



# PROJECT REPORT

Of

## Summer Internship Program

**Faculty Guide:** Asst Prof. Vivek Mishra

**SUBMITTED BY:-** JUNED AKTAR

Biju Patnaik Institute of Information Technology & Management studies

Since 1999

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

**SUMMER INTERNSHIP REPORT 2022**

**TO**

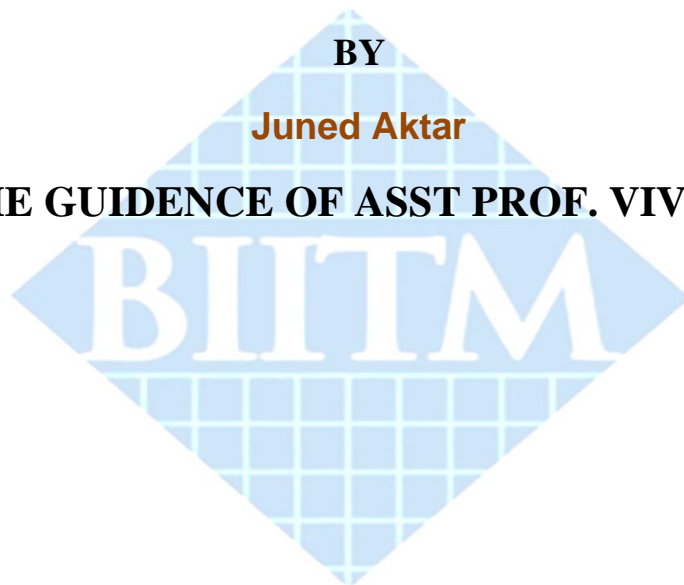
**STUDY ON**

**“Supply chain Management of Flipkart”**

**BY**

**Juned Aktar**

**UNDER THE GUIDENCE OF ASST PROF. VIVEK MISHRA**



**Since 1999**

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## INTERNAL GUIDE CERTIFICATE

This is to certify that the report entitled “**study on Supply chain management of Flipkart**”. It has been prepared by Mr. Juned Aktar under my supervision and guidance Mr. Vivek Mishra, Prof. in marketing, BIITM for the fulfillment of summer internship program of Master in Business Administration. His fieldwork is satisfactory.



(Signature guide)

Mr. Vivek Mishra

Asst.Prof.in marketing, BIITM

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## EXTERNAL GUIDE CERTIFICATE

This is to certify that this piece of work entitled “**study on Supply chain Management of Flipkart**” (**WESTBENGAL,KOLKATA**) submitted to partial fulfillment for the degree of MBA is a record of studies and SIP project work carried out by student of MBA program 2020-2022 of **BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT STUDIES, BBSR.**



NAME: Mr. Juned Aktar

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## DECLARATION

I am Juned Aktar of MBA 3rd Semester, bearing Registered Number- 2006258098 From BIITM Institute. This is to certify project report entitled **“Study on Supply Chain Management of Flipkart”** which is submitted by me in partial fulfillment of the requirement for the Credit of Biju Patanaik Institute of Information technology & Management Studies, comprises of my original work and due acknowledgment has been made in the text to all other material used.

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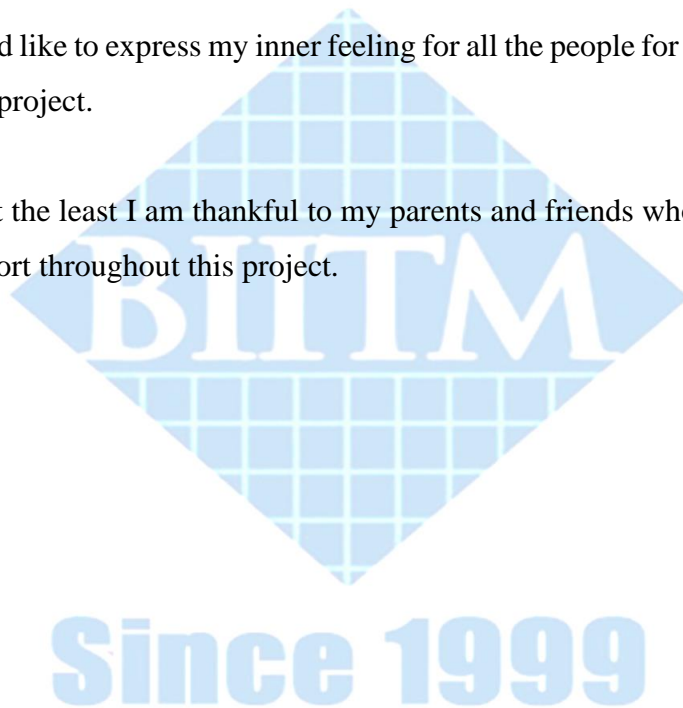
## ACKNOWLEDGEMENT

In order to make my project I acknowledge a special thanks to all those people without whose supports it would not be possible for me to complete for me to complete my report.

First of all I really thankful to my **Biju Patanaik Institute of Information Technology & Management Studies** because of them I could achieve the target. I express my sincere thanks to my project guide **Prof. Vivek Mishra** who had guide to me throughout my project.

Also I would like to express my inner feeling for all the people for co-operating and helping me throughout the project.

Last but not the least I am thankful to my parents and friends who have provided me with their constant support throughout this project.



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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 by picker ,extra product placing by solving this problems to take help the IMT team.





## LITERATURE REVIEW

**Sharma and mittal (2009) “prospects of e-commerce in India”** India is showing tremendous growth in the e-commerce. The real estate costs are touching the sky. Today e-commerce has become an integral part of our daily life. There are website providing any number of goods and services. The e-commerce portals provide goods and services in a variety of category. To name a few: apparel and accessories for men and women, health and beauty products, books and magazines, computers and peripherals, vehicles, software, consumer electronics, household appliances, jewelry, audio, video, entertainment, goods, gift articles, real estate and services. Ashish gupta, senior managing director of hellion venture partners and one of the first sponsor of Flipkart as an angel investor.

**Miyazaki and Fernandez (2001)** the prior experience was found to effect the intention and behavior significantly and in different ways. The result of this study implies that the technology acceptance model should be applied e-commerce with caution. To develop successful and profitable e-commerce business, understand customer's needs. Be ensuring that product must be cheap in web shop as compare to offline store.

**Arabzad (2015)** To be specific, the place-list problem is to find the best The place to set up a Distribution Center (DC) to distribute the products As per the plan provided with minimum transportation for the customers Plus the cost of stocking up.

**D.k.gangeshwar. (2013),” e-commerce or internet marketing: A Business Review from the Indian Context",** International Journal of U- and e-Services, Science and Technology. It concluded that the future of e-commerce in India is very bright, although security, privacy and reliance on technology remain some of the challenges. E-commerce has its drawbacks but still there is a bright future for e-commerce.

**Handfield and Nichols (1999)** According to him relationship is more important for effective supply chain management. Without effective supply chain relationship any of the effort in business is unsuccessful.

**Ellram, (2004),** According to him the process of supply chain management exist both service and manufacturing organization. Although there may be managerial complexity in the chain varies greatly from industries and different firms.

**Chopra and Meindl (2003)** According to him supply chain management is the way to understand operational decision. The importance of understanding the order of processes and flows in a supply chain is a strong prerequisite to clearly understand the operational requirement and meet customer needs.

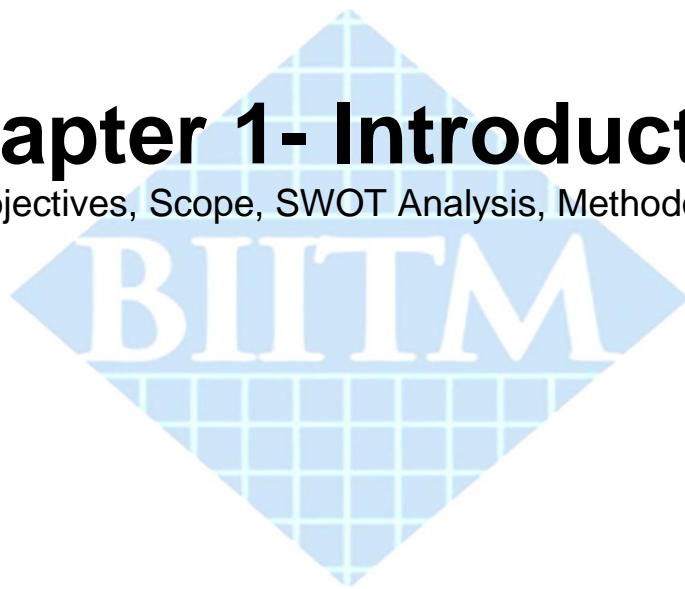
**Lambert and Cooper, (2000)** Trust the identity of key chain members to link with, and the processes that need to be linked are part of the implementation of the supply chain management, whose goal is to create maximum value for the entire supply chain network.

**Mentzer et al., (2001)** According to him supply chain management is a managerial tool to manage the flow of inventory from supplier to customer easily. It also builds the customer to the time delivery of the product.



# **Chapter 1- Introduction**

( Objectives, Scope, SWOT Analysis, Methodology)



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## **Objectives of study**

- To study the warehouse management system.
- To study the reverse logistic.
- To gain practical knowledge of employee management.
- To study the Inward & Outward process.

## **Scope of study**

- The scope of low inventory cost lead to low price.
- To know what is GTL (Goods Transfer List) Process
- To study of GRN (Goods Received Notes)

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## Retail Industry of India

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E-commerce has changed the way of doing business in India. The Indian e-commerce market is expected to grow from US\$ 38.5 billion by 2017 to US\$ 200 billion by 2026. Much of the growth for the industry has been triggered by increased access to the Internet and smartphones. By September 2020, driven by the 'Digital India' programme, the number of internet connections in India increased significantly to 776.45 million. Of the total internet connections, 61% were in urban areas, of which 97% were wireless.

The Indian online grocery market is projected to reach US\$ 18.2 billion in 2024 from US\$ 1.9 billion in 2019, growing at a CAGR of 57%. India's e-commerce order volume grew 36% in the last quarter of 2020, with the personal care, beauty and wellness (PCB&W) segment being the biggest gainer.

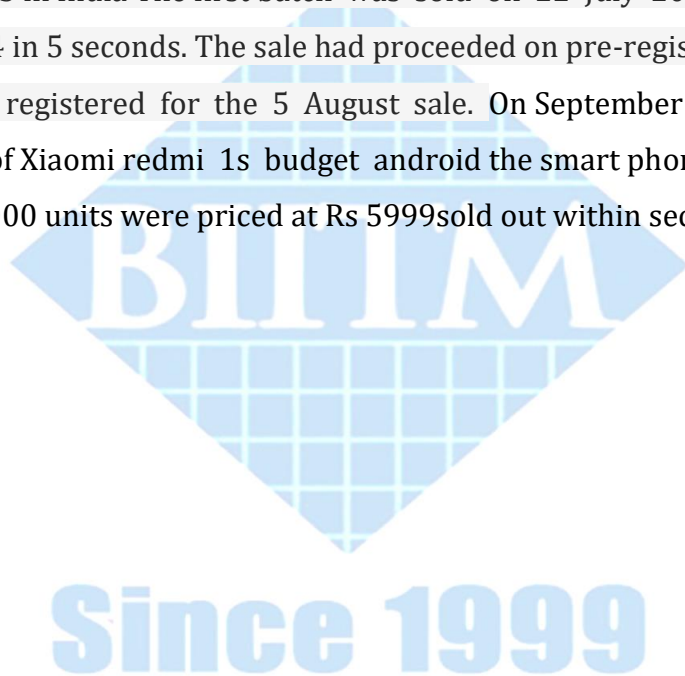
Driven by increasing smartphone penetration, 4G network launches and rising consumer wealth, the Indian e-commerce market is expected to grow from US\$ 38.5 billion in 2017 to US\$ 200 billion by 2026. Online retail sales in India are expected to grow by 31 per cent. Reached USD 32.70 billion in 2018 led by Flipkart, Amazon India and Paytm Mall.

In India, smartphone shipments reached 150 million units and 5G smartphone shipments crossed 4 million in 2020, driven by higher consumer demand post-lockdown.

Most Internet retailers provide services, such as flexible payment methods, warranties for electronic Goods and free home delivery. The prices of many players are very competitive with all the e-retailing players offering good deals on a variety of products to attract the customers. Players with a wide variety of products have managed to garner the highest value sales. Internet Retailing in India is divided into various formats, including vertical shopping, whereby Manufacturer retailer, also multi-product Internet retailer, such as Future bazaar, Shoppers Stop shopping and compare. International companies were not allowed in India till 2010: The government has banned FDI in multi-brand retailing. However, in 2011 there was a ban Some of the major players including Amazon.com in the liberalized and forecast period are Expected to enter the Indian e-retailing ecosystem.

## EXCLUSIVE PRODUCTS

Motorola Mobility, formerly owned by Google, but then sold to Lenovo. In an exclusive tie-up with Flipkart and it launched its budget smart phone in India on 5 February 2014, over 20,000 units were sold on Flipkart within hours of its launch. After this flipkart has to continue its partnership for long term sell its devices in India, even as it's Chinese rival Xiaomi launch his smartphone Xiaomi mi3 in India The first batch was sold on 22 July 2014 in 39 minutes, the second on 29 July 2014 in 5 seconds. The sale had proceeded on pre-registration where over 150,000 buyers were registered for the 5 August sale. On September 2, 2014, Flipkart organized a flash sale of Xiaomi redmi 1s budget android the smart phone which was launched in India in July 2014. 40,000 units were priced at Rs 5999 sold out within seconds.



# SWOT ANALYSIS OF THE COMPANY

## Strength

- India's largest e-commerce business
- Flipkart has its own logistic
- Flipkart has subsidiaries like phonePe, 2GUD, and E-kart.
- Tie-ups with best brand like Xiaomi, Realme, Motorola, etc.

## Weakness

- Only limited area access, many sub urban and towns are not covered.
- Flipkart invests in a lot of advertisements to improve and maintain its brand awareness, which is expensive.
- Website failures.
- Late delivery

## Opportunity

- Growth in retail industries
- Great opportunity to expand its business
- Indian customer are attracting toward online shopping.
- Mobile application

## Threats

- Market competition with international players like Amazon & E-Bay
- Technology up gradation by competitor.





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## RESEARCH METHODOLOGY

Research methodology simply refers to the practical “how” of any given piece of research. More specifically, it’s about how a researcher systematically designs a study to ensure valid and reliable results that address the research aims and objectives.

### Definition

Research methodology is the specific procedures or techniques used to identify, select, process, and analyze information about a topic. In a research paper, the methodology section allows the reader to critically evaluate a study's overall validity and reliability.

### Research design

“Research means different things to different people” and the intention behind it are to investigate innumerable data, theories, Experience, concepts and law.” The procedural framework within which the research is conducted” is the definition of research methodology. There are two methods Quantitative & Qualitative methods for enquiry.

### Quantitative

Quantitative research is referred to as the process of collecting as well as analyzing numerical data. It is generally used to find patterns, averages, predictions, as well as cause-effect relationships between the variables being studied

### Qualitative

Qualitative research involves collecting and analyzing non-numerical data to understand concepts, opinions, or experiences. ... Qualitative research is commonly used in the humanities and social sciences, in subjects such as anthropology, sociology, education, health sciences, history, etc.

### Data collection

The data required for understanding will be collected from various online customers. In order to conduct study Digital survey was conducted through Facebook and e-mail. And those responses are collected in a spreadsheet and further analysis was done. The data collection methods have two types namely primary and secondary data.

## PRIMARY RESEARCH

Primary data is generally originated by any researcher to address any specific problem or issue at hand, Where the only drawback is that it can be expensive and time –consuming. The data collecting through market surveys, focus group and observations.

In this study the primary data collected through well formed questionnaire with the help of digital survey.

The primary research was done on the shop floor of FLIPKARTHARINGHATARDC, WESTBENGAL

## **SECONDARY RESEARCH**

The data is collected from Existing journals, Report and statistics from private and public institution is called secondary data. For the specific study the collection of secondary data was done primarily making journals already available on the topic.

### **Sample Techniques**

Choosing a study sample is an important step in any research project since it is rarely efficient, practical, or ethical to study whole populations. In this study the sampling strategy used is convenient sampling. The sample size is 100.

### **Data collection**

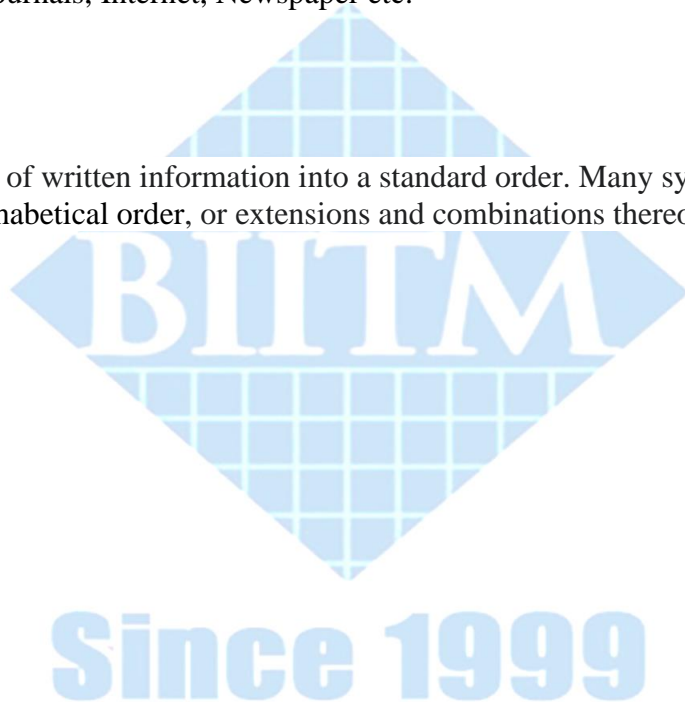
The data collection would be:

PRIMARY DATA: Questionnaire

SECONDARY DATA: Journals, Internet, Newspaper etc.

### **Data collation**

**Collation** is the assembly of written information into a standard order. Many systems of collation are based on numerical order or alphabetical order, or extensions and combinations thereof.



**CHAPTER -II**  
**COMPANY PROFILE**  
**(Brief background, Marketing Plan)**



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## **ABOUT FLIPKART**

Flipkart is an Indian e-commerce company, the company focused on online book selling before expanding in to other product such as fashion, consumer electronic, groceries, home essentials, and lifestyle products. It has also owns PhonePe mobile payments service based on Unified Payments Interface. It was founded in October 2007 by two IIT Delhi graduates Sachin Bansal and Binny Bansal, flipkart.com today India's largest online shopping website. Ten years later the e-commerce had 54 million user and 100,000 plus seller and had sold 261 million units. Started by a team of 2, Flipkart today employs 30,000 people with 46 million registered users. With technology that enables 8 million shipments every month, 10 million daily page visits and 14 state of the art warehouses, they are ranked amongst top 5 websites in India based on Alexa ranking. Flipkart is the first billion dollar company in Indian e-commerce. Flipkart allow payment such as cash on delivery, credit or debit card transaction, net banking, e-gift voucher and also card swipe transaction on delivery.

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 "Flippd"

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### **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.

### **Funding:**

The new round of funding was led by Singapore's sovereign wealth fund GIC, the Canada Pension Plan Investment Board, Japan's SoftBank and Walmart. The deal marks the return of SoftBank, which sold its stake of around 20% of Flipkart to Walmart as part of the 2018 deal.

### **About Founder:**

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).

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# Warehouse Management System

The Warehouse Management System (WMS) is designed to improve every aspect of a company's warehouse operations, providing an organized approach to managing efficiency. Bar code data collection methods are more powerful for warehouse management system, it is the automatic identification system that connects the shop floor to the enterprise software. The warehouse management system controls product receipt, putaway and storage. When it comes time to pick up the item, the system directs warehouse workers to the appropriate locations using hand-held tools to take the most efficient route.

## Key feature of (WMS)

### Management of inventory

WMS should provide good inventory management features. It improves warehouse efficiency, organization and accurate planning for new orders. This approach replaces the traditional approach of allocating space permanently, as it often leads to less used space.

### Fulfillment optimization

Customer orders must be analyzed to determine where the products are located, the best available pickup route. The system should also determine the best picking location and proper pickup method. The system must be able to maintain FIFO (First In, First Out) integrity.

### Receiving intelligence

The WMS should determine the available locations for the products you receive and automatically specify the best locations. This eliminates the need for warehouse personnel to search available spaces, improving efficiency and taking care of specialized storage considerations. WMS should also identify cross-docking opportunities.

### Random slotting

Random slotting means that no item is permanently assigned to the bin. This allows for more efficient use of space and better flexibility to adapt to changes in commodities and demand.

## **Procedure**

Flipkart team map their supply chain and they know perfectly how many hours and minutes it takes to complete the order process. E.g. how much time they need to pick an item in FC, how much time it takes to pack and they can handover to logistic partner for transport. In logistic they know the exact time of transport, e.g. when vehicle in & out. They work with vendor to ensure that he should deliver their product day to day without offloading or failure. There are some of the airline partner which help to deliver goods on time.

## **Product and Technology Team**

The product and technology team is the core strength of the company. The team manage the entire process right from listing of item to search engine optimization to maintenance of website.

## **Business Development Team**

Business development team is responsible for all the activities related to sales including vendor management to pricing and discount strategy.

## **Operations Team**

Operations team deals with all the supply chain aspects of the company right from procurement and warehouse management till customer support. The team support the customers both online via telephone as well as offline via email.

## **Customer Support team**

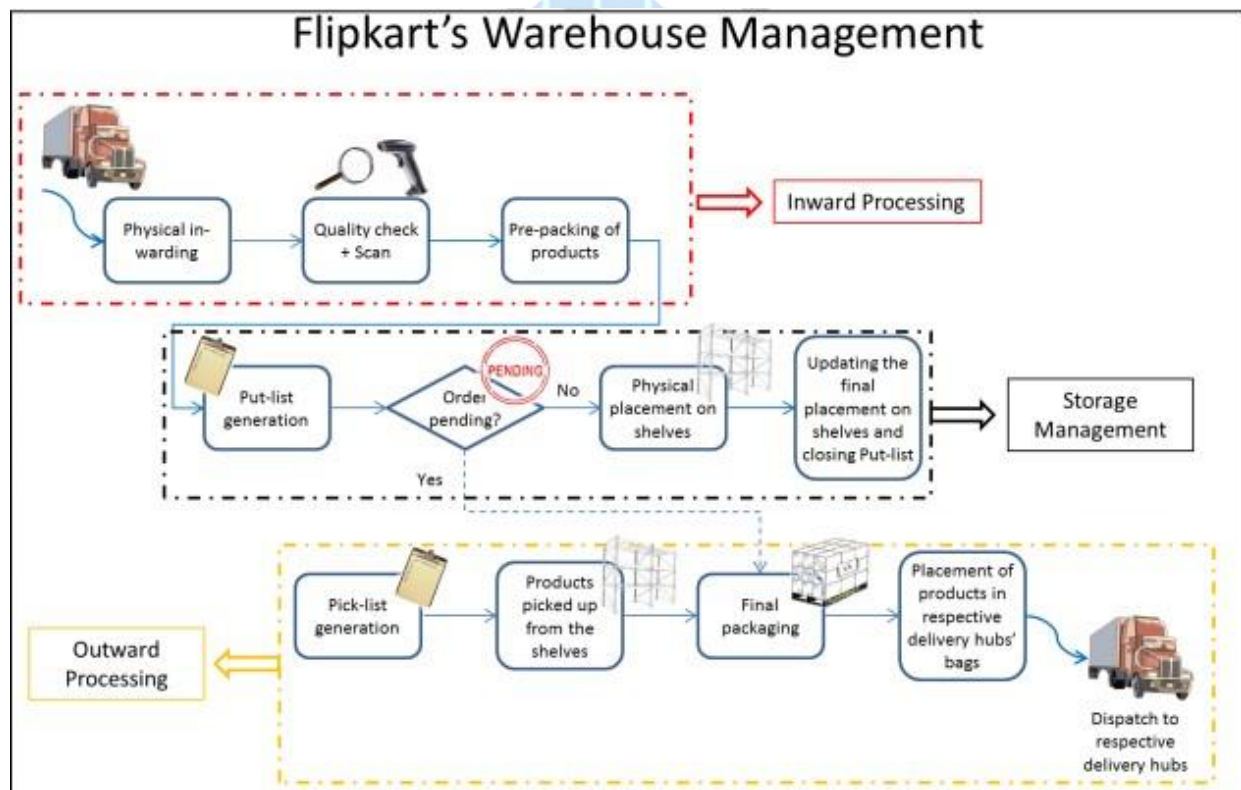
Flipkart has a strong focus on customer service with customer delight as the top most priority. And to fulfil it the company guarantees a 24/7 full customer support and to cater this facility it has a dedicated customer support team which offers both inbound and outbound support.





## FIELD WORK

### Process of flipkart warehouse management



## **INWARD PROCESSING**

### **INVOICE SANITY CHECK**

It is the first process in flipkart it is a part of quality control (QC) check. The seller's vehicle which report to the Distribution Center (DC) dock as per its projection. Here as a part of the process we have to check the invoice vendor name, address with the help of "flo website", invoice date, PO number and date, invoice number, buyer name, FSN number, Vendor Code, Description, HSN code, Quantity, amount also check the amount should be written in word is exact match with number. Also check invoice with authorized signature with seller's seal. If any information is missing from the invoice then we have to reject the invoice. All this are important because on the basis of invoice we are going to receive the product in our warehouse and amount pay to seller.

### **IRN CREATION**

It is the second process after invoice check for this we have to login in "flo website" after that we will click on procurement, which means inward of goods then we will go to consignment tab in consignment tab click on consignment handover, after this you will get tab where you have to type PO number then click on search after click on search we get Create IRN page now fill all the detail in IRN creation page with the help of invoice, the details are like, Invoice number & date, delivery type in this we have to select vendor delivery, Invoice line items in this we have to fill total serial no., invoice amount, total invoice quantity, invoice boxes, Gst invoice, mode of delivery after this we have to type PO and search once we have check the vendor name the click on supplier. After this all process we have to choose PO number which was given in invoice then click on Create IRN button, and then we get IRN ID like FIMD01912516.

### **IRN Receiving**

This is the third process after IRN creation. For IRN receiving we have to select the warehouse which is Mumbai large, click on IRN tab because it is receiving part hence we will select Receive IRN, now fill all the detail IRN ID & FSN then click on search we will get the product description with their image. When material handler are getting product they have to check the attributes like brand, model no, color, & MRP it is known as quality check. If any of the issue in attributes or mismatch the we have to

select the reason like specification mismatch / damage etc. if all the attribute match the click on No issue and proceed with quantity the result we got the print WID and stick on product it will help them to relocate the product or assign the product to the specific location mapped.

### **IRN Submission**

In this step we have to check whether the physical quantity matches with the invoice quantity or not which was captured in the IRN process. In procurement tab click on IRN and then find IRN, now we have to select date and your warehouse after this click on search button we will get all the information what you type at the time of IRN creation here we have to click on IRN number then we get IRN detail. In this firstly we have to print IRN barcode and paste on Invoice and upload the Invoice. After upload invoice see is any discrepancies or not if there have any discrepancies mention that which product not accepted and number of product after this all click on save button and then submit.

### **Putlist Creation**

This is the last process of inward. Here first select warehouse, then click on admin button in admin click on search inventory inward bulk area and select the date Select a day before and a day after then click on view inventory status button here we get product FSN, SKU, Package Id, WID, Product, Storage Zone, Quantity in putlist, Quantity for Putway, Bulk area, Updated by, Updated at, all this help for Putlist creation. Now we have to copy the WID and click on the inventory button and select the create putlist screen, here we get putlist page in this page we will select the device, there are two options i.e. mobile and manual in this we use manual let's select because currently my process on desktop then next we select bulk type which was inward bulk after this select putlist type i.e. normal putlist. Finally we have copy paste the WID in the WID section and click on Add Quantity then click on Create Putlist button. After successfully creation of putlist we get putlist Id and now we will print the movement we print we see the detail of products. Now print inventory will be given to the team, it is their responsibility to go and putway.

## OUTWARD PROCESS

### Picklist generation

To generate the picklist we need to log in to the Flow system and then select our warehouse. Now we will click on inventory button and select create store picklist, here we get to know how much order we have to process and this are the cutoff time within which the product has to be picked and SBS has to be done. Now create the picklist and write the picker id on the picklist and give them print to select the product and complete the process till dispatch.

### In Scan

After dispatch we have to scan the product this should be done by DEO. For in-scan we have to select the warehouse and station then click on submit button. After this click on shipment in that select receive shipment. Now scan the product tracking Id and click on In-Scan button. This process helps to know the product status and the location. If the shipment type show “Forward” then we have to process it means product not cancel, if shipment type show “RTO” it means order should be cancel so, that product give to return department.

### Gate In

Get in process is done when loading or unloading of products we have to. So for gate in we have to select facility and vehicle no. then click on submit button. Now, we get the vehicle's Gate In checklist. Here select the condition to be acceptable or unacceptable. After accepting all the condition Gate-In successfully done.

### Gate Out

Now we will see Gate-Out process, this process is done after the loading or Gate-In process. The Gate-Out processes same as Gate-In process. Firstly we have to select facility (Warehouse Code) then type vehicle number, Seal number, odometer and click on submit button. After submit we get seven digit consignment number, copy that consignment number and paste in consignment id and then on clicking search we get print pdf file in which one copy for driver and other for us as proof generally occurs. The

PDF contains all the information of the product mentioning their quantity, brand, load type, weight etc. here we done with Gate Out successfully.

## RETURN PROCESS

### Reverse Logistic

Flipkart has 30 days return policy. The objective of this policy is to build customer trust. Flipkart returns the product to the supplier and takes the replacement provided to the customer. Now we will see complete process of reverse logistic. Unloading is the first process of return. This vehicle comes from the last mile hub. When the vehicle has arrived at the dock in the Returns Department driver give the two papers i.e. Gate pass & Manifest to the Security Or Deo the Deo will check the manifest & Gate pass and then unloading start.

### Gate In

So for gate in we have to select facility i.e. (Warehouse Code) and vehicle no. then click on submit button. Here Gate in successfully done.

### Return received

The first is Gate-In & Unloading, now we will continue with second process i.e. receiving. Firstly we have to choose warehouse and then we will click on shipping on shipping tab click on receive return shipment and fill the tracking id or shipment id after that click on receive button. Here we successfully received the product.

### Detailed Product Verification

This is the third process of reverse logistics. In this we verify the product because it comes from last mile hub. For this we click on return center tab and select PV for Received Shipment and fill that product tracking id and click on search then we get product description. This will help us to know is product label match with this description or not. After this type product WID and click on print WSN and then click on submit button. If any of the issue was there then mention that and proceed.

### Putlist Creation

This process is done to bring the product back to the inventory. For this process select our warehouse and then click on inventory button and the create putlist screen. At time of detail PV the return product transfer to External liquidation Non Damage Bulk so in select in bulk type External liquidation Non Damage Bulk then type product WSN and click on create putlist button and give the print to inventory department to keep that product at their location.

### Putlist Conformation

After successfully creation of putlist we will do putlist creation. When we create putlist we get a putlist id copy that id and paste in putlist id and click on find then give the location of the product where inventory department keep that product. Here we did complete process of return.



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**Chapter-IV Industry Analysis**

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## Ecommerce in India

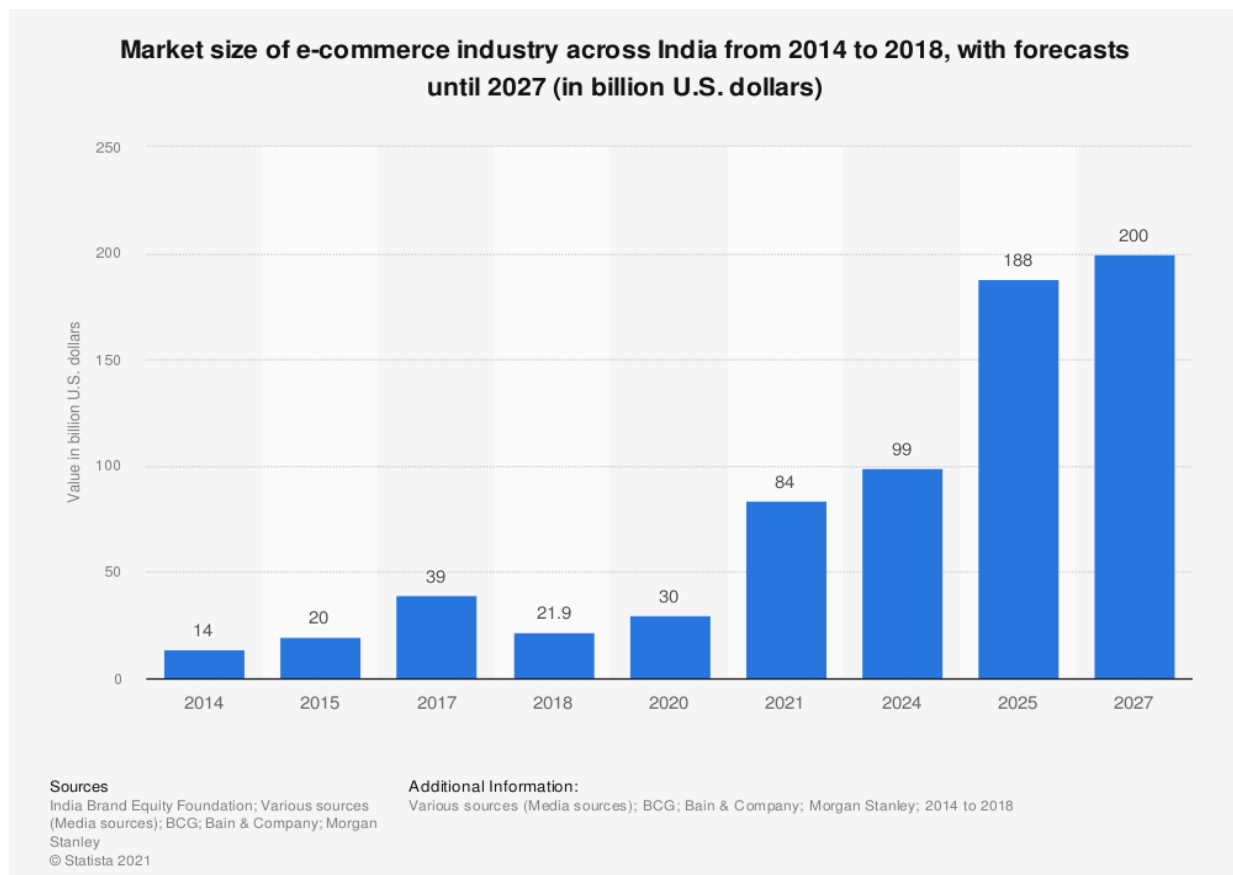
India's e-commerce market was worth about \$3.9 billion in 2009. As per "India Goes Digital" a report by Avendus Capital, the Indian e-commerce market is estimated at 28,500 Crores (\$6.3 billion) for the year 2011. Online travel constitutes a sizable portion (87%) of this market today. Online travel market in India had a growth rate of 22% over the next 4 years and reach 54,800 crores (\$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 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 jewellery 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.

The ecommerce industry was reported at \$24 billion in 2017 and was recognised as the fastest growing industry in India. The ecommerce market grew to \$38.5 billion in 2018. It is estimated that one in every three Indian shops via smart phone and online retailers deliver to 20,000 pin-codes out of the 100,000 pin-codes in India. As per Goldman Sach, India's e-commerce industry will reach \$99 billion in size while online retail is expected to more than double to around 11% by 2024 from 4.7% in 2019 while increasing at 27% compound annual growth rate (CAGR). The online grocery segment that is below \$2 billion will reach \$29 billion in size by 2024. Online grocery orders will grow from 3,00,000 per day in 2019 to more than 5 million per day by 2024. Non grocery Ecommerce penetration will be 16.1 percent by 2021.

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.





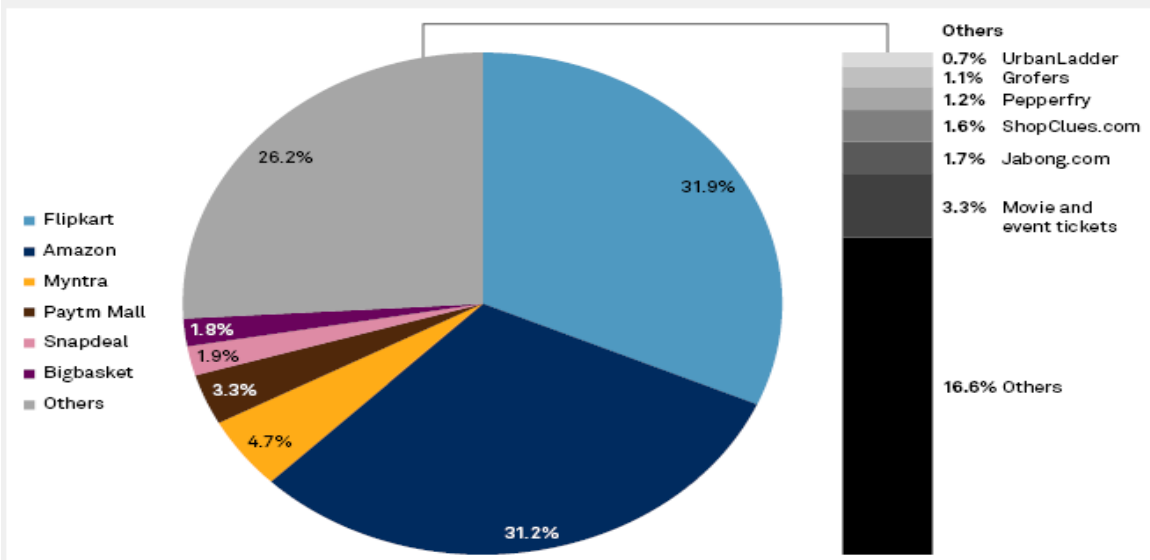
## Share of Ecommerce

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 favour," said AryamanTandon, 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 BinnyBansal and SachinBansal, founders of Flipkart.

### Indian e-commerce market, 2018

Gross merchandise value

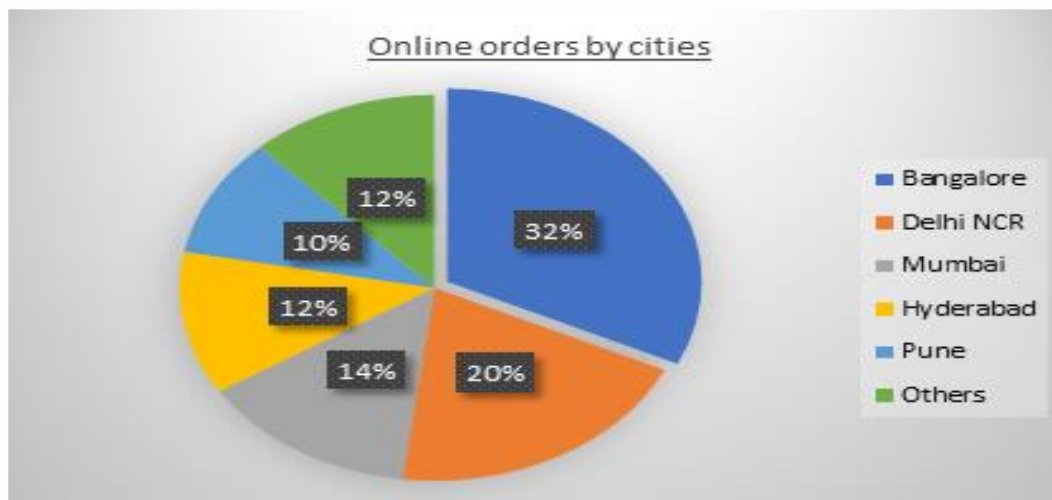


Data compiled Oct. 9, 2019.

Source: Forrester Analytics: Online Retail Forecast, 2018 To 2023 (Asia Pacific)



### Online orders by cities



Source: IAMA. RedSeer Analysis

## **Porters five forces**

Porters 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 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 can not 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 are 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, Snapdeal 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 player like Jabong, Snapdeal, 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**

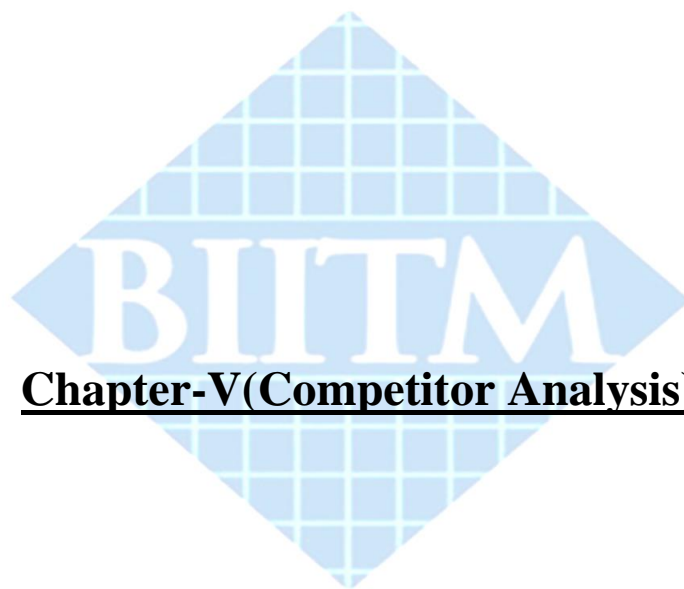
Threats of New entrants is very high in this online retail industry because of following reasons :

- 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.

Since 1999



## **Chapter-V(Competitor Analysis)**

**Since 1999**

## Competitor

Competition is a rivalry where two or more parties strive for a common goal which cannot be shared: where one's gain is the other's loss. Competition can arise between entities such as organisms, individuals, economic and social groups, etc.

## Focusing online store

There are Many store 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

### 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, 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 topmost 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

### **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 business 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 snap deal 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.

### **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



## **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 to 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 US Market.

## **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



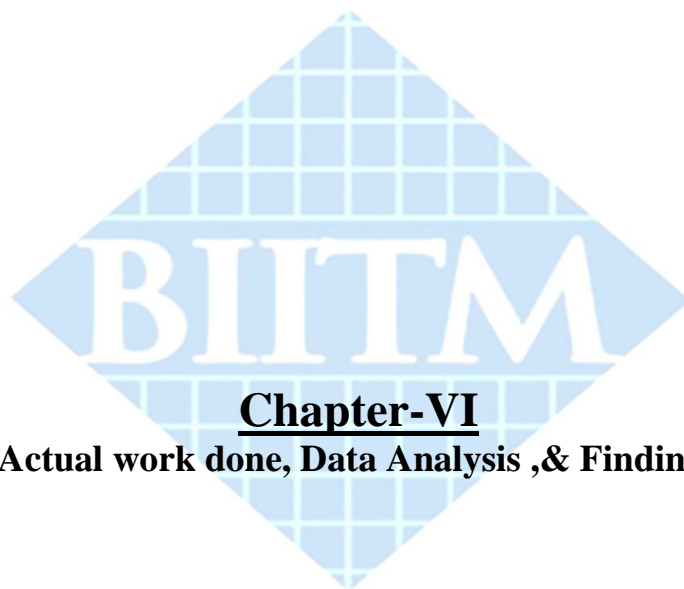
### **Strength**

- 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 capacity helps it to cater to 90000+ locations

### **Weakness**

- Intense competition means limited market share growth
- The online retailer field where mytra 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 leader in case of market share growth, Myntra is trying to overcome the problem.





## **Chapter-VI**

**(Actual work done, Data Analysis ,& Findings)**

**Since 1999**

I had done my SIP in flipkart warehouse in Haringhata, West Bengal. This internship program named as **Launchpad** which is starts from 2019. It's a great opportunity for learning supply chain and warehousing management.

As everyone know 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.

### **Process**

Trucks bring in products from lakhs of vendors across the country. These items are unloaded at docking points that dot the perimeter of the warehouse. Each product is quality-checked, weighed and measured, and then shunted to pre-decided storage spots across the thousands of racks that cover the length and breadth of the warehouse: Books sit in rows, neatly stacked and shrink wrapped. Apparel is individually piled up on separate racks according to item IDs. Cosmetics, perfumes and beauty products are stored in a special section.

When an order is received, a warehouse system tells employees exactly where even the smallest item is stored, so a 'picker' is then able to locate it immediately. Once located, the item moves to the packaging area, where another quality check takes place. The packed item is placed on an automated conveyor belt, whose robotic arms sort the package based on the destination addresses and PIN code, dropping it off to the accurate bagging area. The item is bagged together with other orders with similar destination addresses, loaded onto trucks, and sent on its way to the awaiting customer.

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 woked as picking department.

The most Satisfying thing about the Internship at Flipkart was that we were fully involved in the companys'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. This process is start after the customer ordered the product.



## Work done in picking

After customer ordered something total pick list is prepared. Then a pick list divided by the small pick list which is belongs to a pick zone or nearby pick zones. A pick zone consist of some Aiels which is very closed. So that a picker can easily access the product and it will increase efficiency.

So as a picker first we take a Hand Held Device (HHD) from the department desk. It looking alike a cell phone and also it is a Electronic Device. Then do log in by entering your own casper id and password. Then do your Mapping by giving our casper id in the system on the floor. Mapping means we registered our id in their picker list of that day. After mapping the task will come to the HHD which helps in picking process such as :

Pick list(WID ,WSN)

Pick zone(Pathway Number, Aiel Number, RackNumber ,Bin number, Cut off time)

Then need to take empty tote and scanned that totes barcode with the help of HDD it will automatically shown how many task is there and picklist also mentioned there then we go to that location. Then go that location search the WID/WSN which is mentioned their In the pick list of HDD match them properly. After checking properly then scan the tote which is scanned in HDD 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 HDD 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 and 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 HDD.

### **IRT**

IRT stands for issue resolving team. After some days of internship, they transferred me to IRT department. In IRT department we work on Short, wrong issues.

- 1) Sometimes picker pick less amount of product that shows short issue
- 2) Sometimes picker picks wrong WID/WSN Product that comes under wrong issue
- 3) Sometimes picker picks excess number product that comes under excess issue

### **Work done of IRT**

First we have to check in our system software the name as Flo-Lite what type of issues are came we 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 pickers are dropped. If not found that product note that Aiel number, Path way number, and camera number show on the flow lite 'camera check'. If the product was found then, we handover to the packing department. And we can't find, then we mention the camera number and WID of that product. Then that will be mailed for the security check.

### **Findings**

- Flipkart successfully placed itself into the prospects mind making it the largest online store with huge range of products. But it still to more focus of books and stationery items.
- Delivery service need to improved mainly in rural areas by selecting appropriate courier service for dispatching the item
- should be provide provide free delivery service to the customer
- Should look for international markets or Neighbouring market.
- Out of stock item can made can made as soon as possible and implement & rectify the customer need
- Can include more number of coupon code & gift voucher
- Packing should be more attractive
- Need to more focus about selling procedure.
- Should provide service on time
- Know about the customer buyes ness process.
- Solve the problem on time.

- Flipkart can target more & more cities internet user in india at increasing rate which is help stronger relationship towards the customer & get more revenue.
- Should comprehensively invest into E-CRM & online reputation management.

Should me more focus to reduce delivery time

