

A COMPARATIVE STUDY OF SERVICE QUALITY BETWEEN FLIPKART AND AMAZON: INFLUENCE OF YOUTH'S ON E-BUSINESS PRACTICES

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Abstract: E-commerce is involved in making customer to purchase products and services online. It also gives a platform to seller for selling their products and services online. The internet literacy among youth has been drastically developing over a period of time. This paper examines comparative study between major e-commerce player those are Flipkart and Amazon. Today's youths are educated about e-commerce site and flexibility in online transaction and has become day-to-day life transactions. There are many distinguished features of online shopping website with their quality of service and customer satisfaction. The primary data has been conducted with structured questionnaire of 100 samples and chi-square has been applied to infer the meaningful insights. This paper helps to understand different strategy adopted by Amazon and Flipkart to capitalize consumer there by increase their profits.

Index Terms- Amazon, Flipkart, E-commerce, online shopping, Service quality

I. INTRODUCTION

Today, Internet is ever changing the way consumers will shop online. Many companies have started to use effective use of internet to facilitate services and to conduct satisfaction of survey with customers. E-commerce offers different products and services through websites. A customer can shop products and services online through using different payment options such as internet banking, credit card, debit card etc. An e-commerce opens up to the global market to the customer. E-commerce is 24x7 available to the customer and also can shop almost from any place at any time.

E-commerce has grown rapidly and changed significantly over the years, as such there is plenty for buyers, investors and entrepreneurs to be mindful of. Understanding different fulfilment models, as well as the pros and cons of different platforms, is critical when evaluating potential e-commerce businesses for sale.

Introduction to Flipkart

Flipkart is an electronic commerce company headquartered in Bangalore, Karnataka. Flipkart was founded in 2007 by Sachin Bansal and Binny Bansal, both alumni of the Indian Institute of Technology Delhi. They worked for Amazon.com, and left to create their new company incorporated in October 2007 as Flipkart Online Services Pvt. Ltd. The first product they sold was the book *Leaving Microsoft to Change the World* to a customer from Hyderabad.

Achievements in E- Commerce: In September 2015, sachin bansal and binny bansal entered forbes India rich list debuting at the 86th position with a net worth of \$1.3 billion each. Co-founder of Flipkart, sachin bansal, got entrepreneur of the year award 2012-2013 from economic times, leading Indian economic daily. Flipkart.com was awarded Young Turk of the year at cnbc tv 18's 'India business leader awards 2012' (ibla). Flipkart.com- got nominated for India mart leaders of tomorrow awards 2011

Introduction to Amazon: The International giant e-commerce retailer recently stepped into India with an Indian version site www.amazon.in, since the launch, amazon.in has seen a nice growth in the number of customers. Amazon.com too had a huge number of Indian customers even before it launched store in India. The store hosts wide range of products like Electronics, Mobiles, Laptops, Books, Fashion, Jewellery, Kitchenware and more.

Achievements in E- Commerce: On the mobile app side, Amazon had the fastest growing app download rate in 2015. In October alone, downloads increased 200 per cent. Amazon web traffic was the highest in October as per comscore data, at 30 million visitors. Amazon active customers have gone up 230 per cent year on year. The awards were conferred at e-tailing India's flagship conference and exhibition 2014, an event that brought together major stakeholders in the retail and e-commerce business in the country. The "path-breaking debut of the year" award went to Amazon.in.

II. LITERATURE REVIEW

Prasad and Aryasri (2009) have explored the determinants of shopping behaviour such as convenience, customer service, trust, web store environment and web shopping enjoyment and examine the effect of these factors towards online buying behaviour.

Wells et al. (2011) in his study entitled — online impulse buying: understanding the interplay between consumer impulsiveness and website quality focused on the direct relationships between the website and online impulse buying. The study found and proposed the model considered the direct influence of website quality on the urge to buy impulsively.

Kanwal Gurleen (2012) “Customers satisfaction towards Online shopping”, discussed that different options in internet encouraged people to search and eventually purchase online, because there are more than 100 million internet users in India. People those who are using internet from 5 to 7 hours a day were found to be adopter of online shopping. Price consciousness, convenience and variety, easy payment options and challenges of online shopping are the factors found to be a significant in online shopping.

Adrita Goswami et.al (2013) studied “Customer Satisfaction towards Online Shopping with Special Reference to Teenage Group of Jorhat Town” study concludes that online customers are satisfied in the aspects such as Price, Quality of products, Ease of use in mobile platform and Timely Delivery at remote areas. This research explicitly indicates that online marketer should give more importance on price factor and after sale factor

Dhevika V.P.T, Latasri O.T.V, S Karmugil (2014) in their paper “Factors Affecting Online shopping of Customers” revealed that the most important factor influencing online shopping is- security, followed by – trust worthy shopping and – website design/features and the least important factor influencing is – bargaining shopping, there is no significant association between security and website design/features of the respondents and their overall online buying behavior.

Mohana Priya S and Anusuya D (2014) “A Study on Customer Preferences and Satisfaction towards selected online websites with special reference to Coimbatore city” stated that online shopping has grown in popularity over the years mainly because people find it convenient from the comfort of their home or office. Most of the customers are satisfied by online shopping, but the only hinder is that they are not fully secured. Government has to improve security laws related to online websites so that the online customers feel secured in case of debit card, credit card or online payments.

Ashish Pant (2014) “An Online Shopping Change the Traditional Path of Consumer Purchasing” concluded in his research article that a successful web store is not the just a good looking website with the dynamic technical features but is also emphasis on building the relationship with customers with making money. The success of any e-tailer company in India is depending upon its popularity, its branding image, its unique & fair policies, and its customer relations etc.

Saravanan S and Brindha Devi K (2015) “A Study on Online Buying behavior with special reference to Coimbatore city” focused on online shoppers’ preferences and problems on various online shopping marketers. Higher computer literacy makes internet shopping smarter. Their awareness about the internet also makes them better positioned to identify and take decision for products and services

Francis Sudhakar K, Habeeb Syed (2016) “A Comparative study between Flipkart and Amazon India”, conducted a study to critically examine various corporate and business level strategies of two big etailers and those are Flipkart and Amazon. Comparison have been done considering e-commerce challenges, their business model, funding, revenue generation, growth, survival strategies, Shoppers’ online shopping experience, value added differentiation, and product offerings. Both these big players made their own mark in India. The survey ended with Amazon as the winner, which satisfied the customer in all the aspects.

III. RESEARCH OBJECTIVES

1. To study the various aspects and distinguishing features of online shopping websites flipkart.com and amazon.com
2. To study the quality of service offered by these online shopping websites.
3. To study the customer satisfaction while buying the products online.

IV. RESEARCH METHODOLOGY

In this research, primary data has been conducted through structured questionnaire directly into filed. The simple random technique has also been adopted. Sample size were 100 respondents from Davangere youths. The data has been collected to those users of amazon and Flipkart. The respondents using e-commerce site for purpose of shopping products and services. The scope of the present study is to analyze the current status of e-commerce company Flipkart and amazon in Indian market.

V. DATA ANALYSIS AND INTERPRETATION

- **Null Hypothesis (H₀):** There is no significant relationship between Gender and Frequency of shopping online
- **Alternate Hypothesis (H₁):** There is a significant relationship Gender and Frequency of shopping online
- **Null Hypothesis (H₀):** There is no significant relationship between Frequency of shopping online and features about Flipkart
- **Alternate Hypothesis (H₂):** There is a significant relationship Frequency of shopping online and features about Flipkart

Table 1: Gender and Frequency of shopping online

Gender * Frequency of shopping online Crosstabulation

Count		Frequency of shopping online				Total
		More than once in a month	Once in 1-2 Months	Once in 3-6 months	More than 6 months	
Gender	Male	8	17	27	9	61
	Female	3	11	10	15	39
Total		11	28	37	24	100

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.438 ^a	3	.038
Likelihood Ratio	8.402	3	.038
Linear-by-Linear Association	3.090	1	.079
N of Valid Cases	100		

a. 1 cells (12.5%) have expected count less than 5. The minimum expected count is 4.29.

A Chi-square test was performed and relationship was found between Gender and Frequency of shopping online, $X^2(3, N = 100) = 8.438, p = 0.38$. Therefore, as the P-value (0.38) is greater than the significance level (0.05), accept the null hypothesis.

It is observed that 27% male respondents will frequently shop online and 10% female respondents will frequently shop online in once in 3-6 months. Out of the total respondents 37% of respondents will are frequently shop online.

Table 2: Frequency of shopping online and features about Flipkart

Frequency of shopping online * Features about flipkart Crosstabulation

Count		Features about flipkart									Total	
		Discounts	1,2,3,6	1,3	1,5	Customer Service	2,3,4,6	Delivery Time	Cash on Delivery	Exchange Offer		Packaging
Frequency of shopping online	More than once in a month	7	0	0	0	3	0	0	0	1	0	11
	Once in 1-2 Months	7	0	0	0	5	0	8	3	2	3	28
	Once in 3-6 months	5	0	0	0	3	1	7	13	7	1	37
	More than 6 months	1	1	1	1	7	0	6	3	3	1	24
Total		20	1	1	1	18	1	21	19	13	5	100

Chi-Square Tests

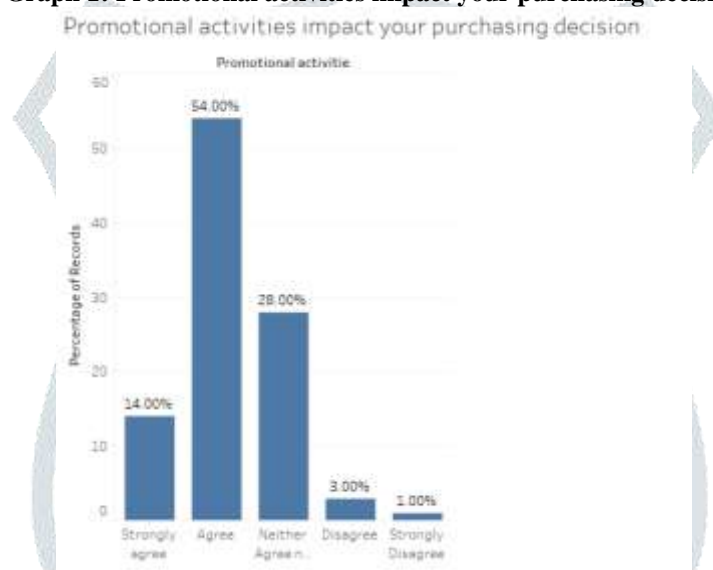
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	46.723 ^a	27	.011
Likelihood Ratio	47.684	27	.008
N of Valid Cases	100		

a. 31 cells (77.5%) have expected count less than 5. The minimum expected count is .11.

A Chi-square test was performed and relationship was found between Gender and Frequency of shopping online, $X^2 (27, N = 100) = 46.723, p = 0.11$. Therefore, as the P-value (0.11) is greater than the significance level (0.05), accept the null hypothesis.

It is observed that 21% respondents will frequently shop online in Flipkart for delivery time and 20% respondents shop in Flipkart for discounts. 37% respondents will shop online once in 3-6 months and 28% respondents will shop once in 1-2 months.

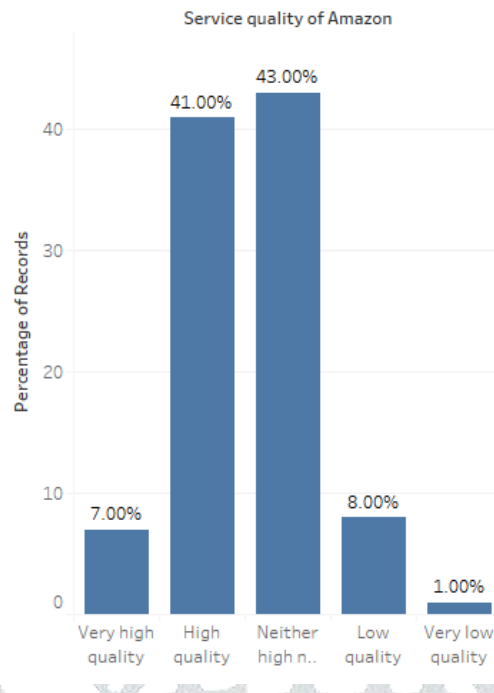
Graph 1: Promotional activities impact your purchasing decision



Out of the total respondents, 54% of the respondents are agree that promotional activities impact purchasing decision and 28% of the respondents are neither agree nor disagree that promotional activities impact purchasing decision. 14% of the respondents are strongly agree that promotional activities will impact on purchasing decision.

Graph 2: Service quality of Amazon

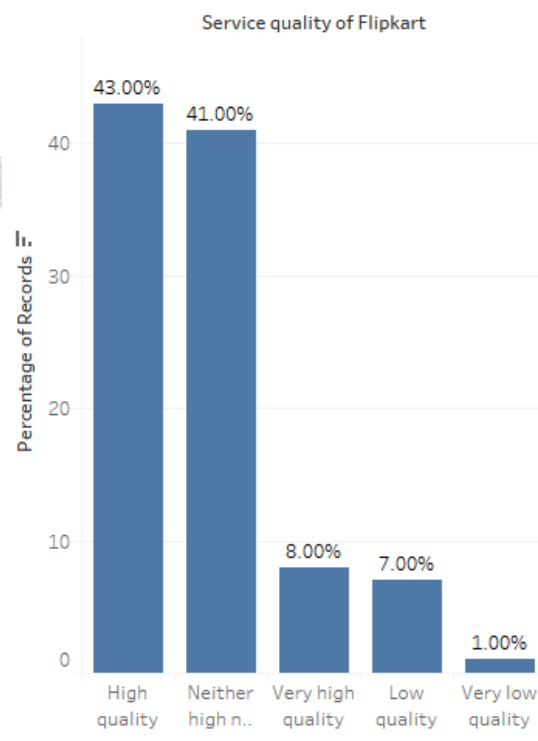
Service Quality of Amazon



Out of the total respondents, 43% of the respondents are respondents are neither agree nor disagree service quality of Amazon. 41% of the respondents are respondents are highly satisfied with service quality of Amazon and 7% of the respondents are respondents are very highly satisfied with service quality of Amazon.

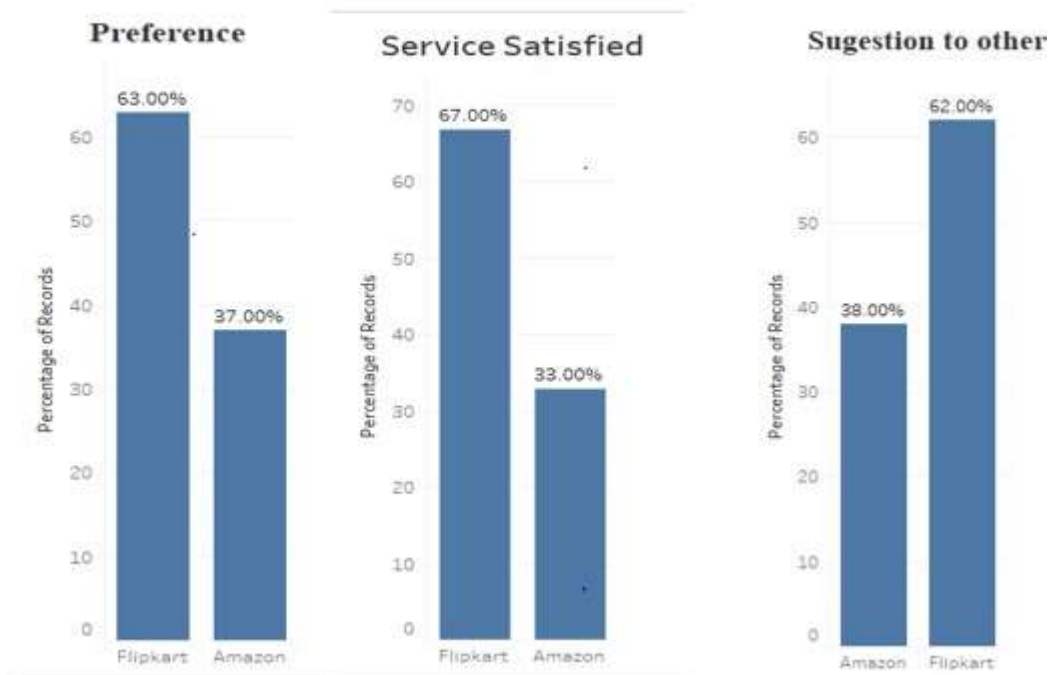
Graph 3: Service quality of Flipkart

Service Quality of Flipkart



Out of the total respondents, 43% of the respondents are respondents are very highly satisfied. 41% respondents are neither agree nor disagree service quality of Flipkart. 8% respondents are opinion that very high service quality of Flipkart. And 7% of the respondents are respondents has opinion of very low quality of service in Flipkart.

Graph 4: Preference, Service satisfied and Suggestion to others



Out of the total respondents, 63% of the respondents prefer Flipkart and 37% of the respondents prefer Amazon. The service satisfied is 67% of satisfied service from Flipkart and 33% satisfied service from Amazon. 38% of respondents will not suggest Flipkart to others but 62% of respondents will suggest Amazon to others for shopping online.

VI. FINDINGS

- Out of total respondents there were 61% male respondents and 39% are female respondents.
- 27% male respondents will frequently shop online and 10% female respondents will frequently shop online in once in 3-6 months.
- 21% respondents will frequently shop online in Flipkart for delivery time and 20% respondents shop in Flipkart for discounts.
- 43% of the respondents are very highly satisfied service quality of Flipkart.
- 43% of the respondents are neither agree nor disagree service quality of Amazon.
- 54% of the respondents are agree that promotional activities impact purchasing decision
- 63% of the respondents prefer Flipkart and 37% of the respondents prefer Amazon.

VII. CONCLUSION

E-commerce site has been known to youth with different promotional campaign and youths also come across different online shopping sites. The study consisted with various aspects service quality and customer satisfaction providing of both the sites. Today's youth look for quality of service with after sales service and better customer service. The major players in e-commerce in India, Flipkart and amazon. They have made customer work more comfortable and easy to shop online. Customer has option to make payment online and offline for purchased products and also held to take advantage of various offers and discount. Since, Youths will involve themselves in buying products online which will have diverse category of products and that can be compared with other available products. This study reveals that most of youths will frequently shop in 3-6 months and they prefer Flipkart for making shopping online. Youths are satisfied with features of Flipkart than Amazon.

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