

**SOCIAL INNOVATION OF BUSINESS MODEL IN CUSTOMER RETENTION  
AND CUSTOMER LOYALTY IN RETAILING MARKETING STRATEGIES**

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**Abstract**

In the competitive environment of retail marketing strategies is incredibly growing a sustainable business is important for customer retention. Today Competition within Retail industry is getting due to globalization, new technology, and domestic competition increasing global level in e-commerce. In the market share of industrial firm are competing for long term survival for customers. In long term competitiveness of current market demand condition of firms within industry to maintain customer preferences. Social innovation of business model assists in the global market of customized solutions to consumers. Business model innovation, increasing in digital technologies, intense competition, expectation in customers, numerous, Innovation, unrelenting change in the market. Business model enhances their retailers innovate the levels of approaches to retailing.

**Keywords:** Business model, Retailing, Customer retention. Customer Loyalty Id, Marketing Strategies

## **1.1 Introduction**

In today's dynamic market becomes an essential relationship customer needs and preferences to implement strategic tool for companies. In benefits of the industrial firm provide customer retention marketing strategies increase the purchasing rate of full margins because customer loyalty id increases their rate rather than discount prices. The focus is necessary to a company needs to maintain customer satisfaction and improve and maintain customer superior service, customer retention. Customer retention increases your lifetime value and build customer relationship. Loyal customers are just better for business, will spend more money with you over time, they help you grow and they keep profits high. Lifetime value is the amount of money customers spend with you from their first purchase with their latest purchase. The customer can compare prices across every online business. By exceeding expectations consistently, companies can start to build a relationship with customers offering deeper and deeper discounts to attract new customers.

## **1.2 Review of Literature**

Understanding the effect of customer relationship management efforts on customer retention and customer share development Verhoef, P. C. (2003). *Journal of Marketing*, 67(4), 30–45. <https://doi.org/10.1509/jmkg.67.4.30.18685> [Crossref], [Web of Science ®], [Google Scholar]

Gil et al., [2014](#), The incentives such as price reduction, increased customer loyalty, increased job performance, to name a few are seen through the use industries.

Recent fields of studies investigate the marketing operations and strategies (Gil et al., [2014](#) Gil, I., Ruiz, M. E., & Berenguer, G. (2014). Retail innovativeness: Importance of ICT and impact on consumer behaviour. In F. Musso & E. Druica (Eds.),

## **1.3 Customer retention**

A customer retention strategy, reducing their defection rate, and maintain customer relationship increasing attend to develop loyalty ID and customer retention. In company focus on retaining in particular customers and acquisition strategy for attracting and developing of profit in customer

prospects. The focus is necessary to a company needs to maintain customer satisfaction and improve and maintain customer superior service, customer retention. The company has loyal customers to satisfied to achieve higher business performances and expected to deliver the customer value. The purpose of the business to great helps in companies product and services drive efficiency and customer retention and acquisition. Company needs feedback channels through utilizing long term relationship from customers. In the marketplace to turn increase sales and profit in customer service wants to increase customer retention provide customer service. Customer retention increases your lifetime value and build customer relationship.

#### **1.4 Customer Loyalty**

Customer loyalty is the product of a customer's positive experience the result of a company consistently meeting and exceeding customer expectations, products and service of one company of choosing consistently over their competitors. Customers prefer their brand loyalty stemmed from the trust. Customer that trust the companies they do business with will be more likely to purchase again in the future. Customer loyalty impacts almost every metric importance of running a business. This means business disloyal customers need to spend more of their resources on acquiring new customers. Loyal customers make it easier for business to grow. Business to business companies with referrals experience a 70 percent higher conversion rate. To operate a business revenue must be greater than the expenses they need to spend at least that much with your business for you to break even. Customer Acquisition Cost (CAC) will often include items like marketing spend, sales labor and software cost.. Keeping a loyal customer happy and successfully deal with all these activities apart from well-developed knowledge Base tools that will help you keep and classify the data, to need a reliable system of metrics for tracking customer retention. Lifetime value is the amount of money customers spend with you from their first purchase with their latest purchase.

The six stages of customer loyalty are:

1. Awareness- customers are aware of the company and what it offers
2. Research- customers are considering purchasing, and has visited website, downloaded resources, etc.,

3. Buy- customer has bought a product or service
4. The use - customer uses the service that they purchased
5. Repeat- customer purchases from company again
6. Refer-customer refers friends or family members to the company

The goal of any company to move the customers from stage one all the way through to stage six. The customer compare prices across every online business. Customer loyalty is need to invest to build relationship of company decreasing as competition is increasing. By exceeding expectations consistently, companies can start to build a relationship with customers. Customer loyalty importance to spend time collecting enough data to get reasonable reliable pictures and offering discounts to appearance new customers. They want to make sure their customers continue shopping with them across their entire the product line they feel so strongly about the customer loyalty. Use reciprocity to increase loyalty. Act of kindness creates a feeling of obligation in the person who instinctively wants to repay the kindness.

### **1.5 Retailing**

Retails has played a major role world in increasing productivity across wide range of consumer goods and services. In Indian economy, Retailing is one of the important sectors of an both regarding contribution to GDP and share in the total employment. It is set to enter a new growth trajectory owing of rising household consumption, and the entry of corporate entities and global retailers.

Business model

Collective business models

Business models for the firms located on its premises, firms and their employees and to create an innovation, community.

Direct sales model

"The direct personal presentation, demonstration, and sale of products and services to consumers, usually in their homes or at their jobs. The consumers directly

selling products and direct selling marketing. Direct sales are one-to-one demonstrations, and other personal contact arrangements.

## **1.6 Conclusion**

From business profitability, customer reaches their satisfaction is the key component of customer loyalty, and is the root of the success. Walmart is a prominent example of staying ahead of competition by constantly innovating its business model and innovative inventory management processes, to the way in which this retailer has offering discounts to appearance new customers. The functional areas are exchanged on a regular basis, it is more likely that the critical interdependencies optimal business performance between the retailing activities of business model.

## References

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