

Chapter 20

Factors Affecting Customer Loyalty in NCR: An Analysis

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ABSTRACT

In India, the retail industry is rapidly growing and the US\$ 600 Billion industry is all set to touch the US\$ 1 Trillion mark by 2020. With rising disposable income levels, Indian consumers are getting sophisticated day by day and gone are the days when customers are dependent on a handful of brands. All the retailers are trying to woo customers by making their products available according to the convenience of customers and gain a share of the customer's wallet. The availability of many brands is making the customers try different brand which is decreasing customer loyalty. Loyal customers are always helpful for a retailer as the life time value of loyal customers is much higher than that of disloyal customers. The research study aims to understand and analyse the factors affecting customer loyalty in NCR. The research studies four major factors which impact customer loyalty, i.e., customer service of the retailer, brand image of the retailer, trustworthiness of the retailer and special benefits provided by the retailer to the loyal customers.

INTRODUCTION

Customer Loyalty is an attitudinal and behavioural tendency of customer to favour one brand over the other. The Indian retail market is growing at an impressive speed. The country is witnessing a transformation from age-old organised form of retailing to organised retailing practices. The attractiveness of Indian retail market, which is largely unorganised underserved, has attracted many global players like Walmart, Zara, H&M, and Armani etc. to open shops in India. With the evolution of faster connectivity and internet services like 4G and LTE and the largest young population who are tech savvy, e-commerce

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