A PROJECT REPORT

On

"A STUDY ON OUTBOUND OPERATION OF WAREHOUSE SYSTEM AT FLIPKART, KOLKATA"

AS A PARTIAL FULFILLMENT
MASTER OF BUSINESS ADMINISTRATION (MBA)
UNDER THE GUIDANCE OF

External Guide   **Internal Guide**

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CERTIFICATE

This is to certify that **Ms. Sudipta Rout**, pursuing MBA (2020-22) from BIITM, Bhubaneswar bearing Regd. No. 2006258223 has successfully completed her dissertation report on **"A study on outbound operation of warehouse system at Flipkart, Kolkata."** under my guidance for partial fulfilment of her **Master's in Business Administration** for the session **(2020-2022).**

Place: Bhubaneswar   **Dr. Biswa Bihari Das**
Date: **Professor, BIITM**

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<u>ACKNOWLEDGEMENT</u>

I wish to express my sincere thanks to our respected Principal, Dean-Academics, and deep sense of gratitude to Faculty Members, BIITM, Bhubaneswar, for their kind support and encouragement in completion of the internship report, I would like to thank **Dr. Biswa Bihari Das**, Professor, BIITM, Bhubaneswar and external guide **Mr. Akash Choudhary** , Dept. Manager at Flipkart, Kolkata, who gave me golden opportunity to do this wonderful project in the esteemed organization, which helped me to learn various concepts. Finally, I express my sincere thanks to my parents, friends and all the staff of BIITM, Bhubaneswar for their valuable suggestions in completing this project report.

Place: Bhubaneswar   Name: Sudipta Rout

Date: /01/2022   Regd. No: 2006258223

Biju Patnaik Institute of Information Technology & Management Studies

Estd. 1999

DECLARATION

I **Ms. Sudipta Rout,** hereby declare that the project report entitled **"A Study on Outbound Operation of warehouse system at Flipkart, Kolkata".** Prepared by me under the guidance of **Dr. Biswa Bihari Das,** Professor, BIITM, Bhubaneswar and externally guidance by **Mr. Akash Choudhary**, Dept. Manager, Flipkart, Kolkata. I also declare that this project work is towards the partial fulfilment of the university regulations for the award of degree of Master of Business Administration (MBA) by Biju Patnaik University of Technology, Rourkela, Odisha. I have undergone a summer project for a period of six weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other university/institutions.

Place: Bhubaneswar   Signature of the Student

 Date: /01/2022

EXECUTIVE SUMMARY

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I have prepared my internship report based on the 45 days long internship programme that I had successfully completed in Flipkart. My topic is A STUDY ON OUTBOUND OPERATION OF WAREHOUSE SYSTEM AT FLIPKART. In this report I have explained the concept Outbound logistics. Study of Outbound logistics consist of 2: -

1. Picking
2. Packing

Objective of my studies are as follows

- ✓ To study the trend of outbound process.
- ✓ To analyse and reduce current turnaround time (TAT)
- ✓ To Identify the Issues of picking and packing process.
- ✓ To Identify and resolve the error done by the picker and packer during the process.
- ✓ To monitor the entire floor operation of outbound on a continuous basis.

CONTENT

CHAPTER-1

INTRODUCTION

Operation management is a field of business concerned with the administration of business practices to maximize efficiency within an organization. It involves planning, organizing and overseeing the organization's processes to balance revenues and costs and achieve the highest possible operating profit. An operations manager is tasked with ensuring that the organization successfully converts inputs such as materials, labour, and technology into outputs in an efficient manner.

Operations management can be defined as the systematic direction and control of the processes that convert inputs into finished goods and services. In most organizations the operations function involves a significant percentage of the employees and physical assets of the organization. Operations managers are always concerned with each step in even providing a single service or a product. At all times, they analyse what equipment, labour, tools, facilities, materials, energy, and information should be included into an operating system and how these inputs can be best obtained and used to satisfy the requirements of the current market place. Operations managers are also responsible for critical activities of the organization such as, capacity planning, quality management and control, materials management, purchasing, and scheduling.

In recent years, the importance of operations management has increased dramatically. Increasing foreign competitions, shorter product and service life-cycles, highly educated and quality conscious consumers, and the upcoming advanced new technologies have placed tremendous pressures on the operations function of the organization, to improve productivity and quality while providing a broader range of high-quality products and services.

With the increasing globalization in the markets, companies are recognizing that the operations function can be used to strengthen their position in the market place. Managers in operations management are playing a strategic, tactical and a vital role in satisfying customer needs and making their organizations strong international competitors.

Operations management:

Create operational systems, manage (plan, organize, staff, direct and control) the activities relating to the production of goods and/or services with maximum efficiency (at the lowest cost) and effectiveness (in the eyes of the customer). Improve those processes continuously to create competitive advantage.

INDUSTRY ANALYSIS

E-commerce has transformed the way business is done in India. The Indian E-commerce market is expected to grow to US$ 111.40 billion by 2025 from US$ 46.2 billion as of 2020. By 2030, it is expected to reach US$ 350 billion. By 2021, total e-commerce sales are expected to reach US$ 67-84 billion from the US$ 52.57 billion recorded in 2020. India's e-commerce market is expected to reach US$ 111 billion by 2024 and US$ 200 billion by 2026.

Much of the growth for the industry has been triggered by an increase in internet and smartphone penetration. As of July 2021, the number of internet connections in India significantly increased to 784.59 million, driven by the 'Digital India' programme. Out of the total internet connections, 61% connections were in urban areas, of which 97% connections were wireless.

According to market size, the Indian online grocery market is estimated to reach US$ 18.2 billion in 2024 from US $1.9 billion in 2019, expanding at a CAGR of 57%. India's e-commerce orders volume increased by 36% in the last quarter of 2020, with the personal care, beauty and wellness (PCB&W) segment being the largest beneficiary.

India's consumer digital economy is expected to become a US$ 800 billion market by 2030, growing from US$ 537.5 billion in 2020, driven by strong adoption of online services such as e-commerce and EdTech in the country.

According to Grant Thornton, e-commerce in India is expected to be worth US$ 188 billion by 2025.With a turnover of $50 billion in 2020, India became the eighth-largest market for e-commerce, trailing France and a position ahead of Canada.

According to NASSCOM, despite COVID-19 challenges/disruptions, India's e-commerce market continues to grow at 5%, with expected sales of US$ 56.6 billion in 2021.

Propelled by rising smartphone penetration, launch of 4G network and increasing consumer wealth, the Indian E-commerce market is expected to grow to US$ 200 billion by 2026 from US$ 38.5 billion in 2017. Online retail sales in India are expected to grow 31% to touch US$ 32.70 billion in 2018, led by Flipkart, Amazon India and Paytm Mall.

After China and the US, India had the third-largest online shopper base of 140 million in 2020. Indian consumers are increasingly adopting 5G smartphones even before roll out of the next-gen mobile broadband technology in the country. Smartphone shipments reached 150 million units and 5G smartphone shipments crossed 4 million in 2020, driven by high consumer demand post-lockdown.

In October 2021, the e-commerce sales reached US$ 4.6 billion, supported by the festival season in India.

Some of the major **developments** in the Indian **e-commerce sector** are as follows:
- In September 2021, CARS24, India's leading used car e-commerce platform, has raised US$ 450 million in funding, comprising a US$ 340 million Series F equity round and US$ 110 million in debt from various financial institutions.
- In September 2021, Amazon launched Prime Video Channels in India. Prime Video Channels will give Prime members a seamless experience and access to a variety of popular video streaming services.
- In September 2021, Bikayi, a mobile commerce enabler, raised US$ 10.8 million in a Series A funding round, led by Sequoia Capital India.

- Flipkart, India's e-commerce powerhouse, announced in July 2021 that it has raised US$ 3.6 billion in new funding from various sources including sovereign funds, private equities and Walmart (parent company).
- In June 2021, Flipkart added a new fulfilment centre (FC) in Dankuni, West Bengal. The FC is spread over 2.2 lakh sq. ft. and has a potential to create ~3,500 direct jobs.

- In June 2021, Grofers, the grocery delivery start-up, reportedly entered the unicorn club, after raising US$ 120 million from Zomato, the food delivery platform.
- In June 2021, Mastercard invested an undisclosed amount in Instamojo, a payments firm, to help digitise online stores and process their payments more seamlessly.
- In May 2021, Amazon introduced a video streaming service within its shopping app called MiniTV for users in India. MiniTV features web series, comedy shows and content on tech news, food, beauty and fashion.
- In May 2021, Flipkart strengthened its grocery infrastructure to cater to customer safety and demand across India. In this quarter, it is planning to further expand its fulfilment centre capacity for grocery by over 8 lakh square feet across Delhi, Kolkata, Chennai, Coimbatore and Hyderabad.
- In May 2021, Flipkart announced that it is in talks with sovereign funds, private equity majors and other investors to raise up to US$ 2 billion at a valuation of US$ 30 billion.

Since 2014, the Government of India has announced various initiatives, namely Digital India, Make in India, Start-up India, Skill India and Innovation Fund. The timely and effective implementation of such programs will likely support growth of E-commerce in the country. Some of the major initiatives taken by the Government to promote E-commerce in India are as follows:

- As of November 2, 2021, the Government e-Marketplace (GeM) portal served 7.96 million orders worth Rs. 152,315 crore (US$ 20.40 billion) to 55,433 buyers from 3.06 million registered sellers and service providers.
- As of October 11, 2021, the Government e-Marketplace (GeM) portal served 7.78 million orders worth Rs. 145,583 crore (US$ 19.29 billion) to 54,962 buyers from 2.92 million registered sellers and service providers.
- In a bid to systematise the onboarding process of retailers on e-commerce platforms, the Department for Promotion of Industry and Internal Trade (DPIIT) is reportedly planning to utilise the Open Network for Digital Commerce (ONDC) to set protocols for cataloguing, vendor discovery and price discovery. The department aims to provide equal opportunities to all marketplace players to make optimum use of the e-commerce ecosystem in the larger interest of the country and its citizen.
- National Retail Policy: The government had identified five areas in its proposed national retail policy—ease of doing business, rationalisation of the licence process, digitisation of retail, focus on reforms and an open network for digital commerce—stating that offline retail and e-commerce need to be administered in an integral manner.
- The Consumer Protection (e-commerce) Rules 2020 notified by the Consumer Affairs Ministry in July directed e-commerce companies to display the country of origin alongside the product listings. In addition, the companies will also have to reveal parameters that go behind determining product listings on their platforms.
- Government e-Marketplace (GeM) signed a Memorandum of Understanding (MoU) with Union Bank of India to facilitate a cashless, paperless and transparent payment system for an array of services in October 2019.
- Under the Digital India movement, Government launched various initiatives like Umang, Start-up India Portal, Bharat Interface for Money (BHIM) etc. to boost digitisation.
- In October 2020, Minister of Commerce and Industry, Mr. Piyush Goyal invited start-ups to register at public procurement portal, GeM, and offer goods and services to government organisations and PSUs.
- In October 2020, amending the equalisation levy rules of 2016, the government mandated foreign companies operating e-commerce platforms in India to have permanent account numbers (PAN). It imposed a 2% tax in the FY21 budget on the sale of goods or delivery of services through a non-resident ecommerce operator.
- In order to increase the participation of foreign players in E-commerce, Indian Government hiked the limit of FDI in E-commerce marketplace model to up to 100% (in B2B models).
- Heavy investment made by the Government in rolling out fibre network for 5G will help boost E-commerce in

The E-commerce industry has been directly impacting micro, small & medium enterprises (MSME) in India by providing means of financing, technology and training and has a favourable cascading effect on other industries as well. Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second largest E-commerce market in the world by 2034. Technology enabled innovations like digital payments, hyper-local logistics, analytics driven customer engagement and digital advertisements will likely support the growth in the sector. The growth in E-commerce sector will also boost employment, increase revenues from export, increase tax collection by exchequers, and provide better products and services to customers in the long-term. Rise in smartphone usage is expected to rise 84% to reach 859 million by 2022.

E-retail market is expected to continue its strong growth - it registered a CAGR of over 35% to reach Rs. 1.8 trillion (US$ 25.75 billion) in FY20. Over the next five years, the Indian e-retail industry is projected to exceed ~300-350 million shoppers, propelling the online Gross Merchandise Value (GMV) to US$ 100-120 billion by 2025.

According to Bain & Company report, India's social commerce gross merchandise value (GMV) stood at ~US$ 2 billion in 2020. By 2025, it is expected to reach US$ 20 billion, with a potentially monumental jump to US$ 70 billion by 2030, owing to high mobile usage.

COMPANY ANALYSIS

Flipkart is India's top e-commerce company based in Bengaluru. It was founded in 2007 by Sachin Bansal and Binny Bansal. It initially focused on online bookstores, but it is now expanding into household basics, electronics, consumables, apparel, and other lifestyle items. Over 1 billion customers use this platform for shopping, making this e-commerce one of the gigantic e-retailers in India.

As everyday sales grew, they expanded by introducing many different product lines. As a result, this company ranks first among the leading e-commerce platforms. Like Amazon, it has quickly become one of India's inventive unicorns. The enterprise, which Walmart now holds, is one of India's biggest successes.

The firm currently features more than 80M commodities from books, cell phones, gadgets, laptops, desktops, workstation components, household appliances, electrical items, apparel, fitness, healthcare, gaming systems, jewellery, etc.

According to Walmart, Flipkart multiplied many active users in November 2020. To ensure timely service to its users, the enterprise leases more than 1M sq. ft in cities like Mumbai, Hyderabad, Bengaluru, Lucknow, and Ahmedabad.

In 2019, the firm earned USD 6.1B in sales. No wonder it is one of the largest enterprises in the e-commerce industry nowadays. During its peak operation, it has made major mergers, such as Myntra, Jabong, Phonepe, wholesale Walmart India, Ekart, and others. Flipkart provides a marketplace for vendors and customers. It is where the supplies and demands meet. This place allows vendors to list and sell their products, and customers to buy anticipated products from those available vendors.

After the purchase is made with a desirable price and discount, the vendors or the platform will ship the products to customers' locations. Once the products are successfully accepted,

the vendors will receive an agreed-upon payment for the product sold excluding the commission charged by the platform for effecting the transaction.

Flipkart has revolutionized the shopping experience in India, operating on a B2C basis (business to consumer model). The entity began with a direct-to-consumer strategy, selling books and other items, before transitioning to a titan online marketplace, connecting vendors and customers, and growing its portfolio exponentially. It now sells books, household items, and even FMCG goods.

The firm claims to have numerous vendors on board throughout India in which their items are listed in over 80 classifications. Even if shoppers have never known the vendors before, this platform allows shoppers to associate with vendors confidently and conveniently.

The commission rate varies based on the type of goods and retailing approaches completed by the e-commerce site. The company strives in giving its consumers the finest e-shopping experience and benefits possible such as:

- Free shipping
- Unmatched price range
- 30-day replacement policy
- Cash on delivery (COD)
- No-cost equated monthly instalments (EMIs)

Now, Flipkart generates a revenue of USD 6.1 billion (2019) and is one of the most established players in online retail.

FLIPKARTS UNIQUE SELLING PROPOSITION

- Flipkart obtains a solid value proposition despite being in a highly competitive industry. Although its core business focuses on product offering, the firm has implemented and developed itself into a part of the service industry. That includes having a great user experience, authentic products, genuine feedback, competitive prices, and a vast product range on the homepage.

- Besides, it is an accessible place to shop whether the users browse through the web or app. Moreover, there is a seamless supporting payment system, reliable delivery, and excellent customer service.

- Moreover, the delivery staff is one of its most valuable assets thanks to its 247 business hours. All staff works very hard to guarantee that the items are delivered on time. Currently, the management is planning to expand its activities to new locations throughout India.

SWOT ANALYSIS OF FLIPKART

STREANGTHS OF FLIPKART

Flipkart's continuous dominance in online retail and is attributable to numerous internal factors. These refer to the strengths of Flipkart, and here I will be taking you through some of them.

Exceptional Brand Recall

Flipkart enjoys an extensive degree of brand recall through online branding, social media and its quirky TV advertisements. Be it those kids acting like adults in those TV ads or the frenzy around '**Big Billion Day**'. Over the years, Flipkart managed to rope in icons like **Alia Bhatt, Ranbir Kapoor, Virat Kohli** etc to connect with its user segments.

Tag lines like **'Ab Har Wish Hogi Poori' and "India ka Fashion Capital'** are trending amongst Indian consumers.

Experienced Foundation

The online retail industry in India was taking its baby steps back in 2007-08. And at that time, Flipkart's founders (Bansal brothers) who had just worked at Amazon were leading the firm. Their technical expertise in online retail industry eased Flipkart's growth and prominence. Even after Amazon's entry, the competition is still cut throat owing to the great foundations laid by them.

Strategic Acquisitions & Partnerships

Flipkart has consistently been able to establish tie-ups with likes of Myntra, Jabong, Walmart because it wanted to solidify its position.

Having a separate brand pertaining to fashion and one for digital payments (PhonePe) contributes greatly to brand equity.

Further, Flipkart has entered many strategic partnerships like Ekart, Chakpak, Lets buy, Walmart etc. This enables Flipkart to bolster their logistics, payment gateways and digital content creation.

High Volume & Range of Products

Flipkart has a plethora of quality product options to choose from in every category they sell.

Exclusive tie-ups with popular brands like Lifestyle, Apple, Motorola, and Xiaomi in the past as well as encouraging in-house brands like **Citron, Digi flip & MarQ** etc have helped with their large catalogue of products.

Weaknesses of Flipkart

The online retail giant, Flipkart also faces some internal weaknesses. Let us have a look at some of them.

Excessive Advertisement Expenses

Flipkart spends as much as 30% of its annual revenues on marketing and advertising, Flipkart relies on **heavy discounts, spending crores to attract and retain customers** And, Flipkart reported a **loss of Rs 1950 crores in FY2020** even though revenue grew by 32%.

Therefore, 'Big Billion Day' has become a trademark yearly sale event for online shoppers. But excessive spends on ads is not sustainable in the long run.

'Flipkart Plus' is nothing more than a simple rewards program for shoppers.
They have failed to build greater impetus around it and branding it for users to spend money to get that 'Plus' subscription.

Lack of Technological Innovation

Flipkart distribution channels and outreach are limited and nowhere comparable to its top competitors.

The supply chain and logistics for the products delivered to users' needs massive upliftment. The Just-in-Time inventory philosophy needs to be followed as shipping times and lead times to completing order is too high for Flipkart.

Further, **Flipkart has lacked on the R&D aspect of technology** - routing users from various mediums to their website exactly what Alexa does for Amazon.

Rapid Acquisition Spree

Flipkart has been lately looking to up the game by focusing on improving user experience.

It has acquired a host of start-ups like Mech Mocha (social gaming) and AR start-up Scapic. Given that the company is reportedly posting losses, and competition is heating up, so siphoning funds on improving user engagement on their platform isn't exactly first priority. This rapid acquisition spree might turn out to be damaging for the finances.

Opportunities of Flipkart

While there are many obstacles on the way, there are situations where Flipkart can benefit and leverage from. Let's take a look at the Opportunities:

Post-Pandemic Sentiments

Just like COVID has wreaked havoc globally, it also provides great impetus for embracing 'digital'. As more and more consumers are being aware and switching to online consumption of services. You might be ordering your daily essentials though these E-commerce websites. It Is a golden opportunity for Flipkart to grab on. They should extend its range of offerings focusing on consumer sentiments and insights.

Market Development

Owing to the thrust towards digital economy and retail, Flipkart should indulge in **new market development** and extend its services. Flipkart has to be move across borders of India and serve customers from neighbouring geographies like South-East Asian countries. Because these countries have a high demand for online retail. Entering into joint ventures with local players, Flipkart can look to diversify its revenue from alternate markets**.**

Delivery Excellence

Order returns, refunds, cancelations, redressal of delivery issues, and fake product deliveries etc are issues Flipkart should enhance in their ranks. Flipkart should try to reduce the delivery

times and increase its operational efficiency for tier 2 & 3 cities because rural dwellers are now surging to online shopping.

Secure and Streamline Payments

Better online secure payments can instill more confidence in people to shop online. **India has one of the highest nos of smartphone users in the world.**

Flipkart can look to streamline payments for their orders through an in-house payment service like **Amazon pay** to include new product lines And Flipkart can also look to ride on the wave of **'Vocal for Local' sentiments in India** allowing more MSMEs to sell on their platforms.

Threats of Flipkart

In this era of intense competition for survival, there are some threats of Flipkart that it must be vary of. Let's take a look at them

Threat of Intense Rivalry

There is no dearth of competitors in the online retail space. Be it international players like Amazon, eBay, and Alibaba or local ones like Shop clues, Snapdeal, and Paytm etc**.**
Presence of so many rivals selling similar products immensely reduces revenues. Two top firms in Amazon & Flipkart are locked in a battle of burning cash, offering festive sales, and ambitious money infusions from investors. Because they both want to conquer the Indian online retail market and oust the other.

Buyer Power & Switching

The online retail market is saturated with Snapdeal, Paytm, eBay, Myntra Reliance Digital, and Nykaa etc. **Customers visibly have lower switching costs; they instantly switch from one online shopping website to another**. The products are mostly the same apart from a few brands. Hence, 'standing out' is tough to say the least.

Stringent Government Regulations

It is hard to sustain losses and keep doing business if the government regulations keep hindering the business.

In fact, Flipkart was recently investigated related to violations of competition laws in 2020 by CCI(Competition Commission of India). **Indian government also exercises strict control and monitoring of FDI and funds from foreign investors into Indian firms**. This led to many legal issues and operational problems for Flipkart (now owned by US-based Walmart).

Also, in wake of Indo-China tensions, **proliferation of fake goods on online retail sites has been met with stringent measures**.

The proposed policies expect e-commerce companies like Amazon and Flipkart to ensure that shipments from abroad are channelised through the customs route and have a registered business entity in the country.

COMPANY PROFILE

Flipkart's main office in India

Type	Private, subsidiary
Industry	E-commerce
Founded	2007; 15 years ago,
Founder	Sachin Bansal
	Binny Bansal

Headquarters	Bangalore, Karnataka, India (operational HQ)
	Singapore (legal domicile)
Area served	India
Key people	Kalyan Krishnamurthy (CEO)
Services	Online shopping
Revenue	▲ ₹43,615 crore (US$5.8 billion) (FY 2019)
Owner	- Walmart (82.1%) - Tencent (5.1%) - Tiger Global (4.87%) - Binny Bansal (3.25%) - Microsoft (1.46%) - QIA (1.43%) - Accel (1.32%) - Other (0.47%)
Number of employees	30,000 (2016)[4]
Parent	Walmart
Subsidiaries	Myntra PhonePe Ekart Jeeves Clear trip
Website	www.flipkart.com

CHAPTER- 2

COMPETITOR ANALYSIS

Digitalization of several entities has made it possible for consumers to shop and make their purchases online easily. Quite a good number of business entities have established their online platforms to enable consumers of different commodities to buy from such platforms. They also provide the clients with an array of options hence making it easy to acquire the ideal goods.

However, it is the competition that is in this industry that we want to talk about. Flipkart is one of the online stores that offer a wide range of products for its customers. It was established in 2007 its headquarters are located in Bangalore, India. It initially started as an online portal for retailing books but later transformed to electronics and later on fashion. It is the largest e-commerce portal in India and carries out approximately 20 sales per minute. Some of the **top Flipkart competitors** in the industry include the following.

1) Amazon

Amazon is arguably the world's largest online shopping store. It offers a wide array of services including online retail, consumer electronics, multimedia content and computing services among others. It is ranked as the leading online retailer in the US generating an estimated net sale of close to $140 billion in 2016.

A considerable part of its revenue is generated from the online sale of electronics and other related goods. It is also one of the most valuable brands in the world with approximately 400 million customers with active accounts globally. Amazon also offers its services through mobile App and digital products like music and videos. It currently has over 370,000 employees worldwide. Amazon is the topmost Flipkart competitor due to its increasing market share.

2) Snapdeal

Snapdeal is another Indian based e-commerce company that offers online retail services. It was founded in 2010 but has risen to become one of the biggest e-retailers in India. It serves a significant number of sellers and consumers of different products from different location all over the country. It has a broader assortment of products estimated to be over 35 million obtained from more than 125,000 retailers and brands, both local and international.

Over the period of its existence, it has been able to acquire some businesses such as Grabbon.com, esportsbuy.com, and Doozton.com, which has made it possible to expand and become a solid competitor in the e-retailing sector, especially in India. Recently, Snapdeal has dropped much in its brand equity and its online sales has dropped drastically. However, due to its legacy, it is still one of the top Flipkart Competitors.

3 Alibaba
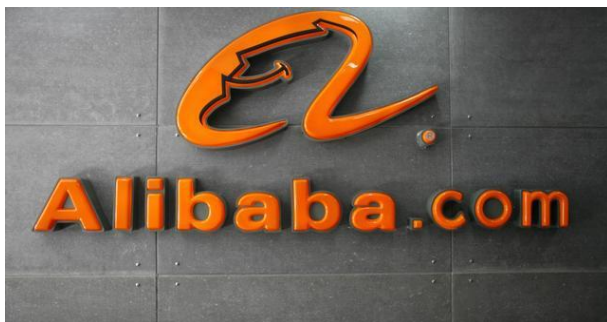
Alibaba is another giant company that offers online commerce services. It was founded in 1999 as a simple B2B online shopping portal but later grew to become the biggest e-commerce portal in Asia offering B2B, C2C, and B2C online services. The total revenue that this company generated in 2017 financial is estimated to be around 158.3 bn RMB, an equivalent of over $24 billion.

As a leading e-retailer in Asia and also penetrating other parts of the world. Alibaba has employed over 51,000 employees to help in facilitating various processes involved in buying and selling of different products on the platform. Astonishingly, Alibaba has been able to

receive a total number of record an average of approximately 812 million orders per day in the entire 2017.

4) Paytm

Paytm is an Indian-based online payment and e-commerce Company that offers allows the users to make payments upon purchase of a wide range of products including fashion items, electronics, home appliances and digital products among many more. Paytm is an abbreviation for Payment through mobile has over 13,000 employees working in different divisions hence making the user experience fast, secure and efficient.

It was founded in 2010 but operates as a subsidiary of One97 Communications. Paytm is increasingly becoming a strong competitor in this industry particularly in India, where it has over 3 million merchants in different parts that operate offline. Because of complete backing by Alibaba, Paytm is the strongest upcoming Flipkart Competitors.

CUSTOMER ANALYSIS

Flipkart, the poster child of Indian e-commerce, was an early entrant in the nascent Indian e-commerce market and fast established itself as the leading firm in this space. Flipkart has grown into an online retail giant, valued at over USD 15.2 billion as of 2015. Flipkart had 33,000 people and comprised of over 50 million registered consumers with beyond 10 million daily visits and 8 million shipments every month.

Flipkart has been putting in much effort and emphasis on the use of Analytics in every facet of decision making. The analytics team had over 100 data scientists in 2015. Customer churn is a major concern for Flipkart since it's direct impact on Customer Lifetime Value (CLV). CLV is an important measure to discern customers, which can further help the organization to handle them effectively. The key challenge in computing the lifetime value of customers of e commerce businesses like Flipkart is that the precise life of the client is unknown owing to data truncation, in other words, the real point in time of customer churn, which might not be identified in e-commerce, since there would be no previous communication from the client about the churn. Therefore, traditional models of CLV computation might not be appropriate for e commerce firms such as Flipkart.

Flipkart customers consist of middle-class social groups who are comfortable with online shopping and find it convenient. Majority of the customers are the professional who are busy with their business/Job & find it convenient to purchase anything online rather than visiting the physical outlet in order to save time & money.

Leading E-commerce giant of India, Flipkart have 75 million registered users who had helped the company to achieve 5-billion-dollar GMV (Gross merchandise value) of sales in FY15. GMV is the indicator of performance of the company in terms of Total value of merchandise sold by the company during the period.

Its "Big billion days" is the most successful campaign till now that has helped the company in increasing its sales during the festival season.

CHAPTER-3

THEORITICAL BACKGROUND

OUT BOUND (OB)

Out bound is the shipping out of finished products to customers from a warehouse or distribution centre. In Flipkart the following works are done in outbound department.

Out bound consist of

- ✓ Picking
- ✓ Packing

1.Picking

The responsibility of picking department involves Transferring the right product ordered by customer from inventory to packing department for the final shipment.

Picking process involves the following steps: -

Step1

Assign the pickers according to the work requirement

Then picker will start picking the product. During picking the product pickers going through following process.

1. Scan the tote through HDD (Hand holding Device)
2. Identify the Product belongs to the same tote.
3. Then find the lane no. and shelf no. from the file of inventory list for a particular product.
4. Then took all the product from the inventory according to order list by matching the WID (Warehouse Identification details) of the product, that belongs to the same tote.
5. Then transfer the tote to the packing department for packaging and final shipment.

2.Packing

The responsibility of packing department involves packing the product completely by taking safety measures, ensuring that the product will deliver to the customer safely without any damage.

Packing process involves the following steps-

1. After product comes from picking department it is ready for packaging.

2. In Flipkart packing stations are there for every packer.

3. Packers are assigned to every station with a tote with full of product.

During packing packers have to work in software called FLO-LITE for generating the Bill, IBL, and suggested packing box for proper packaging.

In the Flo-lite software packers have to go through the following steps: -

✓ 1st packers have to login into the flo-lite software by their login id and password given to them.

✓ Then Packers have to login the station in which he/she going to pack the product by station Id.

✓ Then scan the tote id of the tote which assigned to pack.

✓ Then Scan the WID (Warehouse Identification Details) from the product.

✓ Then the packer can see the product details with the picture of the product, then have to match the MISCAT of the product to avoid mismatch of product.

MISCAT belongs to: -

M- M.R.P

I – Item

S- Size

C- Colour

A- Attribute

T- Title

✓ After matching the MISCAT click enter and packer can see the suggested packing box and material for the particular product, It will help the packing operator to take the appropriate packing box, and amount of packing material,

1. Packing box like PB1, B28, A1 (For mobile) etc.

2.Material like shaded sheet (to secure the product from damage)

3. Flipkart plus tape, 5" tape and 3" tape for seal the product.

✓ Then click enter to generate the Invoice and IBL.

Invoice contains product details and seller details

IBL contains customers details or delivery address

✓ Then pack the product using above mention materials and paste the IBL on the front side of the packet to avoid mis-shipment.

✓ Then transfer the packing Shipment.

NOTE: During entire process of packing the packer and operator have to follow some rules and regulations i.e.

- Maintain 5's in every Packing station
    - 5's includes shorting, shine, standardise, sustain and safety.

    These are the standard measures to maintain a healthy operational floor to achieve the target and make it in timely manner.

- Check every packing station on a continuous basis and monitor the work of packers to reduce the error and mis-shipments.

- Count IPP (improvement operation per person per hour) of every packer on a continuous basis to improve the performance of packers.

- Resolve the errors on immediate basis by the issue resolve team to avoid confusion and delay in floor.

There many errors occur during packing process these are includes –

404 error, 500 error, 403error and 503error.

- ✓ 404 error occurs if there is any GST issue.
- ✓ 500 error occurs if packers made any cancellation issue.
- ✓ 503 error occurs if there is any mismatch of product issue.
- ✓ 403 error occurs if there is any software issue.

CHAPTER-4

DATA ANALYSIS
AND
INTERPRETATION

Here I analyse the total 6 weeks target and result by outbound (packing) department.

Table 6.1: Table showing plan Vs actual target achieved (week-1)

| Day	plan	Target Achieved	Attainment
Day1	20000	15500	77.5%
Day2	30678	28000	91.27%
Day3	70000	40000(flo-issue)	57.14%
Day4	60500	55589	91.88%
Day5	75078	70000	93.23%
Day6	50000	45000	90%
Day7	46768	30000(flo-issue)	64.14%

Chart6.1 showing attainment of week 1

INTERPRETATION: - The above chart showing the plan of dispatch amount every day in 1st week and the actual target achieved in that week. In some day there reduce of dispatch amount due to Flo-Issue (software issue) and in day 3 and day 7 FC outbound achieve very low target.

Table 6.2: Table showing plan Vs actual target achieved (week-2)

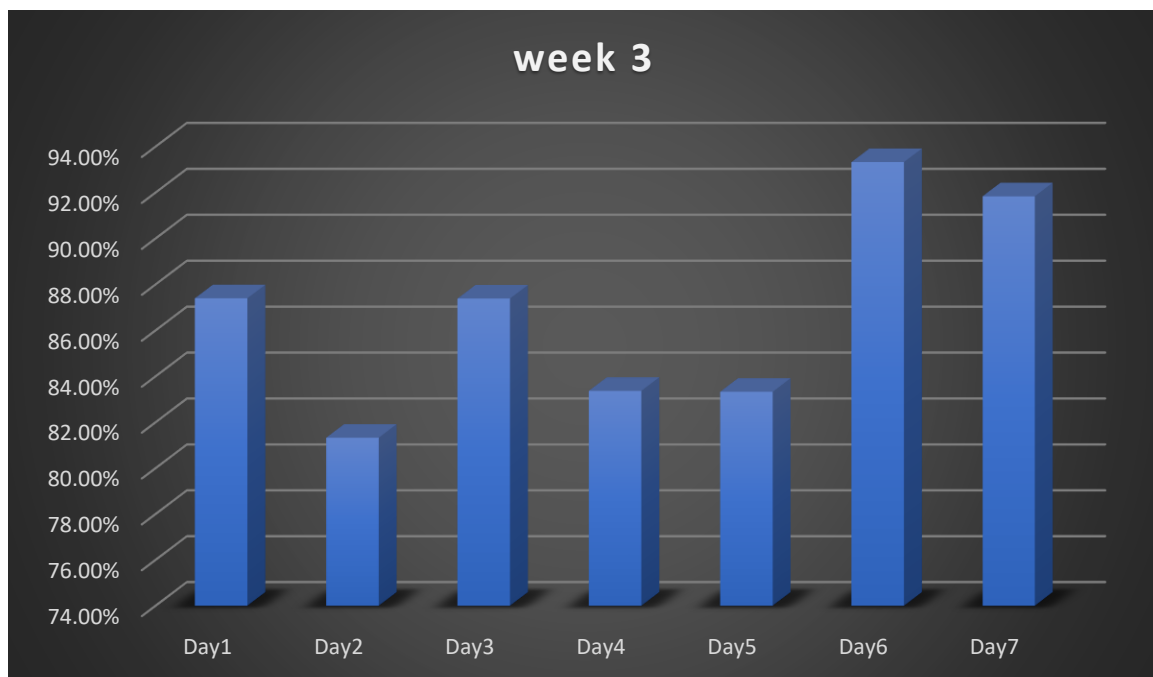| Day	plan	Target Achieved	Attainment
Day1	60500	60000	99.17%
Day2	50000	34000	68%
Day3	75000	60000	80%
Day4	69845	55589	79.58%
Day5	40000	34909	87.28%
Day6	35900	30000	83.56%
Day7	40000	35000	87.5%

Chart6.2 showing attainment of week 2
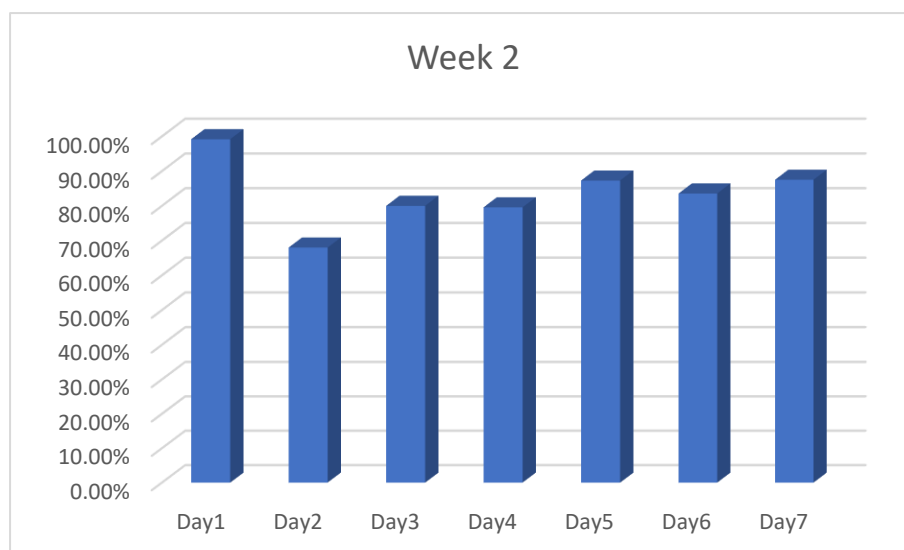
INTERPRETATION: - In 2nd week from the above chart showing the fluctuation in achieving target,

And in day 1 FC outbound achieve highest target and in day 2 FC achieve lowest target level.

Table 6.3: Table showing plan Vs actual target achieved (week-3)

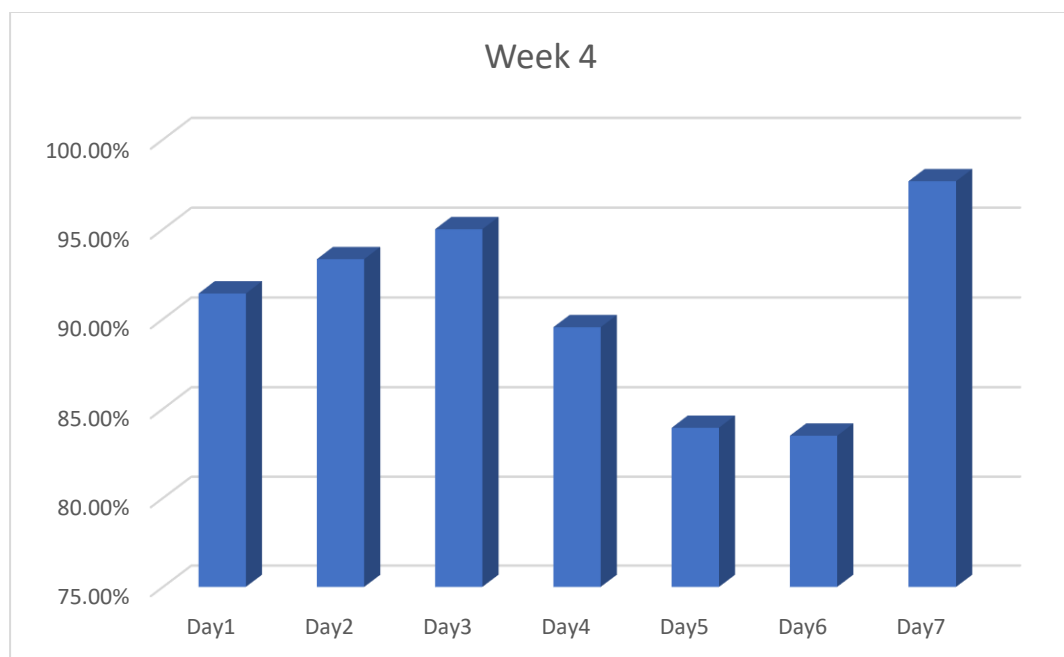| Day	plan	Target Achieved	Attainment
Day1	35000	30589	87.4%
Day2	38000	30908	81.33%
Day3	60000	52434	87.39%
Day4	25000	20844	83.37%
Day5	30000	25000	83.33%
Day6	75000	70000	93.33%
Day7	54873	50398	91.84%

Chart6.3 showing attainment of week 3

INTERPRETATION: - from the 3rd week data it is clearly shown that in day 2, day 4 and day 5 FC

achieve very low target.

Table 6.4: Table showing plan Vs actual target achieved (week-4)

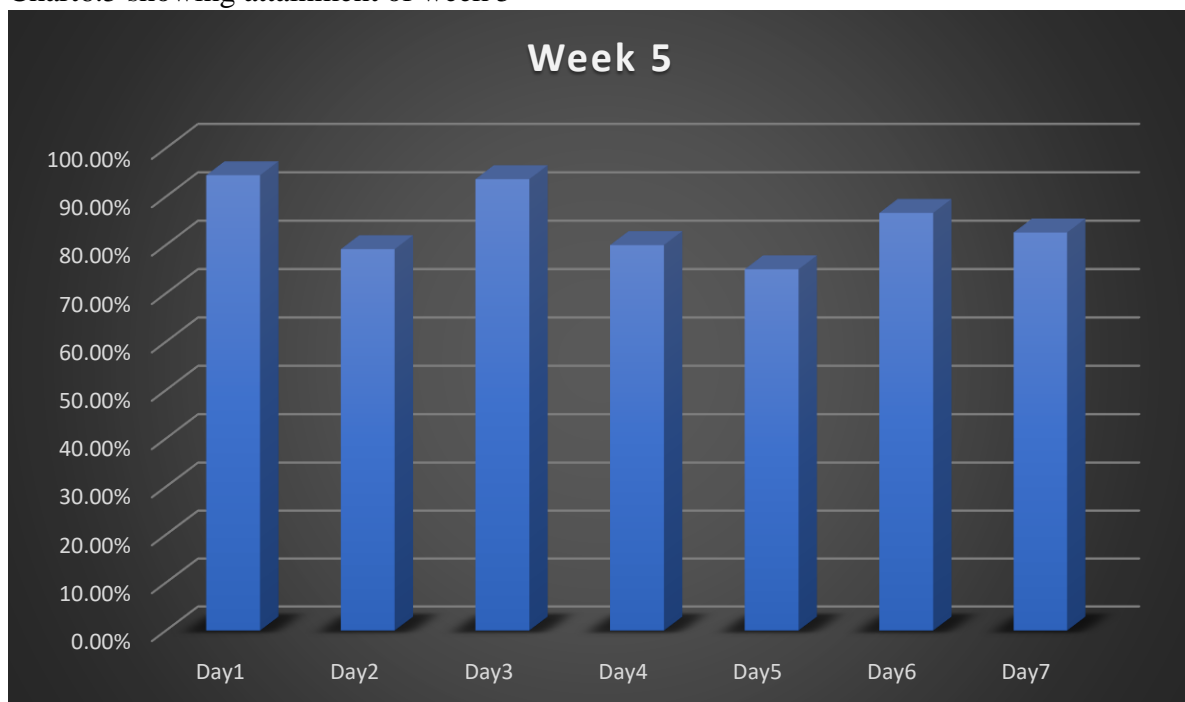| Day	plan	Target Achieved	Attainment
Day1	35000	32000	91.42%
Day2	75000	70000	93.33%
Day3	80000	76000	95%
Day4	100000	89547	89.54%
Day5	54798	46000	83.94%
Day6	47900	40000	83.50%
Day7	86000	84000	97.67%

Chart6.4 showing attainment of week 4

INTERPRETATION: - In week 4, FC achieve highest target in day7 and very low target in day5 and day6.

Table 6.5: Table showing plan Vs actual target achieved (week-5)

Day	plan	Target Achieved	Attainment
Day1	180000	170000	94.44%
Day2	240000	190000	79.16%
Day3	267000	250000	93.63%
Day4	150000	120000	80%
Day5	200000	150000	75%
Day6	180000	156000	86.66%
Day7	230000	190000	82.6%

Chart6.5 showing attainment of week 5

INTERPRETATION: - In week5 BBD (Big Billion Day) is already started and targets are high still in day 2, 4 and 5 the target achieve are little bit low.

Table 6.6: Table showing plan Vs actual target achieved (week-6)

Day	Plan	Target Achieved	Attainment
Day1	200000	190000	95%
Day2	280000	280000	100%
Day3	300000	260000	86.66%
Day4	270000	250000	92.6%
Day5	180000	150000	83.33%
Day6	160000	130000	81.25%
Day7	200000	158990	79.5%

Chart6.6 showing attainment of week 6
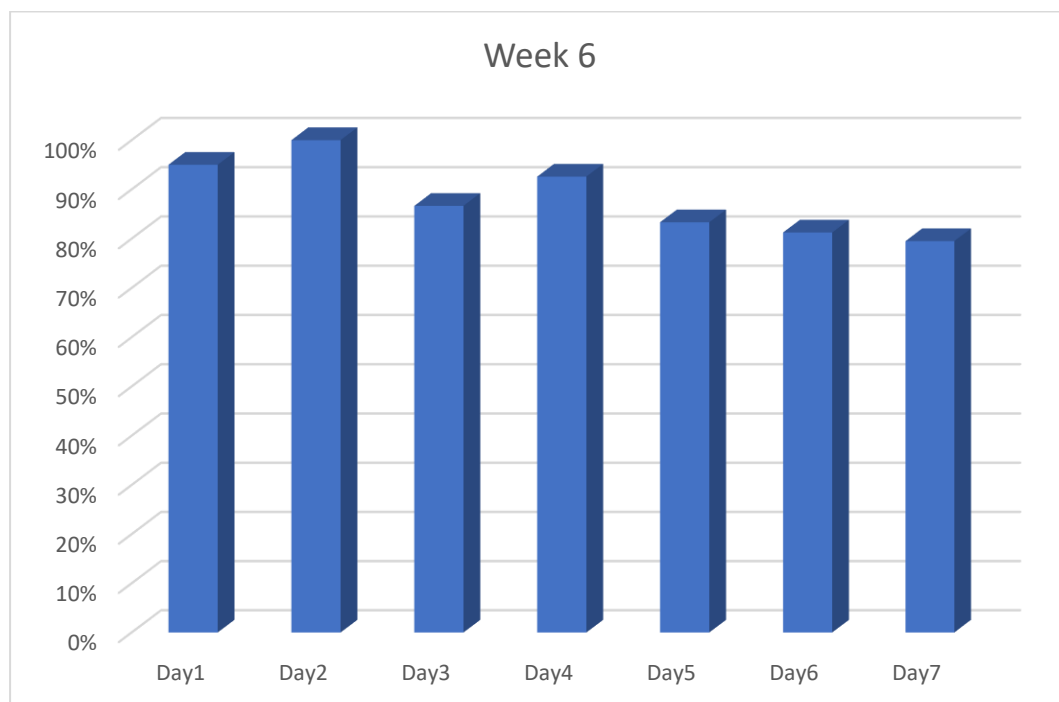
INTERPRETATION: - In 6th week FC outbound shows outstanding performance and in day2 it achieves 100% target and overall outstanding performance.

CHAPTER- 5

FINDINGS

FINDINGS

Reason why FC couldn't accomplish plan vs actual target achieved are as follows. These problems divided as per their respective teams which as to deal with it.

The problem with picking team are as follows:

- ✓ **Pickers team:**

    Delay in product take off: it means the product which has to be filled in tote are not be done in time. This may be because of tech issue.

- ✓ **Operation team:**

    Cross manpower deployment: it means crossing man power from one dept. to another when the dept. needs more manpower at some point of time and they have no that much knowledge and experience about the work of this department.

    Abseentism: high abseentism affects the process. It may be due to various reasons.

- ✓ **Tech team:**

    Tech team may be unable to resolve the issue immediately when pressure is high and target is at its peak.

    Tech issue may be happened in the system procedure of packing they may be unable to scan barcode.

- ✓ **Issue in packing process:**

    Some time there is no suggestion or wrong suggestion given for packing box which may cause delay in process and result of less output.
    Sometime there is wrong product came in tote which may causes mis shipment and delay.
    Sometime packers packed in wrong packet which is easy pack, to increase his/her IPP, which is cost effective, because easy packets cost more.
    Ex- PB3.5 or PB4 in place of WB1 OR WB2.

CHAPTER- 6

SUGGESTIONS

- ✓ Find out the proper way to achieve the result and reduce TAT.
- ✓ Closely monitor the operational area continuously to reduce the mistake.
- ✓ Add penalty clause in case of late picking.
- ✓ Continuous follow up with the respective tech team & IRT team to resolve the issue immediately.
- ✓ Proper training should be provided to the manpower in case of redeployment from one department to another department.
- ✓ Continuous follow up to the corresponding departments for smooth conducting of operation.

<u>CONCLUSION</u>

As an age – old mantra says "Customer is King", Flipkart completely believes in it. Therefore, in FC customer process are given more importance. And the customer process is mainly done in outbound department, because in outbound department operations are done to reach out the final product to the customer. Customer satisfaction in e commerce is totally depend on outbound department as it gives the final output. So focused should be more on this result areas.

So, its more important to work the KRA and KPI of outbound department and work on the main tech issues to processed the operation successfully by reducing the TAT.

CHAPTER- 7

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