ABSTRACT

In the online era, an interesting phenomenon has been observed in recent times. Despite booking losses, some websites have not only extended their user base but also have been able to gain the promoters confidence. In 2014 Bezos announced to invest up to $ 2 billion in Amazon India operations, only after one year of its inception in India, despite losing one crore per day. Flipkart was able to raise $1 billion in 2014 having booked a loss of Rs 400 crore in last financial year. Interestingly, neither so many years of existence nor huge consistent profits are required to sustain and to accrue funds from various sources. Then what is? It is because of sustainable popularity. The websites are winning the confidence of promoters by ensuring their sustainable popularity via adhering to strict loyalty principles. Thus, website loyalty or e-loyalty has been one of the central themes of research over the last few years.

Website loyalty is important for e-retailing websites because the cost of serving loyal customer falls at a later stage that result in an increase in profit. Loyal users are equally important, probably more, for free web service providers because typical e-retailing commission is not a source of income for them. They rely heavily on third party advertisers and promoters for revenue. Such revenue depends on the number of users and repetitive visits by the same users as more number of clicks will lead to higher chances of income generation. Thus, acquiring and retaining customers remains the most critical issues for websites in modern times. In fact, profit can be increased with same resources by retaining an existing customer rather than acquiring a new one as acquisition cost is more than retention cost. Loyalty is one of the key areas to be focused upon if one wants to retain a customer.

This study aims to gain a better understanding of e-loyalty and its determinant relationships. Also, it has been observed that the relative importance of antecedents of e-loyalty vary across different websites and some antecedents are more important than others depending on the website type. This study intends to examine the relative strength of e-loyalty antecedents across different categories of websites.

Not so many websites have been able to sustain, in fact, majority of them were forced to shut down in their very early days of existence due to fierce completion. Thus, this study also aims to explore the techniques used by successful websites to achieve loyalty of their users and how they win them.