

## **Satisfaction and Loyalty: A Study of Amazon Customers**

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### **Abstract**

*The purpose of the paper is to know the satisfaction and loyalty of customers towards Amazon, an online leading shopping platform. There has been a huge shift from offline to online platform by customers for shopping due to COVID-19 situation all over the world. The data was collected from Delhi the national capital. Convenience sampling was used to collect the data through a well-structured questionnaire. The study found that for some aspects males are more satisfied and for some females. In terms of loyalty, females are more loyal in comparison to males. This study can be very useful for Amazon and even other online shopping platforms.*

**Keywords:** - *Customer satisfaction, Customer Loyalty, Online shopping, Amazon, Gender.*

### **Introduction**

In this virtual world where things shifted from physical world to virtual reality and things are just one click away. The world has shifted from offline to online and with time many companies came into light such as Amazon, Flipkart, Myntra and many more which stated their business on online platform. Among all these companies Amazon has gained the best place in the market. Sale of extensive variety of goods and services is their chief source of revenue; their financial focus is on long-term and sustainable growth and work towards reducing their variable cost (Amazon Annual Report, 2019). Today online shopping is the only demand of time. At this point of time where COVID-19 has its dominance in not only Indian economy rather all over the world, has brought the world to a stagnant situation where nobody can move out risking their lives. In such a situation online businesses are the only ray of hope supplying necessary and essential goods. Online businesses are also at stake but in the coming time this industry may get a boost as people will avoid going outside due to pandemic of COVID-19. Online business platforms were doing well before also but now they may slowly and steadily capture the market heavily.

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Amazon is one of the best known platform majorly working for consumer satisfaction. This studies focus is also on knowing the satisfaction and loyalty of customers with Amazon. Gender has been taken as the major factor affecting the satisfaction and loyalty, this study focuses on the difference in gender affecting their satisfaction and loyalty.

## **2. Review of Literature**

### **2.1 Customer Satisfaction**

Customer satisfaction has its various definitions in the marketing literature. It is generally accepted that satisfaction is a psychological state that results from consumer experiences after consumption (Pleshko and Heiens, 1996). As per the extensively recognised conceptualization, customer satisfaction is “a customer’s post-consumption evaluation of a product or service” (Mittal and Frennea, 2010). This only “happens if the apparent functioning of a product or service encounters or surpasses customers’ preceding hopes (Bearden and Teel, 1983; Oliver 1980, 2010). On the whole satisfaction of customer with a company’s services is established by differentiation between customers’ desires for the firm’s products or services and their opinions of the products’ or services’ performance (Fornell et al., 1996; Oliver 1980, 2010). Tse and Wilton followed the results given by Churchill and Surprenant, and then they investigated how customer satisfaction formed. Results recommended that perceived performance strive direct notable impact on satisfaction in insertion to those impacts from expected performance and subjective bust. However, it can be said that forecast and subjective bust seem to be the best approach in capturing customer satisfaction generation. Alongside, there is a two measure tools of customer satisfaction. They comprise of the ratio and dissimilarity between discernment and presumption (Ho and Wu, 1999).

### **2.2 Customer Loyalty**

Customer and Loyalty are two different words but if they both are bought together then they can form a permanent hub of customers for the company. Dick and Basu (1994) defined loyalty as a customer commitment to the brand or approach to the brand (service, product category, etc.). Loyalty is also interpreted as an expectation to continue a relationship with a particular brand (Wilson, 1995). According to Aeker (1991), brand loyalty is defined as "the attachment that a customer has to a brand". According to Beerli et al.(2004) loyalty described based on inertia, when the user purchase brand again because he/she used to do it, however if the conditions allow the user will replace the product with the competitors brand. He also stated

that, a true brand loyalty when the decision to repeat purchase is made on satisfactory experiences and positive attitude toward the preferred brand. Generally, loyalty has been explained as an active loyalty when a consumer re-use the brand and recommend the brand to the others, and a passive loyalty, that is characterized as an intention of not switching even when brand provides less positive conditions (Neringa and Viltė, 2009). Loyal customer is a natural or legal person who purchases goods or services and is not inclined to buy from competitors (Dudonis (2012). Pranulis, Pajuodis and others (2012) state that loyal customers describe as a constant preference for certain goods (brand loyalty) and stores (loyalty to the place of purchase). According to Išoraitė (2014) customers can be called loyal if he or she:

- They are loyal to the company for an extended period of time;
- Purchase new products which are offered by the company;
- Appealing your friends, family members, peers, relatives to buy products from that company, and tries to create a positive image of the company;
- Remains unresponsive to the movements of opponents;
- Less sensitive to the changes made in price by the company or brand;
- Ready to bear faults committed by the firm;
- Eagerly delivers news;
- Ready to communicate his thoughts and ideas on refining the facilities provided by the company;

It is not a compulsion for the buyer to fulfil all the criteria, it differs with the situation, but it is essential to fulfil any number of standards so that consumer can be called loyal. Loyalty is a promise; it can be both sensitive and rational. Gifts, discount offers, coupons, prizes, inspires a customer to buy product from that company, these are as a reward for being loyal. But the drawback is that this kind of loyalty remains only till these programs are in motion, after that customer moves to other company or brand. When customers are emotionally loyal it generates an optimistic experience for the business. Thus, the optimistic experience of receiving customers remains loyal buyers (Kachanova, 2010). The behaviourist concept of customer loyalty, grounded on behavioural loyalty (repeat purchases), is challenging because of the buyer's emotional incentives for the failure to assess purchasing products or services.

Neobiheavioristic concept of loyalty is grounded on the code that consumer loyalty is a two-dimensional concept, calculated in terms of behaviour and best fits the concept of association marketing, as motives for customer loyalty by assessing the behaviour causes (Glinskienė et al., 2010). According to neobiheavioristic concept of customer loyalty, customer loyalty is conveyed as:

- behavioral loyalty, which indicates the real brand- precise creation and service the quantity of procurements within a definite stage of time;
- approach loyalty, which indicates the fondness for definite goods (Zikienė and Brazinskaitė, 2012)

Sole concept, which can define loyalty, does not subsist. The current interpretation of this idea can be distributed into three main parts: kind of behaviour conveyed in customer loyalty; loyalty as buyers provisions expression and loyalty, define provisions affected by the behaviour (Bakanauskas and Pilelienė, 2009). It is necessary for each company to have regular or loyal customers who purchase the products from the company repeatedly, communicate positive information, and will not be attracted with the new products offered by the, so it is significant to know which class includes the classification of one or another buyer. At different stages of loyalty there are different needs of customers (Bakanauskas and Pilelienė, 2009). It becomes the duty of the company to fulfil the needs of the company time to time to encourage loyalty and to enter into new projects which help to encourage customer loyalty.

### **Research Methodology**

In this study descriptive research design has been used. This descriptive study is in the form of a survey to investigate the Reasons for making purchases from Amazon, Pattern of making purchases, Satisfaction with services and loyalty towards Amazon. This design is inexpensive and needs a little time to conduct. There is no attempt to change participant's behaviours or conditions. To certify that the data collection is appropriate for our research purpose, the 1st step of the primary data collection is to design the questionnaire. All the questions relevant to the study have been included. Face to face interaction has been used for the collection of data. Best possible understandable language has been used in the questionnaire. A well-structured questionnaire is used. With the help of advanced technology all questions were made compulsory to answer, so that no question left unfilled and lead to sampling error. The information collected from the questionnaire will be helpful and useful for the study. The

questionnaire has been divided into various sections. First section comprises of the demographic profile of the respondents. Second section consists of reasons for not making the purchases (only for those respondents who do not shop online or from Amazon). Third section deals with purchasing pattern of the consumers from Amazon (US Essays). Forth section deals with the reasons pursuing consumers to purchase from Amazon (Zhouni and Shiyng). Fifth section deals with the satisfaction level of consumers with services provided by Amazon (Zhouni and Shiyng). Last section comprises of loyalty of customers towards Amazon (Margarita2016). After a well-structured questionnaire was designed, Respondents were approached in the area of Delhi as it is the national capital and comprises the cluster of people from all over India. Then face to face interaction was done with the respondents to get the questionnaire filled. The respond rate was finally impressive. The data for the study has been collected from all these sources to support the literature review, questionnaire, introduction and background. The consumers making purchases online specifically from Amazon have been targeted, from the area of Delhi. With the help of convenient sampling the data from 100 respondents have been collected, but out of which only 60 responses were left after scrutiny. Convenience sampling has been used because of ease of choice of sample unit. It was the random selection of people from the area who make online purchases.

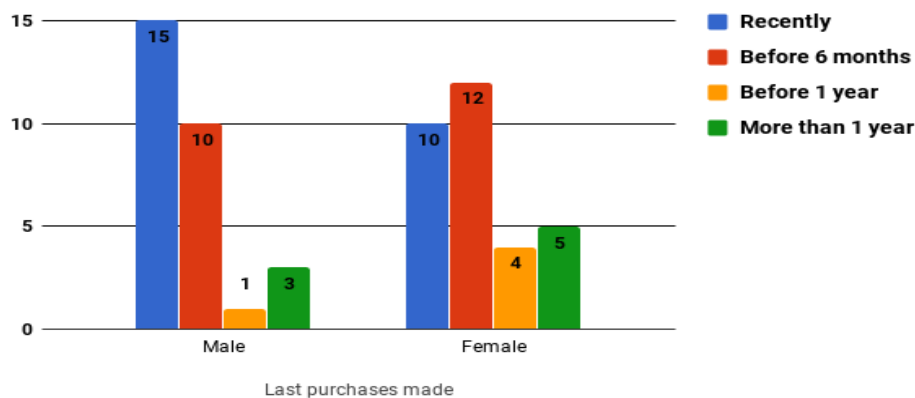
### **Analysis and Interpretation**

**Table 1: Gender and Last purchases made from Amazon**

<b>S. No</b>	<b>Last purchases made</b>	<b>Recently</b>	<b>Before 6 months</b>	<b>Before 1 year</b>	<b>More than 1 year</b>
<b>1</b>	Male	15 (25%)	10 (16.6%)	1 (1.6%)	3 (5%)
<b>2</b>	Female	10(16.6%)	12 (20%)	4 (6.6%)	5 (8.3%)

**(As per Primary data)**

**Gender and Last purchases made**



(As per primary data)

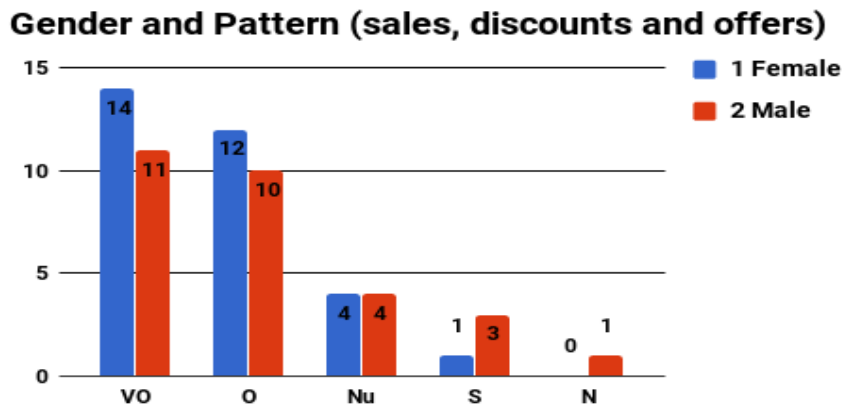
**Interpretation:** As per the data it was found that most of the males and females made their purchases from Amazon recently. But, as compared to females, males made high recent purchases from Amazon that is 15(25%) and 10(16.6%) females made the purchases. Whereas, 12(20%) of the females made their last purchases before 6 months and 10(16.6%) males made their last purchases before 6 months, in this case females made higher purchases.

**Table 2: Gender and Pattern of making purchases (Sales, discounts and offers affect your purchasing decision)**

S. No	Gender/Pattern	VO	O	Nu	S	N
1	Female	14(23.3%)	12(20%)	4(6.6%)	1(1.6%)	0
2	Male	11(18.3%)	10(16.6%)	4(6.6%)	3(5%)	1(1.6%)

(VO = Very often, O = Often, Nu = Neutral, S = Sometimes, N = Never)

(As per primary data)



(As per primary data)

**Interpretation:** 14(23.3%) Females and 11(18.3%) Males responded that they “very often” make purchases from Amazon when there are discounts, sales and offers. Whereas, only 1(1.6%) female and 3(5%) males “sometimes” use the purchasing pattern of sales, discount and offers. None of the female “never” used the pattern of purchasing during sales, discount and offers and only 1(1.6%) male used the purchasing offer.

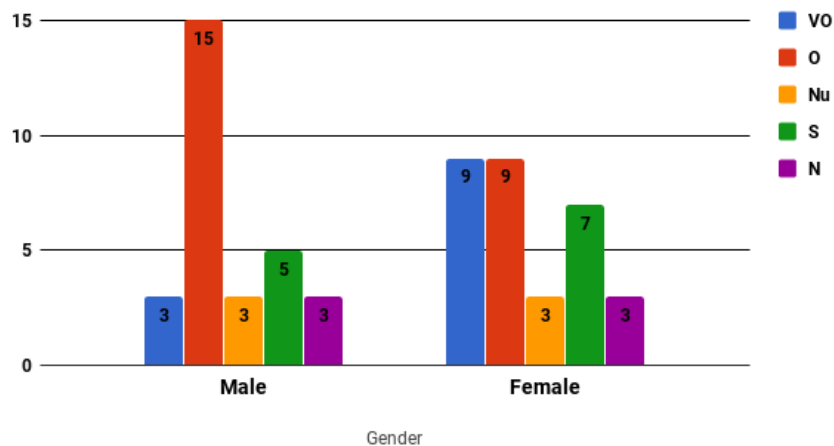
**Table 3: Gender and Category of product (Shoes, clothes and jewellery)**

S. No	Gender	VO	O	Nu	S	N
1	Male	3(5%)	15(25%)	3(5%)	5(8.3%)	3(5%)
2	Female	9(15%)	9(15%)	3(5%)	7(11.6%)	3(5%)

(VO = Very often, O = Often, Nu = Neutral, S = Sometimes, N = Never)

(As per primary data)

**GENDER AND CATEGORY(SHOES, CLOTHES & JEWELLERY)**



(As per primary data)

**Interpretation:** Here the table 3 shows the data regarding purchases of shoes, clothes and jewellery. It was found that most males that are 15(25%) used to often make purchases of shoes, clothes and jewellery whereas in comparison female were only 9(15%). 9(15%) females and 3(5%) males responded that they very often make purchases of shoes, clothes & jewellery.

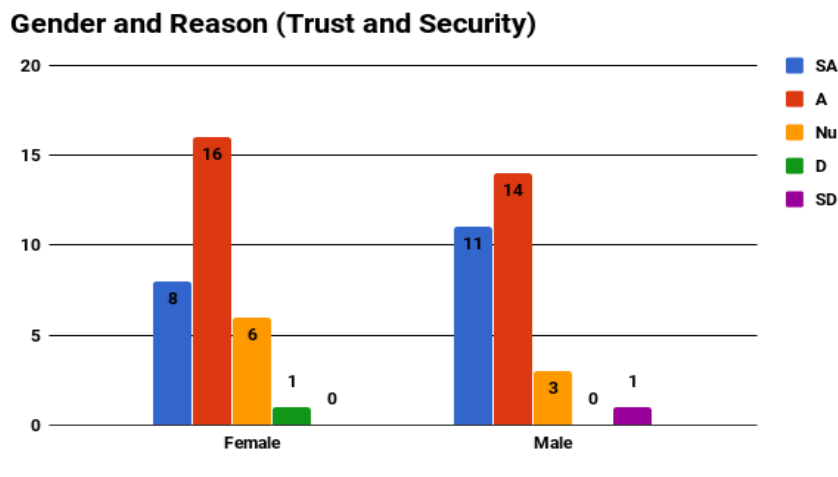
**Table 4: Gender and Reasons for making purchases from Amazon (Trust and Security)**

S.No	Gender/Reason	SA	A	Nu	D	SD
1	Female	8(13.3%)	16(26%)	6(1%)	1(1.6%)	0
2	Male	11(18.3%)	14(23.3%)	3(5%)	0	1(1.6%)

(SA= Strongly Agree, A= Agree, Nu= Neutral, D= Disagree, SD= Strongly Disagree)

(As per primary data)





(As per Primary Data)

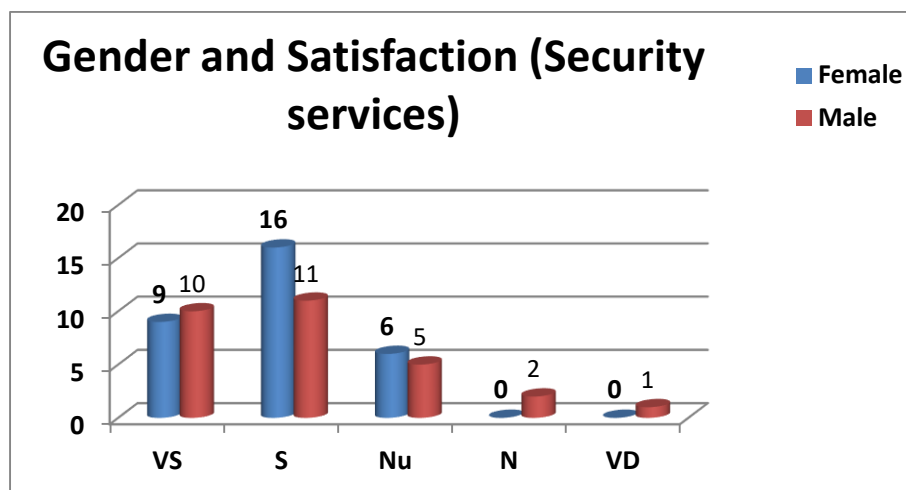
**Interpretation:** Table 4 shows the relation between gender and the reason why they used to make purchases from Amazon. It was checked for trust and security as a reason for purchasing from Amazon for which 11(18.3%) males and 8(13.3%) females stated that they strongly agree that trust on the site and security is the major reason for their purchases from Amazon. Only 1(1.6%) female disagreed and 1(1.6%) male strongly disagreed that these are not the reasons behind their purchases.

**Table 5: Gender and Satisfaction (Security Services)**

S. No	Gender	VS	S	Nu	N	VD
1	Female	9(15%)	16(26.6%)	6(10%)	0	0
2	Male	10(16.6%)	11(18.3%)	5(8.3)	2(3.3%)	1(1.6%)

(VS= Very satisfied, S= Satisfied, Nu= Neutral, N= Not satisfied, VD= Very dissatisfied)

(As per Primary data)



(As per Primary data)

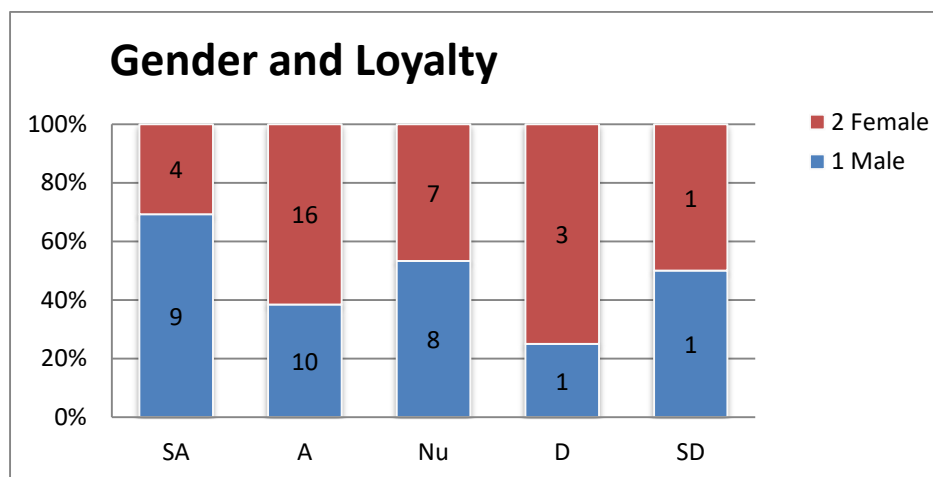
**Interpretation:** In table 5 it shows the relation between gender and satisfaction regarding security of data. 16(26.6%) females and 11(18.3%) males are satisfied with the security services of the Amazon. Only 1(1.6%) male and none of the female is very dissatisfied with the security services. 10(16.6%) males and 9(15%) females are very satisfied with the security services of the Amazon.

**Table 6: Gender and Loyalty (Prefer to make purchases from Amazon)**

S. No	Gender/Loyalty	SA	A	Nu	D	SD
1	Male	9(15%)	10(16%)	8(13.3%)	1(1.6%)	1(1.6%)
2	Female	4(6.6%)	16(26.6%)	7(11.6%)	3(5%)	1(1.6%)

(SA= Strongly Agree, A= Agree, Nu= Neutral, D= Disagree, SD= Strongly Disagree)

(As per primary data)



**(As per primary data)**

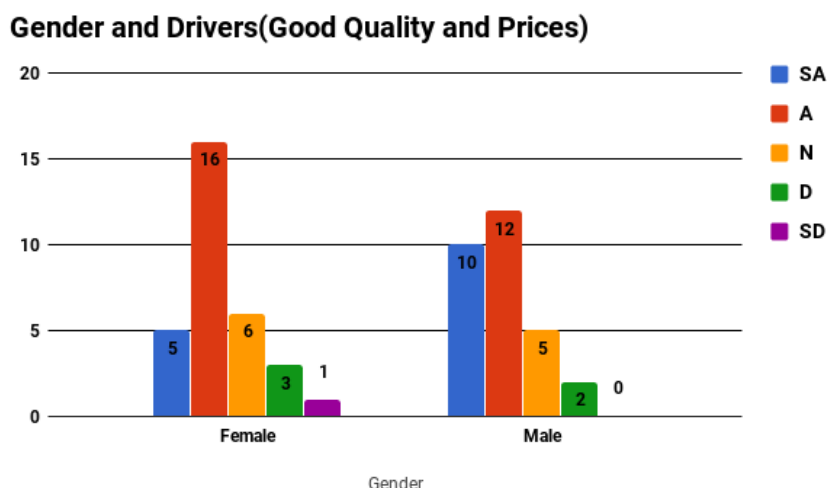
Interpretation: Table 6 shows the data regarding gender and their loyalty towards Amazon. They were asked that do they prefer to make purchases from Amazon on which 9(15%) males and 4(6.6%) females “strongly agreed” that yes they prefer to purchase from Amazon. 3(5%) females and 1(1.6%) male “disagreed” that they prefer to make purchases from Amazon. The most respondents i.e. 10(16%) males and 16(26.6%) females “agreed” that they prefer to make purchases from Amazon.

**Table 7: Gender and driver (Good quality and Reasonable Prices)**

S. No	Gender	SA	A	N	D	SD
1	Female	5(8.3%)	16(26.6%)	6(10%)	3(5%)	1(1.6%)
2	Male	10(16.6%)	12(20%)	5(8.3%)	2(3.3%)	0

**(SA= Strongly Agree, A= Agree, Nu= Neutral, D= Disagree, SD= Strongly Disagree)**

**(As per Primary Data)**



(As per Primary Data)

**Interpretation:** Table 7 shows that relation between gender and the drivers which is good quality and reasonable price of goods is shown. 16(26.6%) females and 12(20%) males agreed that yes good quality and reasonable price is the driver behind their purchase from Amazon. 3(5%) females and 2(3.3%) males disagreed with this reason behind their purchases from Amazon. Comparatively fewer females i.e. 5(8.3%) strongly agreed in comparison to males i.e. 10(16.6%) that good quality and price is the driver behind their purchases.

## Conclusion

The study made lots of efforts to find the satisfaction and loyalty of males and females. It has been found that most of the male respondents in comparison to females have made purchases recently. Around 25% of the male consumers and 16% of the female consumers made recent purchases. Only 5% males and 8% females didn't made purchases for more than one year. Most of the respondent's purchasing pattern is often affected by sales, discounts and offers. It has been found that females are affected more in comparison to males as 23% of the females and 18% of the males make very often purchases during sales discount and offers. There is not even a single female not purchasing during sales and at discount and only 1% males not making purchases. With the help of analysis it has been found that female (15%) make very often purchase of shoes, clothes and jewellery in comparison to male (5%). It has been found that more female (26%) respondents in comparison to males (23%) agree that trust and security of Amazon is the reason behind their purchases from Amazon and 1% of the males and females disagree that this is not the reason behind their purchases. Later, when analysis was made about their satisfaction with Amazon security services it was found that 16% of the males and 15%

of the females were highly satisfied. There is not even a single female dissatisfied with security services of Amazon and only 1% males very dissatisfied with the security service. 16% of the males and 8% of the females strongly agreed that good quality and reasonable prices are the reasons making them to shop from Amazon. Whereas, 5% of the females and 3% of the males disagreed that good quality and reasonable price is the factor influencing them to purchase from Amazon. Loyalty of males and females was checked that do they prefer purchasing from Amazon or not. 15% of the males and 6% of the females strongly agreed that they prefer making purchases from Amazon and are loyal. Some males (1%) and females (5%) disagreed that they will prefer to make purchases from Amazon but the size was small.

### **Limitation and Scope**

This study shows different opinions for satisfaction and loyalty of males and females towards Amazon. This study can be further explored by analysing the different opinions of consumers' demographic wise. Further, a comparison can be done between two leading online shopping platforms/sites. This research is limited to a small sample size that too in the area of Delhi only. The satisfaction level and loyalty in other states can also be analysed.

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