

CASE STUDY ON FLIPKART

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ABSTRACT

Innovation brings with itself a new set of challenges. The E-Retailing form of market was fairly something unheard of to the Indian consumer in 2007. Flipkart which has carved a niche for itself in terms of market share, goodwill and popularity in the online market to the extent that retailers are coming under threat because of its discounts and smooth operations. The ascent of Flipkart to capture the online market in India in just four years, the strategies implemented by it to create online business, its ability to stand out among numerous E-Retail sites. This case study aims to understand the marketing strategy, brand awareness, SWOT analysis, functioning of Flipkart. It aims to predict the future roadmap and also aims to find significant threats to Flipkart in the near future.

INTRODUCTION

Flipkart an e-Commerce company founded in the year 2007, by Mr. Sachin Bansal and Binny Bansal both alumni of the Indian Institute of Technology, Delhi. They had been working for Amazon.com previously. It operates exclusively in India, where it is headquartered in Bangalore, Karnataka. It is registered in Singapore, and owned by a Singapore based holding company. Started with an initial capital of four lakhs it now aims for annual turnover of around Rs.4500 crores. Flipkart has launched its own product range under the name “DigiFlip”, Flipkart also recently launched its own range of personal healthcare and home appliances under the brand “Citron”. During its initial years, Flipkart focused only on books, and soon as it expanded, it started offering other products like electronic goods, air conditioners, air coolers, stationery supplies and life style products and e-books.

HISTORY AND GROWTH OF FLIPKART

Flipkart is not an Indian company since it is registered in Singapore and majority of its shareholders are foreigners. Because foreign companies are not allowed to do multi-brand e-retailing in India, Flipkart sells goods in India through a company called WS Retail. Other third-party sellers or companies can also sell goods through the Flipkart platform. Flipkart now employs more than 15000 people. Flipkart allows payment methods such as cash on delivery, credit or debit card transactions, net banking, e-gift voucher and card swipe on delivery.

Flipkart is presently one of the largest online retailers in India, present across more than 14 product categories & with a reach in around 150 cities. Flipkart is currently a 10,000 member strong team, with 3000 sellers on its platform and delivering 5 million shipments per month. Flipkart's 'Big Billion Day' sale helped the company to achieve record single day sales of Rs. 600 Crores on Monday. It made its presence felt in online retailing by offering path breaking services like Cash on Delivery (COD), 30 Day replacement Guarantee, EMI options, Flipkart mobile app, etc.

OBJECTIVES

1. The main objective is not just those who shop online. They want to highlight the convenience of e-commerce to traditional offline shoppers and thus help grow the market.
2. Their main aim is diversity products portfolio into home appliances, electronics, etc
3. The main target is stronger supply chain and aggressive acquisitions.
4. The main target in 2020 is entering global market.

RESEARCH METHODOLOGY

Secondary data which have already been collected and analyzed by researchers. In this Case study information are taken from various sources like journals, newspapers, internet, books, etc.

MARKETING STRATEGY

Flipkart as been mostly marketed by word of mouth. Customer satisfaction has been their best market medium. Flipkart very wisely used SEO (Search Engine Optimization) & Google Ad-words as the marketing tools to have a far reach in the online world. All in all to create a great customer experience. Kids were used to create the adverts to send out the message -if a kid can do it, we can also do it.

BRAND AWARENESS

Brand Awareness are key success factor in the market. Flipkart is the industry leading with 80% market share having a very high Brand Awareness and lowest price.

BRAND LOYALTY

Excellent user experience on the e-commerce website in term of usability speed clarity will enhance the loyalty of existing customer and move a step a head of brand awareness towards customer retention.

Strength Weakness Opportunity Threat (SWOT) Analysis

SWOT	HELPFUL	HARMFUL
INTERNAL FACTORS	Strengths : Brand Supply Chain Management Quick Turn around Time Advertisements and Promotion Strategic Acquisitions Huge Product Portfolio Network Reach	Weakness : Delivery Internet Penetrations Payment gateways Higher costs High level of competitions
EXTERNAL FACTORS	Opportunities: Rural market Growth in E-book culture Broad band Penetrations Mobile apps	Threats: Growth of International players Customer loyalty New Players such as Amazon,Homeshop18, E-bay

FLIPKART'S SUCCESS MANTRA

1. Flipkart users are most satisfied than that of their competitors great customer service has been its hallmark. The user interface is sleek and easy to use.
2. Cash on delivery creates trust in the mind of Indian customers who are always have feared of making payments online. Flip kart focuses on providing the relevant information possible into every single page.

FUTURE ROAD MAP

Everything except for groceries and automobiles will be available on flip kart in future. They will look at bigger investments in their supply chain. To enter into various new categories and expand the categories also.

CONCLUSION

Every time they require to update their Internal Structure Systems and Innovative Management System with sound database to provide end-to-end connectivity across all the different processes to reach out its suppliers, partners and customers effectively.

Online retail industry in India pegged to reach \$1.5 billion 2015 so suggest that e-commerce is just hotting up in India. We may soon see many more internet companies achieving similar success.

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