## THE EFFECTIVENESS OF SOCIAL MEDIA MARKETING IN RETAINING LONG-TERM ONLINECUSTOMERS: A STUDY ON THE ONLINE FASHION RETAIL MARKET IN SRI LANKA

## Wageesha Nandasiri

A dissertation submitted in partial fulfilment of the requirement for Master of Arts degree in Fashion Business Management

Business School
Informatics Institute of Technology, Sri Lanka
in collaboration with
University of Westminster, UK

## **Abstract**

This study examines the effectiveness of social media in customer retention. According to the study, it is important to increase consumer loyalty, which leads to increased customer retention, by offering a reward and responding quickly to customer complaints. The fashion retail industry is highly competitive, and retailers are constantly looking for new ways to attract and retain customers. According to empirical research, social media marketing can influence customer repeat purchases. Nobody can deny that social media has had a significant impact on everyone and every organization. It has been a smashing success all over the world in every industry, including apparel and fashion retailers, and is thus regarded as an essential marketing tool. In the Sri Lankan context, the use of Social Media has not reached an agreeable phase, despite the fact that Apparel, Fashion is one of the country's largest industries, and with the widespread use of the internet and customers having increased access to the internet, there is an opportunity for Apparel Fashion Retailers to create and maintain strong relationships with customers where loyalty emerges. In this context, the goal of this research is to explain how social media marketing affects customer loyalty to clothing stores. The data will help Sri Lankan apparel and fashion retailers adjust their current social media marketing practices.

Theoretical perspectives on the effectiveness of social media marketing on customer retention are examined using theories and models. The theories that aided in identifying the variables for the study include Kaplan and Haenlein's (2010) classification of social media, Aaker's Brand Equity Model (1991), and the customer loyalty ladder.

This survey used a positivism philosophy with a deductive approach and a quantitative method. The online questionnaire was distributed to 250 participants via email and social media.

It has been demonstrated that maintaining online customers through social media marketing in the fashion retail sector is affected by all four of these factors: social presence, media richness, self-disclosure and self-presentation. Because the results of the regression showed high levels of multicollinearity, the social presence and self-presentation variables were removed from the model. In addition, a number of suggestions are offered as ways for shops to encourage customers to make recurring purchases online and to concentrate their efforts on doing so.

**Key Words: Social media, Fashion Retail, Customer retention**