brand image, and the behaviour of their attendants.

A Logistic Regression model is developed to identify the customer's purchase preference from the stores based on their responses from the questionnaire. The model is found to be 82.86% accurate which is considered to be very high.

A Regression equation is developed to find the customer's shopping preference from the stores or Customer Retention of the brand.

7. Recommendation

In this research, a single local retail store chain is taken into consideration, the potential factors that lead to customer retention are identified and a regression model is developed to find the customer's shopping preference from the store. In the future, a similar research can be conducted on different stores using the same model to analyse their customer retention strategies. This analysis can benefit those stores to frame and strengthen their customer retention strategies.

The analysis can be done with a higher number of respondents to make the regression model stronger and more accurate.

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