

**AN EMPIRICAL STUDY ON CONSUMER RETENTION STRATEGIES OF SELECT
ORGANISED RETAIL STORES IN ANDHRA PRADESH**

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ABSTRACT:

The study aimed to identify the key factors influencing customer decisions when making online purchases. Based on survey findings, insights were gained into consumer preferences for products and their perceptions of online shopping. The objective of this research was to examine the purchasing behavior of consumers in the Andhra Pradesh concerning online shopping. Understanding this process is crucial for businesses as it allows them to align their marketing strategies effectively. By analyzing past successful marketing initiatives, companies can enhance their efforts in persuading customers to buy online. The increasing number of online shoppers has raised expectations regarding the availability of multiple payment options. With the rise in online purchasing trends, consumers seek diverse and flexible payment methods for their transactions. To gather data, a structured questionnaire was developed and distributed among 120 respondents in Andhra Pradesh. The study adopted a convenience sampling method to fulfill the research objectives. The results highlighted that several factors significantly influence online purchase decisions. Key aspects include pricing, discounts, exchange and return policies, and overall convenience. The research further revealed that product pricing is a major determinant in online shopping behavior. Consumers often compare prices across multiple platforms before making a purchase. Competitive pricing strategies, therefore, play a crucial role in attracting potential buyers. Discount offers emerged as another critical factor influencing customer choices. Many online shoppers are drawn to attractive deals, seasonal discounts, and promotional campaigns. These discounts encourage them to opt for online purchases instead of traditional retail shopping.

Keywords: Online Shopping, Consumer Behavior, Consumer Attitude, Factors affecting and Buyer behaviour.

INTRODUCTION :

The rapid expansion of e-commerce has significantly transformed consumer purchasing patterns across the globe. With advancements in digital technology, an increasing number of consumers are shifting from traditional shopping to online platforms. India, being one of the fastest-growing digital markets, has witnessed a surge in online shopping trends, particularly in semi-urban and urban areas. Andhra Pradesh is no exception to this shift, as consumers in this region are increasingly adopting digital platforms for their shopping needs. Consumer buying behavior in online shopping is influenced by several factors, including convenience, pricing, discounts, product variety, and secure payment options. The ability to compare products, read reviews, and make purchases from the comfort of home has made online shopping an attractive option for many. However, retaining consumers and ensuring repeat purchases remain significant challenges for e-commerce platforms. Customer retention depends on multiple aspects such as trust, service quality, delivery efficiency, and post-purchase support. Understanding these factors is crucial for businesses to develop strategies that enhance customer loyalty and long-term engagement. This study aims to analyze the consumer buying behavior and retention patterns towards online shopping in the Andhra Pradesh. It explores the key determinants influencing

purchase decisions, including demographic factors, purchasing preferences, and consumer perceptions of online retail platforms. Furthermore, it investigates the challenges faced by consumers, such as security concerns, product authenticity, and service reliability, which may impact their willingness to continue shopping online. By evaluating consumer responses and analyzing market trends, this research seeks to provide valuable insights for online retailers operating in the region. Understanding the expectations and preferences of consumers can help businesses tailor their marketing strategies, improve service quality, and enhance customer retention rates. The findings of this study will contribute to a better understanding of the evolving digital marketplace in Andhra Pradesh and offer recommendations for e-commerce businesses to improve their operations. With online shopping becoming an integral part of modern retail, this research highlights the significance of customer-centric approaches in sustaining business growth and ensuring a positive shopping experience for consumers.

REVIEW OF LITERATURES:

Chiu et al. (2020) the objective of this study is to know the demographic profile of college students & factors influencing to buy products in online. Majority of students (58%) shop products through online & spend less than 1 hour & they majorly prefer Flipkart for online shopping. This study finally conclude that college students prefer to shop online & buy the products from several brands because no need to visit shop, more choice, no need to bargain, without wasting money & time. This study collected data from Sample size, sampling design, both primary & secondary data and the tools like percentage analysis, Garret ranking technique.

Gefen et al. (2003) this research aims to understand the comparison between online shopping & physical store shopping. The primary objective of this study is to do comparative study of online shopping and physical store shopping. In this study, research design followed is Descriptive Research Design, as it is a conclusive and structured study to find out the characteristics of problem. In this study, sampling design followed is clustering sampling, as we have done online survey and have covered heterogeneous kinds of people. The study is descriptive in nature and uses primary data to analyse and interpret the results. The study is based on primary data and uses a sample of 100 people the type of method followed for data collection is primary data collection, as we have collected the information directly from the people. They have collected information from online reviews.

Kim et al. (2009) this study refers with low-cost smartphones and affordable data packages Internet penetration is rapidly growing in India. The research identifies the salient features of online customer behaviour in Indian context. An Exploratory factor analysis was conducted and identified determinants that govern consumer buying behaviour. Six factors emerge which were named utilitarian attributes, post purchase issues, Hedonic motives, freedom, intrusion and convenience. These factors are consistent with the global studies, but freedom emerges as a new factor in Indian context.

Oliver (2021) this study explore the new improvement of online business and the buyer's growing income in purchasing over the net have basically changed the location of Indian retail market. Today customers are skewed to recognize the movements and maintain their eyes on the benefits they can gain from online retailers. The new delineation of changing client purchase configuration is the flipkart's 'Tremendous Multi day' Sale. Dr.Naveen Prasadula (2024) This study explores consumer behaviour towards online shopping, investigating the motivations and preferences of a sample population of 100 men and women. The research acknowledges the growing influence of the internet on shopping habits, with consumers increasingly turning to online platforms for purchases and product research. Recognizing the internet's potential for businesses, the study highlights its role in reducing marketing costs, facilitating communication, and streamlining product sales, information dissemination, and customer feedback collection. Consumers, beyond simply buying

online, leverage the internet to compare prices, product features, and after-sales services offered by different stores.

OBJECTIVES:

1. To find out the consumer behaviour of online shopping.
2. To study the influence of demographic variables on online shopping.
3. To understand consumer attitude towards online shopping and their satisfaction.

Hypothesis:

H01: There is no significant relationship between the age of respondents and opinion about the reasons affecting online shopping.

H02- There is no significance of respondents' opinion about the reasons affecting online shopping.

H03 - There is no significant respondent factors affecting your online purchase decision.

SAMPLING DESIGN AND METHODOLOGY:

The present study has an experimental research situated on analysis method. The research is confined of Andhra Pradesh. This paper is based on both primary and secondary data. Primary data composed through regularized Interview schedule from 120 respondents in Andhra Pradesh. The respondents for the study were depicted by means of simple random sampling method. SPSS collections were used for analysis. In order to find out the factors influencing online shopping behaviour in Andhra Pradesh. Simple Percentage analysis and chi – square analysis has been used to discover any variances about consumer's behaviour among the sample respondents.

DATA COLLECTION: PRIMARY DATA:

The present study has used the both Primary and Secondary data. The pre-tested and well- structured interview questionnaire has used to collect Primary data.

Secondary data:

The required secondary data were collected from various Journals and Websites, magazines and articles.

Analysis:

In achieve the objectives of the study an analysis is made to understand the consumer's online shopping behaviour. The statistical tools used are percentage analysis and Chi-square test. The socio Economic profile of the respondent are shown in the following figures.

TABLE NO: 1 GENDER OF THE RESPONDENTS

Particulars	No of respondents	Percentage
Male	69	57.5
Female	51	42.5
Total	120	100

Source: Primary data

From the table, it is clear that out of 120 respondents, 57.5% are male and 42.5% are female. Hence, the majority of therespondents are Male.

TABLE NO: 2 AGE OF THE RESPONDENTS

Particulars	No of respondents	Percentage
Below 20 years	28	23.3
21 years - 30 years	70	58.3

31 years – 40 years	15	12.5
40 years and above	7	5.8
Total	120	100

Source: Primary data

From the table, it is clear that out of 120 respondents, 23.3 % of the respondents are between the age group below 20, 58.3 % are between the age group 21-30, 12.5 % are between the age 31-40 and the rest 5.8% above 40. Hence, the majority of the respondents are between the age group of 21-30.

TABLE NO: 3 EDUCATION QUALIFICATIONS

Particulars	No of respondents	Percentage
School Level	4	3.3
Degree/Diploma	49	40.8
Post graduates	44	36.7
Professional	20	16.7
Others	3	2.5
Total	120	100

Source: primary data

From the table, it is clear that out of 120 respondents, 40.8% of the above respondents are Degree/Diploma holders, 36.7 % of them are postgraduate level, 16.7% are professionals, 3.3% are school level and the rest 2.5 % are others. Hence, the majority of the education qualifications of the respondents Degree/Diploma holders.

TABLE NO: 4 OCCUPATIONAL STATUSES

Particulars	No of respondents	Percentage
Homemaker	19	15.8
Govt. Employee	5	4.2
Private Employee	46	38.3
Business	13	10.8
Others	37	30.8
Total	120	100

Source: primary data

From the table, it is clear that out of 120 respondents, 10.8% of the respondents are doing business, 4.2 % are government employees, 15.8 % are home makers, 38.3 % are private employees and the rest 30.8% are others. Hence, the majority of the occupational status wise respondent's Private employees.

TABLE NO: 5 MONTHLY INCOME

Particulars	No of respondents	Percentage
Up to 10000	43	35.8
10000 - 20000	30	25
20000 - 30000	20	16.7

30000 - 40000	8	6.7
Above 40000	19	15.8
Total	120	100

Source: primary data

From the table, it is clear that out of 120 respondents, 35.8% of the above respondent's monthly income is less than Rs.10000, 25% respondent's monthly income is between Rs.10000-20000, 16.7% respondent's monthly income is between Rs.20000- 30000, and rest 6.7% respondent's monthly income is between Rs. 30000-40000 and rest 15.8% respondents is above Rs.40000. So, the majority of the respondent's monthly income is less than Rs.10000.

TABLE NO: 6 SHOWING WHAT RESPONDENTS LOOK WHILE ONLINE SHOPPING

What respondents look	Frequency	Percentage
Price information	58	48
Brand information	49	41
Information of the dealer that carry product	11	9
Others	2	2
Total	120	100

Source: Primary Data

The above table shows that 48% of respondents look at price information while online shopping. 41% and 9% of respondents look at brand information and information of the dealers that carry products respectively. Respondents look for others of product are 2% each.

TABLE NO: 7

H0: There is no significant relationship between the age of respondents and opinion about the reasons affecting online shopping.

ANOVA						
Factors		Sum of Squares	df	Mean Square	F	Sig.
Price	Between Groups	.826	3	.275	.247	.863
	Within Groups	101.532	116	1.116		
	Total	102.358	119			
Product	Between Groups	.208	3	.069	.084	.968
	Within Groups	95.383	116	.822		
	Total	95.592	119			
Between Groups		3.815	3	1.272	1.211	.309

Discount	Within Groups	121.776	11 6	1.050		
	Total	125.592	11 9			
Delivery time	Between Groups	7.098	3	2.366	2.118	.102
	Within Groups	129.569	11 6	1.117		
	Total	136.667	11 9			
Convenience	Between Groups	6.296	3	2.099	1.982	.121
	Within Groups	122.829	11 6	1.059		
	Total	129.125	11 9			

(Source: Primary data)

The above table shows the p value of the variable Price value, Price, Product, Discount, Delivery time and convenience are more than 0.05 at 5% level of significance. Hence the null hypothesis is accepted and inferred that there is no difference between the mean scores of these two factors of opinion about the reasons affecting online shopping and Age.

TABLE NO: 8

H0- There is no significance of respondents' opinion about the reasons affecting online shopping.

Test Statistics					
	Price	Product	Discount	Delivery time	Convenience
Chi-Square	32.526 ^a	24.467 ^b	47.917 ^c	46.667 ^c	57.667 ^c
df	4	3	4	4	4
Asymp. Sig.	.000	.000	.00 0	.000	.00 0

(Source: Primary data)

This table reveals the relationship between opinions about the reasons affecting online shopping. For Price value, Price, Product, Discount, Delivery time and convenience are less than the table value. As a result, null Hypothesis is rejected. So, Alternative Hypothesis is accepted. It concludes that there is a significant difference of opinion about the reasons affecting online shopping.

TABLE NO: 9

H0 - There is no significant respondent factors affecting your online purchase decision.

Test Statistics					
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	Previous Experience	Family Members	Friend s	Online Advertiseme nt	Tim e Saving
Chi-Square	64.33 3 ^a	37.08 3 ^a	50.583 a	73.16 7 ^a	62.41 7 ^a
df	4	4	4	4	4
Asymp. Sig.	.000	.000	.000	.000	.000

(Source: Primary data)

This table reveals the relationship between factors affecting your online purchase decision. Previous Experience, Family members, Friends, online advertisement and time savings are less than the table value. As a result, null Hypothesis is rejected. So, Alternative Hypothesis is accepted. It concludes that there is a significant difference of factors affecting your online purchase decision.

FINDINGS OF THE STUDY:

The majority of consumers in Andhra Pradesh have internet access which makes them do Online shopping conveniently.

Professionals and young individuals are the primary online shoppers, which they perceived benefits motivate people to shop online.

Only half of the customers shop online frequently and People aged between 20-30 years predominantly use online shopping.

SUGGESTIONS OF THE STUDY:

Online retailers should implement measures to mitigate risks in online shopping and build customer trust.

The majority of consumers find e-commerce beneficial in offering an improved shopping platform. Therefore, providing introductory information to every customer can enhance their website navigation experience.

Offer a free trial period of one week for online shoppers to evaluate products, with payment only upon satisfaction or return if not.

CONCLUSION:

The study on consumer buying behavior and retention towards online shopping in the Andhra Pradesh provides valuable insights into the factors influencing online purchase decisions and customer loyalty. The rapid expansion of digital commerce, coupled with increased internet penetration and smartphone accessibility, has significantly transformed the way consumers engage with online shopping platforms. While urban areas have already embraced e-commerce, semi-urban regions like Andhra Pradesh are gradually adapting to digital retail transactions. The research highlights that convenience, competitive pricing, product variety, and promotional offers are among the primary factors driving consumer engagement with online shopping. Consumers prefer platforms that provide seamless browsing experiences, secure payment options, and hassle-free return policies. Additionally, the availability of multiple payment modes, including cash-on-delivery, plays a crucial role in influencing purchase decisions in the region. However, despite the growing acceptance of online shopping, certain challenges remain. Security concerns regarding online transactions, lack of trust in product authenticity, and apprehensions about after-sales services impact consumer confidence. Many shoppers hesitate to make

repeat purchases from platforms that fail to provide quality assurance, timely deliveries, and responsive customer support. Addressing these issues is essential for e-commerce businesses aiming to enhance customer retention in the Andhra Pradesh. Customer retention is a key determinant of long-term business sustainability in the e-commerce sector. The study underscores that businesses must focus on personalized marketing strategies, loyalty programs, and superior after-sales services to build strong customer relationships. Ensuring prompt delivery, transparent return policies, and responsive grievance resolution mechanisms can enhance consumer trust and encourage repeat purchases. Moreover, the influence of social media and digital marketing on consumer behavior cannot be overlooked. Many consumers rely on product reviews, influencer recommendations, and advertisements before making online purchases. Leveraging these platforms effectively can help businesses establish brand credibility and engage with a broader audience. In supposition, online shopping in the Andhra Pradesh is witnessing steady growth, but businesses must address the key challenges that influence buying behavior and retention. By prioritizing security, service quality, and personalized customer engagement, e-commerce platforms can enhance consumer trust and ensure long-term sustainability in the market.

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