

The Role of Product Recommendations in Customer Retention in UK E-commerce: A Case Study of ASOS

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Introduction

Background of the Study

Over the last decade, the whole process of online shopping has completely changed the way the world shops for goods. In the UK, digital stores have now taken the fashion industry by storm and influence how most people select what they want to wear. This change has led to the market being incredibly competitive (Dwivedi, 2023). In order to stand out, for brands to remain in the eye of shoppers, they would have to use some clever technology that will make shoppers happy and loyal in the long run. One of the biggest changes is the appearance of smart recommender systems. Rather than showing random things for online stores, use data to make a study about shopping habits (Jaiswal et al., 2018). After past clicks and purchases, these algorithms define what a person likes. They recommend the right products, at the right time, so that it is natural and not forced to discover in this way. Keeping existing customers is now more important than finding new ones, as it is expensive to win over a stranger. Since it is as easy as a second to migrate to another site, engagement is the target of retailers. The secret weapon in this regard is the individual recommendations (Ascarza et al., 2018). They are making the shopping process faster by eliminating the effort that it takes to find a great deal. The system gives trust in the brand and lures people to buy again by recommending the products automatically, as per the search made previously. It is not about selling anymore, but it is about making a tailored experience.

Research Context

The nature of the fashion e-commerce business is characterised by high-paced change, high competition and changing consumer expectations. Customers prefer a more individualised experience and want brands to reflect their individual choices. Digital retailers such as ASOS, Zalando or Zara have made a lot of efforts in the development of recommendation technologies in order to increase user engagement and improve conversion rates (Hanaysha, 2018). These go live but pop up all around the customer, whether they are at the beginning of the browsing experience or finishing the checkout process, but don't stop when the sale is complete. The tech continues to be present in the form of follow-up emails and updates, and by being there every step of the way, the experience is consistent and personal. ASOS is a case quite related to this research as it has a high degree of digitalisation and data-driven marketing strategies. As one of the global top online fashion retailers working in the UK, ASOS has set up world-class recommendation systems to

customise customer experience across its retail platform (Jahan and Sanam, 2026). Knowing how these tools are keeping shoppers coming back helps brands to use personalisation much more effectively.

Problem Statement

Even though customers like recommendation systems, they still don't fully understand how they help in the context of keeping customers long-term. Most of the studies are on how the maths works behind the scenes. However, there isn't much research done on how these tools are really integrated into a company's bigger business goals (Jahan and Sanam, 2026). Many research studies get bogged down in the accuracy and efficiency, and do not look at the strategic integration of recommendation technologies with customer retention frameworks. This generates a gap in the knowledge on the position that digital personalisation plays in the real-world and the long-term customer relationships.

Research Aim

This research aims to critically examine the role of product recommendation systems in supporting customer retention within the UK fashion e-commerce sector, using ASOS as a case study.

Research Objectives

- To analyse how product recommendation systems are implemented within ASOS's digital platform.
- To evaluate the role of recommendation systems in enhancing customer retention and engagement.

Research Question

How do product recommendation systems contribute to customer retention within ASOS's e-commerce platform?

Literature Review

Product Recommendation Systems

Product recommendation systems have become an integral part of e-commerce platforms today and have helped businesses to personalise user experiences and enhance product discovery. These

systems make use of smart tools such as machine learning to analyse how people shop and what they will want next (Ejibenam *et al.*, 2021). By analysing data such as browsing history, purchase patterns and interaction data, recommendation algorithms can help to generate personalised product recommendations for individual users. Research has suggested that such systems could increase customer engagement by ensuring that product displays are more relevant to customers and by decreasing the information overload in the digital environment.



Figure 1: Product Recommendation Systems

Source: (Ejibenam *et al.*, 2021)

However, most of the existing literature is more focused on the technical performance of recommendation systems, with a focus on metrics such as accuracy, efficiency and computational optimisation. While these aspects are important, they do not give justice to the contribution that recommendation technologies make to the wider organisational objectives (Bastani *et al.*, 2022). In particular, the strategic dimension of recommender systems' role on the long-term behaviour of customers has not been explored well. This implies a disconnect between technical research on the one hand and business-oriented analysis on the other, which offers a need to consider the recommendation systems in the light of their organisational and strategic context.

Personalisation and Customer Experience

Personalisation is well known as a major driver of customer experience in questionable marketing. By personalising recommendations on products, content and communication to individual users, organisations are able to improve the perceived relevance and satisfaction (Hawkins and Hoon,

2020). Studies show that personalised experiences have longer browsing time, higher conversion rates and engagement with customers. In highly competitive e-commerce markets, personalisation is therefore seen as an important tool in terms of differentiating between platforms and increasing customer relationships.



Figure 2: Personalisation and Customer Experience

Source: (Muchardie et al., 2019)

Despite all of these benefits, there are also challenges related to the concept of personalisation (Muchardie et al., 2019). Over-personalisation may limit the diversity of products by continually showing users of the product similar products, which may lead to a lack of exploration and discovery. Additionally, data privacy and transparency concerns may have a negative impact on customer trust. These problems indicate that though personalisation can help to improve engagement, it is critically important how it is strategically implemented (Evelina, 2022). Therefore, it is important to understand the balance between personalisation and customer experience as a whole in order to determine its impact on customer retention.

Customer Retention in E-commerce

Customer retention refers to the ability of an organisation to maintain long-term relationships with its customers. In the case of e-commerce environments, some of the factors affecting retention

include convenience, trust, quality of service and perceived value (Kang and Kim, 2017). Retained customers are likely to be higher lifetime value customers, so retention strategies are an important focus for digital retailers.



Figure 3: Customer Retention in E-commerce

Source: (Kumar and Ayodeji, 2021)

Recommendation systems help to contribute to retention as they keep changing according to customer preferences and provide relevant product recommendations. A more personalised shopping experience, these systems can help to encourage repeated visits and purchases (Kumar and Ayodeji, 2021). However, the connection between recommendation systems and retention outcomes is not completely clear. While some research does suggest a positive relationship between personalisation and loyalty, others state that more information is required on the functioning of these technologies within broader strategic frameworks.

Research Gap

Although there have been studies related to product recommendation systems, personalisation and customer behaviour in e-commerce, there has been little attention paid to the extent to which recommender systems help to engage customer retention in particular organisational contexts. Much of the literature is concerned with technical performance, predictive accuracy or short-term consumer responses, not long-term retention as a strategic role (Zaghloul *et al.*, 2025). In addition, there is little case-based research in the UK context of the fashion e-commerce sector, where the

level of competition is high, and customer switching is high. This work helps close this gap by analysing how ASOS integrates a product recommendation system into their entire customer retention strategy in an actual business context.

Methodology (Research Onion Model)

This research takes the Research Onion framework, as suggested by Mark Saunders, for the structuring of the methodological design. The model provides a layered approach for helping to make decisions about philosophy, approach, strategy and analysis of data.

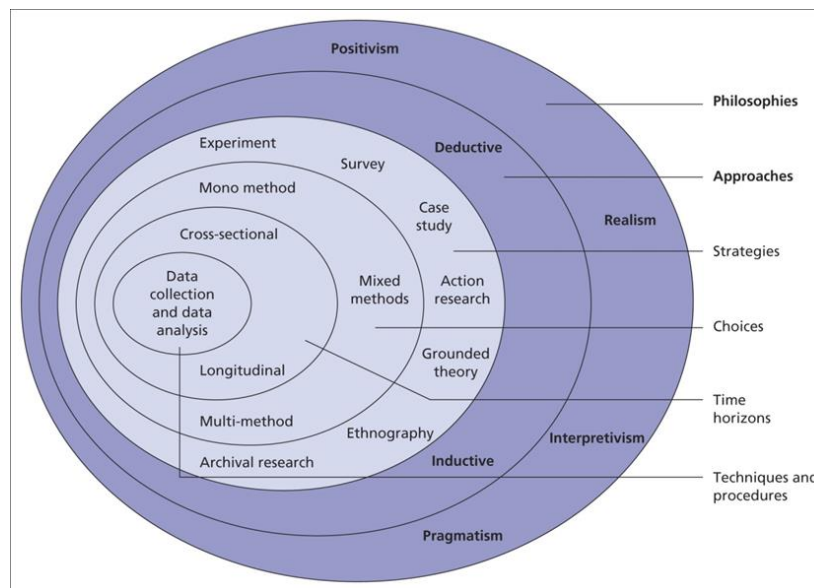


Figure 4: Research Onion Model

Source: (Saunders et al., 2023)

Research Philosophy

This study makes use of a pragmatic research philosophy. Pragmatism, on the other hand, emphasises practical results and using appropriate methods to deal with research questions effectively (Saunders et al., 2023). Unlike the purely positivist or interpretivist approaches, in pragmatism, the combination of different perspectives can be integrated to understand the real-world business problems. In addition, in the face of the research, the aim is to explore the role of

the product recommendation systems in customer retention in the organisational setting (Dwivedi, 2023). Since the study is based on analysing the already available data and practical business strategies, pragmatism provides the flexibility to gaze into the theoretical concepts and empirical evidence. This philosophy is especially appropriate in studies that are aimed at generating actionable insights, as opposed to purely theoretical explanations.

Research Approach

An inductive research approach is carried out in this study. Inductive reasoning is the process of analysing existing data and identifying patterns in order to make broader insights/conclusions. This approach is appropriate given the fact that the research does not try to test predefined hypotheses but rather to investigate the influence of recommendation systems on customer retention in practice (Saunders et al., 2023). By using secondary sources of data, such as company reports and industry reports, the study can reveal themes and relationships from the data. The inductive approach facilitates the advancement of a greater level of comprehension of organisational strategies and assists the researcher in interpreting procedures of recommendation systems within real-life contexts (Hanaysha, 2018).

Research Strategy

The research is a case study in which ASOS is the main case. A case study approach helps in an in-depth discussion of organisational practices in their natural setting. This strategy is particularly suitable for all forms of exploration of complex phenomena like digital personalisation and customer retention, which cannot be understood with large-scale quantitative methods (Saunders et al., 2023). By analysing ASOS, the aim of the study is to obtain in-depth knowledge of the way in which the recommendation systems are embedded in the company's digital platform (Hanaysha, 2018). Limited comparisons with other fashion retailers can also be included to provide some contextual understanding and strengthen the analysis.

Methodological Choice

This research is based on a qualitative choice of methodology. Qualitative research is suitable to explore meanings, strategies and organisational practices which are not readily collected in numerical forms (Saunders et al., 2023). The focus of the study is how recommendation systems drive the customer back for more. It looks at how these tools are used as a business strategy rather

than just looking at numbers and statistics. The research, by using a qualitative approach, focuses on how companies are utilising digital tech to better engage with people. This method provides a more in-depth insight into how these systems integrate into the company's overall goals and plans for the future.

Data Collection Method

The research is carried out using secondary data and available information. This includes academic journals, industry reports, and reliable business news. Official company documents, such as annual reports, are also a good source to understand the usage of digital tools and recommendation systems at ASOS (Ejibenam et al., 2021). Using this secondary data is a practical option as it permits a wide range of information to be used without having to contact people directly. It is also easier to see the workings of these strategies of business in actual life.

Data Analysis Method

The research involves thematic analysis, which is applicable to process the information. This way, we can find some common patterns which are related in terms of recommendation systems, customer engagement and long-term loyalty strategies (Jahan and Sanam, 2026). Thematic analysis can offer an organised way of organising the detailed information while tackling the fact that it can be helpful in acquiring a better understanding of the complex business practises (Saunders et al., 2023). By grouping the data in main themes, the study is able to clearly show the importance of these recommendation systems in keeping customers at ASOS.

Ethical Considerations

The research is completely based on secondary data, which is publicly available data and thus the ethical risks are minimised. No personal and confidential information will be used in the study. All sources will be appropriately cited for academic integrity and transparency.

Expected Findings / Contribution

The study is supposed to prove that the product recommendation systems play an important role in customer engagement development and customer retention in the UK fashion e-commerce sector. It is expected that personalised recommendations will lead to better relevance of the products, reduce the effort of searching, and induce repetition of interaction with the platform

(Bastani *et al.*, 2022). In the case of ASOS, recommendation features such as personalised feeds and targeted suggestions are likely to be an example of how the way data is used can affect consumer behaviour and purchasing decisions.

The research is also expected to tell us that recommendation systems work best when incorporated into wider organisational strategies, such as branding, marketing and customer relationship management. Rather than being separate technological tools, retention may be contributed to by these systems, reinforcing the customer experience and reinforcing more of a long-term engagement (Jaiswal *et al.*, 2018). The research will contribute to the academic literature by addressing the lack of knowledge regarding the operation of recommendation systems in the real-world organisational context. Practically, it may give some useful insights to managers trying to find ways of improving the digital personalisation strategy and increasing customer retention.

Limitations

This research has a number of limitations, and these should be noted. First, the study is totally grounded on secondary data that may have some limitations in terms of access to in-depth internal organisational information and the ability to capture real-time customer behaviour (Kumar and Ayodeji, 2021). Second, the case study approach of ASOS might limit the generalisability of the findings to other organisations or industries. Third, the fast-changing nature of digital technologies means that recommendation systems and strategies may change over time, which may have implications for the long-term relevance of the findings.

Timeframe

Activity	W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12
Topic Finalisation												
Literature Review												
Proposal Writing												
Methodology Design												
Data Collection												
Data Analysis												
Findings & Discussion												
Final Writing												
Editing & Proofreading												
Final Submission												

Conclusion

This is a research proposal that focuses on the role of product recommendation systems in the support of customer retention in the UK fashion e-commerce industry. Taking ASOS as the case study, the research aims to provide a better understanding of the role of digital personalisation strategies in customer engagement and long-term customer relationships (Kang and Kim, 2017). The research attempt is to contribute to an important gap within the existing literature as it attempts to investigate the strategic use of recommendation technologies in a real-life organisational context (Bastani *et al.*, 2022). Overall, the research is expected to be useful both in terms of academic and practical value, as the research insights will provide insights related to the role of data-driven personalisation practices in the contemporary e-commerce environment.

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