



A PROJECT REPORT ON

A STUDY OF SUPPLY CHAIN AND WAREHOUSE MANAGEMENT AT FLIPKART

BY

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Submitted to



**Biju Patnaik Institute of Information
Technology & Management Studies**

In partial fulfilment of the requirements for the award of the degree of

MASTER OF BUSINESS ADMINISTRATION

Under the guidance of

INTERNAL GUIDE

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Professor, Marketing & soft skills**

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2020-2022

CERTIFICATE

This is to certify that **Aditya Mohapatra** bearing Registration No **2006258038**, is a bonafide student of Master of Business Administration course of the institute 2020-2022. Internship report on “**A STUDY ON SUPPLY CHAIN AND WAREHOUSE MANAGEMENT AT FLIPKART**” is prepared by his under the guidance of **Prof. Kamesh Chivukula, Marketing & Soft Skills** in partial fulfilment of requirements for the award of the degree of Master of Business Administration of Biju Patnaik Institute of IT and Management Studies, Bhubaneswar.

Signature of Internal Guide

Signature of External Guide

DECLARATION

I, **ADITYA MOHAPATRA**, hereby declare that the internship report entitled “**A STUDY ON SUPPLY CHAIN AND WAREHOUSE MANAGEMENT AT FLIPKART**” with reference to “FLIPKART, Kolkata” prepared by me under the guidance of **Prof. KAMESH CHIVUKULA, Professor Marketing & Soft Skills**, and external assistance by **Mr. Shiv Narayan, Assistant Manager of NCOB, FLIPKART**.

I also declare that this internship work is towards the partial fulfilment of the university regulations for the award of the degree of Master of Business Administration by Biju Patnaik Institute of IT and Management Studies, Bhubaneswar.

I have undergone an industry internship for a period of 45 Days. I further declare this report is based on the original study undertaken by me and has not been submitted for the award of a degree/diploma from any other University / Institution.

Signature of Student

Place: Bhubaneswar

Date:

ACKNOWLEDGEMENT

I take this opportunity to express my gratitude and profound thanks to our respected Principal **DR. P K TRIPATHY** and our respected Dean **DR. MIHIR RANJAN NAYAK**.

I express my sincere thanks and deep sense of gratitude to my project internal guide **Prof. KAMESH CHIVUKULA, Professor Marketing & Soft Skills** for providing me with an opportunity to study and his encouragement, support and guidance to complete this project work successfully.

The internship opportunity I had with FLIPKART was a great chance for learning and professional development. Therefore, I consider myself as a very lucky individual as I was provided with an opportunity to be a part of it. I am also grateful for having a chance to meet so many wonderful people and professionals who led me through this internship period.

I express a deep sense of gratitude to my External Guide **Mr. Shiv Narayan, Assistant Manager of NCOB, FLIPKART** for taking part in useful decision and giving necessary advices and guidance and arranged all facilities to make life easier. I choose this moment to acknowledge his contribution gratefully.

Finally, I express my sincere thanks and deep sense of gratitude to Biju Patnaik Institute of IT and Management Studies, Bhubaneswar for allowing me to do this project in their organization and for their immense help and cooperation at every step of my project work. I would also like to thank my parents and friends for giving timely advice in all the ways and in all aspects for doing the project.

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EXECUTIVE SUMMARY

The Indian e-commerce sector is ranked 9th in cross-border growth in the world, according to Payoneer report. Indian e-commerce is projected to increase from 4% of the total food and grocery, apparel and consumer electronics retail trade in 2020 to 8% by 2025. India's e-commerce orders volume increased by 36% in the last quarter of 2020, with the personal care, beauty and wellness (PCB&W) segment being the largest beneficiary. As most Indians have started shopping online rather than stepping outside their houses, the Indian e-commerce sector witnessed an increase.

In today's global marketplace, effective supply chain management is seen as a significant competitive advantage for a business. The enterprise that conducts robust supply chain planning activities, delivers increased efficiencies. Supply chain managers plan, schedule, and control that flow of goods to help the company stay competitive and control costs. They build the bridges between suppliers, companies, and consumers. FLIPKART one of the leading domestic organizations in India has been contributing to the economy by providing quality consumer product in a comparatively reasonable price. If the winning factor for FLIPKART has been investigated, the result would be its outstanding supply chain procedure. The report tries to highlight how the supply chain activities of FLIPKART help the company to be more efficient and competitive in the market. The supply chain of FLIPKART has been described in this paper with the light of this concept. Increasingly, supply chain management is being recognized as the management of key business processes that comprise the supply chain. Optimized supply chain management can decrease total system cost, inventory and cycle times while significantly increasing stock availability and inventory turns. If these issues can be solved then, it will provide greater profits, improved customer service and competitive advantage to the company. FLIPKART has been continually being benefitted by its outstanding supply chain management. It offers invincible professionalism and expertise in the entire commercial activities of FLIPKART as well as gaining comparative advantage over its competition and gaining more customer trust and share.

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CHAPTER I:

- **Objectives of the Study**
- **Scope of the Study**
- **Research Methodology**
- **Literature Review**

Objective of the Study

- To Engage in Inbound & Outbound Operations on the floor.
- To understand a comparatively new term “supply chain management” in the business world along with its impacts and benefits. The research has a definite focus on the company FLIPKART. This research will have a reflection on the supply chain activities of mentioned company.
- To understand what activities of FLIPKART has been entitled to supply chain activities and how this activity has been performed by FLIPKART
- To know the company supplier sourcing, procurement and manage inventory.
- To know the company Transportation, logistics and distribution.
- Scope of the Study

This report contains data about study of supply chain management of Flipkart and its current implications.

Research Methodology

As this research was exploratory in nature, the report has been written based on both the primary as well as the secondary form of information. The details of these sources are highlighted below:

Primary Sources: Primary data were the collected data directly from the officials. I have discussed the aspect of the relative supply chain activities to the related executive official and used their responses as primary data. Also, I was having an internship in that organization for 45 Days long period of time in the Non-Consumer Out-bound Department. This department control all the Non-Customer Out-bounding supply chain activities. My working experience I also a source of my primary data in this report. **Secondary Sources:** The secondary data were, company’s yearly business review report, marketing report, annual budget, in-house training material, company manual, internal meeting minute, text book, information from internet and news articles etc. I also started the secondary research of the internet retail industry and news articles. The primary data collected through internship in Pathways Retail Pvt ltd. It is the third-party Flipkart India Private Limited. This company processes the orders of Flipkart. Also, I took interview of Mr. Vikash Sharma assistant manager and in charge of SCM, Mr. Sandip Gupta Inward supervisor and Mr. Rupesh Pawar Outward supervisor. With their input on the purchase, Logistics, Order Processing, Supplier Management and Customer Support.

LITERATURE REVIEW

Abhijit Mitra. (2013), “e-commerce in India-a review”, international journal of marketing, financial services & management research. Concluded that the e-commerce has broken the geographical limitations and it is a revolution-commerce will improve tremendously in next five years in India.

D.K. Gangeshwar, (2013),” e-commerce or internet marketing: a business review from Indian context”, international journal of u- and e- service, science and technology. Concluded that the e-commerce has a very bright future in India although security, privacy and dependency on technology are some of the drawbacks of e-commerce but still there is a bright future to e-commerce.

Martin Dodge. (1999),” finding the source of Amazon.com: examining the hype of the earth’s biggest book store”, centre for advanced spatial analysis. Concluded that Amazon.com has been one of the most promising e-commerce companies and has grown rapidly by providing quality service.

Sharma and Mittal (2009) in their study “prospects of e-commerce in India”, mentions that India is showing tremendous growth in the e-commerce. Undoubtedly, with the middle class of 288 million people, online shopping shows unlimited potential in India. The real estate costs are touching the sky. Today e-commerce has become an integral part of our daily life. There are websites providing any number of goods and services. The e-commerce portals provide goods and services in a variety of categories. 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, jewellery, audio, video, entertainment, goods, gift articles, real estate and services. Ashish Gupta, senior managing director of hellion venture partners and one of the first backers of Flipkart as an angel investor: “Flipkart has been absorbing companies that have some potential (Letsbuy, Myntra). In that process, some of the bets will go wrong, for sure. But that is par for the course. The company (Flipkart) is consciously taking bets that allow it to either grow or eliminate competition that reduces marketing spend and improves economics.”

CHAPTER II:

- **Company Profile**
- **Industry Analysis**

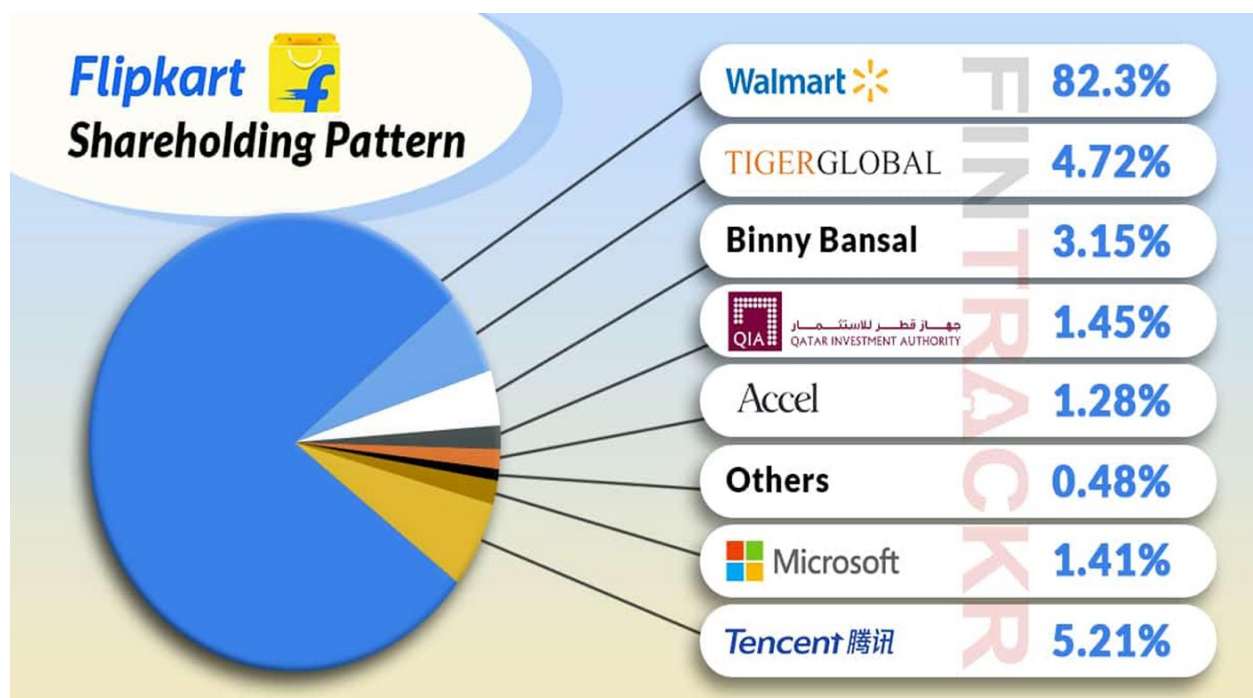
ABOUT FLIPKART

Flipkart was founded in October 2007 by Sachin Bansal and Binny Bansal. It is one of India's leading E-commerce marketplaces and is headquartered in Bengaluru. The company initially started as an online bookstore. Later, it also started selling other items such as movies and mobile phones. Now the company offers more than 80 million products spread across more than 80 categories. It has the capacity to delivery eight million shipments per month.

- India's leading e-commerce marketplace.
- 100 million registered users.
- 21 state-of-the-art warehouses
- 10 million daily page visits.
- Turnover of Rs 30,931 crore (US\$ 4.43 billion) in FY19.

Flipkart Group raised an additional US\$ 1.2 billion from Walmart-led investor group in July 2020. Its valuation has reached US\$ 24.9 billion post equity round. Flipkart has pledged to completely transition to electric vehicles (EVs) by 2030 across its E-commerce value chain by partnering with Climate Group's global electric mobility initiative, EV100.

On 4 May 2018, it was reported that the US retail chain Walmart had won a bidding war with Amazon to acquire a majority stake in Flipkart for \$15 billion. On 9 May 2018, Walmart officially announced its intent to acquire a 77% controlling stake in Flipkart for \$16 billion.

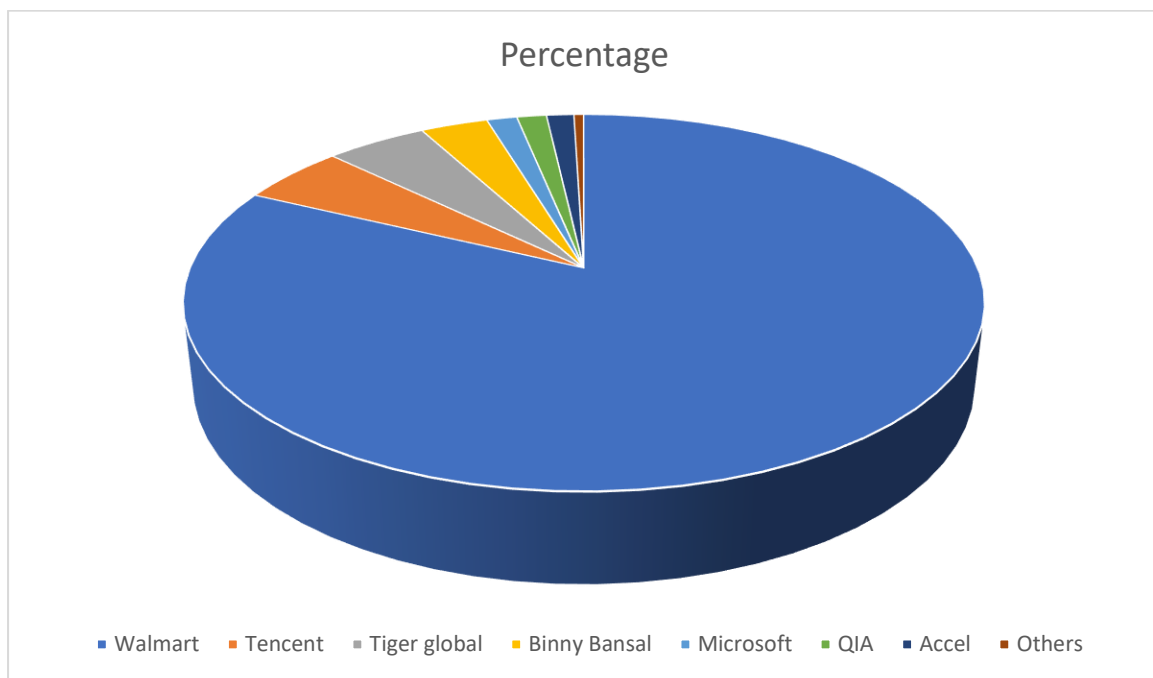


Partnerships and acquisitions

On October 23, 2020, Flipkart acquired a 7.8% stake in Aditya Birla Fashion and Retail, a subsidiary of the Aditya Birla Group, for Rs. 1,500 crore (US\$ 203.8 million). On July 09, 2020, Flipkart Group bought a minority stake in Arvind Youth Brands, a subsidiary of Arvind Fashions Ltd (AFL), for Rs. 260 crore (US\$ 36.88 million). Crossed 100 million registered customers Acquire Unified Payment Interface (UPI) based start-up PhonePe. It also Launched PhonePe, India's first UPI based app. In 2014 Acquired fashion e-seller Myntra.



Shareholder's name	Percentage
Walmart	82.1
Tencent	5.1
Tiger global	4.87
Binny Bansal	3.25
Microsoft	1.46
QIA	1.43
Accel	1.32
Others	0.47



COMPANY STRUCTURE

Product & Technology	Business Development	Operations
<ul style="list-style-type: none">▪ Website Management (AI)▪ ERP	<ul style="list-style-type: none">▪ Vendor Management▪ Sales Management▪ Pricing Strategy	<ul style="list-style-type: none">➤ Procurement➤ Warehouse➤ Logistics➤ Customer Supports

Product and Technology Team

The product and technology team are the core strength of the company. The team is responsible for the management of the website as well as the ERP system. It has developed a state of art system in-house using open-source software. Website is a backbone of any online retail shop and Flipkart's website is also managed by this team only. The team manage the entire process right from listing of item to search engine optimization.

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. There are two prime responsibilities of support team:

- ✓ **Website Guidance:** The team basically provide guidance to new users of the website on how to navigate through it. It also handles order processing functions like order verification calls, payment related queries etc.
- ✓ **Resolution of Issues:** This includes intimation to customer about issues such as any delay in delivery as well as resolution of complaints both pre-purchase and post purchase.

Logistics

Logistics is one of the most important facets of any successful ecommerce venture. Flipkart ships more than 30000 items a day which makes management of the logistics a cumbersome task for the company. Furthermore, the cost of the delivery is born by the company itself making logistics a financially complex issue also. Hence in order to successfully manage logistics. Flipkart uses its in-house logistics (FKL) as well as third party logistics (3PL) services. While more than 90% of the Cash on delivery (COD shipments and about 60-70% of the overall shipments are delivered by the FKL the rest of shipments are catered by 3PL service providers. Moreover, if there are more than 100 deliveries for a particular destination the company uses FKL. In case of FKL, the shipment is first transported to Mother hub and then to delivery hub and subsequently from delivery hub the last mile delivery is done using suitable mode of transport such as two-wheelers, bicycles, or on foot. The company has tie-ups with more than 15 courier companies like Blue Dart, First Flight etc. to deliver their products and Indian post for areas where courier do not reach. and to manage the 3PL providers efficiently the company allocates time slots to different logistics partners and they can pick up deliveries on specified time slots only. For delivering the items the logistics service among the three is decided based on the area where the item needs to be delivered as well as product type and payment method. FKL is presently available in major tier 1 cities including metros only. The company uses India Post only in case if the shipment location is not serviced by any of the 3PL as well as FKL primarily because of the higher delivery time. Moreover, India Post orders are of prepaid nature only. The delivery time varies between 3 days to 3 weeks depending on the

location and availability of the product. For example, imported products take about 3 weeks“ time to get delivered to the customers whereas if product is available in local warehouse, it gets deliver within 3 days. The mode of transportation is also dependent on the location. For example, the inter-city, trans-zone deliveries are made using air cargo whereas satellite cities and others in close proximity; products are transported overnight by train or truck. For the local parts of the cities where the warehouses of the company exist products are delivered using two-wheelers, bicycles, or on foot depending upon the proximity of the place.

Reverse logistics / returns processing

The returns for Flipkart are 2.6%. It follows a 30-day return policy. This policy which is primarily aimed to build trust with the consumers, has led to many customers duping Flipkart. For example, there have been several incidents when a customer buys a book only to read it and then return it within 30 days. Similar incidents have been observed with mobile phones as well. Flipkart, through its data management systems, has tried to identify such frauds. Return of a product to Flipkart can happen if the 3rd party cannot deliver to the address or the customer does not accept the product. Some orders are cancelled while the delivery is being processed by the courier company. Such order is not recalled but delivered to the address and then cancelled. Customers can call the customer support and courier back the product to Flipkart.

The delivery cost is borne by Flipkart. When customer requests return of a product, there are 3 paths this request can take:

1. Replacement: Flipkart returns the product to the supplier and obtains a replacement that is delivered to the customer.
2. Store credit: If the customer is not satisfied with the product, he or she is given store credit of the same amount.
3. Actual cash-back: Given out as cash for cash-on-delivery payment or refunded for online payment.

Procurement

When Flipkart started its operations, they had employed the consignment model of procurement.

In this model, the retailer (in this case Flipkart) holds the inventory owned by the supplier, and buys it from the supplier only when it is sold to the end consumer. Since the channel was new

and unproven, this was the most risk-free way to operate. However, they have now discontinued this now and inventory now is purchased.

Procurement of items could be for:

(a) Inventory: These items are pre-ordered based on previous sales data to stock as inventory. This category includes items with relatively low demand elasticity, fast selling items and items with relatively long shelf life.

(b) Just in-time: Items procured just-in-time are used to serve immediate outstanding orders. Items with low or unpredictable demand are typically procured on an order-to-order basis. Just-in-time procurement is also used for expensive items or products that have seen slow sales growth.

As of now, the number of orders served from the inventory is roughly 75%, with 25% orders being served by procuring just-in-time. Procuring just-in-time is comparatively more expensive as the volumes for such orders are low, and the supplier discount offered therefore is considerably lower. However, when ordering for inventory, bulk purchase is made and hence a much better price is realised. Therefore, the company would ideally like to move to a ratio of 9:1 ratio of orders served through inventory to those procured just-in-time. As a caveat however, there is an inherent trade-off between the company's long-term objective of reducing just-in-time procurement, and its motto of "Consumer Delight". This is because in order to maximise consumer delight, the company would have to strive to serve all types of consumer orders and provide them with the maximum possible variety of products, which would require just-in-time procurement since many products have limited demand and cannot be stored as inventory. However, operational efficiency demands rationalisation of product line and choosing one's customers.

Sourcing at Flipkart is conducted at two levels:

(a) Regional: By Regional Procurement Team

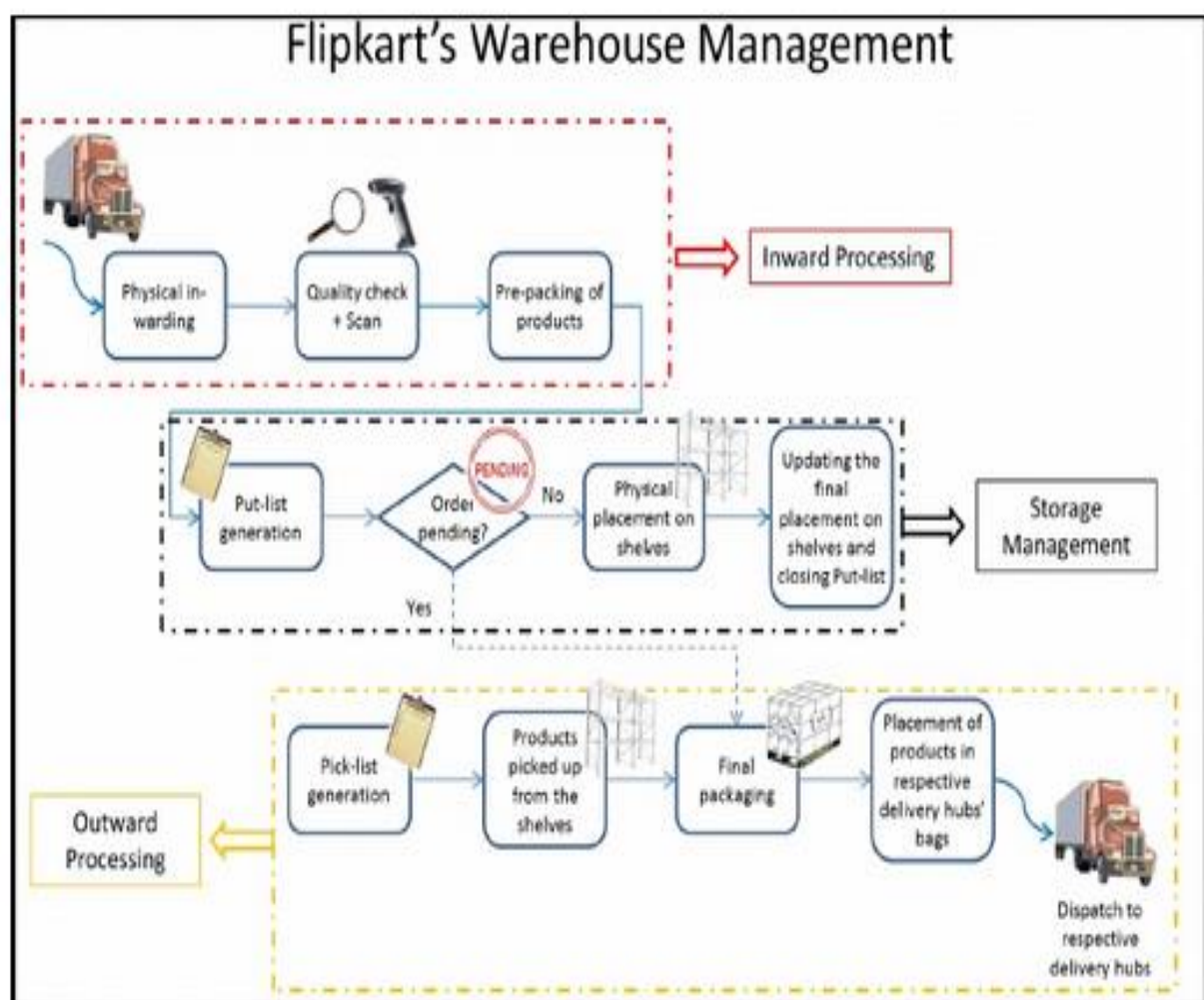
(b) Centre: By the Central Procurement Team

Each regional procurement team has a network of local suppliers for made-to-stock as well as on on-demand (Just in-time) procurement. They also have visibility of the stock for different

SKUs with these suppliers, as last updated on the procurement team's system by these suppliers. From Flipkart's perspective:

Stock out: Defined as when the product is unavailable in the inventory (held in warehouses) as well, as Flipkart's suppliers (as last updated) The central procurement team has visibility of all the regional procurement teams' views, and therefore, can monitor the stock levels for their suppliers all over the country. The central team's focus is on bigger suppliers with a country-wide reach.

Flipkart's Warehouse Management System



Flipkart has 7 major warehouses spread across the country in Mumbai, Kolkata, Delhi, Noida, Pune, Chennai and Bangalore. They have smaller regional distribution centres at over 500 locations spread across Tier I and high-volume Tier II cities. In Flipkart's Warehouse

Management System (WMS), there are three major segments namely, Inward Processing, Storage Management and Outward Processing. Discussed below are the some of the details regarding each of the sub-processes involved in the WMS.

Inward Processing

- 1. Physical inwarding:** This is the area where physical delivery of goods from suppliers to the warehouse is taken.
- 2. Quality Check + Scan:** As soon as the goods are received, they go through an initial quality check at this stage. After this, they are scanned to make an electronic entry to record the input of goods into the warehouse on the IT systems. This step of quality check is also undertaken at the supplier's premises depending on the contract that Flipkart has with them.
- 3. Pre-packing of products:** At this stage, an initial packing of each of the products is done. This pre-packing varies according to product. For instance, a book-mark and think transparent film packing will be done for a book. Similarly, if there is a freebie attached to a product, then the two products will be packed together.

Storage Management

- 1. Put-list generation:** When the input of all products is done on the IT systems, a system generated list of shelves corresponding to the products is generated to facilitate placement of products on shelves. This is called Put-list generation, which marks the place where the respective items need to be put.
- 2. Order pending check:** As soon as the system gets the input of the incoming products, system checks if any of the orders for the incoming products are pending or not. If orders are pending, the respective product is sent directly to the Final Packaging Area for Outward Processing.
- 3. Physical placement on shelves:** Based on the Put-list, the products are placed on the respective shelves. If the marked shelves are not empty, the product is put on an empty shelf, and the respective shelf number is updated on the Put-list.
- 4. Closing Put-list:** Once the product placement is done, Put-list is updated with the actual placement information and the list are Closed.

Outward Processing

- 1. Pick-list generation:** Based on the orders to be delivered for the day, a Pick-list is

generated by the IT system.

2. Pick-up from shelves: The respective products from the Pick-list are picked up from the shelves as per the IT system entries and gathered together to move towards Final Packaging Area.

3. Final packaging: The picked-up products are packed in Flipkart-branded boxes. At this stage, packaging is done according to the Category of the product, e.g., electronic items are packed differently from stationery.

4. Placement in respective delivery hubs' bags: After the final packaging, a product is placed in a specific bag which is dedicated for that destination area delivery hub. These bags are dispatched to their respective delivery hubs on a fixed timing during the day.

Some issues identified at the Warehouse Management level:

1. All the scans while conducting inward processing for each of the products are done manually. There is some scope of automation at this stage.
2. Due to packaging litter, there emerge chances of difficulty in mobility within the warehouse. Disposal of packing material may be addressed for better streamlining and ease of mobility.
3. Currently, there are separate sections for separate categories in the storage area, e.g., in the Bangalore warehouse, a whole floor is dedicated to books, while the other floor is dedicated to other categories. With the increase in the number of SKUs that Flipkart is undertaking for sale, the Warehouse management system's complexity will increase and its scalability in the current form might come under question. Hence, pre-emptive efforts may be made to make sure that the systems and processes are scalable based on increasing variety and quantity of SKUs handled.

Order Processing

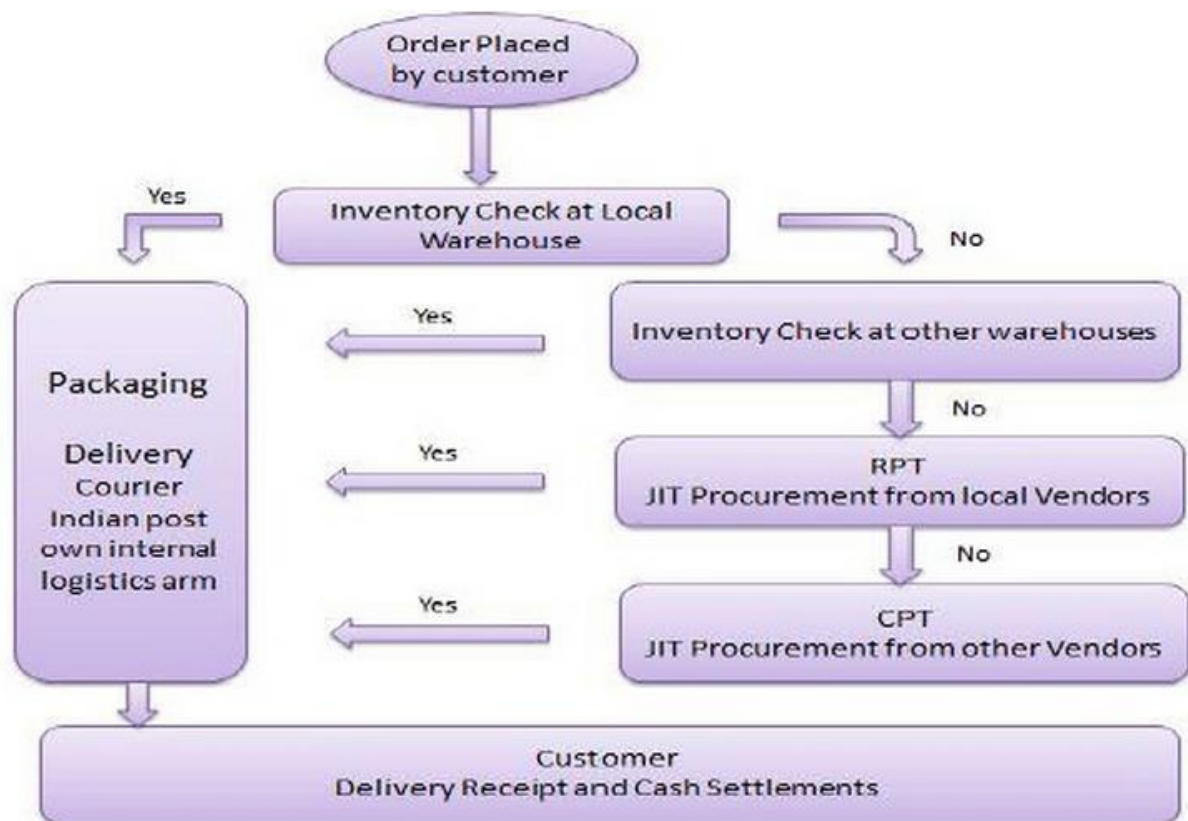
Flipkart uses its own ERP systems to process orders and track the details of all the transactions that need to be carried out. A typical order at Flipkart starts with the customer searching, selecting the required item and placing the order. This on an average takes around 8-10 clicks to get the order placed. The email Id is considered to be the unique identification of a customer and all the records are maintained with reference to this Id.

The payment can be made by using debit card, debit card, Net banking or COD (Cash on Delivery). The payment gateway used is powered by CC Avenue. Flipkart is working to have

its own payment gateway which has not been possible so far because hosting a payment gateway requires fulfilment of Payment Card Industry Data Security Standards (PCI DSS).

Order Fulfilment

Customer orders are fulfilled either via Inventory or JIT procurement depending upon the availability of the products.



Flipkart has fared very well in terms of the delivery time. It varies between less than 24 hours and 3 weeks depending on the location and availability of the product. On an average the delivery time is 3-4 days with a typical breakup as follows:

- 1 day for order processing
- 2 days for delivery
- 1 day as buffer

Inventory Management

The inventory stocks are replenished whenever it goes below Reorder point. In order to decide on reorder point and demand forecasting of each SKU, the company employs Holt's forecasting method. Holt's method is useful in cases where linear trends are present and requires separate smoothing constants for slope and intercept. The forecasted demand used at Flipkart using Holt's method is based on historic trend and seasonality in not accounted.

The company employs FIFO (First in First Out) method for its inventory management, under which for any shipment request to a particular warehouse the oldest inventory items are shipped first. This makes a lot of sense especially for the electronics items since the technology becomes obsolete very quickly. With respect to determining what items to store in the warehouse and what items to be procured from vendors, Flipkart uses Long Tail Concept, which is nothing but selling a large number of unique items with relatively small quantities. Flipkart orders such items on adhoc basis and usually don't keep inventory of such items since the demand for such items is very less and thereby minimizing overall distribution and inventory costs.

Supplier Management

Flipkart has always operated on the philosophy of starting out small and then scaling up as demand grows. It has been the same with selection of suppliers. For a new category, they generally, start of by sourcing from local suppliers and distributors. Once there is enough demand generated, they approach the larger wholesalers or manufacturers directly. This serves two main purposes:

1. It helps them to get better deals from the bigger manufacturers if they can order in larger quantities frequently enough.
2. It avoids the channel conflict dilemma that large suppliers face when they agree to similar terms with a smaller volume online player like Flipkart as compared to an established offline distributor.

An example of this strategy mentioned by Pawan Raghuveer, Mgr. Flipkart Supply Chain Excellence Division, is that given that Flipkart is now India's largest online retailer of books and they are larger than many offline stores as well – most of Flipkart's books are sourced directly from publishers. Across product categories, Flipkart works with over 500 suppliers including several international suppliers as well. Flipkart's steady rate of growth has allowed them to get the best credit lines from their suppliers. They signed their first international

supplier deal with Ingram Books in 2008 and they prefer working with them due to high level of predictability.

In fact, considering that customer delight is Flipkart's primary motto, any delay in supply can lead to late deliveries to the end-customer. So, Flipkart follows a grading system of its suppliers based on their fill-rate performance. Suppliers are grouped into A, B and C grades based on their past performance.

There are several other secondary considerations while placing an order with a supplier:

1. Price considerations – As mentioned before – credit lines and discount terms play an important part in selecting suppliers.

2. Quality Check contract – Depends on whether QC will be done at supplier's place and then product will be shipped to Flipkart's warehouses or if the QC has to be done at Flipkart's warehouses.

3. Percentages of Returns Accepted – Higher the percentage of returns accepted by a supplier, the better for Flipkart.

Customer Support

Customer Support function for an e-commerce website is one of the most important touch-points for the business in terms of building trust, customer acquisition and maintaining customer loyalty.

Flipkart's Customer Support team consists of call-centre agents who handle in-bound and outbound calls and also a team that handles e-mail queries. The entire team is based out of

Bangalore and forms a core part of Flipkart's 6,000-strong employee base. Given that Flipkart tries to differentiate itself on superior shopping experience and customer service is an integral part of that – Flipkart prefers to train its own support staff rather than outsourcing the function to a BPO agency.

At present, a customer calls due to one of the below reasons:

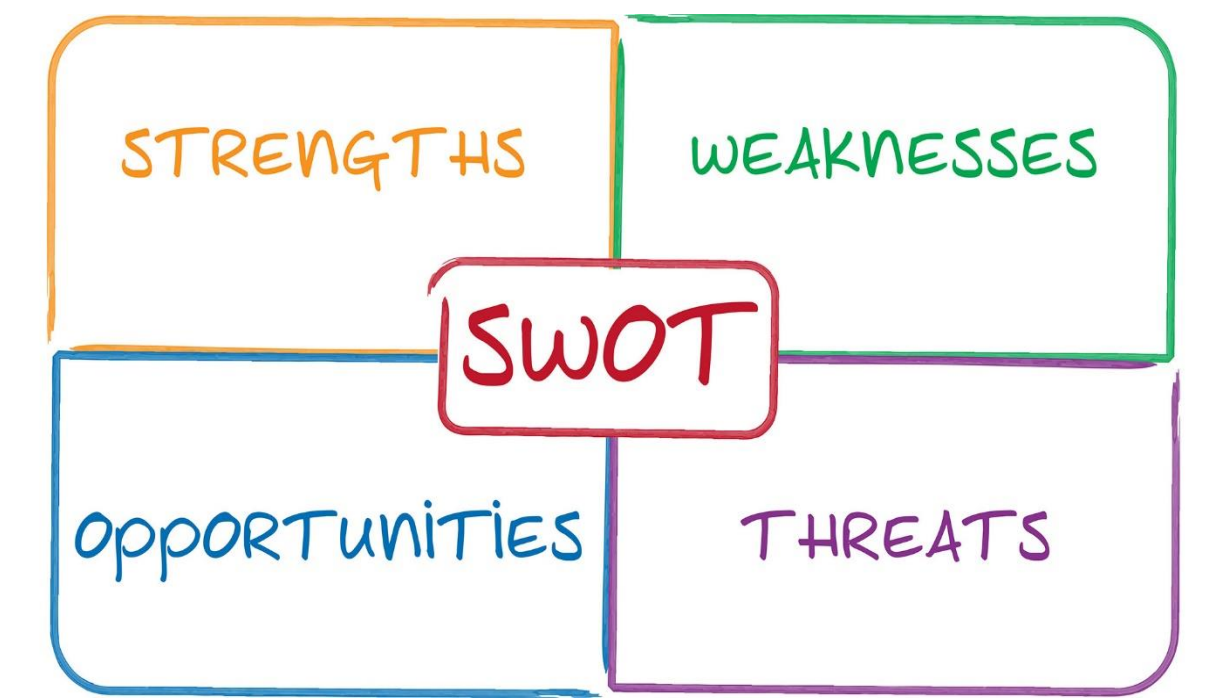
1. Sales Assistance
2. General Enquiries
3. Product/Shipping related enquiry

One of the major reasons for these calls is Indian consumers poor familiarity with online shopping protocols. It is important to note that Flipkart tries to ensure that any order is placed within 6 clicks on the website.

There is also an outbound call-centre that performs the following tasks:

1. Pro-actively inform customers about any delay in deliveries.
2. Pro-actively check the status of refunds or returns.
3. Inform the user in case any delivery has not been successful due to the customer not being present at his address. Despite all the good intentions of Flipkart in providing high-quality customer service, there are several internet blogs that suggest that their service quality has dipped in the last year or so.⁷ A major reason for this could be the growth in number of customer service executives“ not keeping pace with the increase in business volume. There could also be a problem of increased complexity in query handling due to increase in number of SKUs and product categories that would demand more rigorous training for the support staff.

SWOT ANALYSIS OF FLIPKART



Strengths

Large Company: Flipkart is India's largest e-commerce company, with a GMV (gross merchandise value) of \$1 billion.

Market Share: Flipkart has a market share of 39.5%.

Financials: Flipkart has annual revenue of 6.1 billion US Dollars.

Financial Support from Wal-Mart: Flipkart has 81% stake in Wal-Mart a global retail giant. Whose Prior experience in the E-commerce industry aided the founders in strategizing and differentiating their business in a highly competitive market.

Acquisitions: The Company's series of acquisitions, including chakpak.com, weread.com, Letsbuy.co, Mine360, and Myntra, has assisted the company in its expansion into the E-commerce space by leveraging the capabilities and existing resources of acquired companies.

High brand recall: Flipkart has established itself as a renowned E-commerce company in India through television advertisements, online branding, and its presence on social media platforms. Brand activities such as the "Big billion day" have significantly increased the company's brand recall.

Own Payment Gateway & Logistics Arm: Having its own Logistics arm is advantageous. The company has been able to control its expenses through E-kart and the payment gateway Payzippy. As a result, the benefits are passed on to the end users.

Exclusive and broad product range: Having exclusive rights to launch some products, such as Motorola Mobiles, Xiaomi Mobiles, Oppo, Vivo, and personal designer segments in the garments category, has helped the company differentiate and localise its offerings.

Brand Portfolio: Flipkart has built a strong portfolio of brands. The SWOT analysis of Flipkart clearly confirms this element. This organization's brand portfolio can be extremely useful for them if they want to enter new product lines.

Launch New Products: Highly regarded when it comes to launching the new products.

Good ROI: Flipkart is relatively successful at the execution of new projects and it generates good profits through its existing business. Company is generating good Return on its investments.

Good Promotional Income: Flipkart charge extra for promoting products of its seller. This model always is beneficial for the company.

Large Employee Base: Flipkart has an employee base of 30,000+ employees.

Good Training and Development Programmes for its Employees: High level personal skills can be acquired through training and development programmes. Flipkart is providing continuous training and development of its employees resulting in an enthusiastic and motivated team.

Weaknesses

Limited Distribution: Flipkart has a limited distribution channel reach, despite the fact that its logistics arm has kept costs low. This is a weakness for the company, as it has limited reach. Because of the use of outsourcing, global giants such as Amazon and eBay are able to deliver their products to any location in the country. Flipkart, on the other hand, is still struggling in this area.

Cost of Acquisition: Because Flipkart acquires a large number of customers through online advertising, the cost of acquisition is high due to stiff competition in the market and low customer retention. According to Flipkart data, the company spends R.s 400/- on average to acquire a new customer.

Buyers hold the power: Because this industry is flooded with a large number of players, buyers have a large number of options from which to choose. Customers save money on switching costs because they can easily switch from one online retail company to another. The same products will be displayed across multiple online retail websites. Product differentiation is almost non-existent, so the battle is fought solely on the basis of price.

Opportunities

Business expansion: By focusing on other emerging markets, a company can increase its revenues while also benefiting from economies of scale.

Expanding product categories: This will increase their customer base while decreasing the cost of acquisition and customer switch.

The changing mentality of Indian customers: As an increasing number of customers become more comfortable with online shopping, as well as an increase in the number of Internet users in India, there is tremendous opportunity in this industry.

Supply chain: By optimising their supply chain, they can compete with the other players and manage the sales that are lost as a result of not being able to make the product available due to delivery constraints.

Establishing operations in other developing economies: Similar to Amazon, Flipkart can gradually begin to expand its operations outside of India and establish operations in other countries as well, which will aid in the growth of its revenues.

Consumer Behaviour: The new trends in consumer behaviour will open up new opportunities for Flipkart. This has given a great opportunity for the organisation to expand revenue streams and to diversify into new product categories.

Threats

Intense Competition: There is fierce competition from global players such as Amazon and eBay, as well as local players such as Snapdeal, Tolexo, and Shopclues, who are constantly attempting to take market share away from one another.

Government Regulations: The government's regulations on issues such as foreign direct investment (FDI) in multi-brand retail have posed a significant barrier to the growth of the E-commerce industry in India.

INDUSTRY ANALYSIS

E-commerce has transformed the way business is done in India. The Indian E-commerce market is expected to grow to US\$ 111.40 billion by 2025 from US\$ 46.2 billion as of 2020. By 2030, it is expected to reach US\$ 350 billion.

By 2021, total e-commerce sales are expected to reach US\$ 67-84 billion from the US\$ 52.57 billion recorded in 2020.

India's e-commerce market is expected to reach US\$ 111 billion by 2024 and US\$ 200 billion by 2026.

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

Market Size

The Indian online grocery market is estimated to reach US\$ 18.2 billion in 2024 from US \$1.9 billion in 2019, expanding at a CAGR of 57%. India's e-commerce orders volume increased by 36% in the last quarter of 2020, with the personal care, beauty and wellness (PCB&W) segment being the largest beneficiary. India's consumer digital economy is expected to become a US\$ 800 billion market by 2030, growing from US\$ 537.5 billion in 2020, driven by strong adoption of online services such as e-commerce and EdTech in the country.

According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025.

With a turnover of \$50 billion in 2020, India became the eighth-largest market for e-commerce, trailing France and a position ahead of Canada.

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

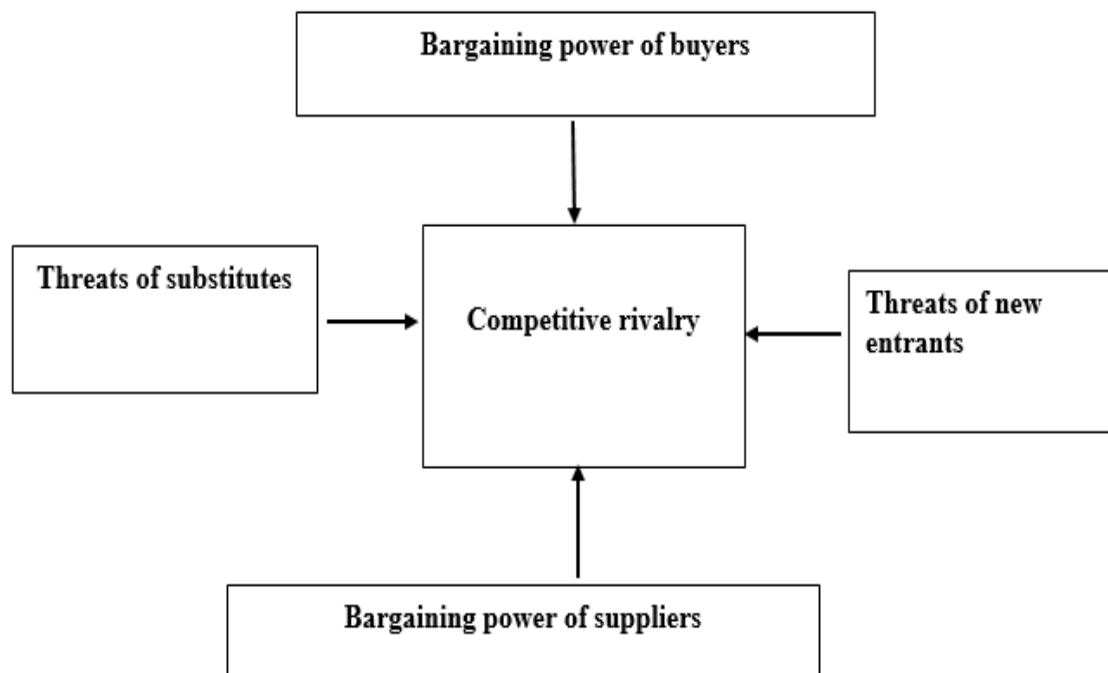
Propelled by rising smartphone penetration, launch of 4G network and increasing consumer wealth, the Indian E-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion in 2017. Online retail sales in India are expected to grow 31% to touch US\$ 32.70 billion in 2018, led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

After China and the US, India had the third-largest online shopper base of 140 million in 2020.

Indian consumers are increasingly adopting 5G smartphones even before roll out of the next-gen mobile broadband technology in the country. Smartphone shipments reached 150 million units and 5G smartphone shipments crossed 4 million in 2020, driven by high consumer demand post-lockdown. According to a report published by IAMAI and Kantar Research, India internet users are expected to reach 900 million by 2025 from ~622 million internet users in 2020, increasing at a CAGR of 45% until 2025.

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

PORTER'S 5 FORCES ANALYSIS OF FLIPKART



Threat of New Entrants

Threat of new entrants reflects how new market players impose threats to the existing market players. If the industry will be profitable and barriers to enter the industry will be low, it will attract more players and hence, the threat of new entrants. will be high.

Factors that reduce the threat of new entrants for Flipkart com:

- Entry in the industry requires substantial capital and resource investment. This force also loses the strength if product differentiation is high and customers place high importance to the unique experience.
- Flipkart com will face the low threat of new entrants if existing regulatory framework imposes certain challenges to the new firms interested to enter in the market. In this case, new players will be required to fulfil strict, time-consuming regulatory requirements, which may discourage some players from entering the market.
- The threat will be low if psychological switching cost for consumers is high and existing brands have established a loyal customer base.
- New entrants will be discouraged if access to the distribution channels is restricted.

Flipkart com will be facing high new entrants threat if

- Existing regulations support the entry of new players.
- Consumers can easily switch the brands due to weak/no brand loyalty.
- Initial capital investment is high.
- Building a distribution network is easy for new players.
- Retaliation from the existing market players is not a discouraging factor.

Threat of Substitute Products or services

The availability of substitute products or services makes the competitive environment challenging for Flipkart com and other existing players. High substitute threat shows that customers can use alternative products/services from other industries to meet their needs. Various factors determine the intensity of this threat for Flipkart com

The Threat of Substitute Products or services increases when;

- A cheaper substitute product/service is available from another industry
- The psychological switching costs of moving from industry to substitute products are low.
- Substitute product offers the same or even superior quality and performance as offered by Flipkart com's product.

However, this threat is substantially low for Flipkart com when;

- The switching cost of using the substitute product is high (due to high psychological costs or higher economic costs)
- Customers cannot derive the same utility (in terms of quality and performance) from substitute product as they derive from the Flipkart com's product.

Rivalry among existing firms

The Rivalry among existing firms shows the number of competitors that give tough competition to the Flipkart com. High rivalry shows Flipkart com can face strong pressure from the rival firms, which can limit each other's growth potential. Profitability in such industries is low as firms adopt aggressive targeting and pricing strategies against each other.

The Rivalry among existing firms will be low for Flipkart com if;

- There are only a limited number of players in the market
- The industry is growing at a fast rate
- There is a clear market leader
- The products are highly differentiated, and each market player targets different sub-segments
- The economic/psychological switching costs for consumers are high.
- The exit barriers are low, which means firms can easily leave the industry without incurring huge losses.
- Similarly, there are some factors that increase the Rivalry among existing firms for Flipkart com for example, the company will face intense Rivalry among existing firms if market players are strategically diverse and target the same market. The rivalry will also be intense if customers are not loyal with existing brands and it is easier to attract others' customers due to low switching costs.

Bargaining Power of Suppliers

Bargaining power of suppliers in the Porter 5 force model reflects the pressure exerted by suppliers on business organisations by adopting different tactics like reducing the product availability, reducing the quality or increasing the prices. When suppliers have strong bargaining power, it costs the buyers- (business organisations). Moreover, high supplier bargaining power can increase the competition in the industry and lower the profit and growth potential for Flipkart com Similarly, weak supplier power can make the industry more attractive due to high profitability and growth potential.

Bargaining power of suppliers will be high for Flipkart com if:

- Suppliers have concentrated into a specific region, and their concentration is higher than their buyers.
- This force is particularly strong when the cost to switch from one supplier to other is high for buyers (for example, due to contractual relationships).
- When suppliers are few and demand for their offered product is high, it strengthens the suppliers' position against Flipkart com
- Suppliers' forward integration weakens the Flipkart com's position as they also become the competitors in that area.
- If Flipkart com is not well educated, does not have adequate market knowledge and lacks the price sensitivity, it automatically strengthens the suppliers' position against the organisation.
- Other factors that increase the suppliers' bargaining power include-high product differentiation offered by suppliers, Flipkart com making only a small proportion of suppliers' overall sales and unavailability of the substitute products.

Contrarily, the bargaining power of suppliers will be low for Flipkart com if:

- Suppliers are not concentrated
- Switching costs are low
- Product lacks differentiation
- Substitute products are available
- Flipkart com is highly price sensitive and has adequate market knowledge
- There is no threat of forward integration by suppliers.

Bargaining Power of Buyers

Bargaining power of buyers indicates the pressure that customers exert on the business organisations to get high quality products at affordable prices with excellent customer service. This force directly influences the Flipkart com's ability to accomplish the business objectives. Strong bargaining power lowers profitability and makes the industry more competitive. Whereas, when buyer power is weak, it makes the industry less competitive and increase the profitability and growth opportunities for Flipkart com

There are some factors that increase the bargaining power of buyers:

- A more concentrated customer base increases their bargaining power against Flipkart com
- Buyer power will also be high if there are few in number whereas a number of sellers (business organisations) are too many.
- Low switching costs (economic and psychological) also increase the buyers' bargaining power.
- In case of corporate customers, their ability to do backward integration strengthen their position in the market. Backward integration shows the buyers' ability to produce the products themselves instead of purchasing them from Flipkart com
- Consumers' price sensitivity, high market knowledge and purchasing standardised products in large volumes also increase the buyers' bargaining power.

Some factors that decrease the bargaining power of buyers include lower customer concentration (means the customer base is geographically dispersed), customers' inability to integrate backwards, low price sensitivity, lower market knowledge, high switching costs and purchasing customised products in small volumes.

CHAPTER III:

Competitor Analysis

COMPETITOR ANALYSIS

Amazon

Amazon is an American electronic commerce company with headquarters in Seattle, Washington USA. Jeff Bezos founded it in 1994. It started as an online store but later diversifying to sell CD, software, electronics, furniture etc. The company also produces consumer electronic goods such as e-book reader – Amazon kindle, TV etc. It is world's largest e-commerce company currently. In 2013, Amazon launched its site in India, amazon.in. It started with electronic goods and expanded into fashion apparel, beauty, home essentials, and healthcare categories by the end of 2013. Since India does not allow foreign direct investment (FDI) in direct online retail, Amazon started by launching Junglee.com. It is a price comparing website completely own by Amazon. On Amazon's marketplace in India, users can buy books, movies and TV shows from independent sellers directly on Amazon. It is known for its wafer-thin margins.

Competition

Other major companies operating in Indian e-commerce market are:

Flipkart

Snapdeal

eBay

Jabong



Services

Selling on Amazon

All type of business can sell product and services on Amazon. It is one of the fastest ways to begin selling online

- A source of new sales channel to businesses
- It helps in building brand recognition
- A trusted and secure platform is provided by Amazon

Fulfilment on Amazon

- Amazon helps companies to sell their product online globally
- Access to prime customer of Amazon
- Trusted customer sales and after sales service
- Amazon offer fast, reliable shipping to customer

Advertisement on Amazon

- Reach to millions of Amazon customer
- It helps in driving more traffic to your website
- Amazon helps businesses to advertise their product online

Business process

The business process in e-commerce is quite similar to traditional retail store business. The e-commerce business can be divided into 6 parts

1. Sourcing - Acquiring goods from the seller to store in warehouses
2. Cataloguing - Taking pictures of items acquired
3. Listing - Uploading pictures on websites
4. Marketing - Advertising its website to attract customers to its website to purchase
5. Packaging - To pack sold items for shipping
6. Shipping - Delivery the item to the customer

Business model

These are of two types

I. Marketplace model - In this model e-commerce companies only act as a platform for seller to sell. Due to foreign direct investment restriction in India in which foreign companies sell items directly to buyers. Amazon in India is working on this model currently.

II. Inventory model - In this model, e-commerce companies' purchase item to building inventories and store them in warehouses. It then sells directly to the buyer.

Amazon Logistics structure and Operation

Ordering

A customer after opening the website, select one or more items for purchase. This items directly go to the electronic basket provided by websites. It provided information about pricing, delivery time and payment mode such as credit card, online banking etc. Sometimes based on the customer history option of cash on delivery, discounts are ruled out to customers.

In case of Business-to-business transactions, a separate system is placed to keep record of order history and according to it several discounts and concession are offered to them. The inbuilt software will check all taxes, payment terms and delivery. Order will be cleared only after it is technically and commercially clear and the same will be confined to the client electronically. Ordering process is crucial in an e-commerce company as it involves setting up the system standard to meet customer requirement. Order is processed in batches according to volume of inflow on an hourly or daily basis.

Inventory management

Inventory management has played a vital role in e-commerce business. The mismanagement can seriously affect your profit and reputation. Some of the ill effects of a poorly manage inventory are as follow:

1. Reduce cash flows
2. Delayed shipment
3. Process bottleneck due faulty forecasting and data entry
4. Negative customer experience

5. Inconsistent sales growth

Amazon has integrated inventory online order with order planning, inventory planning and fulfilment system. In case the item is not in stock or under processing, its delivery time will be confirmed to the customer before the order is accepted. Its inventory management system closely monitors the inventory movement right from the source of supply, warehouses, distribution centre and finally to customer. It uses computer software and algorithm to forecast sales and inventory. For items out of stock, replenishment instruction will be issued as soon the item is off the shelves.

The main objectives of Amazon inventory systems are:

- To clearly understand customer delivery need.
- To coordinate with the wholesale suppliers and independent seller to make customer available to customers both current and soon to be released products.
- To provide delivery under two days for most orders.
- To enable customer to query the status of their product and track their own shipment.
- To align supply and delivery with other operations such as marketing, customer service.

For Amazon, in order to ensure that all orders can be processed and shipped in time for Diwali and Holi (two biggest festival in India), when sales volume is at its peak, the company employs a variety of data collection tools to make sure purchased goods move through from warehouses onto trucks as quickly as possible.

Order execution

Once the order is accepted for execution, order details are passed on to the inventory manager or directly to the third party for filling and packaging. The order details incorporate item detail, quantity and packaging. The warehouse manager will then instruct for delivery of item to the customer. All this process is done electronically. The delivery detail will be immediately conveyed to the customer via email and SMS along with the invoice.

Shipping

Based upon the size of the consignment, transport is organized by the logistics arm of Amazon or through third party logistics partner in some case. Decision software decides the choice of

carrier, mode of transport, route, scheduling of goods according to client location, public holidays and other variables.

Amazon Drones and Other Innovations

It is a recent buzz according to which Amazon is busy building or has probably built drones to increase its business. Sooner or later, drones will be acting as local delivery boy and will be delivering goods at customers' footsteps and giving online retailer ship just another level. So, customers' do not have to worry too much anymore whether the person delivering goods to your address is confused at how to find your address. Who knows? Maybe Amazon someday makes it possible. A customer wishing to get delivered a set of books merely has to locate his house on Google maps, and paying machine comes with the stuff you ordered.

Tracking

Customer always wants to know the current status of item during transit. To help in locating the consignment, a bar coding system with satellite communication is used. Amazon provides this code to the customers on its websites to help them locate their order. It is a value-added service for customer convenience.

Payments

Amazon provide customers many payment options such as:

- Credit card
- Debit card
- Online banking
- Cash on delivery
- Coupons
- UPI Payment

Some options such as cash on delivery sometimes depends upon client location, credit history, item value and volume of order. The system then generates online invoices, payment report, payment reminder etc.

Order cancellation and substitution

In case of order is cancelled by Amazon due to some reason beyond management control, it informs customer in time via email and phone. It also gives customers substitute option available to them. With years of operation, it has evolved its order cancellation policy to maintain the customer trust.

Return policy

In a case where customer does not like the product, finds performance below expectation or product being damaged during transit. For items fulfilled by Amazon, will be eligible for a free replacement. A detailed timeframe and guideline for return is given at Amazon website.

Return process

A separate system in place handles the reverse material flow. The return process is shown in the below figure.

Logistics system in Amazon India

Amazon started delivering goods using third party logistics. It was a cautious move because they were entering into a completely new market. With increased market share and revenue, it started its own logistics branch to handle its logistics operations.

CHAPTER IV:

Customer Analysis

CUSTOMER ANALYSIS

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 behaviour. This is at the core of every successful business. Once you understand your customer's behaviour, you can use it to attract potential customers, engage the existing customers and sell your products more effectively.

Flipkart's leading marketing strategy focuses on every single touch point their customers are present at. It uses the majority of its budget on various digital channels involving both paid and organic marketing. Flipkart is considered to be one of the best platforms for online shopping. Either we talk about some gadgets or apparel, Flipkart has always shown up their best quality service. Flipkart has mainly grown its business through digital marketing strategy.

Potential customers

Flipkart targets anybody who surfs the internet and who does not have time for shopping. Though its target customer is scattered over various market segments as consumers from all demographic backgrounds can find products that appeal to their interest, 75% of its audience is between the age group of 16 – 55.

It lays focus on people seeking variety and who prefer to experience a hassle-free shopping approach from home. It tries to expand its services to every location in the country where deliveries are possible. It comes up with smart marketing strategies to seize the attention of its customer who hold the purchasing power, to influence that online shopping is better than traditional shopping. Flipkart customers consist of middle-class social groups who are comfortable with online shopping and find it convenient. Majority of the customers are the professional who are busy with their business/Job & find it convenient to purchase anything online rather than visiting the physical outlet in order to save time & money.

Flipkart STP

Segment

Customers who prefer online medium of shopping

Target Group

Middle and upper-middle income online shoppers

Positioning

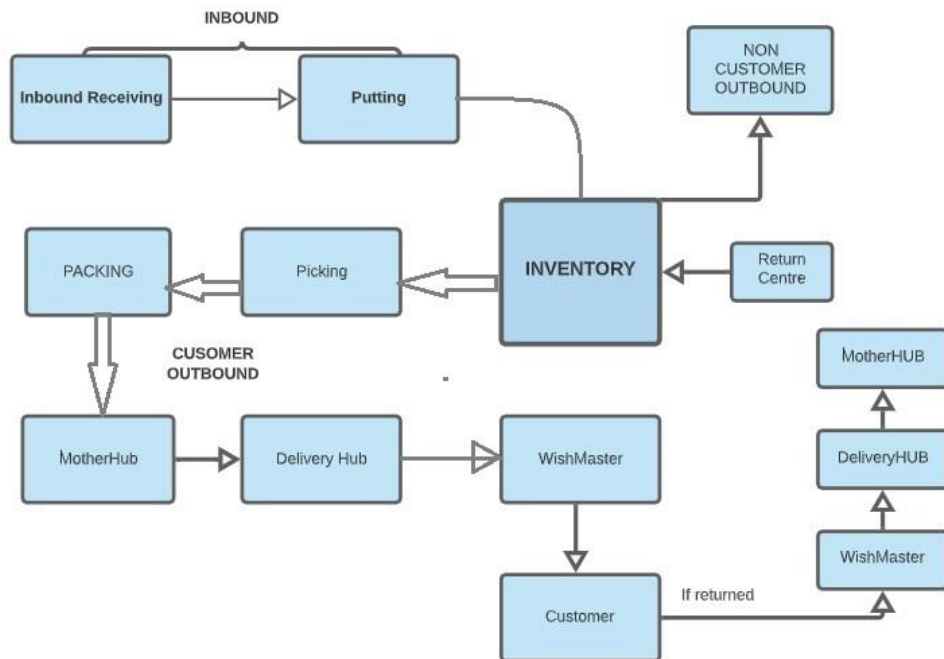
Flipkart is a one stop online store to cater to all customer needs

CHAPTER V:

Findings and Work done

Key Findings

Supply Chain process of Flipkart



Inbound Receiving:

There are 2 types of products that are stored in the warehouse

1. FKI- Owned by Flipkart
 2. FA -Owned by the Seller
- After the products are received in bulk, they are allotted serial WSN
 - Then they are segregated and Quality Check is Performed
 - types of QC are performed: - PHYSICAL QC and SYSTEM QC
 - Then after QC pass WID is printed and Putlist is created.
 - If QC is Failed, QC ticket is generated and it's moved to Issue Resolving Team
 - If the product fails QC again it handed over to NCOB for RO, Recall or Liquidation.

Putting

- After the putlist is created the goods has to shifted to inventory within 2hrs.
- The putter uses HHD and scans the WID that shows the suggested locations in the inventory.

Inventory (Inventory Management Team)

Stock take: - the physical verification of the quantities and condition of items held in the inventory

Matching physical Quality with System Quality

Create Goods Transfer List to move products for better management of space and rectification of Putter.

In Haringhata RDC the different types of Inventories are

MTS (Multi-Tier Shelving)



80% of this inventory is used for Customer Outbound and rest for Non customer Outbound

MLS



Its Fully automated inventory used for Non customer Outbound specifically IWIT.

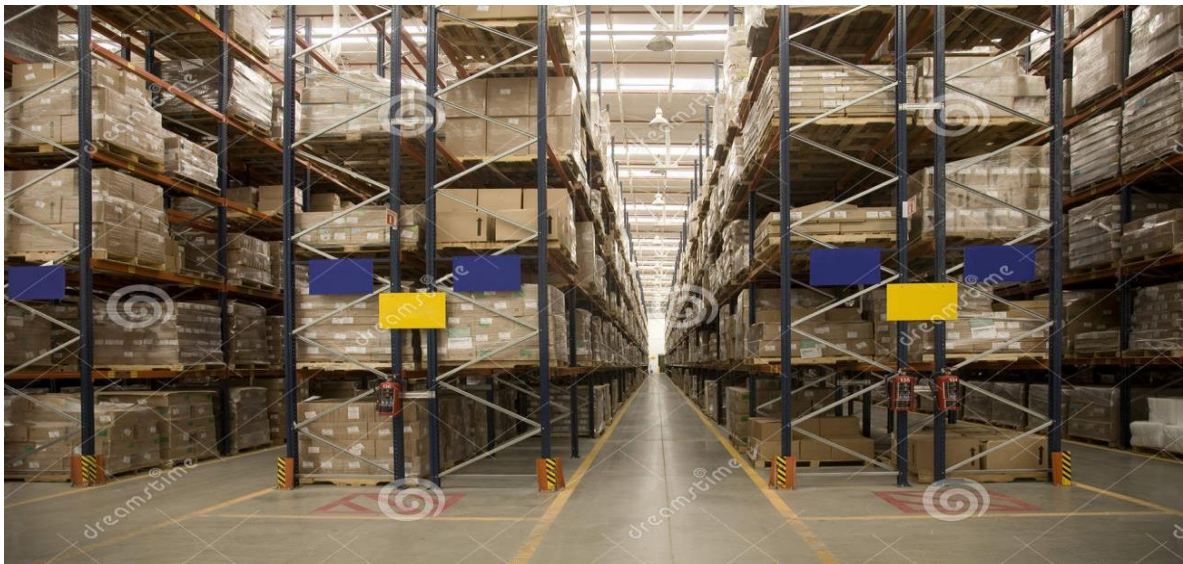
It has a total of 20 lanes with 111192 bins in both LHS and RHS.

RPR (Reserve Palette Rack)



In RPR only Pallets are stored using semi-automated tools.

XL (Extra Large inventory)



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ID: 29811119
Arturo Osorno | Dreamstime.com

Only large products are stored in this inventory

Customer Outbound

Picking

Warehouse picking refers to the process where individual items are picked from a fulfilment facility to satisfy customers' orders. It's an essential aspect of order fulfilment and is considered one of the most expensive and labour-intensive activities for warehouses

Packing

When it's time for packing, each item is scanned into the system so the warehouse worker can see any other items that should be packed in the same customer order. This way, workers won't pack and seal an item only to realize later there are three more items being sent to the same customer.

Once the item is entered into the system, a worker selects an appropriate box and scans the box or enters its code into the system. The warehouse management software prints a packing slip and, if the warehouse has a label maker, an address label to be affixed to the box.

Next, orders are shipped out. Every warehouse has a cut-off time for outbound deliveries. For instance, if the cut-off time is 11:00 A.M., any orders received before 11:00 are shipped the same day while any received after that cut-off aren't guaranteed to go out that day. The warehouse then works with its carrier or its regional/national post to deliver packages.

Next, workers place orders on separate pallets based on carrier and mail status. For instance, for local deliveries packages put in one pallet and for National deliveries packages go on another. At the end of the day, shipping carriers pick up their pallets at the shipping dock.

It includes a quality control (QC) section to double-check orders. In this step, orders are lined up and workers scan the original pick ticket. The items that should be in the order appear on a monitor with images so workers can quickly confirm the right items have been picked. Once order accuracy has been confirmed, the items move on to the packing station.

Now the parcel is ready for shipping. A conveyor belt with speeds of up to 30km/h brings the items to a sorter. There seem to be different sorting systems. Depending on the floor of the sorting, the parcels may also slide down a cork screw slide to the level with the outbound loading docks. Like pretty much all conveyor belts I have seen, items are dropped occasionally. Every now and then a parcel falls off. Hence, someone checks the belt occasionally and inserts dropped parcels back into the process.



Outbound Loading Docks

The parcels are now sorted and ready to be loaded into the delivery trucks. The image below shows the outbound area, with the conveyor belts extending into the trucks. The cork screw slides on the right come from the sorting area. FRA3 was under reconstruction and temporarily loaded the trucks manually until the new conveyors were installed.

MotherHUB

- Here the packed product is sorted according to area
- Then its bagged and transferred to Delivery HUB through the docks through various mediums.

Return Centre

In RC the returned products are rescanned and primary verification is performed.

If they pass PV, they are sent to good inventory.

If they fail PV, they're sent to bad inventory or NCOB for RO, Recall or Disposal.

Non-Customer Outbound

It consists of the following processes: -

- IWIT
- Return Order
- Recall
- Liquidation

- Disposal

1.Inter Warehouse Inventory Transfer (IWIT)

Transferring inventory from one warehouse to another warehouse is called inter warehouse inventory transfer. The Purpose of IWIT is to improve regional utilization and increase the speed of delivering product to customers.

2.Seller Recall

Seller Recall is a request to return the product by seller. It done for the necessity of seller.

3.Return Order (RO)

Return Order means returning rejected/returned/slow moving and non-moving goods to vendor. The purpose of RO is to maintain value proposition of the product and for efficient space utilization.

Learning Experience

My internship at FLIPKART has taught me more than I could have imagined at the Asia's second largest fulfilment centre (FC) in HARINGHATA RDC, KOLKATA. As an intern, I feel my duties were diverse, and ever-changing. Sometimes it's tough to recall everything I have taken in over the past months, but I feel that these are some of the most beneficial lessons I have learned.

Through this internship, I was exposing to various activities of Non-Customer Outbound. In these 45 days of internship period, I was engaged with all the activities. Staffs in FC were very helpful and co-operative. During this I was able to analyse the problems faced by FC on continuous basis. I would highly recommend interning at FLIPKART. Everyone is very welcoming and more than willing to help you succeed. I was also entrusted with a large number of responsibilities and was able to work through things on my own after being given initial direction.

In warehouse department, all the team members had to work almost whole the week and sometimes 24/7 as e-commerce is the most interactive and challenging platform now-a-days,

in this we had serve our customers hassle free shopping experience with in time limit. Like the team members, I also had to work 6 days and a day was week-off. They work on 5S strategy.

1. SORT - Organization (Keeping only what is necessary and discard everything else)
2. SET IN ORDER – Orderliness (arrange and label only necessary items for easy use and return by anyone)
3. SHINE – Cleanliness [keeping everything swept and clean for inspection (for safety & preventative maintenance)]
4. STANDARDIZE – Standardized clean-up (the state that exists when the 1st 3-pillars or “S’s” are properly maintained)
5. SUSTAIN – Sustaining the discipline (making a habit of properly maintain correct procedures)

CHAPTER VI:

Suggestions and Conclusion

Suggestions

Quantity Mismatch: it is a tech issue where the quantity of supplier return note may not match quantity in the system.

Absentism: high absentees affect the process. It may be due to various reasons.

Cross man power deployed: it means crossing man power from one process to another. If customer process requires more manpower at some point of time, they cross workers from Non customer process to customer process. To overcome this the employees must be informed in prior about their cross deployment.

Huge Pendency: Huge pending tasks in all departments due to inappropriate forecasting.

Poor Idle time Management: Lot of valuable time was wasted in deployment and cross deployment process.

Tech issues: a lot of tech issues were face due to lots of automation. Tech teams need to be more spontaneous.

Unable to trace individual's work performance from mass manpower; this kind of situations often found by a warehouse manager. To overcome from it they should divide the man power in teams and assign each team with a floor spider (Leader), who will responsible for their team respectively.

Conclusion

The universe every day is witnessing unimaginable growth in majority of the industries. The warehouse, logistics and freight (Hire charges & rental) industry is one such industry that rapidly growing. The organization has enormous opportunities to grow beyond the expectations. Overall Flipkart is a successful E. Com firm running with profits and changing itself with the trends. The organization now has the value of being an ultimate service for freight, transportation, warehousing, docking and value as per customer needs. The present scenario and the future of the organization with regard to the management are satisfactory. The supply chain of Flipkart has been described in this paper with light of most of the concepts. This internship reports explains the main activities carried out in the Flipkart. Concerning the objectives that had been proposed for the internship theme, some of them were fully achieved. One of the objectives of the internship was to develop the key performance indicators for the

warehouse/logistic operator. It was interesting to notice the optimizer during the internship that it covered broad aspects of the warehousing/transportation problems, namely; crew scheduling, vehicle scheduling, inventory management, docking and so on. Through this objective, it was noticed that how Flipkart prioritized the client/customer satisfaction or classification in terms of the business volume. However, there are some areas where the company is not at the top-most position but it can gear up in the near future and is committed to acquire that spot.

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