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CUSTOMER SATISFACTION AND LOYALTY TOWARDS ONLINE SHOPPING: A STUDY IN LUDHIANA

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INTRODUCTION OF THE STUDY

Online shopping is a process whereby consumers directly buy goods, services etc. from a seller without an intermediary service over the Internet. Shoppers can visit web stores from the comfort of their house and shop by sitting in front of the computer. Online stores are usually available 24 hours a day and many consumers have internet access both at work and at home. So it is very convenient for them to shop Online. One of the most alluring factors about online shopping, particularly during holiday season is that it eases the need to wait in long lines or search from a store for a particular item. Now a days the life style of the people is different. People feel uncomfortable and time consuming for going in crowded markets. So, Online-Shopping is a boon as it saves lot of time. Covid-19 has changed the life style of the people. Now people feel more comfortable by sitting back home and shop online rather than going out and shop in the traditional way.

In the typical online shopping process, when potential consumers recognize a need for some merchandise or service, they go to the internet and search for need related information. However, rather than searching activity, at times potential consumers are attracted by information about products or service associated with the felt need. They evaluate alternatives and choose the one that best fits their criteria for meeting the felt need.

Online shopping environments are therefore playing an increasing role in the overall relationship between marketers and their consumers (Koo et al. 2008).no of internet users are also increasing exponentially. This leads to a big competitive market on internet also.so in this scenario customer satisfaction and customer loyalty becomes the integral part of the study.

CUSTOMER SATISFACTION AND LOYALTY

Customer satisfaction and loyalty is very important concepts for modern day business because of two main reasons:

First, it is ten times costlier to make new customer than to retain the old customer. Second, Customer loyalty and satisfaction has a positive effect on the profitability revenue of the company.

Customer is a King so its satisfaction has been one of the top tools or mantra for a successful business. Customer satisfaction is defined as an overall evaluation based on the total purchase and consumption experience with the goods or service over time. Customer satisfaction is a barometer that predicts the future customer behavior and estimates the sales as well. However, the product and its features, functions, reliability, sales activity and customer support are the most important topic required to meet or exceed the satisfaction of the customers. Satisfied customers usually rebound and buy more. Besides buying more they also work as a network to reach other potential customers by sharing experience. Therefore, when the organization wins a customer it should continue to build up a good relationship with the client. Providing the quality of goods and services in the 20th century is not only to satisfy the customers but also to have a safe position.Customer satisfaction is dynamic and relative. While improving customer satisfaction, customer expectations should be noticed. Service quality, product quality and value for money have a direct positive impact on customer satisfaction. Employee satisfaction is equally important before achieving the customer satisfaction. When the customer is satisfied with the product or service of the company, it can make the customer to purchase frequently and to recommend products or services to potential customers.

A satisfied customer leads to a loyal customer. Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and repatronage. Loyalty building requires the company to focus the value of its product and services and to show that it is interested to fulfill the desire or build the relationship with customers. Loyalty is more profitable.as discussed earlier also the expenses to gain a new customer is much more than retaining existing one. Loyal customers will encourage others to buy and think more than twice before changing their mind to buy other services. Customer loyalty is not gained by an accident, they are constructed through the sourcing and design decisions. Designing for customer loyalty requires customer-centered approaches that recognize the want and interest of service receiver. Customer loyalty is built over time across multiple transactions.

Literature Review

Customer satisfaction- loyalty relationship in Online Shopping

According to Barnes (2015) Customer satisfaction and loyalty are closely linked with each other and both have an effect on a firm's performance. Though customer satisfaction and loyalty are related with each other in many ways, it has to be borne in mind that customer satisfaction does not always result in loyalty. A satisfied customer need not necessarily be loyal. Customer satisfaction by itself will not result in developing solid customer relationships. When there is an absence of emotional bond, the customer will leave in spite of increased satisfaction. But on the other hand, loyalty is the end result of customer satisfaction. Paulo, Susana and Margarida (2018) consumer purchase product depending on how easily and how soon they can contact the retail stores. Online shopping has improved these aspects for customers and e can place order while sitting at home via online shopping. Hooda and singh (2018) online shopping is ensured by numerous people, who have a hectic schedule and not having time or energy for spending their precious time in the mall in order to shop their desired products. Nowadays people have been enduring more confidence in order to embrace online shopping.

Duarte et al. (2018) Customer satisfaction and loyalty are elements that determine the successful of business. Maintaining customer loyalty has been recognized as one of the essential factor for the business survival and growth. Customer loyalty occurs when a customer buy a product or service repeatedly. Dahiya Monika (2015) According to the study the trend of online shopping has become very popular especially among youngsters nit even in big cities but also in small cities. Souca (2014) The way of online shopping provides several facilities to the customers and for this reason, customer become satisfied while buying products from the retailers through online.

Huseynov and Yildirim (2014) Online shopping has a unique characteristics. This study emphasized that the lack of physical interaction tends to be a critical impediment in online retail sales followed by the privacy of individual information and security of financial transactions over the internet. Yoon et al..., (2013) The customer loyalty is considered as the key to business success and it is one of the marketing strategy, which raise the business profitability in the long term and it leads to the firm profitability due to the customer repurchase.

Tandon (2013) This study analyzed the customer satisfaction by user's perspective toward the online shopping in India. The study revealed that perceived usefulness and website functionality have positive impact on customer satisfaction, whereas perceived usability had a significant but negative impact on customer satisfaction. It also reported that ease of use, ease of understanding, ease of ordering and ease of purchasing seem to be significant variable of satisfaction of online buyers.

Objective of the Study

- To learn the demographic features of the customer shopping online
- To study the perception of the customer towards online shopping
- To explore the most preferred reason of the customer to shop online.
- To measure the relationship between customer satisfaction and customer loyalty in online shopping.

Research Methodology

The nature of the research is descriptive and the goal of this research is to explore the customer satisfaction and loyalty towards online shopping and measure how these factors are extensive. A survey was conducted to collect primary data by using questionnaire. This contains few relevant questions regarding online shopping. Both the primary and secondary data is used to achieve the objectives. The mode of collecting primary data is well structured questionnaire. The sample size used for the study is 100 and sampling unit is Ludhiana (Pb). Convenience sampling is used to collect the data. A statistical method of drawing representative The advantages of this type of sampling are the availability and the quickness with data can be gathered.

FINDINGS AND ANALYSIS

It is noted that a larger proportion of the sample was occupied by female respondents and there is also a lot of awareness among the male members. It is clear from the responses that among the people who use online shopping the maximum were the students. Annual income is another demographic variable which was used to different respondents obtained for research. It is clear that Maximum people do not have their own income as they might be the student. There is a positive relationship between Customer Satisfaction and Customer Loyalty. It is very important to understand the relationship that exist between the concept of Customer satisfaction and customer loyalty. We have find the relationship between the customer satisfaction and loyalty with the help of coefficient of correlation.

We assume that statement Q1-10 under the customer satisfaction and the Q11 to 18 under the Customer Loyalty:

	<i>CS</i>	<i>CL</i>
CS	1	
CL	0.232393	1

Coefficient of Correlation: A correlation of coefficient is a numerical measure of some type of correlation, meaning a statistical relationship between two variables. The coefficient of correlation is represented by “r” and it has a range of -1.00 to +1.00.

Coefficient of correlation is a positive amount such as 0.232393, so, result of the coefficient of the correlation explain that the relationship between the customer satisfaction and customer loyalty has a positive relationship.

These two concept that have an important part to play in the success of the business. The role of customer satisfaction in loyalty largely indicates that satisfaction is a key determinant of loyalty. Therefore, there is a link between customer satisfaction and customer loyalty. the core of loyalty is satisfaction, loyalty is a major component of satisfaction, and satisfaction is the initial phase of loyalty. It means that only satisfied customers become the loyal customers.

Based on the findings, customer satisfaction does positively affect customer loyalty, Majority of the respondents are satisfied with the internet method of shopping.

Future Scope:

Future study can be conducted by taking large sample and some other sampling unit.

Conclusions

Indian shopping scenario has been revolutionized over the years substantial change is experienced in the satisfaction of the consumers. As the income and standard of living of the people are changing the change has been noticed in shopping habits also. The online shopping become daily part of our lives, mainly because it is so convenient. Two variables of online shopping features provide positive effect towards customer satisfaction and customer loyalty. It has also been found that customer satisfaction does positively influence customer loyalty in online shopping environment. Therefore, online retailer can use this information in their decision making process. This study explain that customer play a crucial role in customer satisfaction and customer loyalty and the success for the business. Therefore, it is very important to the organization to understand what exactly the customers need and how to gain loyalty for the successful business. Every company aim is to maintain the long term relationship with the customers and the business organization. In order to acquire the potential customers, needs and demands should be acknowledged also customer satisfaction has a great impact on the entire business operations. The customer plays a crucial role in the market chain process. To make it clearer, satisfied customers are the ones who create the possibility of the new consumers. If the existing customers are satisfied with the product and service, then there are the chance of recommendation to the new ones. This will lead to the increasing number of customers and could maintain the level of the relationship with the customers.

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