



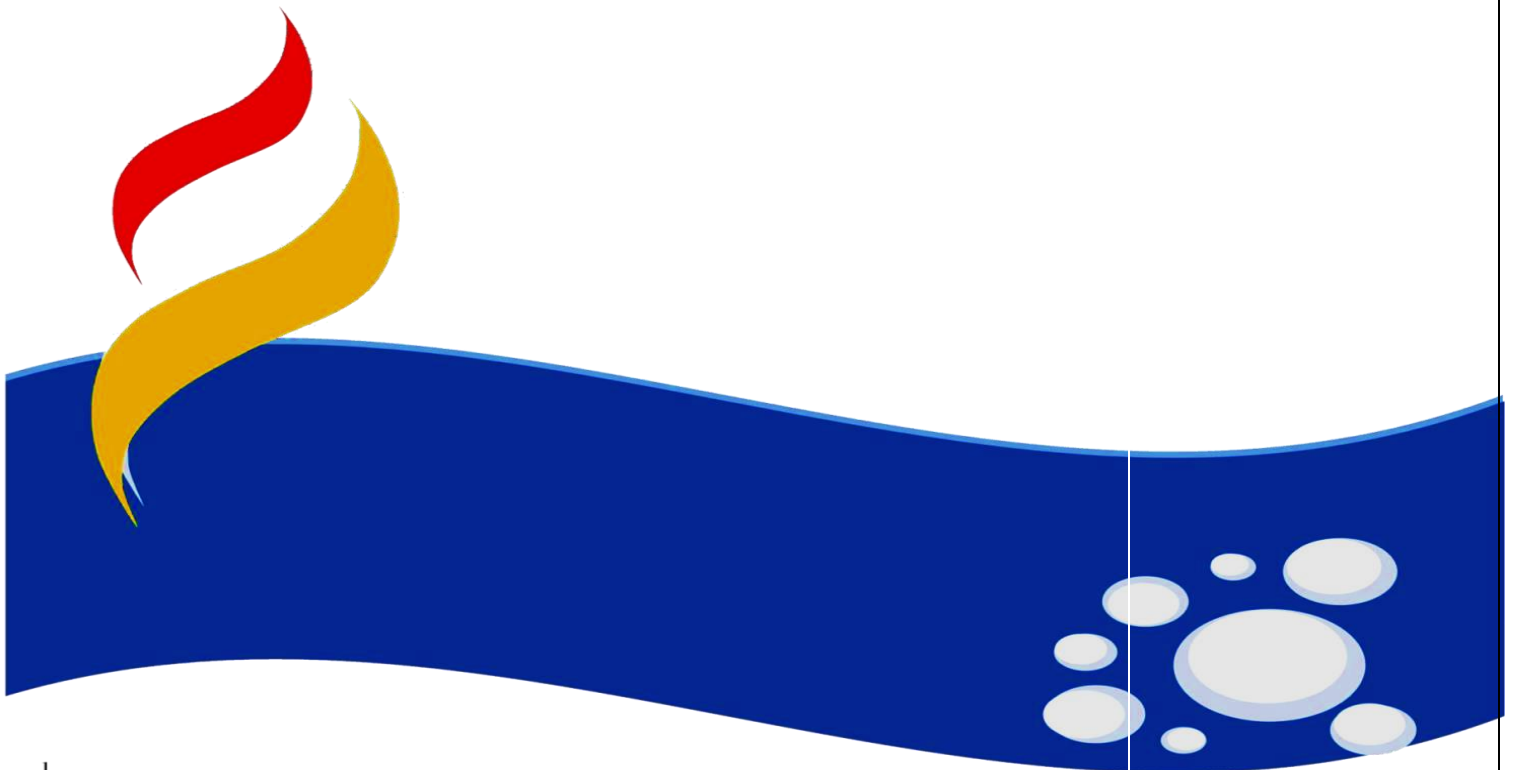
## **BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES**

### **SUMMER INTERNSHIP REPORT 2021**

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Jyoti Prakash Sahoo

***BPUT REGD NO. :***  
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***INTERNAL GUIDE:***  
Dr. Dhananjay Beura  
Prof (Marketing)





**BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES**  
**SUMMER INTERNSHIP REPORT 2021**

**IDENTIFYING AND  
RESOLVING PICKING DEPARTMENT ISSUES  
AT FLIPKART**

**SUBMITTED BY**

**JYOTI PRAKASH SAHOO  
BPUT REGD.NO.-2006258099**

**UNDER THE GUIDENCE OF  
Dr.DHANANJAY BEURA  
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### **INTERNAL GUIDE CERTIFICATE**

This is to certify that the report entitled “**IDENTIFYING & RESOLVING PICKING DEPARTMENT ISSUES AT FLIPKART**”. It has been prepared by **Mr. JYOTI PRAKASH SAHOO** under my supervision and guidance **Dr. DHANANJAY BEURA, PROF IN MARKETING, BIITM** for the fulfillment of virtual summer internship program of Master in Business Administration. His fieldwork is satisfactory.

(Signature guide)  
Dr.Dhananjay Beura  
Prof. (marketing), BIITM

## **DECLARATION**

I JYOTI PRAKASH SAHOO, of batch 2020-22, BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES, hereby declare that project work titled, “IDENTIFYING AND RESOLVING PICKING DEPARTMENT ISSUES AT FLIPKART” submitted to Biju Patnaik Institute management & Information Studies, affiliated to Biju Patnaik University of Technology (BPUT), is a record of research work done by me under the guidance of Dr. DHANANJAY BEURA, Prof (Marketing), Sincerely regret any unintended discrepancies in this report.

This Summer Internship report has the requisite standard for the partial fulfillment of the MBA program at BIITM, BPUT. To best of my knowledge and belief no part of this report has been reproduced from any other report and the contents are based on live experiences that I faced during a period of 45 days from 1<sup>st</sup> Sep 2021 to 17<sup>th</sup> Oct 2021.

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I am using this opportunity to express my gratitude to everyone who supported me throughout the course of this SIP project. I am thankful for their aspiring guidance, invaluable constructive criticism and friendly advice during the project work. We are sincerely grateful to them for sharing their truthful and illuminating views on a number of issues related to the project.

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I express my warm thanks to **Dr.DHANANJAY BEURA**, Prof. (Marketing) for his support and guidance at BIITM.

Last but not the least I would like to thank **Mr.K.Chandrasekhar, Associate Prof.GM cum Head Training & Placement department** for bringing me into exposure to such a wonderful company.

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## **Executive Summary**

This project explores what factors contribute to increased order picking time in a specific warehouse layout. Warehouses are extremely complex and a result an difficult portion of the supply chain to model of all the processes that occurs inside a warehouse order picking is probably the most important as it accounts for 55% of all total cost .In order to determine the biggest contributors to inefficiencies in the picking process we created a simulation that can model the picking process in a warehouse.

Warehouse layout program was also created in order to feed the simulation information related to the warehouses layout ,and a database was used to store item stock, incoming orders, and final results of the simulation .The simulation was subsequently used to determine some interesting relationships between the warehouse layout and the picking times for a pre-determined set of customer orders .The parameters changed include the number of orders allowed to be processed at one time, whether or not the picker was collecting multiples items on a picking route, how the items are distributed (sorted) on the shelves and after our results were analyzed it was found that there were many parameters that had an influence on the picking time.

This project also explores IRT work whatever issue happening during the period of picking process like missing product, keeping product other bin, extra product placing by the picker by solving this problems to take help the IMT team.

# **Chapter-I INTRODUCTION**

**(Topic, Objectives, Introduction)**



## **Chapter-1 Introduction**

### **Topic**

“Identifying & resolving picking department issues at Flipkart”.

### **Objective**

- To identify issues on picking department at Flipkart.
- To resolve issues on picking department at Flipkart.
- To make recommendations for effective and efficient picking at Flipkart.

### **INTRODUCTION**

The entire Supply Chain Management of Flipkart revolves around 4 processes. They are:

- Inbound: It deals with receiving and putting part.
- Outbound: Picking and Packing falls in the Out bound process.
- Return Centre: Return to Origin (RTO) and Reverse Pickup (RVP) comprises the Return Centre process.
- Non Customer Outbound:
- It takes care of the IWIT (Inter Warehouse Inventory Transfer) process, Liquidation and mainly deals with refurbished products.

As picking is one of the crucial parts in the process on Outbound or Outward Logistics, so it has to be done with utmost care. So in order to avoid the discrepancies or to overcome the obstacles, a specific team has been appointed i.e. IRT. IRT stands for Issue Resolution Team which mainly looks after the issues related to the picking department and tries to resolve all the issues as early as possible.

## VISION STATEMENT

The vision statement for Flipkart is its strategic plan for the Future-It defines what and where Flipkart Company wants to be in the future. The vision statement for Flipkart is a document identifying the goals of Flipkart to facilitate its strategic, Managerial as well as general decision making processes

Flipkarts current vision is “**To become Amazon of India** “

## MISSION STATEMENT

The mission statement for Flipkart is a public document that details the value and strategic aims of Flipkart. The mission statement of Flipkart also Identifies the purpose of the organization existence, highlighting the services and the products it offers. Further, The Mission statement also identifies the organizations operational goals for Flipkart, the processes the company uses to achieve those, the target customer groups, and the region where the company operates.

Flipkart current mission revolves round “**providing delightful customer experience**”

## CORE VALUES

There are five cornerstone Flipkart Values — **Customer First, Ownership, Bias for Action, Audacity and Respect**. While all Flipsters possess these traits and demonstrate these qualities, a few stand out in the crowd because they live these values in exemplary ways in their work ethic and performance.

While we adapt, evolve, and continue to grow, the beliefs that are most important to us stay the same - **Audacity, Bias for Action, and Customer First** - our core values which are reflected in everything we do!

While these core values define our identity and form the basis of all our decisions and actions, integrity and inclusion underpins all our processes.

## **CHAPTER -II**

### **COMPANY PROFILE**

**(Brief background, marketing mix, Marketing tactics, Business analysis SWOT Analysis)**

## **Chapter-2 Company Analysis**

### **Brief background**

Flipkart is an Indian E-commerce company established in 2007 by Sachin Bansal and Binny Bansal .It operates exclusively in India, with headquartered at Bangalore, Karnataka India. And incorporated in Singapore as a private limited company. The company initially focused on online book sales before expanding into other product categories such as consumer electronics, fashion, home essentials, groceries, and lifestyle products. Later, as the company's popularity grew, it also started selling other items such as music, movies and mobile phones. As the e-commerce revolution gained momentum in India, Flipkart grew at an accelerated pace and added several new product ranges in its portfolio. As of now, the company offers more than 80 million products spread across more than 80 categories such as mobile phones & The company initially focused on online book accessories, computers and accessories, laptops, books and e-books, home appliances, electronic goods, clothes and accessories, sports and fitness, baby care, games and toys, jewelry, footwear, etc.

Flipkart has 100 million registered users and more than 100 thousand sellers on its e-commerce platform. The company has invested in 21 state-of-the-art warehouses to ensure prompt delivery to its customers. The Flipkart website attracts 10 million page hits every day and around 8 million shipments are processed every month. Flipkart has also introduced its mobile app, which has become quite popular, with more than 50 million app users. Flipkart is a billion dollar company and its valuation in 2016 was Rs 15,129 crore (US\$2.3 billion). It employs more than 33,000 people.

Flipkart has launched its own product range under the name “DigiFlip” with product including tablets, USBs, and laptop bags. Flipkart also has its own range of personal healthcare and home appliances under the brand “Citron” and apparels under the brand “Flipkart”

### **History**

Flipkart started as an online bookstore in October 2007. The founders Sachin Bansal and Binny Bansal left their jobs at Amazon.com to launch their own company. It was a risky move, since the e-commerce sector in India was mostly non-existent at that time and there was no certainty about its future. However, the founders took the risk and now it has turned out to be a huge success. One of the major problems that Flipkart tackled during its initial years was online payments. At that time, people in India were averse to make online payments to a virtual store. Flipkart solved the problem by launching its ‘Cash on Delivery’ service, which helped build confidence among online buyers. Flipkart also made significant efforts to improve the supply chain system, which helped the company to ensure timely delivery to customers. In 2013, the

company created a record by selling one lakh books on a single day. In 2016, Flipkart had crossed the 100 million mark in registered customers.

## **Funding**

Flipkart has received more than \$ 4.5 billion in funds till date, with the biggest funding coming in July 2014 worth \$ 1 billion and in April 2017 worth \$ 1.4 billion. Some of the top investors in Flipkart include Naspers, Stead view Capital, Tiger Global Management, DST Global, Accel Partners, Dragoneer Investment Group, Baillie Gifford, GIC, Greenoaks Capital, ICONIQ Capital, Microsoft, Morgan Stanley, Qatar Investment Authority, and Sofina.

## **Acquisitions**

Mergers and acquisitions are taking vital role in E-commerce sector in recent years. Flipkart has acquired a range of businesses in recent years to boost its product and service offerings. Some of the key acquisitions made by Flipkart include Myntra, eBay India, PhonePe, Jabong, Letsbuy.com, WeRead, Mime360, chakpak.com, Appiterate, FX Mart, and gpay. The most recent acquisition was Snapdeal that was a competitor to Flipkart. Snapdeal has been acquired at a cost of \$950 million.

## **Competition**

Flipkart now has only one major competitor Amazon India. However, having only one is enough since Amazon is betting big on India's e-commerce revolution and has committed \$5 billion investments in Amazon India. The company has already received \$2 billion in funding and \$3 billion more are planned. Amazon India has been consistently expanding its customer base, which has resulted in tough competition for Flipkart.

## **BUSINESS STRUCTURE**

According to a report in November 2014, Flipkart was operating through a complex business structure that included nine firms, some registered in Singapore and some in India. In 2012, Flipkart co-founders sold WS Retail to a consortium of investors led by Rajeev

Kuchhal. Flipkart's Indian entities are owned by Flipkart Pvt. Ltd, which is registered in Singapore. The Singapore-registered entity owns eight Indian companies, including Flipkart Internet Pvt. Ltd, the company that runs the e-commerce marketplace Flipkart.com, Flipkart India Pvt. Ltd, the wholesale business, and Flipkart Logistics Pvt. Ltd, which runs Ekart.

## About the Founders

Flipkart founders Sachin Bansal and Binny Bansal are both IIT graduates. Both come from Chandigarh, but they are not relatives, even though they share the same last name. It was Sachin Bansal that got Binny Bansal to join Amazon.com, but later they both quit and decided to launch Flipkart. Sachin Bansal is now the Executive Chairman of Flipkart whereas Binny Bansal has been promoted to the Chief Executive Officer (CEO).

## AWARD AND RECONGTITION

Sachin Bansal was awarded Entrepreneur of the Year, 2012–2013 from *The Economic Times*, a leading Indian economic daily newspaper.

In September 2015, the two founders entered flobing India Rich List, reaching in the 86th position with a net worth of \$1.3 billion each.

In April 2016, Sachin and Binny Bansal were named to *Time* magazine's annual list of the world.

## MARKETING MIX

The concept of “marketing mix” is a tool used by businesses to promote and market their product. It is centered on the elements- product, price, place, and promotion, People, Process, & Physical evidence. It thus holistically covers the major marketing strategies surrounding a business under the 7P’s.

Let us understand it better by looking at the marketing mix of Flipkart.



### 1. Product strategy of Flipkart

- Flipkart entered the E-commerce market as a book seller but widened its product mix to include Music, movies, & mobiles within three years.

- Over the years, it has continued to grow its product mix.
- The company has extended its portfolio through acquisitions including Myntra.
- Now it is selling more than 80 million products on its digital marketplace in more than 80 categories.
- The main categories including electronic goods, Literatures & stationery, home appliances, fashion products (clothes, footwear, and accessories), home furnishing products, grocery, books, sports products, auto accessories and fitness products
- They also offer services of insurance, flight bookings & online payments
- After the Flipkart app, it has launched Flipkart Lite. It opens with a splash screen & combines the rich features of a web app. It has fast and easy navigation. It works on 2G & in offline mode also
- Flipkart launched its product range called “DigiFlip”. Under this brand, it offers products like computer accessories, camera bags, headphones, pen drives, tablet phones and networking routers
- Flipkart has provided a platform for the launch of exclusive phones which are not available offline like MotoG and Xiaomi Mi3 models.

The company has a very diverse product portfolio because of which it has a large customer base.

## **2. Price Strategy of Flipkart**

- Flipkart provides its products at fewer prices than other E-Commerce websites, it gives huge discounts to boost up sales and maintain competitive prices.
- The company charges a nominal amount for its delivery service and also does not charge if the order costs above Rs 500
- If the product is directly shipped by the seller, then the shipping cost depends on the seller’s shipping charges.
- Flipkart also provides the facility of a one-day delivery where the product is delivered within a day by just paying a little more delivery charge.
- Flipkart also runs mega sales during the festivals. In these sales, it offers huge discounts on products like Big billion days.
- Other facilities for consumers include the availability of E-wallets, E-gifts & EMI for certain products.
- Flipkart charges monthly warehouse, referral, and shipping charges from the seller. These charges depend upon the option chosen by the seller

## **3. Place and Distribution Strategy**

- At first, Flipkart started its operations on the direct-to-consumer model in which they bought the book and couriered it, later the company opened many warehouses to store the goods safely
- The first warehouse was opened in Bangalore and later in Coimbatore, Delhi, Mumbai, Chennai, Hyderabad, Pune, Noida and Kolkata
- Around 80% of the orders placed are handled and controlled by warehouses
- Shipping and courier companies are the real mediators in this setup

- Flipkart delivers its products to customers pan India through an extensive delivery network. Their delivery service covers all tier-1, tier-2, tier-3 cities & major rural areas too

#### **4. Promotion Strategy of Flipkart**

- Flipkart's promotional strategy focuses on aggressive marketing through TV ads, print ads, word of mouth, bulk mailing, push notifications in-app & social media marketing campaigns
- The company has partnerships with influencers and celebrities across the range to reach out to and engage with a diverse set of consumers as these people have a huge fan following
- Flipkart has partnerships with key brands in different categories ranging from male grooming to fashion, to draw the attention of consumers
- Flipkart has a partnership with Adani Group to strengthen its supply chain infrastructure and enhance its ability to serve its rapidly growing base of customers
- It has also launched a Flipkart Plus membership program that offers access to special privileges such as more points when you shop on Flipkart, faster delivery, extra discounts, early access to sales & superior customer support
- Flipkart invests in sustainability and CSR to establish a strong social image
- Flipkart introduced a daily trivia quiz. The quiz gives participants a chance to win discount coupons, gifts and Flipkart Super Coins

#### **5. People strategy of Flipkart**

- In 2016 ,Flipkart employed 30,000 people
- The company has continued to expand its business fast over recent years.
- The company calls its employees Flipsters.
- The company mainly focuses on Managing its human capital in such a manner that maximizes the employee as well as customer satisfaction.
- Here the Employees happiness is the key of business growth.
- The company giving more importance towards the employees, investing more amount, giving proper training where the company growth as well as own growth.
- The company created a human resource policy that helps to maximize satisfaction for its workers and help them achieve a better balance between their career and personal lives.

#### **6. Processes strategy of Flipkart**

- The e-commerce industry is marked by heavy competition and companies have to manage business processes in a manner to ensure higher efficiency and productivity.
- Flipkart has acquired a lot of growth within the last few years.
- The company had managed to achieve a strong position in the Indian e-commerce market prior to its acquisition by Wal-Mart.
- From its website to the warehouses and fulfillment centers, the company focuses on business process efficiency to achieve stronger results or company growth



- The company generated a revenue of around \$6.1 billion in 2019 which was around 42% higher than the previous year
- The company has been investing in technology and expansion of its physical infrastructure to achieve superior financial growth.
- Technology plays a key role in ensuring the operational efficiency of the company from its website to its warehouses.
- While Flipkart is continuously improving its website and apps to make them more shopper-friendly, it is also investing in making its warehouses technologically advanced and best in class so as to improve their capacity. Now a days the company standing in best position
- It ensures that the customers have a superior shopping experience and products are delivered to the customers faster without any delay.

## **7. Physical Evidence strategy of Flipkart**

- Physical evidence denotes the physical proof of the products and services of a company. If a company makes hardware or other products, the product itself can count as physical evidence. However, if the company offers services or creates software or something like streaming services then physical evidence may not be as readily available as in the case of the brands making physical products.
- So, while it may be easy to find physical evidence related to Apple, it may be difficult to find physical evidence related to Google because the other is largely a services company.
- However, there is a lot apart from the physical infrastructure and branding related material that still provides the physical evidence of business.
- As in the case of an e-commerce business like Flipkart that sells products and services by other brands mainly, there is still a lot that counts as physical evidence.
- First of all, it is the packaging used by the company and the branding on it that is the physical evidence of the services provided by Flipkart.
- The packages used to wrap products to be delivered have the Flipkart logo on them. Apart from that, the physical infrastructure of the company including its offices, warehouses, and fulfillment centers also offers physical evidence of the business.
- In the digital era, there are a large number of services that will not present a lot of physical evidence but their branding material and physical infrastructure offer the physical evidence of their business operations. For example, Netflix is a brand offering streaming services.
- Its products/services are bought and consumed online using a physical screen that supports internet connectivity.
- In such a case, it would not be easy to obtain physical evidence as compared to a brand that makes hardware products like Samsung.
- In this way, from product brands like Samsung or LG to services brands like Flipkart and Amazon, the amount and extent of physical evidence vary depending on the volume of products made by the company itself and extent of the company's own involvement in the provision of services.

- As in the case of Amazon that makes and sells a large range of products including Alexa enabled devices and Kindle Reader as well as a nice range of other products sold on its website, physical evidence is much easier to find compared to Flipkart.

## **Marketing Tactics of Flipkart**

- Flipkart brings up its advertising platform called Brand Story Ads, on its mobile app. The platform will showcase tales of different brands in an interesting manner with content pictures and product guidelines.
- The company always appears with its unique & innovative ad campaigns. Their famous ad campaign was “No kidding any worries”. In this campaign, kids were acting in adult roles.
- The motive of the campaign was to address the fears people generally have with online shopping and to create the ever-important aspect of trust.
- They apply several digital marketing strategies to grow their customer base through which it shows ads to its target customers on social media platforms & Uses its app to send pop-ups notifications of the latest offers to its customers
- Flipkart engages its consumers through contests. Contests come with additional perks for consumers during the sale session

## **Business Analysis of Flipkart**

The various options for selling and buying through Flipkart are through  
 Flipkart websites  
 The web app  
 Social Websites  
 Coupon websites, Blogger etc.

## **Other Source of Revenue for Flipkart**

Flipkart generates revenue not just by selling products but has various revenue channels including

- Logistics
- Digital media
- Co –branding opportunities on Flipkarts Homepage
- Target search result

## **SWOT analysis**

SWOT Analysis of Flipkart focuses on Strengths, weaknesses, opportunities, and threats. Strength and Weaknesses are internal factors and Opportunities and Threats are the external factors that influence the SWOT Analysis of Flipkart.

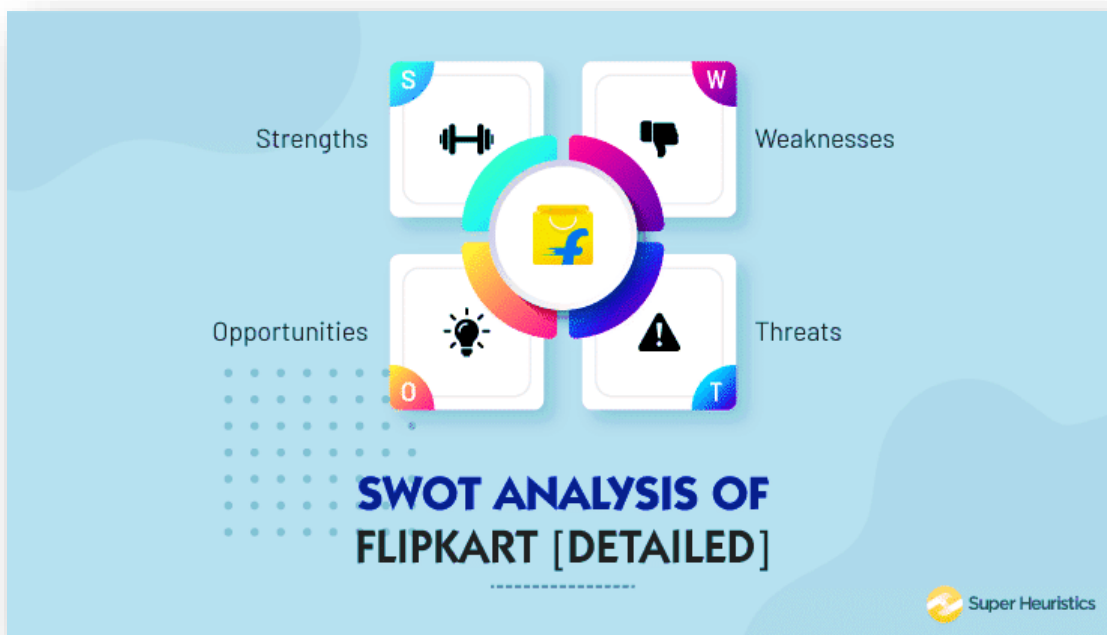
On any list of the best Indian online businesses, Flipkart would undoubtedly be at the top of the list. Flipkart is one of the few Indian companies with a market capitalization greater than 2 billion dollars, and the company is currently valued at more than 11 billion dollars.

The company was founded in 2007 by the Bansal brothers, Sachin and Binny, who took into consideration for high level success.

SWOT Analysis is a proven management tool that helps organizations such as Flipkart to assess the e-commerce market and its success against rival companies.

Flipkart is a top e-commerce company in India. There are very few Indian companies worth more than \$2bn and Flipkart is worth more than \$11bn as of today. Flipkart was established by Binny and Sachin Bansal in the year 2007. They have worked hard and took the company to great heights.

In this article we will discuss SWOT Analysis of Flipkart.



## **Strengths in the SWOT analysis of Flipkart**

### **1. Indias largest E – commerce retailer**

Flipkart is the India's largest E-commerce company & had sold GMV (Gross merchandising Value) of \$1 billion till now

### **2. Experienced Founders**

The founders of Flipkart, Sachin & Binny bansal are ex –Amazon employee's .Having prior experience in the E- commerce industry helped the founders to work strategically and differentiate their business in a highly competitive market.

### **3. Acquisition**

With its series of acquisitions like Letsbuy.co, chakpak .com, weread.com, Mine 360 & the recent one Myntra in 2014 helped the company to expand in the E commerce space & used the capabilities and existing resources of acquired companies.

### **4. High brand recall**

Flipkart has established itself as a renowned E-commerce company in India through TV's ads, online branding and through its presence on social media. Brand activities like the "Big billion days" have really increased the brand recall of the company.

### **5. Own payment gateway & logistics**

Having its own logistics arm E- kart & payment gateway pay zippy has helped the company to control its expenses .Thereby passing the benefits to the end customers.

### **6. Exclusive & broad range of products**

From having Exclusive rights to launch some products like MotoG, MotoX, Xiaomi Mi3 as well as personal designers segments in garments category, has helped the company to differentiate and localize its offerings.

## **Weakness in the SWOT analysis of Flipkart**

### **1. Limited Distribution channel reach**

Although it's Logistics arm has kept costs low, the reach has been affected which is a weakness for Flipkart. Due to use of Outsourcing, Global giants like Amazon & eBay can deliver the product anywhere in the country. However, Flipkart is still struggling in this field.

### **2. Cost of Acquisition**

Due to strong competition in the market & low customer retention , the cost of Acquisition is high because Flipkart Acquires a lots of customers through online Adversiting.As per Flipkart data, the company spends Rs 400 /- on acquiring a new customer on an average.

### **3. Power in the hand of buyers**

Since the industry is flooded with many players, buyers have a lot of options to choose. Switching costs are also less for customers since they can easily switch a service from one online retail company to another.

## **Opportunities in the SWOT analysis of Flipkart**

### **1. Expansion of business**

By targeting other emerging markets company can increase their revenues as well as it can have Economies of Scale.

### **2. Expanding their product categories**

This will increase their customer base and at the same time will reduce the cost of acquisition and customer switch.

### **3. Changing mentality of Indian customers**

With increasing numbers of customers getting comfortable with online shopping & increase in numbers of internet users in India, there is huge potential in this industry.

### **4. Supply chain**

By optimizing their supply chain they can compete with the other players & can manage the losing sales on account of not making the product available due to delivery constraints.

### **5. Establishing in other developing economies**

Like Amazon, Flipkart can slowly start expanding out of India and establish operations in other countries as well which will help improve revenues.

## **Threats in the SWOT analysis of Flipkart**

### **1. Competition**

Strong competition from global players like Amazon, eBay as well as local player like snap deal, Tolexo and shop clues who are continuously trying to eat each other's market share.

### **2. Government regulations**

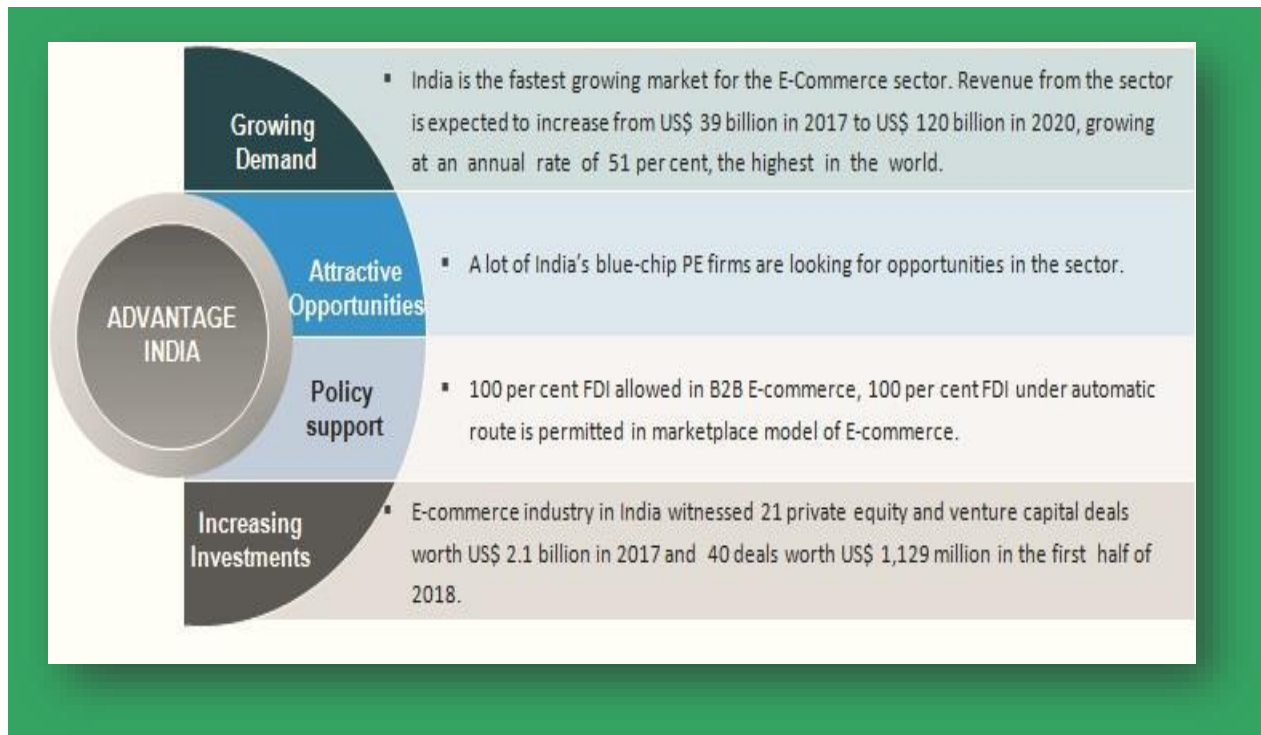
On the issues related to FDI in multi branding retail has been a big hurdle in the success of the E-commerce industry in India.

## **Chapter-II INDUSTRY ANALYSIS**

**(E commerce in India, Market size growth, Michael Porters five force)**

## Industry Analysis

### Indian E-commerce Industry Analysis



Source:-Bonray industrial co.ltd

### E-commerce in India

India has an Internet user base of about 696.77million as of May 2020, about 40% of the population. Despite being the second-largest user base in world, only behind China (650 million, 48% of population), the penetration of e-commerce is low compared to markets like the United States (266 million, 84%), or France (54 M, 81%), but is growing, adding around 6 million new entrants every month. The industry consensus is that growth is at an inflection point.

In India, cash on delivery is the most preferred payment method, accumulating 75% of the e-retail activities. Demand for international consumer products (including long-tail items) is growing faster than in-country supply from authorized distributors and e-commerce offerings. Long tail business strategy allows companies to realize significant profits by selling low volumes of hard-to-find items to many customers, instead of only selling large

volumes of a reduced number of popular items. The term was first coined in 2004 by Chris Anderson.

In 2017, the largest e-commerce companies in India were Flipkart, Snapdeal and Amazon. In 2018, Amazon beat Flipkart and was recorded the biggest ecommerce in India in terms of revenue. In 2020, Flipkart heavily outsold Amazon by almost two to one by sales during festive retail season.

## **Market size and growth**

India's e-commerce market was worth about \$3.9 billion in 2009. As per "India Goes Digital", a report by Avendus Capital, the Indian e-commerce market is estimated at ₹28,500 Crore (\$6.3 billion) for the year 2011. Online travel constitutes a sizable portion (87%) of this market today. Online travel market in India had a growth rate of 22% over the next 4 years and reach ₹54,800 crore (\$12.2 billion) in size by 2015. Indian e-tailing industry is estimated at ₹3,600 crore (US\$800 million) in 2011 and estimated to grow to ₹53,000 crore (\$11.8 billion) in 2015. The market went up to \$12.6 billion in 2013. In 2013, the e-retail segment was worth US\$2.3 billion. About 79% of India's e-commerce market was travel related in 2013. According to Google India, there were 35 million online shoppers in India in 2014 Q1 and was expected to cross 100 million mark by end of year 2016.

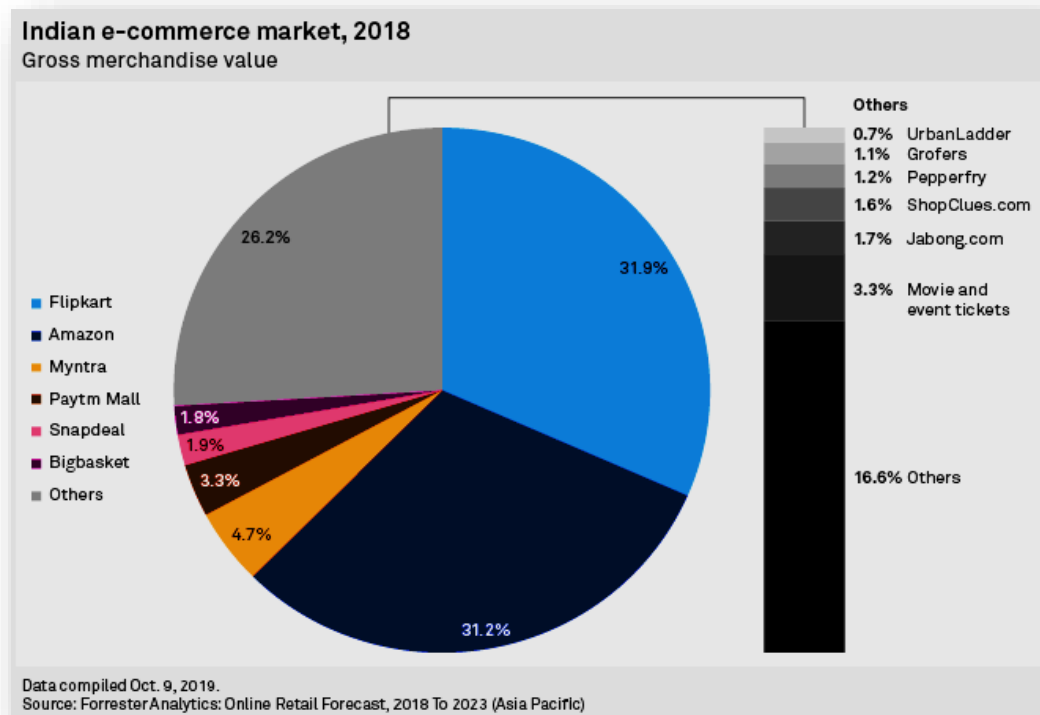
CAGR vis-à-vis a global growth rate of 8–10%. Electronics and Apparel are the biggest categories in terms of sales. Overall e-commerce market had reached ₹1, 07,800 crores (US\$24 billion) by the year 2015 with both online travel and e-tailing contributing equally. Another big segment in e-commerce is mobile/DTH recharge with nearly 1 million transactions daily by operator websites. Year 2016 also saw online sales of luxury products like jeweler also increased. Most of the retail brands have also started entering into the market and they expect at least 20% sales through online in next 2–3 years. According to Google India Research in 2016, by 2021 India is expected to generate \$100 billion online retail revenue out of which \$35 billion will be through fashion e-commerce

## **Collaborations**

In light of the Covid-19 pandemic, the Indian government issued a directive to stop delivery of non-essential items by e-commerce platforms. This led to many e-commerce platforms to collaborate and sell essential goods. For e.g. Myntra partnered with Wild craft to sell protective face masks. McCoy Mart partnered with Rossari Biotech Ltd to sell hand sanitizers. Flipkart partnered with Uber for last mile delivery of essentials to its customers.



## Indian E-commerce Market segregation

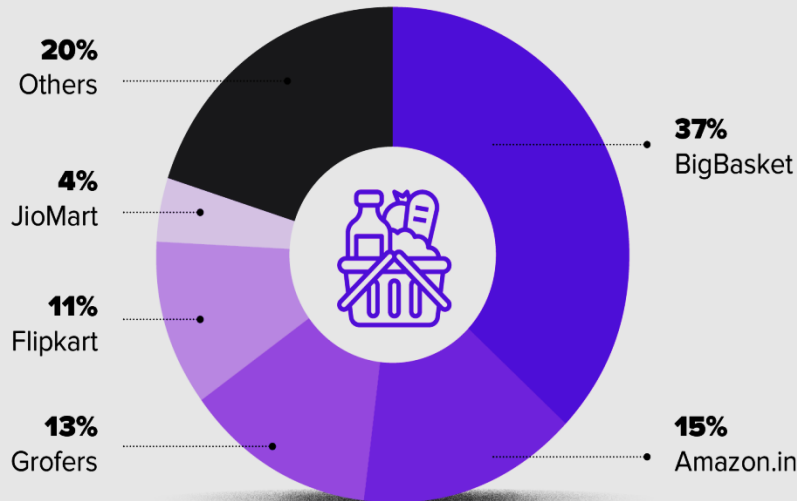


Amazon's moneybag is loaded. Bezos has committed \$5 billion to the Indian business. "Amazon looks better positioned to lead the e-commerce wave, for they have money—the most critical factor—and global expertise in running online retail. Amazon has also gone slightly heavier on discounts, attracting more customers. Their service excellence and India-centric innovations have worked in their favor," said Aryaman Tandon, director of Praxis Global Alliance, a management consulting firm

Flipkart has also been filling its war chest. It raised \$1.4 billion earlier this year from Microsoft, eBay and Tencent Holdings. With the Soft Bank investment, its funding woes seem to have been sorted. "This is a monumental deal for Flipkart and India. Very few economies globally attract such overwhelming interest from top-tier investors. It is recognition of India's unparalleled potential to become a leader in technology and e-commerce on a massive scale. Soft Bank's proven track record of partnering with transformative technology leaders has earned it the reputation of being a visionary investor," said Binny Bansal and Sachin Bansal, founders of Flipkart

## Indian e-grocery firms by market share

(Data is for FY21)



**THE INDIAN E-GROCERY MARKET IS ESTIMATED TO TOUCH US\$ 22 BILLION BY 2025**

Source: PGA Labs – the market research arm of Praxis Global Alliance

### Sample Size

The 2012 report consists of a sample size of 800, with 63% males and 37% females. 71% respondents were between 18 to 35 years of age. The respondents were spread across Delhi, Mumbai, Kolkata, Bangalore, Ahmedabad, Pune, Hyderabad, and Others.

### Products that Generate Maximum Online Interest as of now 2021

In terms of online interest generated, Google compiled consumer search data to come up with a list of top

#### Product Categories, These are

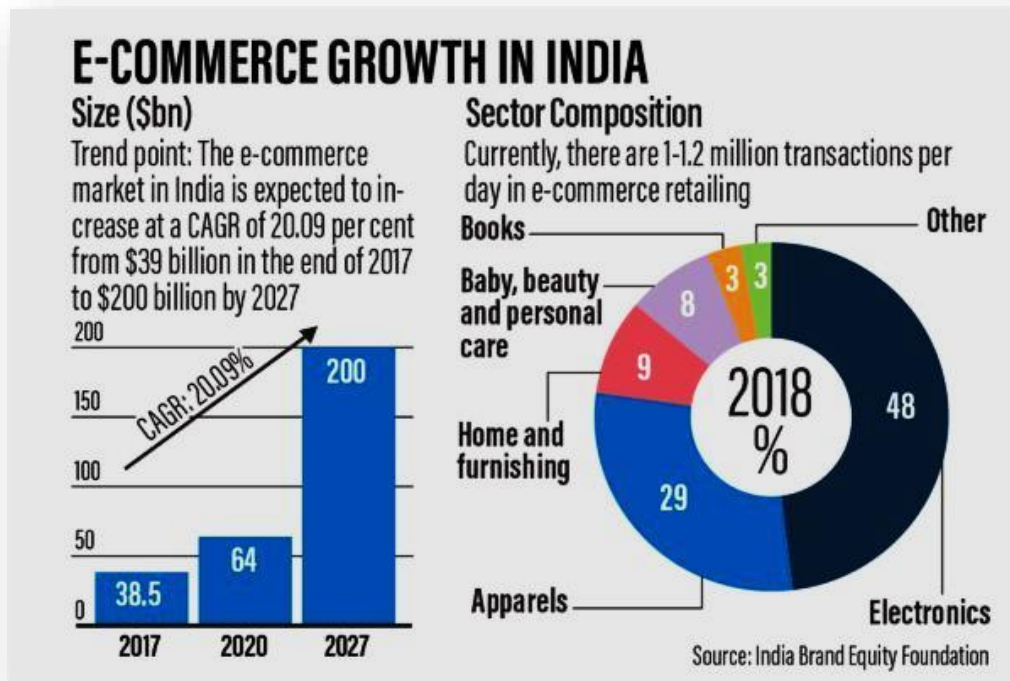
- Electronics (34%)
- Apparel and Accessories (30%)
- Books (15%)
- Beauty and Personal Care (10%)
- Home and Furnishing (6%)

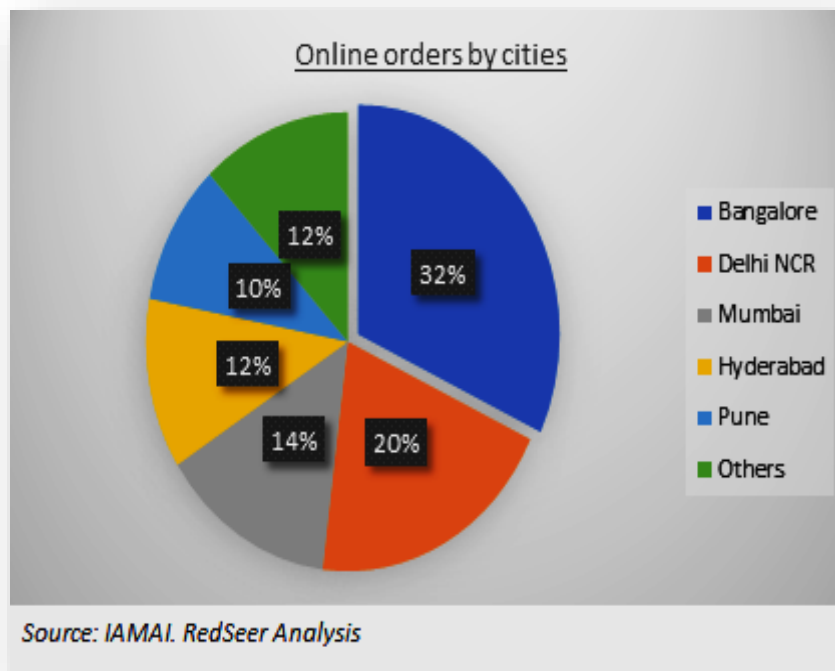
Healthcare (3%)  
Baby Care (2%)

## Products with Maximum Sales Figures

In terms of products sold online, the figures change slightly. Here is the list:

Apparel and Accessories (84%)  
Electronics (71%)  
Beauty and Personal Care (64%)  
Books (62%)  
Household Products (61%)





## Michael porter

Michael Eugene porter born on May 23, 1947 is a professor at the Institute for strategy and competitiveness, based at the “Harvard Business School”. He is a leading authority on competitive Strategy and the competitiveness and economic development of nations, states and regions.

Michael porter work in many Governments, Corporations, and Academic circles globally. This articles including competitive strategy, Competitive Advantages, Competitive Advantage of Nations, And on competitions

## Michel porter is the author of 18 books and numerous

### Porter’s five forces

Porter’s five forces is a framework for describing factor that affect the profitability and attractiveness of industries. Named after Michael E porter this model identifies and analyses 5 competitive forces that shape every industry, and helps determine an industry’s weakness and strengths

1. Supplier power
2. Buyer power

3. Competitive Rivalry
4. Threat of Substitutes
5. Threat of New entry



## PORTERS FIVE FORCES FOR ONLINE RETAILER FLIPKART

### Supplier power

Here suppliers are the manufacturers of finished products, there are many suppliers online, so they cannot show power on online retail companies. For example, if you take computers category, there are many suppliers like Dell, Apple, Lenovo and Hp everyone wants to sell their products through online retails like Flipkart. Selling online saves a lot of money for the manufactures, and as many people now a days prefer purchasing product through online stores.

Companies cannot afford to lose this channel .So, in this industry the suppliers' power is low.

### Buyer power

Buyer in this industry is customers who purchase products online. Since this industry is flooded with so many players, Buyers are having lots of option to choose. With Many competitors like Amazon.com, e Bay, Snap deal etc. Customer get a wide range of choices .Customer would prefer the one who would provide goods at reasonable price, Deliver it

fast and provide them with other benefits like cash on delivery ,EMI Facilities ,other offers etc. Here buyers have more power.

## **Competitive rivalry**

Competition is very high in this industry with so many players like Jabong, Snap deal, Amazon,

Home shop 18 etc. Many Competitors means more choices for the customer to choose from. This also increases the cost incurred by the company to stay in customers mind i.e. on promotions and Advertisements etc. Giving the customer better deals, Making Customers experience delightful and continuous innovation can help a company to stay at top even with tons of competitors around. Overtaking Myntra was a very intelligent move by Flipkart done to overcome the competition given by Myntra.

## **Threat of New entrants**

Threats of New entrants are very high in this online retail industry because of following reasons:

- Indian government has allowed 51%FDI in Multi –brand online retail and 100%FDI in a single brand online retail.so; This Means Foreign companies can come and start their own online retail companies.
- There are very less barriers to entry like less capital required to start the business, less amount of Infrastructure required to start business. All you need is to tie up with suppliers of products and you need to develop a websites to display products so that customers can order products and a tie up with online payment gateway provider like bill desk.
- Industry is also going to grow at a rapid rate. It is going to touch 76 billion \$by 2021, Industry going to experience an exponential growth rate. So obviously no one wants to miss the opportunity.

## **Threat of Substitutes**

- Substitute for this industry as of now is physical stores.Their threat is very low for this industry because customers are going for online purchases instead of going to physical stores as it will save time,effort,and money . With the advent and penetration of internet and smart phones, Future in retail belongs to online retail.
- When we compare relative quality ,relative price of product a person buys online with physical store,both are almost same and it some cases,online retail store offers more discounts and this attracts the customer to purchase products online.

## **Chapter-III (COMPETITOR ANALYSIS)**

**(Differential competitors)**

## Competitors

A person, product, company etc. That is trying to compete others, for example, by trying to make bigger sales in a particular market. Where one company competes to other to get more revenue.

## Competitor analysis

Competitive analysis in marketing and strategic management is an assessment of the strengths and weakness of current and potential competitors'. This analysis provides both an offensive and defensive strategic context to identify opportunities and threats.

## Focusing online store

There are Many stores which are directly focused on a single strategy, which are direct Flipkart competitors. Some of them include the likes of industry buying (industrial market) or home shop 18(home appliance).such focused online stores take away the market share of such products from the massive online portals like Flipkart.Although they are small in size, the focused approach helps in turnover for these portals.

Currently many business around, both local and regional are embracing online store as the ideal approach to shopping and making payments. Several online stores are beginning to come up with measures that would ensure they offer intense competition to the relatively renowned e-retailers as a way of acquiring a market share for the services they provide. Online stores such as lifestyle, Zara and others are coming up with their own platforms that form the basis for online shopping. It therefore follows that consumers will have the preference buying from these online stores rather than buying from an e-commerce portal.

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;



## **Major competitor of Flipkart**

### **1. Amazon**



Amazon is an one of the world's largest online shopping store. It played crucial role where large number of customer committed to buy a product in this company. It offers a wide array of services including online retail, consumer electronics, and multimedia content and computing services among others. It is ranked as the leading online retailer in the US generating estimated net sales 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 top most Flipkart competitor due to its increasing market share.

### **Strengths**

- Amazon has a strong position and successful brand image in the market
- Large number of Third party seller
- Amazon cater large number of customers for everyday needs at inexpensive price
- Large number of Acquisition

### **Weakness**

- Easily imitable business model
- Losing margins in few areas

- Declining consumer safety
- Unfair use of Third party data

## 2. Snapdeal



Snap deal 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 business such as Grabbon.com, esportsbuy.com, and Doozton.com, Which has made it, is possible to expand and become a solid competitor in the e-retailing sector, especially in India. Recently snap deal has dropped much in its brand equity and its online sales have dropped drastically. However, due to its legacy, it is still one of the Top Flipkart competitors.

### Strengths

- Constant innovations and good branding.
- Vast network of Retailers across nation
- Excellent service through convenient processes.
- Wide range of deals and transactions to choose from

### Weakness

- Services not available in all cities.

- Dependence on Internet only
- Technology led model might collapse if the logistics network is not trained constantly
- small time entrants entering into market share end up as competition

### 3. Alibaba



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

As a leading e-retailer in Asia and also penetration other parts of the world Alibaba has employed over 51000 employees to help in facilitating various processes involved in buying & 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

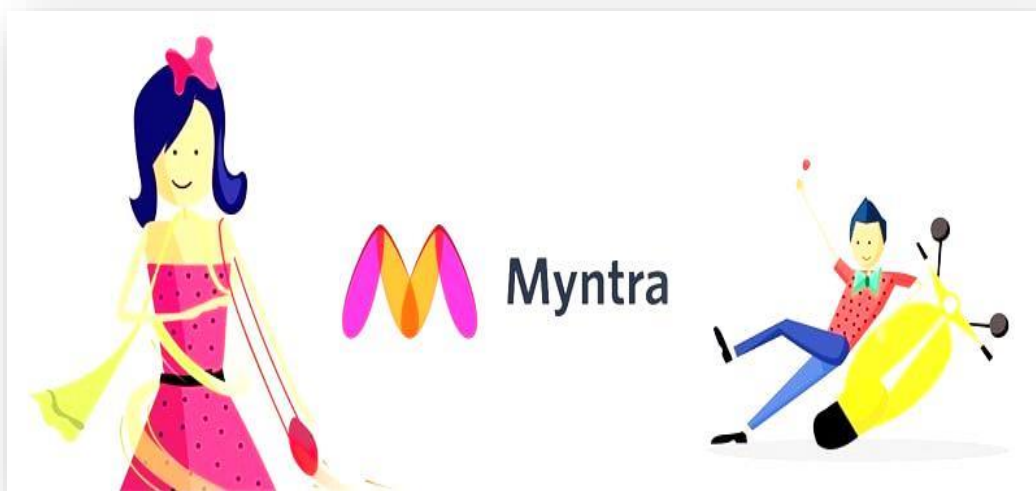
#### Strengths

- Strong recognition in china
- Leading e-commerce player
- The company revenue growing too fast
- It focus on research and innovation

## Weakness

- The company has very limited presence outside the country.
- Over dependent of core business and Chinese business.
- There is a lack of trust from consumers due to the large amount of fraud committed through its Market place
- Alibaba is very new to the Market.

## 4. Myntra



Myntra is a part of Flipkart but is a competitor of the online portal where fashion is concerned .Myntra is an Indian based online marketplace for a wide range of fashion items. It was founded in 2007 with the primary aim of customizing different types of gift items, especially that are related to Fashion. Later on it about three years Myntra close to shift focus and started to sell branded apparels .Amazon entered in the Indian market in Mid-2013 ,and it provided shift competition to local online retailers .

This move forced Myntra to merge with Flipkart in 2014 as a means of countering the competition that Amazon and other relatively popular offline vendors brought on board. It has since grown to become one of the fiercest competitors in the online fashion sector in India where it has already established a significant market share

## Strength

- Merger with Flipkart has increased its strength and capacity
- Retention of its independence even after merger

- Offering More than 1.5 lakhs products with over 1000 brands
- Efficient supply chain and delivery capability helps it to cater to 90000+ locations

## **Weakness**

- Intense competition means limited market share growth
- The online retailer field where Myntra is doing business having a huge competition which is affect to the company s market share growth
- By merging with Flipkart, who is one of the leaders in case of market share growth, Myntra is trying to overcome the problem.
- Dealing with lifestyles and fashion products

## **5. Jabong**



Jabong too was purchased by by Flipkart and is an online competitor to the fashion segment of Flipkart Jabong is also an India based company that provides e-retailing services. It specializes in selling fashion items including footwear. Trousers, shirts, dresses, and a many more Jabong provides fashion products for children, men, & women thus making it is easy for shoppers to do family shopping all at once.

It is a subsidiary of Flipkart, Which acquired it in mid-2016.Jabong, has since established itself as one of the dominant brands in the sector since it is ranked among the leading e-retailers in India. The order it processes in a day has increased immensely in the last four years making it a worthy competitor in this industry that cannot be disregarded.

## **Strengths**

- The geographic presence in different region can act as one of the major strength of the organization.
- Strong online presence on different social networking sites and efficient social media management.

- Strong financial position and health can allow the firm to make further investment.
- Workplace diversity can also act as a business strength

### **Weakness**

- The company may lose efficiency due to poor inventory management practices.
- The organization can draw the criticism from the environmentalists for its poor waste management.
- Lack of organizational commitment and high employee turnover can increase recruitment costs and reduce organizational productivity.
- High job stress and consequent low workers morale makes the workforce less productivity'

## **6. Shop clues**



Shop clues is an online platform that offers consumer's with the opportunity to shop and make payments for different types products' was founded in 2011, but it has improved its service and visibility to become among the highly regarded online market places in India. It deals with home appliances, Kitchenware's, Electronics and Fashion products that are owned by local and regional brands.

It surpassed the half a million mark in regards to merchants and the platform in 2016, which is apparently seen as one of its most significant milestones since it was established. Shopclues employs more than 11000 workers, and it is projected that the number will rise in the coming years gone by the improvements made in this marketplace and an increasing number of both sellers and buyers.

## Strengths

- Quick & fast delivery system.
- Provide 24 /7 service to the customer.
- Strong Distribution Network
- Goods return on capital expenditure.

## Weakness

- Low number of outlet
- Varieties of franchise related issue
- Operational difficulties
- Need of high technology

## Indian online market place head to head comparison

### Basic comparison

	Flipkart	Amazon India	eBay India	Snapdeal	ShopClues
Launched In	April 2013	June 2013	2005	2010	2011
No. of Sellers/ Merchants	30,000+	16,000+	30,000+	100,000+	100,000+
No. of Listed Products	20 Million+	19 Million+	1.5 Million+	1 Million+	16 Million+
Product Categories Offered	70 (Structured)	13 Departments (Structured)	30+ (Structured)	500 (Unstructured)	5000 (Unstructured)
Most Popular Categories	Apparel & footwear, Home decor, Mobile accessories	Books, Consumer electronics, Baby products	Collectibles and Apparels	Lifestyle and Electronics	Home & kitchen, Apparel, Small electronics

## Price

	Flipkart	Amazon Indian	eBay India	Snapdeal	ShopClues
<b>Subscription Fee</b>	Free	INR 499/month	INR 499/month (For basic store)	Free	Free
<b>Listing Fee</b>	Free	INR 10/Sale	Free for the first 100 products	Free	Free
<b>Payment Gateway Fee</b>	None	None	4.5% PaisaPay Fee + 12.36% Service Tax	None	None
<b>Commission (Depends upon product category)</b>	4 - 20%	5 - 15%	1 - 7%	4 - 20%	4 - 20%
<b>Payout Period</b>	Dispatch Date + 7 business days for tier 1 sellers	7 days	Upon customer confirmation	Dispatch Date + 3 weeks	Every Wednesday for all orders completed before Monday

## Comparison of Top competitor of Amazon and Flipkart





# Amazon vs Flipkart

Comparison Table

Characteristic	Amazon	Flipkart
<b>Founders</b>	Founded by Jeff Bezos	Founded by Binny Bansal and Sachin Bansal
<b>Date founded</b>	Founded in 1994 in Seattle, Washington	Founded in 2007 in India
<b>Company Type</b>	Is a public listed company	Is a private listed company
<b>Headquarters</b>	Headquarters is in Seattle, Washington	headquarters in Bangalore, India
<b>Revenue</b>	Revenue for Amazon was estimated at US\$177.866 billion as at 2017	Revenue for Flipkart was estimated at US\$2.8 billion as at 2017
<b>Products and services</b>	Offers services and products including electronics, video games, apparel, food, furniture, toys, software as well as jewelry	Offers products and services such as electronics, lifestyle and fashion products
<b>Subsidiaries</b>	Has several subsidiaries including Amazon Air, body labs, goodreads, zappos, graphiq, Amazon game studios, and Abe books	Has subsidiaries including PhonePe, which is a mobile payments service, Myntra, Ekart, Jeeves and Jabong.com



## Summary of Flipkart vs. Amazon

Here this two branded E-commerce company creat good image towards the large number of customer. It's affecting customer expectation what actually they want in the particular field & also depends on customer persiveness ,their thinking style, Qualities of product ,service quality, Delivering time ,Attractiveness ,Packing style, and Technological factor also included .This all keeping on mind customer will decide which industry better for them after they will order product that company.

**Chapter-IV (CUSTOMER ANALYSIS)**  
**(Customer, Types of customer, Consumer behaviour, B2b &  
B2c, AIDA model, CRM)**

## **Customer**

A customer is a god is an every organization without them nothing is possible. So customer is an individual or business that purchases another company's goods or services .customer are important because they drive revenues without them, business cannot continue to exist. Customer is company's most important resource .A strong and loyal customer base means increased sales and better output. Building customer relationship is very important to business growth.

In case of Flipkart all normal people are individual customer, they have individual expectations. Who are buy the product in Flipkart they are individual customer of Flipkart.

## **Importance Things about customer**

Customers are a company's most important resource. A strong and loyal customer base means increased sales and better output. Building customer relationships is very important for business growth. For this, you need to know and understand your customer's needs and buying behavior. This is at the core of every successful business. Once you understand your customer's behavior, you can use it to attract potential customers, engage the existing customers and sell your products more effectively. Here are five important, yet little known facts about online shoppers.

### **1. They shop during lunch hours**

People are most likely to shop online during their lunch hour. According to Infinite Analytics, an analytics company, 11 a.m. to 2 p.m. is the time when e-commerce websites witness the most traffic. The research also revealed that after 2 p.m., as evening approaches, the traffic starts to peter out. The least traffic is during the morning hours.

For sellers, this is good insight into customers' shopping behavior. If you are listing new products or employing product ads to promote your products: plan in advance to ensure that your products gain maximum visibility. This is also a strong indicator as to when to roll out the discount offers. Most e-commerce platforms trigger their discount sales to coincide with these timings. So, it is a good idea for sellers to participate in these campaigns to increase sales.

### **2. COD still holds sway**

According to Ernst & Young, Cash on Delivery (COD), is one of the key growth drivers of e-commerce and accounts for 50% to 80% of online transactions in India. COD is a risk-free transaction for a customer who is still testing online shopping.

Many shy away from sharing their credit card or debit card information online. Also, slow Internet connectivity and complex online transaction processes can make the buying experience quite a task. COD makes people more comfortable about shopping in online

stores. Payments are made only after the product has been delivered at the doorstep, thereby mitigating any risks of losing money.

### **3. it's all about discounts**

Everyone loves a good deal. Discounts are one of the major factors that attract people to shop online. In fact, a recent study conducted by Your Story in collaboration with Kalahari Capital, revealed that 32% of Indian shoppers viewed a product catalogue online at least once a day. The study also indicated that there is a pattern where customers are making many impulsive and unplanned purchases based on what they like while browsing. The same study found that 74% of shoppers preferred shopping online because of discounts!

### **Types of Customer**

A Customer Type is a group of visitors to your site that can be defined by you. It is useful in providing unique content to a group of visitors defined as a Customer Type. Some of the areas where Customer Types are commonly used are: Pricing: To define pricing levels of different types of customer types.

#### **1. Impulsive Instagram Shopper**

The rise of visual platforms hands considerable power to ecommerce store owners. Not every online shopper is the same, and therefore, great writing doesn't wow all site visitors. Some people are more enticed by powerful imagery. From the widgets and graphics, to video tutorials and professional photos, you can use visuals to add a lot of weight to your value proposition. Studies indicate that people remember about 50% of visual content, compared to just 10% of text-based pages. Don't stop at words. Make sure you use great images to make your brand more memorable on social media and on your ecommerce store.

#### **2. The Last-Minute Shopper**

The fear of missing out (FOMO) can play on the minds of online shoppers, especially millennial. As they are constantly using their mobile devices, it's easy for them to browse through online stores when they are on the go. Making a purchase is only a few buttons away, with minimal touch points involved. This is especially true when they have the app for an online store. Companies can leverage FOMO by first nurturing a relationship with these customers, then by reaching out on special occasions such as their birthday. Clever wordplay that highlights scarcity can drive conversions. For example, telling your customers that your new line of limited edition sports trainers are "Selling out Fast" can instill that fear in them. Target focused on earning more from last-minute shoppers before Christmas by offering free shipping, right up to the big day.

### **3. Researcher / Browser**

This is one of the most common buyer personas in any industry. The researcher will dig deep before making any purchase, considering all the information and angles, including:

- Product description and features
- FAQ sections for the product
- Customer reviews and ratings
- Images and video content

Writing powerful product descriptions is essential, as you need to provide prospects with all the information they need to make a decision. Furthermore, don't underestimate the value of having reviews and feedback from previous customers. More than 80% of people seek the opinions of friends and family before making major purchases. Social proof matters, which means there is a lot to be gained if your company can learn how to leverage it.

### **Factors Influencing Consumer Behaviour in Buying Process**

The consumer decision process explains the internal process as well as individual behavior for making decisions about buying of product or service.

1. Cultural Factors
2. Social Factors
3. Personal Factors
4. Psychological Factors
5. Economic Factors

#### **1. Cultural Factors**

Culture: The set of basic values, perceptions, wants, and behaviors learned by a member of society from family and other important institutions.

Consumers live in a complex social and cultural environment. The types of products and services they buy can be influenced by the overall cultural context in which they grow up to become individuals.

Below are some of the important cultural factors given;

- Culture
- Subculture
- Social Class

## **2 .Social Factors**

Social factors, in turn, reflect a constant and dynamic influx through which individuals learn different consumption meanings. Below are some of the important social factors given:

- Family
- Reference Groups
- Roles and status

## **3. Personal Factor**

A person's consumption behavior is shaped by his personal characteristics. Below are some of the important personal Factors given:

- Age
- Income
- Personality
- Self-concept
- Occupation
- Lifestyle
- Gender

## **4. Psychological Factor**

Psychological factors also influenced consumers. Internal psychological factors also direct the decision-making process. These factors influence the reason or 'why' of buying. Below are some of the important psychological factors given :

- Motivation
- Learning
- Attitudes and Beliefs
- Perception

## **5. Economic Factor**

Economic factor also has a significant influence on buying decision of consumer behavior.

Below are some of the important economic factors given:

- Personal and Family Income
- Income Expectations

- Consumer Credit
- Liquid Assets

## **Customer Buying Product from E commerce (B2C/B2B)**

E-commerce refers to the process of buying or selling products or services over the Internet. Online shopping is becoming increasingly popular because of speed and ease of use for customers.

### **B2C in E-Commerce sector**

Business to customer involves sale of goods online directly to the consumer.  
Ex. Amazon, Google, Facebook



### **B2B in E-commerce sector**

Business to business involves Sale of goods online by business to business  
Ex. LinkedIn, Buffer, Snap cap, Skype

## **Factor Influencing Consumer behaviour in buying decision**

Customers research products. They compare prices and services offered by competitors. Of course, the product quality and seller's reputation matters a lot. When the product matches the consumer's requirements, what influences consumer buying behavior?

Below are the top 7 factors which influence consumer's purchase decisions, take a look: online reviews

According to a study by Marketing Land, about 90% of people read online reviews before buying a product. The online reviews, whether positive or negative, are the most source of finding out about the products of the company.

## **Free Shipping**

With a contribution of 49%, free shipping is the second most significant factor that influences the consumer decision making process. Free shipping usually attracts customers who purchase very often from online stores and websites. Free shipping helps to keep the customers hooked for a longer period of time.

## **Product and Information Quality**

One of the most important factors that influence the consumer's buying behavior is product quality and product information. Promoting and selling good quality products at the right time and the right platform are vital to a business's success.

## **Easy Returns**

Undeniably, a lack of personal touch is something which an E-Commerce business suffers from. But, it can overcome this challenge by putting an easy return policy in place. Defined and easy return policies are really very helpful if they are in favor of consumers. In a business where see or color of the product can mismatch, easy return policy helps you get the consumer's trust.

## **Great Navigation**

A Great Navigation in the E-Commerce website helps in getting positive user experience. It will help the consumers in getting the idea where they are and where to move on. Good navigation includes everything from well-defined categories to site maps. It gives a simple sneak-peek into the list of products that the company offers.

## **Easy Checkout**

The process of checkout must be really simple. If the checkout process is complicated, there are chances that the customer might lose interest in purchasing the product. Ensure a great CX for the consumer buying process.

## **New Product**

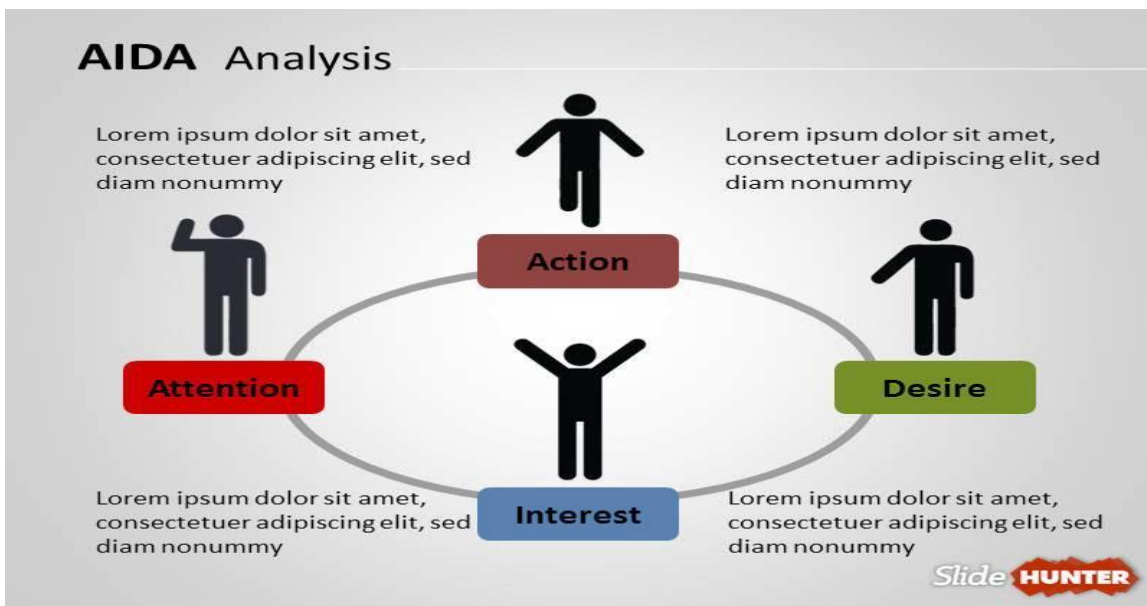
Customers often lookout for new products. Try to add new launches to the product catalog. Consumers always look for something that is new and innovative. Moreover, new products attract more traffic too.



## Customer Expectation

- Flipkart was among the few E-commerce sites and people expected it to be selling the E-books and PDF of books too.
- India consumers expected the payment mode to be Debit/credit and not on cash delivery.
- Initially Flipkart did not have 30 days Guarantee which customers expected in case of electronics.
- Lack of communication between courier Delivery Company (employees) and Flipkart managers.

## AIDA MODEL



## What is AIDA?

Aida is a marketing model, and Elias St. Elmo Lewis developed it in 1898. It stands for Awareness, Interest, Design, and Action.

The agenda behind developing this model was to understand the process of how customers engage with an advertisement. Let's understand these specific terms in detail.

## **A-Awareness**

The first step in which the customer takes notice of your product/service. A business using various marketing channels, like articles, paid Advertisements, podcast, and so on to aware of their brand.

## **I-Interest**

Through your blogs or webinars or email campaign that you send out, the customer starts taking interest in your product.

## **D-Design**

The customer moves into the stages of 'Must Have 'the product stage. So, they check out your site or e-book or brochure.

## **A-Action**

The last step when the customer buys the product.

### **How AIDA model helpful in E-Commerce business**

#### **Awareness**

As an E-commerce brand, you have competition and you don't have aware people about things you sell, you will be at a loss. If you nail this stage, you increase the profitability of selling the product by 30%.The steps are:-

- Research your Target Audience
- You need tons of Visual and text content as e-commerce sites need that appeal to the masses to buy a product.
- Don't let any grievance go unread of.
- Make sure your websites loading time is perfect.

#### **Interest**

After customer aware about your online store the next step is make them interested in your products. Interest equals sales. You ensure that customer stay on your page.

- Describe each product
- Write history of the company so that the audience is aware of it.

- Target to the customer individually according to their required about product.
- Listen to their problems and solve them with in time.

## **Desire**

Now, you need to turn their interest into desire. It is the difference between scouting the item and putting it into the cart.

- Include tons of videos and images that show how the product is working. If they see that, they will put it in the cart. It's all about motivating to the customer.
- Add customer feedback and reviews as people love to check feedback from real people, and not the brand.

## **Action**

The last stage is the action stage, meaning the buying stage. This is the most important stage as a lot of buyer's leaves after putting the things in the cart.

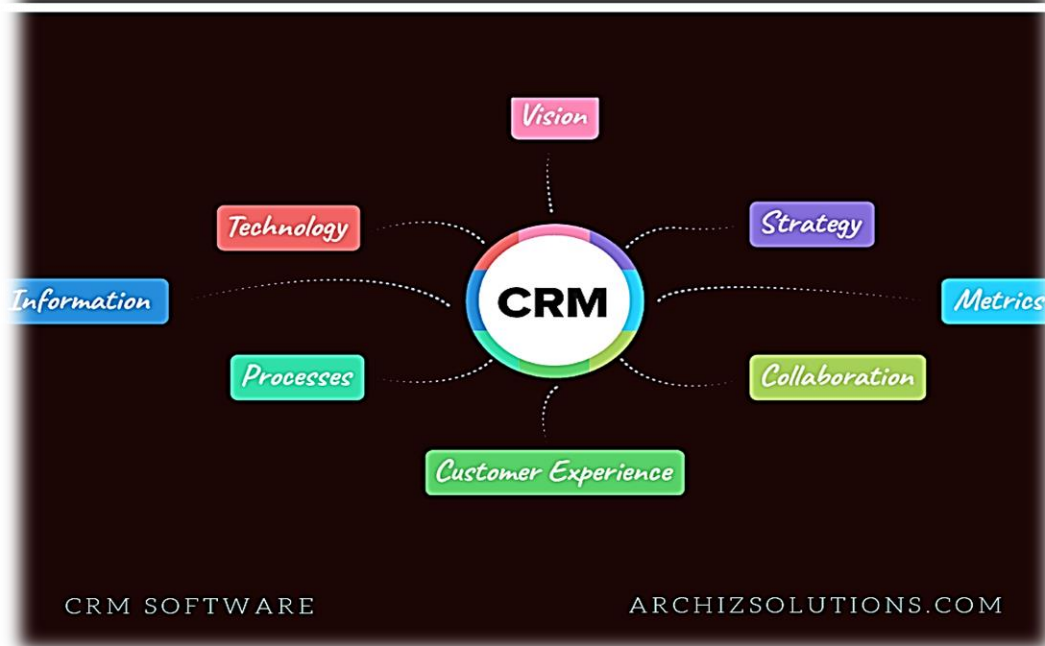
You don't want that, you want them to put in a cart, and buy it. Or directly go to the buying.

- The best thing to do is to have a clear and prominent call- to –action button.

## **ABOUT CRM**

Customer relationship management is a technology for managing all your company's relationships and interactions with customers and potential customer's .The main goal is to improve business relationships. A CRM system helps companies stay connected to customers, Streamline processes, and improve profitability.

Customer relationship management is the cornerstone of the Flipkart business model .In a market with several sellers selling generic products, the business have to be extremely differentiated. As an E-commerce sector very much required good relationship to the consumer where the company get good revenue. Here the customer is the god .Always required to customer quality of product, service as well as support where the company increase their sales and get more revenue.



## CRM by Flipkart

- Gathering and pooling of customer orders, sales information, Delivery and shipping details, web traffic and analytics in real time through internal and external channel.
- Allowing repetitive processes to reiterate on its own instead of manual handling of data.
- Decreases labour cost of additional man power resources to complete transactions.
- Useful information can be derived and charted such as customer churn rate, Repeat customers, Frequency of purchase etc.
- Flipkart reaches through several channels such as email, Customer care, chat support etc.

## **Chapter-V**

### **(ACTUAL WORK DONE & FINDINGS)**

## Experience in special reference of Flipkart

First of all I'm proud of myself because I'm doing internship in Largest E-commerce Named as Flipkart .Such an amazing experience during the 45 days programme which is more required upcoming year.

As everyone knows Flipkart is the largest e commerce company & also largest warehouse .In there different department is there .Every department have individual responsibilities. During the 45 days summer internship programme (SIP) I learn so many things like process of supply chain management, Activities happened in warehouse management, & Shop floor management activities.

This all process comes under warehouse such as

1. Inbound (IB)-(Receiving centre (RC), putting)
2. Outbound (OB)-(picking, Packing)
3. Non customer out bound (NCOB)
4. IMT work (inventory management team
5. CMT work (Conveyor Management Team)

These all process coming under supply chain I gain little bit idea about other department but specifically I worked as picking department.

The most Satisfying thing about the Internship at Flipkart was that we were fully involved in the company's operation and not treated separately as interns. We picked up a lot of things in a relatively short time, and gained valuable insight into not only our own sector, but also other sectors.

## About Picking

It is the process of preparing an order, where the products are selected and collected from different places in a warehouse.



## **Types of Picking**

There are 3 types of picking system:

- Piece picking
- Case picking
- Pallet picking

Under these are 5 different processes:

- Single order picking
- Batch picking
- Multi-batch picking
- Zone picking
- Wave picking

### **Piece Picking**

Piece picking is when items are picked one at a time from a warehouse

### **Pallet Picking**

Pallet picking is when one entire pallet of items is picked and sent to the packing area.

### **Case picking**

Case picking is similar to pallet picking except here, only a part of the pallet is picked and sent to the packing area.

### **Single order picking**

Single order picking is when the picker picks one order at a time before taking it to the packing station. Usually used in a small warehouse.

### **Batch picking**

It allows pickers to work with multiple orders at the same time.

### **Zone picking**

Zone picking is used when a warehouse is split into different zones.

### **Pick and pass**

Pick and pass is like an extension of the zone picking technique.

### **Wave picking**

Wave picking is when pickers from different zones of a warehouse select the items for an order at the same time, and send them to consolidation.

## Equipment's required of picking process



**HHD**



**TOTE**

Operation Plans (W1)

Activity: Inbound Plan Type: Cross-docking ☐ Crossdock to WIP

Name: Separate crossdock items from other items prior to cross-docking

Description: Two step crossdock plan. Step 1 directs received items requiring cross-docking, to be separated and directed into one or more intermediate locations determined by the Standard API. Step 2 directs

Enabled: ☐ User Defined ☒ Template ☐ Default

Details Zone/Subinventory/Locator

Seq	Operation	In Inventory	Zone	Determination Method	Subinventory	Locator	Into LPN	Material Grouping	PL/SQL Procedure	N
10	Load	<input type="checkbox"/>								
20	Drop	<input type="checkbox"/>		Pre-specified	Standard API			Operation plan	Allow commin	
30	Load	<input type="checkbox"/>								
40	Drop	<input type="checkbox"/>		Pre-specified	Standard API			Operation plan	Allow commin	
50	Cross dock	<input checked="" type="checkbox"/>			Putaway rule					

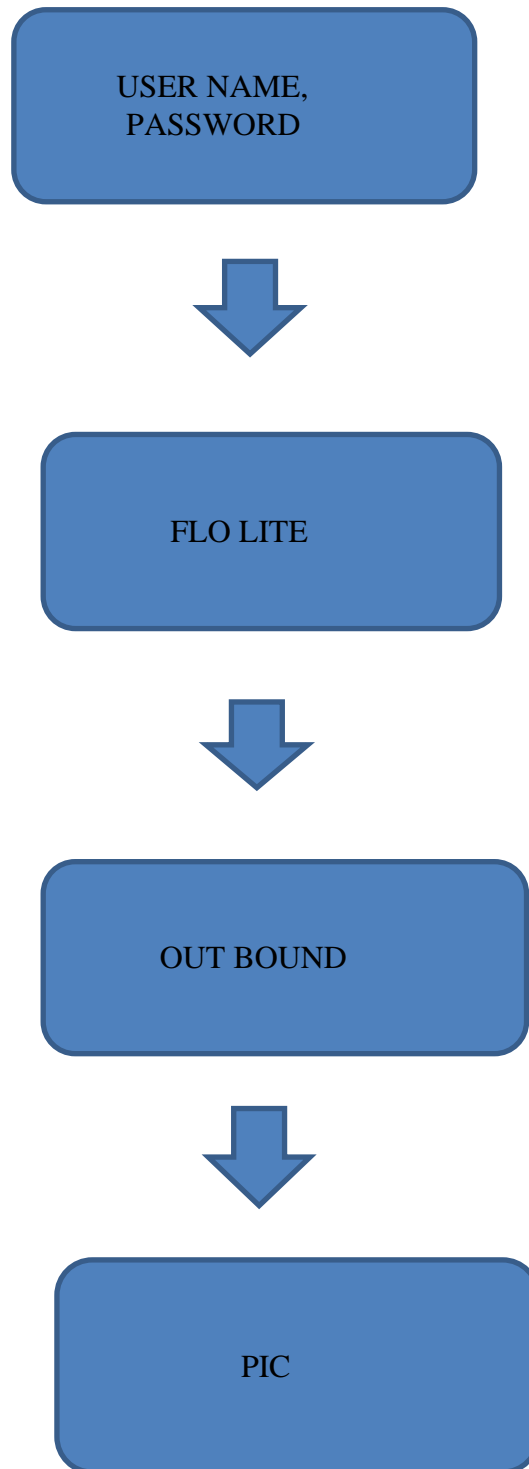
**FLO LITE**



**TROLLEY**



## Picking process



## **Actual work done in Picking department & its process**

- First we take a Hand Held Device (HHD) to the department desk .It's looking alike a cell phone and also it is an Electronic Device.
- Then do log in by entering your own Casper id and password
- Then do your Mapping by giving your Casper id in the system on the floor
- After mapping the task will come to the HHD which helps in picking process such as :  
Pick list (WID, WSN)  
Pick zone (Pathway Number, Aisle Number, Rack Number, Bin number, cut off time)
- Then need to take empty tote and scanned that totes barcode with the help of HHD it will automatically show how many task is there and pick list also mentioned there then we go to that location.
- Then go that location search the WID/WSN which is mentioned there In the pick list of HHD match them properly
- After checking properly then scan the tote which is scanned in HHD then put that product in that tote only.
- There is an important thing the Tote cannot be over filled
- During the period of picking if the tote is full and some task is there in such case close that tote put option Add Tote in HHD and kept rest of product there
- After completing the task the next step is go to the drop zone of conveyor Scan the drop zone at the same time scan tote also it will show successful means ready for packing.
- Finally drop the tote in conveyor for packing.
- Sometimes Some problem will be create like product are not found in the particular location, product are placed different place during the period of picking by the picker in such case the picker direct put send to IRT option in HHD. The following procedure have done are discussed below

## **Actual work done in Picking IRT**

The following are the most important work of IRT in picking departments are:

- Short,Wrong,Issues
- Tote reconciliation issue

### **(1)Short, Wrong, Excess issues**

- Sometimes picker pick less amount of product that shows short issue
- Sometimes picker picks wrong WID/WSN Product that comes under wrong issue

- Sometimes picker picks excess number product that comes under excess issue  
By solving that problem the work done by IRT such as

- First we have to check in our system software the name as Flo-Lite what type of issues are came
- The next step is mark that issues
- Then go to that pick zone and search that product by the help of IRT Person
- If short issues are happened then check that location which area picker is dropped.
- If not found that product note that Aisle number, Path way number, and camera number show on the flow lite 'camera check'.
- If the product are found then handover to packing department.
- After that mentioned in Flolite in the system solved by your name.
- If wrong and short issues are also happening by solving this problem with the help of IMT person.

## **(2)Tote reconciliation**

- Sometimes picker after picking the product due to conveyor problem the picking tote kept the near conveyor side that we check by the help HHD putting their View tote option after scan the tote if that tote is picking then drop to that tote in conveyor for packing.

## **Some other work done in picking department**

- Shop floor management: - Shop floor management is developing and managing the shop floor operations, inventory, equipment and worker.
- Sometimes I worked in rejection area: - Checking the tote individually, those are picking direct send that tote packing station and placed that area.
- VRC (vertically Reciprocating Conveyor) –These conveyors designed to move items up and down to different level of storage.



## Findings

- During the period of internship, it is observed that lots of communication gaps arise between employees and supervisors.
- Pickers are not following the standard rule they bring at a time six tote where the company rule is highest 4 tote took during the period of picking.
- Pickers sometimes face problems due to low networks when they are using an HHD machine.
- Sometimes WID is not found in the rack.
- Sometimes fragile products are picked by the picker.
- Sometimes picking product tote you can found in putting area.
- Due to less number of IMT people sometimes more product-related issues such as short, wrong, excess arise at a time
- Where the IRT team of picking department facing problems to solve among them.
- VRC was not available most of the time.
- Sometimes the products were not at the proper location so it takes much time for a picker to pick the product.
- As such the IPP of the picker decreases.

## **CHAPTER-VI**

### **(SUGGESTIONS AND CONCLUSION)**

## **Suggestions**

- Interns should be provided with adequate training.
- Safety team of Flipkart should make sure that all the SOPs are followed accordingly.
- It Should increase the number of routers for the smooth functioning of Hand Held Devices (HHD)
- IMT should make sure that the locations Ids are properly attached to the racks.
- 5s should be strictly followed.
- Either the number of VRCs should be increased or alternate way of moving the products from the picking areas to the packing areas.
- Putting team should make sure that right product is placed at right place.

## **Conclusion**

The study consisted with all the work flows of major E-commerce sectors in India .How the company performing and how they are running perfectly in the world has been explained. The innovative thinking of to reach more & more consumers are appreciable that the reason it should be required a good network between the company and customer .where the customer more appreciate about product and always required better service to the customer where they can feel comfortable.in this competitive market Flipkart is also giving very tough competition to Amazon even though it is a new company when compared to Amazon. May be it will take time but definitely they are doing well in Indian E-commerce market.

Only thing is required in E-commerce sector

- Better customer service.
- Better utilization of resource
- On time delivery
- The product should be good attractiveness

To sustain in the market this things very much required where the company will get more revenue.

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