

## A COMPARATIVE STUDY OF TWO MAIN E-RETAIL PLATFORMS I.E. AMAZON AND FLIP KART

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### **Abstract:**

*The retail sector in India has seen a tremendous growth in the past few years. There is a change in the mindsets of the consumers. They are moving from the conventional traditional stores to the new online stores for shopping. More and more use of smart phones is also one of the reasons for rise in e-retailing. The objective of this paper is to understand the current scenario of the e-tailing in India and understand the strategies of two big e-tailers i.e. Flipkart and Amazon. The present study uses the secondary sources of data such as journal papers, newspaper articles and websites.*

**Keywords:** *E-retailing, Flipkart, Amazon, E-commerce, E-tailing*

### **Introduction:**

Indian e-tailing industry is on the growth route. Globally, in internet user terms, India occupied third rank (Kalia, 2016). E-commerce is trading in goods and services via electronic means. The major forms of e-commerce are Business-to-Business, Business-to-Consumer, Consumer-to-Consumer and Consumer-to-Business. The Consumers can now accessed transactions through smart phones and tablets. Indian e-commerce industry is still in the booming phase and is expected to flourish in the coming times Amazon is a multinational technology company established by Jeff Bezos (1994) in Seattle, Washington. It was mainly an online bookselling company but in due course ventured into a lot of new products and services in different areas. Flipkart is a Singaporean e-commerce company established by Sachin Bansal and Binny Bansal (2007) in Bangalore, Karnataka. Flipkart also in its initial days stated as an online bookselling company but in due course ventured into several other products and services to cater to the needs of the users.

Amazon and Flipkart are the two biggest e-commerce websites in India. Amazon operates in almost all the major countries in the world. Flipkart is an Indian company and sells only in India. Amazon is the top e-commerce company in the world also called as the king of e-commerce industry. Similarly Flipkart has also established itself very well in recent years, and became the top e-commerce website in India. In 2013 Amazon has entered in India and now growing very speedily in terms of popularity and service.

### **Objectives:**

- To get insights about the present scenario of the e-tailing industry
- To compare the two main E-retail platforms i.e. Amazon and Flipkart

- To understand the strategies used by Amazon and Flipkart

### A Comparison Table of Amazon and Flipkart:

| Parameters               | Amazon   | Flipkart                                    |
|--------------------------|--|---|
| Founder                  | Jeff Bezos   | Sachin Bansal and Binny Bansal              |
| Founding Year            | 1994   | 2007  |
| Head Quarters            | Seattle, Washington, USA   | Karnataka, Bangalore, India                 |
| Distinctiveness          | All over the World   | Only in India                               |
| Type of Company          | Public Listed  | Private Listed                              |
| Subscription Type        | Amazon Prime   | Flipkart Plus                               |
| 1. Products and services | <u>Electronics, Video Games, Apparel, Food, Furniture, Toys, Software as well as Jewelry</u> | Electronics, Lifestyle and Fashion Products |

### Strategies followed by Amazon and Flipkart:

#### 1. Collection of Products

Both of these e-commerce websites provide a diverse range of products, including electronics, computers, apparel, sports, health, and cosmetics, as well as books and tools. Their range and variety of items are suitable for every category. The users get the benefit to select from a diverse selection of possibilities. Thus, Amazon and Flipkart are very close in product collections.

#### 2. User Interface

Both sites have almost the same front-end user interfaces. But the user experience on Flipkart when checking out, ordering, and making payment is far simpler than on Amazon. At the same time Amazon site is more clear, practical, quicker and user friendly. This improves the customer experience.

#### 3. Delivery & shipping

For delivery and shipping both Amazon and Flipkart have their own courier services. Amazon utilizes ATS (Amazon Transportation Services) and Flipkart uses Ekart as its delivery service. The courier service used by these e-commerce businesses is good in terms of quality and reliability.

#### 4. Customer care

With respect to customer service, Amazon has upper hand over Flipkart. There is quick response to the calls and Customer care department at Amazon try to resolve the issues as quickly as possible. On the other hand, at Flipkart there are several complaints regarding its customer support representatives, and they try to avoid resolving the difficulties.

#### 5. Payment Methods

There are variety of options like Internet Banking, Gift Cards, Cash on Delivery, Wallet, credit/debit card payments etc. for accepting payments by both Amazon and Flipkart. To get easy access to credit for online shopping, Flipkart offers a credit borrowing option called Flipkart Pay Later, and Amazon offers Amazon Pay EMI.

## 6. Value Added Services

The online subscriptions such as Amazon Prime and Flipkart Plus have attracted the people as the internet's reach grows at a rapid pace. Both Flipkart and Amazon now offer their customers subscription models, charging a yearly fee for accessing additional services. Certain products on Amazon are offered as Gifts along with a gift note. However, it is not available on Flipkart.

## 7. Courier & Shipping

Both Amazon.in and Flipkart possess their courier services for delivering their products. Flipkart has E-Kart as their courier service and Amazon has ATS (Amazon Transportation Services). The quality and consistency of courier service for both these e-commerce websites are nearly the same.

## 8. Price and Discount

Prices on both, Amazon.in and Flipkart website, changes from time to time. Amazon.in prices are much more competitive than Flipkart. During festival season or on some special occasion, both offer discounts on their products time to time.

## 9. Returns

Both Amazon.in and Flipkart sites accept returns. They have their own return policy. The returns in Amazon.in are more elastic as compared to Flipkart.

## Conclusion:

With the digital revolution at its speed e-commerce has gained quite popularity over the years. It has created a lot of new opportunities for their customers by giving more options to choose according to their preferences. Two such successful online platforms are Amazon and Flipkart. These two companies are a strong competitor of each other with both the companies trying to equivalent each other's pace and continuously introduce new projects in the market stating their growth. These platforms help connect the producers and the consumers, which is an economic growth booster.

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