



BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES SUMMER

INTERNSHIP REPORT 2021



STUDENT NAME: SHUVECHHA PATTANAIK

BPUT REGD.NO: 2006258190

FACULTY GUIDE: PROF. GOBINDA CHANDRA PANDA

A PROJECT REPORT ON

"Operation of Return Centre at Flipkart"

A FINAL SIP REPORT SUBMITTED TO

BIJU PATNAIK UNIVERSITY OF TECHNOLOGY ODISHA

(For the Partial Fulfilment of the requirement of the degree of MBA 2020-2022)

SUBMITTED BY MS. SHUVECHHA PATTANAIK

BPUT RED NO.: 2006258190

UNDER THE GUIDANCE OF PROF. DR. GOBINDA CHANDRA PANDA Professor, BIITM



BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT STUDIES

(Recognized by AICTE, New Delhi &Affiliated to BPUT, Rourkela)

BHUBANESWAR

PREFACE

The courses of MBA require one to under a summer internship with the end of the 2nd semester, so as to get a practical knowledge and understanding the aspects of all the theories read. It helps us to make the best use of our skills and intelligence so as to make a better research report. It is really the most important thing during the course of our study. The purpose of my research project was "Operation in Return Centre At Flipkart". It was a continuous learning experience as I got to know the performance appraisal process, how they are conducted and beneficial.

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ACKNOWLEDGEMENT

It is my privilege to thank all of them who have supported me in carrying out this dissertation successfully.

Firstly I would to express my sincere thanks to two separate concerns, BIITM And Flipkart, the former for arranging and guiding me to start the dissertation and the latter for extending their noble help for its formation and completion.

I express my sincere gratitude to my internal guide Prof. Gobinda chandra Panda for extending guidance and direction in preparing this dissertation, without whose cooperation the project would not have been completed.

I would like to thank and appreciate to the company Flipkart, West Bengal and my guide Mr. Kushal Dey who has devoted his vivid knowledge and valuable time to my benefit.

I also acknowledge the contribution of all the members of Flipkart, who in all together provide me and inspiring working environment.

In the same breath, I thank all my friend who helped me in completing the report and providing me with a lot of information essential for it.

SHUVECHHA PATTANAIK

Registration No: - 2006258190



PATIA, BHUBNESHWAR-751024, ODISHA Phone no: - 07438000111, 9040003344 Email: - info@biitm.ac.in, biitmbbsr@yahoo.com

CERTIFICATE

This is to certify that project report titled "Operation of Return Centre of Flipkart" is a Bonafede work of MS. Shuvechha Pattanaik under the guidance and supervision of Prof. Gobinda Chandra Panda, BIITM, and Bhubaneshwar carried out in partial fulfilment for the award of degree of MBA 2020-2022. This project work is original and not submitted earlier for the MBA of any degree/ Diploma or associate of any other university/Institution.

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(Prof. (Dr.) Pratap Kumar Tripathy)
(Principle, BIITM)

Place- Bhubaneshwar

Date: -



PATIA, BHUBNESHWAR-751024, ODISHA Phone no: - 07438000111, 9040003344 Email: - info@biitm.ac.in, biitmbbsr@yahoo.com

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MR. Kushal Dey Senior Executive (External Guide)

Place- West Bengal

Date: -



PATIA, BHUBNESHWAR-751024, ODISHA Phone no: - 07438000111, 9040003344 Email: - info@biitm.ac.in, biitmbbsr@yahoo.com

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Prof. Gobinda Chandra Panda
Asst. Prof. QT & OM
INTERNAL GUIDE

Place- Bhubaneshwar

Date: -



PATIA, BHUBNESHWAR-751024, ODISHA

Phone no: - 07438000111, 9040003344

Email: - info@biitm.ac.in, biitmbbsr@yahoo.com

DECLARATION

I, MS. Shuvechha Pattanaik hereby declare that the project work titled, "Operation of Return Centre of Flipkart" is an original work done by me and submitted to Biju Patnaik University of Technology, Odisha in partial fulfilment for the award of degree of Master Business Administration is a recorded of the work done by me under the supervision of **Prof. Gobinda Chandra Panda**. This thesis has not formed before the basis of any degree, diploma or any similar titles.

EXECUTIVE SUMMARY

Flipkart is an India e-commerce company, headquartered in Bangalore, Karnataka, India, and incorporated in Singapore as a private limited company The company initially focused on online book sales before expanding into other product categories such as consumer electronics, fashion, home essentials, groceries, and lifestyle products.

The service competes primarily with Amazon's Indian subsidiary and domestic rival Snapdeal. As of March 2017, Flipkart held a 39.5% market share of India's e-commerce industry.[8] Flipkart has a dominant position in the apparel segment, bolstered by its acquisition of Myntra, and was described as being "neck and neck" with Amazon in the sale of electronics and mobile phones. Flipkart also owns PhonePe, a mobile payment service based on the UPI.

Flipkart Return Centre Process starts with receiving the return products by customer. Then the product basically called as Shipment are provided to the employee, the process starts with the HHD i.e. Hand handling device. Then they open the device select pv then warehouse and then scan the product and as of the condition they declare the product to be pass, fail or QC then the products move to the create put list section and arranged according to the warehouse inventory. Two types of products details take place one is RVP and another is RTO i.e. Reverse process and return to centre

I faced many issues while this research like the executive don't get enough time to explain the processes and etc.

The overall data analysis shows the process of Flipkart.

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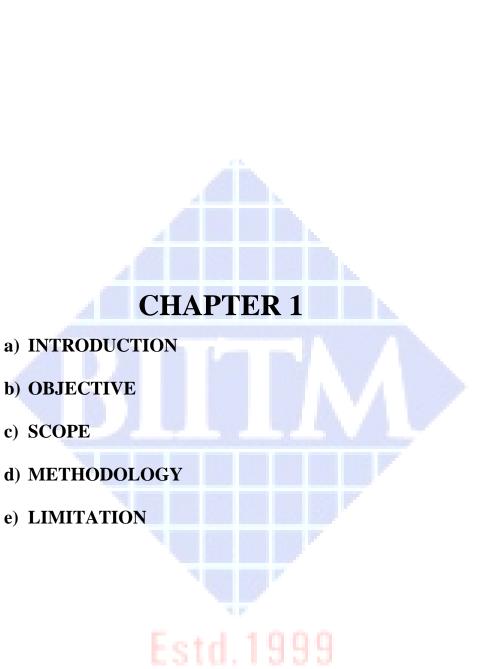
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INTRODUCTION TO INTERNSHIP

Internship is fixed period of practical exposure in working for organisation with or without payment for the work done there.

According to MBA part of the syllabus at the student's internship, both the externals of the internal of the guide in the course of an ant is done in 45 Days. By doing it in the best probable way, so that in practice the academic concepts required to increase the training. It is for field work culture of an association that provides authorization to.

"Flipkart" internship at the firm's goods and services for analysing and thoughtful the customer's necessities focused. To study the QC process in return centre.

INTRODUCTION OF THE TOPIC

Return Centre is "the process of planning, implementing, and controlling the efficient, cost-effective flow of raw materials, in-process inventory, finished goods and related information from the point of consumption to the point of origin for the purpose of recapturing value or proper disposal." The process begins by providing a returns acknowledgement to the consumer. Also many researchers argue that, right at this stage only, the company must make critical decisions about getting value from the returned item -Whether it will be refurbished/reworked or sold as scrap, whether it will be resold to consumers etc. A company must sort the returned products effectively to ship it out to the concerned department (Reworks/Scrap etc). It can employ labelling cartons and sub-sorting processes to identify the returned goods throughout the Product returns product. In the third stage, Items move from the sort-and-stage area to the processing station(s). At these stations, the items can be processed in order of their receipt, according to the type of product, by customer type or location, by physical size of the items or some other combination. It is also at this stage that the paperwork received along with the returned product is verified with the electronic records of the company. Analysis of the returned item simply means making a disposition decision to determine the fate of that item and thereby chalking out a remarketing strategy if the item is being resold for instance. At the final stage, the focus

remains at speedy processing of returns that will reduce the amount of cash tied up in returns inventory, thereby increasing the profitability of the process.

OBJECTIVE OF THE STUDY

The final and foremost objective of this study is the partial fulfilment of the master degree in business administration.

- a. To understand the QC Process of Flipkart.
- b. To understand the QC technique adapted at Flipkart.
- c. To Compare QC process between Flipkart and Amazon.

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SCOPE OF THE STUDY

The present study of operation in return center at flipkart was conducted in Haringhata, West Bengal, is a private company. The study includes process of return center in Flipkart

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RESEARCH METHODOLOGY

Doing something in an orderly process is not but called method. A methodology is, therefore, basically a system or rules, principles and procedures which direct researcher to go for scientific investigation, while understanding the project work. I have been able collect the require information from both the primary sources and secondary sources. This primary sources of collection of data were through structured questionnaire by simple random sampling from the employees of Flipkart. The secondary sources of collecting the data were the various booklets, Boucher, annuals reports, newsletter etc. of Flipkart.

a systematic approach to the whole study is very much essential to make the study scope of study; study of methodology, plan of the study provides us the directions so that we can reach our destination.

The 1st chapter which is an introductory one includes objectives of study, s cope of study, study methodology, plan of study and limitation of study.

The 2nd chapter deals with history and background of the organization under study. It is better idea about the Whole organization, its manpower, production, organizational structure etc.

The 3rd chapter discusses the competitor analysis of the flip kart,

The 4th chapter deals with company analysis.

The 5 the chapter is the most vital one in which research analysis interprets the data collect about the return center of Flipkart.

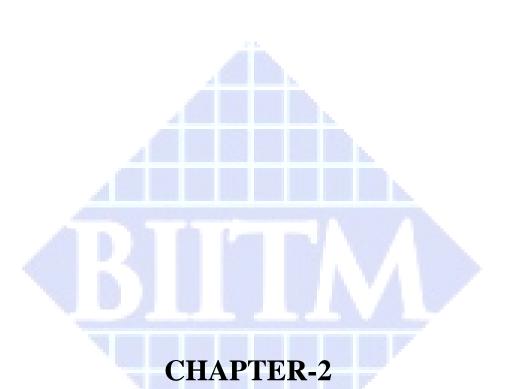
The 6th chapter is the researcher's own precipitins about the system and deals with conclusion and suggestion to make the system more objectives.

LIMITATIONS OF THE STUDY

I have experienced certain difficulties while conducting the study. These limitations of the study are as follows.

- 1. The employees are hesitating to give information about the return center because of Big Billion Days.
- 2. The busy schedule of the executive was also an obstacle in the collection of the required information in time.
- 3. The respondents are not fully disclosing their feelings because of their fear of exposed to the authority or through the researcher to be an outsider.
- 4. The entire study was conducted single handed by the researcher in a stipulated time period. It was not possible to cover a large sample from each department within such a limited time period.

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a. Company profile

b. Industry analysis

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PROFILE OF THE COMPANY



Flipkart is an Indian e-commerce company, the company focused on online book selling before expanding in to other products such as fashion, consumer electronic, groceries, home essentials, and lifestyle products. It has also owned phone pay mobile payments service based on unified payment interface. It was founded in October 2007 by two IIT Delhi graduates.

Flipkart was co-founded by Sachin Bansal and Binny Bansal in Oct 2007. Both are graduates from IIT-Delhi and have prior work experience in Amazon.com They both were solid coders and wanted to open a portal that compared different e-commerce websites, but there were hardly any such sites in India and they decided to give birth to their own e-commerce venture- Flipkart.com

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Flipkart has emerged as one of the best ecommerce marketplaces among the Indian audience. It provides a platform to small and big sellers. To reduce the delivery duration for customers and enhance the order processing for sellers, Fulfilment by Flipkart was introduced. Everything that these centres do right from the point when order is placed to the point where the order is delivered to the customer, this entire process can be termed as fulfilment.

Flipkart has a large number of sellers on its marketplace across India and not all of them had modern practices to ship the orders faster and warehousing practices. So to overcome this, this plan was implemented. Flipkart warehouse or Flipkart Fulfilment Centre is a third-party service by Flipkart which provides services of warehousing and shipping to the sellers. The sellers can store their inventory across fulfilment centres of flipkart and they will take care of the rest. Flipkart has their own logistics – Ekart which delivers the products to customers. Ekart is said to be the biggest logistics partner which delivers across 3800+ zip codes. The ecommerce major began this smart fulfilment solution with three cities in the beginning establishing flipkart warehouse locations – Bangalore, Delhi and Hyderabad. Flipkart warehouse in Hyderabad is said to be the biggest and busiest warehouse. When orders are received, flipkart will pack, ship and deliver the order to the customer.

Thus was born Flipkart in Oct 2007 with an initial investment of 4 lac (co-founders' savings). It was never going to be easy since India has had bad past experiences with e-commerce trading. It was not an easy segment to break into,

people were very particular in paying money for something which they had not seen and received. The trust was missing in the Indian customers. So what Flipkart had to do was to instil trust and faith in their customers. And they did exactly the same, will discuss more on how they did so later in the post. Flipkart began with selling books, since books are easy to procure, target market which reads books is in abundance, books provide more margin, are easy to pack and deliver, do not get damaged in transit and most importantly books are not very expensive, so the amount of money a customer has to spend to try out one's service for one time is very minimal.

Flipkart had a revenue of 4 crore in FY 2008 - 2009, 20 crores in FY 2009 - 2010, 75 crore infeed 2010 - 2011, and the revenue for FY 2011 - 2012 which ends on 31 Mar 2012 is expected to be 500 crores. This is indeed a massive growth. The company targets revenues of 5000crore by 2015.

In beginning, the originators of the 500000 who had spent just a business to set up a website. After Flipkart Ace India has raised funding from venture capital funds. On 23 September 2012, Flipkart MIH (Naspers was part of a group) ICONIQ Principal for \$ 170 million funding announced the completion of the 5th round. The company Tiger Global, Naspers, Accel Partners and current investors including Pacific Capital has raised an additional \$ 330 million announced on 20 June 2013.

Flipkart for sales in Fiscal year 2010-2011 financial year 2009-2010 and Fiscal Year 2008-2009 to 850 million, 260 million, 50 million was reported. In FY 2011-2012, the country's growing internet usage Flipkart 7 billion (US \$ 200 million) aimed at the top is set and people are adapted to making online purchases. Flipkart sells products in more than 10 minutes in 2015 to 50 billion (US \$ 0.81 billion), is aimed at creating income, the public sale to spread 12 billion by the 2014, the normal projected.

In November 2012, a foreign exchange management companies such as Flipkart Act, 1999, to investigate the alleged breach in terms of FDI

291cr in FY 2012-13, recording a loss of Flipkart of \$ 172million in private equity fund from investors.

In the September 2013, it was the contribution of new investors Dragomir Flipkart current investors Tiger Global Venture Group, Morgana Stanley Wealth Organization, Sofian SA and Vulcan Inc. reported that it had raised an extra \$ 172 million.

At the end of June 2014, which is expected at the 2016 US list of Flipkart, was expected to be in talks to increase at least \$ 600 million.

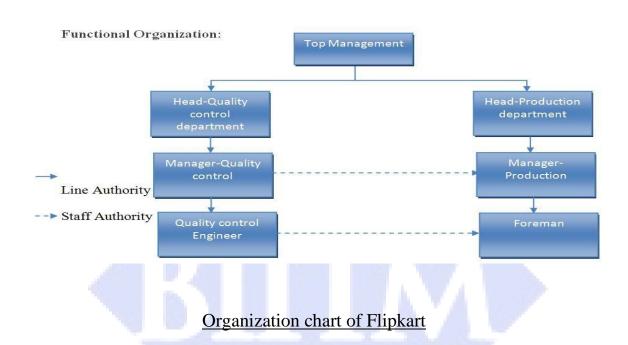
In 1 August 2014, Flipkart Tiger Global Management LLC, Accel Partners and Morgan Stanley Investment Organization and the Singapore independent prosperity fund GIC has increased from \$ 1 billion announced.

"Big Billion Day" in e-commerce is history created by reproachful but loyal customer service to their hard-win reputation grieved its sale of technical problems, and pricing and items availability, disappointed customers of social media are placed angry Comments.

It is 7:55 am selling the discounted price of Rs 6 lakh mobile handsets with a big opening hour, five lakhs and 27,000 sets of textiles and footwear selling them. In November 2014, the amount earned \$ 750 million, Flipkart had a marketplace cap of \$ 12 or Rs.66000 crores.

In December 2014, India's below the long-term planned investments of investors of the number beyond Flipkart raised up by 50 dollars to 700 million funds of 700 million dollars, raising a public limited company to raise with Singapore-based companies, regulatory Accra with filing an application, publicized new depositors involved - Baillie Gifford, Greenbacks Capital, Stead

view Capital T. Rowe ago Le Connections and the Qatar Investment Authority the company's board. Its existing investors, DST Global, GIC, ICONIQ Capital and Tiger Global participated in this latest backing overweight.



BUSINESS ANALYSIS

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Products brands under flipkart:-

There are, 40,000 + products in Flipkart but some of famous brands by flipkart are:-

- Walmart
- Roadster
- Aurelia
- Puma
- Casio
- Safari
- Fastrack
- Peter England
- MI
- Lenovo

- Oneplus
- Real me
- Apple
- Hp
- Asus
- Boat
- Dizo
- Samsung
- Nokia

The concept of "marketing mix" is a tool used by businesses to promote and market their product. It is centred around the elements- product, price, place, and promotion. It thus holistically covers the major marketing strategies surrounding a business under the 4P's.

Product Details:-



- Initially, Flipkart had only one product line: books Later, the company expanded itself into different product segments.
- Now it is selling more than 80 million products of many categories including electronic goods, Literatures & stationery, home appliances, fashion products (clothes, footwear, and accessories), home furnishing

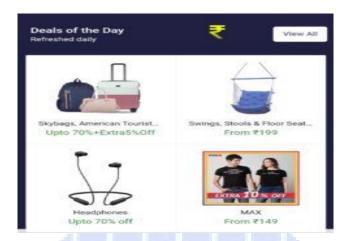
products, grocery, books, sports products, auto accessories and fitness products

- They also offer services of insurance, flight bookings & online payments
- After the Flipkart app, it has launched Flipkart Lite. It opens with a splash screen & combines the rich features of a web app. It has fast and easy navigation. It works on 2G & in offline mode also
- Flipkart launched its product range called "Digi Flip". Under this brand,
 it offers products like computer accessories, camera bags, headphones,
 pen drives, tablet phones and networking routers
- Flipkart has provided a platform for the launch of exclusive phones which are not available offline like MotoGP and Xiaomi Mi3 models
- Flipkart's #SmartBuy also introduced surgical masks and hand sanitisers to fight the shortage in April during the pandemic. The company also united forces with Meru Cabs and uber to deliver essential items to consumers in Mumbai, Delhi and Bengaluru.

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

Price:-



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

• Flipkart charges monthly warehouse, referral, and shipping charges from the seller. These charges depend upon the option chosen by the seller

Place:-



- At first, Flipkart started its operations on the direct-to-consumer model in which they bought the book and couriered it, later the company opened many warehouses to store the goods safely
- The first warehouse was opened in Bangalore and later in Coimbatore, Delhi, Mumbai, Chennai, Hyderabad, Pune, Noida and Kolkata
- Around 80% of the orders placed are handled and controlled by warehouses
- Shipping and courier companies are the real mediators in this setup
- Flipkart delivers its products to customers pan India through an extensive delivery network. Their delivery service covers all tier-1, tier-2, tier-3 cities & major rural areas too

Promotion: -



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

- Flipkart invests in sustainability and CSR to establish a strong social image
- Flipkart introduced a daily trivia quiz. The quiz gives participants a chance to win discount coupons, gifts and Flipkart Super Coins.

Positioning Strategy

"Positioning is not what you do to a product. Positioning is what you do to the mind of the prospect. That is, you position the product in the mind of the prospect." (Rise & Trout, 2001)

Branding Strategy

Flipkart went for a major brand makeover, making it look more 'up market'. There have been large newspaper ads, TVCs and a lot of web ads. But unlike other ecommerce companies the inorganic marketing kicked in only when the product was strong. Flipkart already had a proven model execution with books and extending to other verticals did not need infrastructural changes. Flipkart's real achievement has been in solving the pain points in Indian ecommerce that most well-funded players are still complaining about.

"No Kidding, No Worries"

No Kidding, No Worries, the recent advertising and branding campaign of Flipkart is a unique example of "Trap Them Young". An in-depth analysis of recent advertisement campaign of Flipkart strongly conveys Indian youth's sentiments and their desire. The story board of adverts, features kids in adult situations, like a beauty parlour, a cafe, and an office. The Hinglish language & the happening places is the heart of No Kidding, No Worries advertisement series. The creative director succeeds to keep KOOLNESS of Brand Flipkart.

Flipkart attacks the online fears

Flipkart carefully chooses their way forward. For now, Flipkart seems to be playing their cards right. Flipkart.com has aired three TVCs. Each of the ads attacks a distinct fear in the consumer's mind towards online shopping, and how Flipkart solves that problem.

Fear of wrong product – 30-day replacement guarantee

Fear of giving credit card details online – Cash on Delivery feature

Fear of not getting the original product – Original products with original warrantee

The creatives using kids to break through the clutter, and the consumer worry and the solution offered by Flipkart is clearly communicated. The brand 'Flipkart.com' at the end is also very clear to be missed, which gives the branded breakthrough.

30-day Replacement guarantee

Flipkart.com offers you REPLACEMENT WITHIN 30 DAYS FROM THE DATE OF DELIVERY ON THE product/s ordered on Flipkart.com i.e. if at the time of delivery and/or within 30 days from the date of delivery of the product/s, if any defect is found, then the buyer of the product/s can ask for replacement of the product/s subject to some terms and conditions:

Order cancellation Est 1999

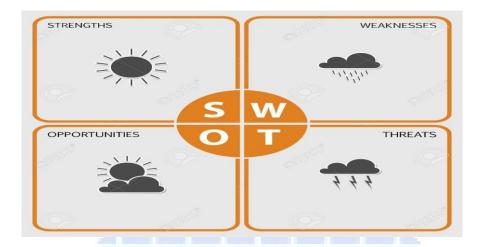
Cancellation of orders of products is permitted before the product gets shipped and the entire payment amount is refundable. But products such e-Gift Vouchers, Wallet Top-Ups, etc are non-refundable.

Free shipping

Flipkart provides free delivery on all items if your total order amount is Rs. 300/- or more. Otherwise Rs. 30/- is charged as delivery charges.

SWOT ANALYSIS OF THE COMPANY

SWOT analysis lists down the Strengths, Weaknesses, Opportunities & Threats of a company – hence the acronym SWOT.



Strength

Flipkart's continuous dominance in online retail and is attributable to numerous internal factors. These refer to the strengths of Flipkart, and here I will be taking you through some of them. Flipkart enjoys an extensive degree of brand recall through online branding, social media and its quirky TV advertisements. Be it those kids acting like adults in those TV ads or the frenzy around 'Big Billion Day'.



Over the years, Flipkart managed to rope in icons like Alia Bhatt, Ranbir Kapoor, Virat Kohli etc to connect with its user segments.

Tag lines like 'Ab Har Wish Hoge Poori' and "India ka Fashion Capital' are trending amongst Indian consumers. Further, Flipkart has entered many strategic partnerships like Eckart, Champak, Lets buy, Walmart etc. This enables Flipkart to bolster their logistics, payment gateways and digital content creation.



High Volume & Range of Products

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

Exclusive tie-ups with popular brands like Lifestyle, Apple, Motorola, and Xiaomi in the past as well as encouraging in-house brands like Citron, Digi flip & Mar etc.

Weakness

Excessive Advertisement Expenses

Flipkart spends as much as 30% of its annual revenues on marketing and advertising, much higher than HUL. Now, that's a steep benchmark! Flipkart relies on heavy discounts, spending crores to attract and retain customers.

And, Flipkart reported a loss of Rs 1950 crores in FY2020 even though revenue grew by 32%.

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



'Flipkart Plus's is nothing more than a simple rewards program for shoppers.

They have failed to build greater impetus around it and branding it for users to spend money to get that 'Plus' subscription.

Lack of Technological Innovation

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

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

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

Rapid Acquisition Spree

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

Given that the company is reportedly posting losses, and competition is heating

up, so siphoning funds on improving user engagement on their platform isn't exactly first priority. This rapid acquisition spree might turn out to be damaging for the finances.

Opportunities

Post-Pandemic Sentiments

Just like COVID has wreaked havoc globally, it also provides great impetus for embracing 'digital'. As more and more consumers are being aware and switching to online consumption of services. It Is a golden opportunity for Flipkart to grab on. They should extend its range of offerings focusing on consumer sentiments and insights.

Market Development

Owing to the thrust towards digital economy and retail, Flipkart should indulge in new market development and extend its services. Flipkart has to be move across borders of India and serve customers from neighbouring geographies like South-East Asian countries. Because these countries have a high demand for online retail.

Entering into joint ventures with local players, Flipkart can look to diversify its revenue from alternate markets.

Delivery Excellence Order returns, refunds, cancelations, redressal of delivery issues, and fake product deliveries etc are issues Flipkart should enhance in their ranks.



Flipkart should try to reduce the delivery times and increase its operational efficiency for tier 2 & 3 cities because rural dwellers are now surging to online shopping.

Secure and Streamline Payments

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

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

Threats

Threat of Intense Rivalry

There is no dearth of competitors in the online retail space. Be it international players like Amazon, eBay, and Alibaba or local ones like Shop clues, Snapdeal, and Paytm etc.

Presence of so many rivals selling similar products immensely reduces revenues.

Two top firms in Amazon & Flipkart are locked in a battle of burning cash, offering festive sales, and ambitious money infusions from investors. Because they both want to conquer the Indian online retail market and oust the other.



Buyer Power & Switching

The online retail market is saturated with Snapdeal, Paytm, eBay, Myntra Reliance Digital, and Nika etc.

Stringent Government Regulations

It is hard to sustain losses and keep doing business if the government regulations keep hindering the business. Indian government also exercises strict control and monitoring of FDI and funds from foreign investors into Indian firms. This led to many legal issues and operational problems for Flipkart (now owned by US-based Walmart). Also, in wake of Indo-China tensions, proliferation of fake goods on online retail sites has been met with stringent measures.

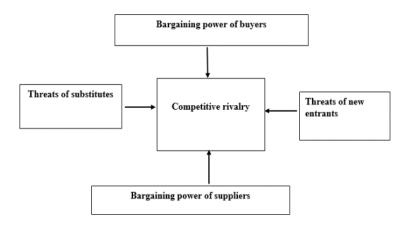
INDUSTRY ANALYSIS

PORTER MODEL ANALYSIS OF FLIPKART

Porter Five (5) Forces Model was proposed by Michael E. Porter in 1979. The purpose was to assess and evaluate the competitive positioning and strengths of business organisations. The model has three horizontal competitive forces (Threat of Substitute) e Products or services, the threat of new entrants and rivalry among existing firms) and two vertical forces (Bargaining power of buyers and bargaining power of suppliers).

These forces shape the competition within any industry. The overall industry competitiveness declines when these forces reduce profitability. Porter found SWOT analysis lacking in rigour. Many new companies use the Porter Five (5) Forces Model to decide whether it is profitable to enter in a particular industry.

Here is the pictorial presentation of the Porter Five (5) Forces Model:



Flipkart com Porter Five (5) Forces Analysis

Threats 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.

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.

ORDER FOR STORES

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.

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 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

PESTLE ANALYSIS OF FLIPKART

POLITICAL

- Government of India (GOI) to boost rural economy and promote Digital India.
- 2. GST, 'The Game Changer'

ECONOMIC

- 1. Tightening FDI norms.
- 2. 100% FDI in food retail.
- **3.** Removal of distinctions in different types of overseas investment.

SOCIAL

- **1.** Rise in number of online customers.
- **2.** Empowering youth through employment.

LEGAL

1. Unethical commercial practices.

TECHNOLOGICAL

1. Implementation of data analysis and cloud.

ENVIRONMENT

1. Promotion of green environment.

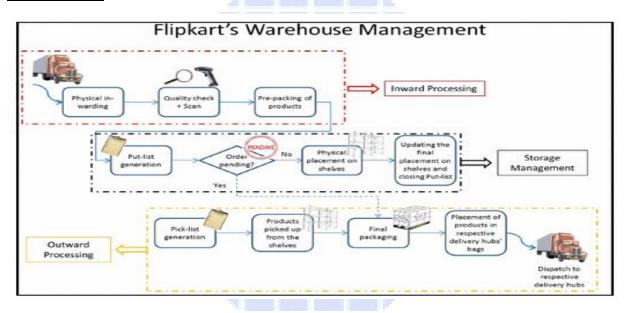




AMAZON VS FLIPKART



FLIPKART



The returns for Flipkart are 2.6%. If 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 processes by the courier company. Such orders are 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 a 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 of items could be for:

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.

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".

Regional: By Regional Procurement Teams 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.

Return Centre is "the process of planning, implementing, and controlling the efficient, cost-effective flow of raw materials, in-process inventory, finished goods and related information from the point of consumption to the point of origin for the purpose of recapturing value or proper disposal."

Stages in the Product Returns Process

The product returns process occurs when a consumer has returned an item to a store or has sent it back to a catalogue or an internet company. The process typically comprises 5 steps:

Receive - Sort and stage - Process- Analyse- Support

Receive: The process begins by providing a returns acknowledgement to the consumer. Also many researchers argue that, right at this stage only, the company must make critical decisions about getting value from the returned item – Whether it will be refurbished/reworked or sold as scrap, whether it will be resold to consumers etc.

Sort and Stage: A company must sort the returned products effectively to ship it out to the concerned department (Reworks/Scrap etc). It can employ labelling

cartons and sub-sorting processes to identify the returned goods throughout the Product returns process.

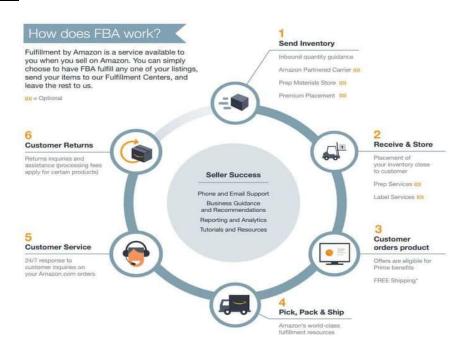
Process: In the third stage, Items move from the sort-and-stage area to the processing

station(s). At these stations, the items can be processed in order of their receipt, according to the type of product, by customer type or location, by physical size of the items or some other combination. It is also at this stage that the paperwork received along with the returned product is verified with the electronic records of the company.

Analyse: Analysis of the returned item simply means making a disposition decision to determine the fate of that item and thereby chalking out a remarketing strategy if the item is being resold for instance.

Support: At the final stage, the focus remains at speedy processing of returns that will reduce the amount of cash tied up in returns inventory, thereby increasing the profitability of the process.

AMAZON



Amazon Logistics is a shipping and delivery service meant to complement existing providers like UPS, USPS and FedEx. It offers 7-day and same-day delivery options, and it utilizes a host of third-party logistics partners across the country to make it happen – including walkers, bicyclists and motorcyclists in some areas.





CUSTOMER TARGET TRICK USED BY FLIPKART



Easy Interface



Flipkart has a very easy and accessible interface so even child can operate it and buy the products which is one of the essential marketing strategies of Flipkart because it's so obvious that customer would never come back if he/she finds so many steps and procedure for buying any utility.

More payment methods



Many online Valuable companies or services like Netflix, Amazon prime accept payment by digital method or by credit/debit card, and in Indian, so many people both in urban and rural do not have access to these payment methods and they can make a purchase only in cash. Here, Flipkart Makes a move by providing cash on delivery service and by which more persons can make purchases from Flipkart. It is one of the best marketing strategies for growing consumers.

EMI Facility



Flipkart provides EMI facilities to price-sensitive customers and middle-class families who hesitate to make a big purchase like smartphones, LED TVs, Home appliances, and many more. By availing of the EMI facility, they almost convince the customer to make the purchase and it also builds trust for future prospects.

Offering Gift Vouchers /Coupons



When Customer makes a big purchase then Flipkart gives them free gift vouchers and coupons which benefits the customer in future purchases. You may be thinking that it is a loss for Flipkart so, yes, I agree that it is like a loss for Flipkart but in the future, it would definitely make a remarkable profit for Flipkart because these gifts vouchers and coupons increasing the engagement of customers with companies.

Discount facility



The discount facility is also one of the great marketing strategies for growing the consumer base. By providing some discount to customers, you can certainly make them your permanent customers because everyone likes to discount no matter rich or poor. In the initial years, If the company bears a discount, then in the future, they definitely will be the top player in the market and by following this marketing strategy Flipkart also has become the top player in the online market.

Distribution system



Flipkart has more than 20 warehouses in India where it can store products after getting from the retailer and easily transfer products to the customer. Flipkart also has mother hubs for packing, branding, sorting, and for other things. Choosing a good and effective distribution system and chain is the essential marketing strategy.

Targeting Audience



Flipkart works on human behaviour. In other words, Flipkart gets an idea of the taste and preference of customer by his/her previous purchases or by his scrolling time on the website. For an instance, If a customer purchased some kind of mobile accessories and gadgets in the past so it will be most likely that he /she also interested in the latest smartphones and electronic gadgets. By this strategy, Flipkart is dealing in 80 product categories from lifestyle to fitness and from academic books to furniture.

Product replacement facility



Flipkart also provides a product replacement facility if a customer got defective product or wrong product and credit entire money to the customer's bank account within 2 to 3 days and this strategy is also one of the important strategies if you want to stay in the market for a long run and it also builds customer's trust. I

Creative advertisements

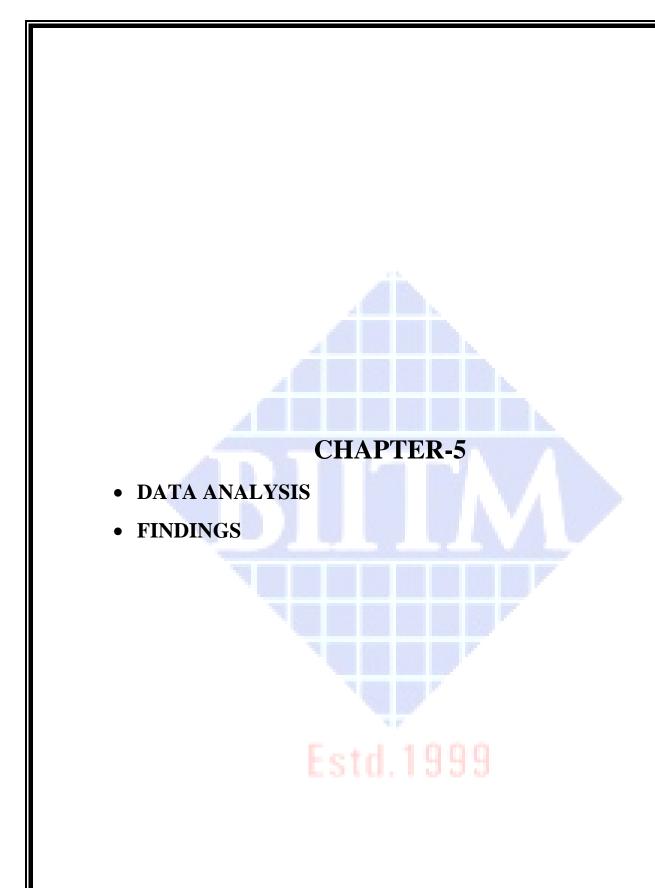


Flipkart is now doing creative advertisements for expansion like they use child actors who imitate like adults and behave like full grown-up man/woman and these unique ads definitely catch the attention of viewers and remind them or aware them of Flipkart. It is one of the unique strategies of marketing which never done other companies like Flipkart is doing.

E-Wallet Facility

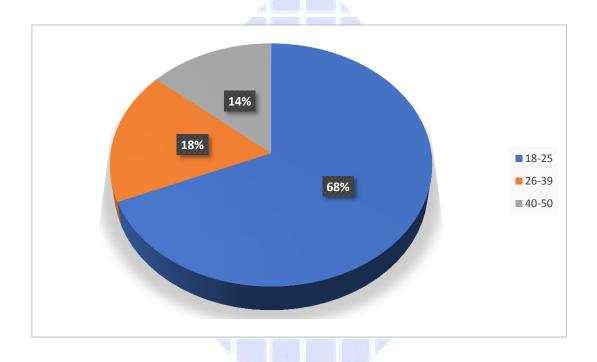


Flipkart also provides an E-Wallet facility to its users by which they can make many payments easily like paying an electricity bill, water bill, taxes, booking tickets of trains, flights, movies and events, recharge phone and etc. It is also a good move by Flipkart.



I. <u>AGE:-</u>

| AGE | FREQUENCY | TOTAL |
|-------|-----------|-------|
| 18-25 | 35 | 68 |
| 26-39 | 9 | 18 |
| 40-50 | 7 | 14 |
| TOTAL | 50 | 100 |

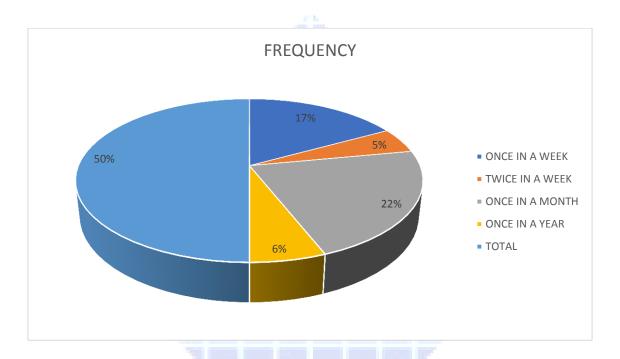


INTERPRETATION:-

It is found that 68% customers are in between 18-25 are grouped, 18% customers are in 26-39 age group and 14% customers are in 40-50 age group.

II. How often people shop from Flipkart?

| DURATION | FREQUENCY | PERCENTAGE |
|-----------------|-----------|------------|
| ONCE IN A WEEK | 17 | 34 |
| TWICE IN A WEEK | 5 | 10 |
| ONCE IN A MONTH | 22 | 44 |
| ONCE IN A YEAR | 6 | 12 |
| TOTAL | 50 | 100 |



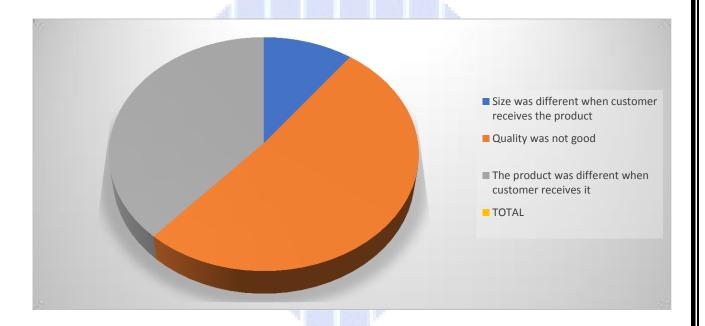
INTERPRETATION:-

It is found that 34% shops once in week, 10% twice in a week, 44% once in a month, 12% once in a year

ESTO. 1999

III. Why customer return the product?

| COMMENTS | FREQUENCY | PERCENTAGE |
|---|-----------|------------|
| The color of the product is different from the look-off | 11 | 22 |
| Size was different when customer receives the product | 4 | 8 |
| Quality was not good | 20 | 40 |
| The product was different when customer receives it | 15 | 30 |
| TOTAL | 50 | 100 |

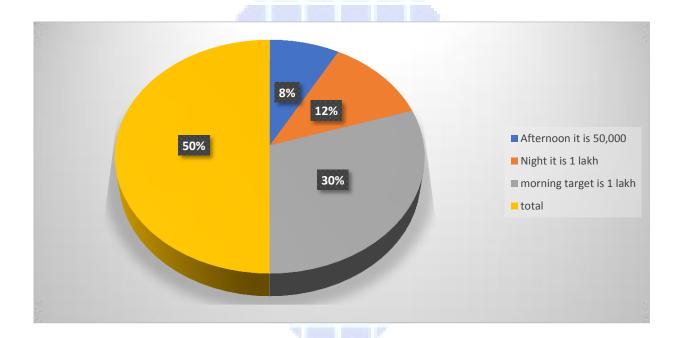


INTERPRETATION:-

It shows that 11% of the pie shows the color of the product is different from the look-off 4% of the product Size was different when customer receives the product 20% was the quality and 15% The product was different when customer receives it

IV. Target achieved in return center in One day.

| Target | Frequency | Percentage |
|--------------------------|-----------|------------|
| Morning target is 1 lakh | 25 | 60 |
| Afternoon it is 50,000 | 8 | 18 |
| Night it is 1 lakh | 12 | 22 |
| Total | 50 | 100 |

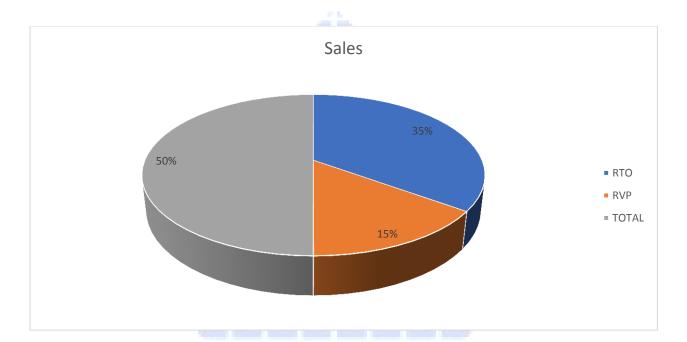


INTERPRETATION:-

The pie chart shows that 60% target is fulfilled in the morning, 18% in the afternoon and 22% in the night.

V. Number of Rvp and RTO products in the center.

| NUMBER OF PRODUCTS | FREQUENCY | PERCENTAGE |
|--------------------|-----------|------------|
| RTO Products | 35 | 75 |
| RVP products | 15 | 25 |
| Total | 50 | 100 |



INTERPRETATION:-

VI. 35% is the RTO product and 15% is RVP product.

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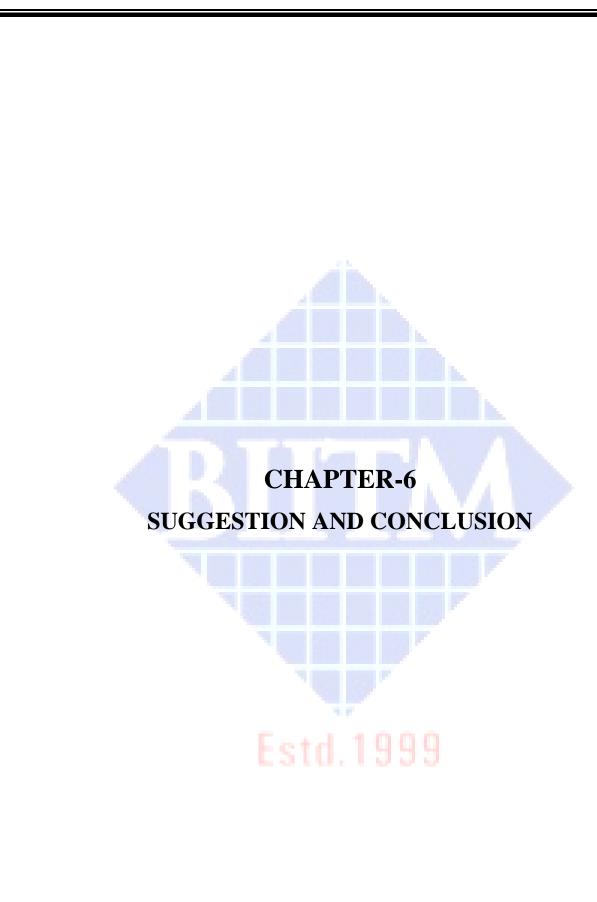
FINDINGS:-





- ➤ Lack of coordination between team leader and managers.
- > To provide stipend more to the interns for motivation as the work pressure is more in the big billion days.
- ➤ Must provide a specific training about RC.
- ➤ More employees should be appointed.

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SUGGESTION

Based on the findings of the study, I'd like to suggest to the company a few things that I believe would benefit the company in the future if they worked on them.

- ✓ The authorities preserve a minimal stipend as a motivator for all interns.
- ✓ Company should hire more interns from different locations to spread the company's goodwill more.
- ✓ Company should provide proper training to the trainees as it become difficult for many interns to explain about flipkart. Due to the insufficient knowledge about the services, interns are not able to solve the issues faced during process of Return centre.
- ✓ In order to obtain more productivity of the company the employers must built a good relationship with the employees.
- ✓ The Flipkart employees need to build mutual bonds with the worker, so that they can get high profit and can easily achieved their target.
- ✓ They must provide a basic training to the intern as they directly suggest them to start work.
- ✓ Quick convey ought to be made.

CONCLUSION

Flipkart has emerged as one of the best ecommerce marketplaces among the Indian audience. It provides a platform to small and big sellers. To reduce the delivery duration for customers and enhance the order processing for sellers, Fulfilment by Flipkart was introduced. Everything that these centres do right from the point when order is placed to the point where the order is delivered to the customer, this entire process can be termed as fulfilment Company's environment is impacted by macro environment, such as: Economic, political, technological, cultural, demographic and natural. Secondly, Indian market is defined base on customers, competitors and demographics.

Based on my understanding I conclude that, Return centre is the backbone of Flipkart, so the overall process shows the total process of flipkart return centre. Starting from Receiving to Inventory.

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- The management of marketing costs. Division of research, Graduate school of business administration, Biela A (1948).

www.youtube.com

www.facebook.com/flipkart

www.flipkart.com

Newspaper Referred:

- The Financial Express
- Times of India

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ANNEXURE

I Ms. SHUVECHHA PATTANAIK a student of MBA under BIJU PATNAIK **INSTITUTE** OF INFORMATRION TECHNOLOGY AND MANAGEMENT STUDIES conducting the project work for my partial fulfillment of the degree. Kindly Cooperate with me for filling questionnaire.

- Name
- Age
- Address
- Phone Number
- How often you shop from Flipkart?
 - Once in a week
 - b. Twice in a week
 - c. Once in a month
 - d. Once in a year
- How would you rate the quality of product?
 - a. Excellent
 - b. Good
 - c. Average
 - d. Poor
- Do you know who our competitor is? a. Yes 510.1999

 - b. No
- Which of the following brands from Flipkart you often buy?
 - a. Spunk
 - b. Peter England
 - c. Etc.
- Are you a loyal customer for the Flipkart?
- What makes you prefer Flipkart rather than its competitor?

