

# Customer Buying Behaviour Towards Online Retail Marketer's (Amazon Vs Flipkart)

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## **Abstract:**

The proliferation of information technology (IT) has brought about a shift in the operating procedures of the vast majority of companies. By integrating a variety of online information management technologies and accessing them over the Internet, ingenious companies have devised methods for gathering marketing data, enabling payments, offering customer assistance, allowing online comments, and taking orders. The all-encompassing word for all of these exchanges is referred to as "e-commerce," which is also frequently referred to as "Internet commerce." In India, there were around 250.2 million people using the internet as of June of 2014. But compared to more industrialised nations like the United States, the popularity of buying online is far lower here. As compared to its value of around \$3.8 billion in 2009, the e-commerce industry in India was worth over \$12.6 billion in 2013. Flipkart and Amazon are, respectively, the two most important and popular online marketplaces in India. Because Flipkart and Amazon are two of the most well-known names in the e-commerce industry, we thought. Examining their corporate and business-level strategies from various angles, such as their difficulties with e-commerce, their business strategy, how they raise money and make money, how they expand and survive, and how customers feel about buying online., would be worthwhile. differentiation offerings from October 2014. The topic of who will come out on top in India is one that is given the utmost consideration. Who do you think will emerge victorious in the end? The right answer is "Indian Customer," which is both simple and to the point.

## **INTRODUCTION**

Online shopping and the acquisition of products and services has been fundamentally transformed as a result of the internet's meteoric rise to prominence as a global phenomenon. In order for businesses to lower the prices of their goods and services, they have started utilising the internet as a means of communication and dissemination of information, as well as for the sale of goods, the receipt of feedback, and the administration of customer satisfaction surveys. Before committing to a single online merchant, customers will investigate the product's pricing, features, and after-sale support options offered by a number of different online shops. Several industry observers have a positive outlook for what the future holds for commercial activities conducted online.

The internet not only gives companies a significant chance to participate in the rapidly growing e-commerce industry, but it also enables them to connect with both their existing and potential customers in a more efficient manner. Despite the fact that business-to-business (B2B) e-commerce makes up the vast majority of the market for online transactions, business-to-consumer (B2C) retailers shouldn't let this deter them. From the beginning of business-to-consumer (B2C) e-commerce, more than 10 years have passed. Researchers and industry experts working in the area of electronic commerce are always

seeking for new techniques to get a more comprehensive knowledge of the behaviours of customers. A significant portion of these studies investigates whether or whether presuppositions or unique emergent components derived from traditional models of consumer behaviour are applicable to the context of online shopping.

## **AMAZON**

The online retailer Amazon.com is an American global corporation. Its headquarters are located in the American city of Seattle, Washington. It dominates the e-commerce market like no other. The company isn't only a leading provider of cloud computing services, but also produces consumer goods such as the e-reader Amazon Kindle.

For international customers, Amazon offers country-specific online stores in the American, Canadian, British, German, French, Italian, Spanish, Japanese, and China. Several of its offerings are available for international shipping. The launch of sites in Poland, the Netherlands and Sweden is also in the works.

E-commerce, computer computing, digital broadcasting, and machine learning are all fields that are business-related for the US tech behemoth Amazon.com. Amazon.com, a mainstay of the list of Fortune 100 businesses, is additionally one of the so-called "Big Five," or the five largest and most potent technology companies in the US. As several million of Americans were put under isolation during the coronavirus epidemic, customer demand for Amazon's delivery services grew significantly. From the beginning in April 2021, previous CEO Jeff Bezos revealed that the company had 200 million Prime subscribers, up from a total of 150 million that the start of 2020. Amazon has received severe critique across the a while from those who assert the company engages in autocratic and anticompetitive practises just like well as from employees of its delivery sites who gripe about their treatment and difficult working conditions.

## **AMAZON.COM'S PRODUCT CATEGORIES ARE AVAILABLE ON THEIR WEBSITE**

- Books
- Videos, Audio, and Video Games
- Electrical & Computers
- Home, Garden & Tools
- Items for Pets
- Provisions, medical supplies, and cosmetics
- Kitchen & Dining
- Furniture & Decor
- Toy, Children, and Newborn
- Items of Clothes, Shoes, and JewellerySports & Outdoors, Automotive & Industrial

## **FLIPKART**

The Bengaluru-based Flipkart Private Ltd. was founded in the Republic of Singapore as a privately owned business.

It is an Indian e-commerce business. The business started out specialising in online book sales before branching out into other product categories like fashion, consumer devices, house goods, groceries, and leisure goods.

The main rivals of the business are Snapdeal in the United States and Amazon's Indian affiliate. In India's e-commerce business, as of March 2017, Flipkart controlled 39.5% of the market. With the acquisition of Myntra, Flipkart has reinforced its position as a market leader in clothing. In the marketing of gadgets and cellphones, Flipkart and Amazon have been reported to be "neck and neck."

Walmart, an American retail giant, paid US\$16 billion in August 2018 to purchase a 77% share in Flipkart, giving Flipkart a value of approximately \$70 billion. Flipkart was priced at around twenty billion dollars when American retail behemoth Walmart acquired a 77% majority stake for the equivalent of US\$16 billion. In August 2018. By the year 2022, Flipkart will have been valued \$37.6 billion. In 2023, it plans to become openly listed through an American IPO.

#### **FLIPKART.COM is the Source of the Following Product Categories:**

- Books
- Mobile Devices & Ad-Ons
- Computers
- Gaming
- Films and Television
- Vinyl, CDs, and DVDs
- Electronic Entertainment Devices
- Health and Wellness Concerns
- Domestic & Culinary
- Products for Writing

#### **LITERATURE REVIEW**

**Ashish Pant (2014)** According to the findings of his study, "An Internet Shopping Alter the Conventional Route of Customer Purchase," a successful online business is much more than simply having a pretty website with fancy technological capabilities. Each Indian e-commerce firm relies on its brand recognition, unique policies, and positive customer experiences to succeed.

In " Saravanan S. and Brindha Devi K.'s (2015) study, "A Study on Internet Purchasing Activity with Specific Reference to Coimbatore city City," looked at online buyers' behaviours. perspectives on the offerings of various online retailers. Thank you to their familiarity with the Internet, they are better able to recognise and select goods and services.

The writers of "A Francis Sudhakar K and Habeeb Syed's "Comparative Study Within Flipkart and Amazon India", assess various organisational and business strategies used by the two biggest e-tailers, Flipkart and Amazon, in a critical manner. The issues they cover include e-commerce difficulties, business structures, funding, income production, expansion, survival tactics, customer online purchasing experiences, value-added distinction, and product offerings. The lives of Indians have been transformed by these two influential figures. According to the survey results, Amazon is the clear winner as it meets all customer needs.

The experiences of buying electronics from online retailers like Amazon and Flipkart are studied by **Ahuja (2018)**. The research focuses on four key factors that are viz. Satisfaction with Amazon by gender, satisfaction with Flipkart by gender, with Amazon by income, and with Flipkart by income. The research found that men are more likely than women to be interested in making online purchases of electronic goods. Consumers of all income levels and ages are interested in making online purchases of electronic devices only when they are presented with discounts.

In their research work, **Balasubramanian and Isswarya (2017)** compare and contrast the levels of customer satisfaction reported by shoppers at an academic institution who have made purchases from Flipkart and Amazon. Sample size was 179 (all graduate students), and analysis was performed using just basic statistics techniques like percentages. Primary factors that affect customers' happiness with Flipkart and Amazon are also investigated. The questions cover a wide range of issues that matter to online shoppers, including order tracking and delivery, ease of use, product availability, payment options, and more. According to the study's conclusion, Flipkart triumphs over Amazon due to its superior delivery method, more accessible website, and more reliable tracking capability.

The connection between traditional retail practises and e-commerce is studied by **Burt and Sparks (2003)**. Using the advantages of the internet and implementing cost-cutting strategies into operations may help a company enhance its competitive position in terms of process, structure, and relationships, as found in the research. Both the potential benefits and potential pitfalls of the e-commerce industry's future are discussed in the research. In order to enhance all sorts of activity, the paper concludes by arguing for the establishment of new business models and formats for merchants and e-commerce.

**Professor Ashish Bhatt (2014)** wrote in the Journal of Marketing Management on "Consumer Attitude towards Internet Buying in Certain Areas of Gujarat," noting that although e-commerce is growing in popularity, it still has a ways to go before it is equally accepted by people of all ages. The poll suggests that the respondents' financial situation should dictate the mode of payment. Online buying is a common activity for people of all ages. The views of consumers change throughout time. Online shopping is quite popular in India for a number of reasons, including cash on delivery, website personalization, home delivery, and so on.

Consumers' Online Shopping Behaviour: A Case Study of Users of Flipkart.com in the City of Lucknow, by **Prashant Singh (2014)**, published in Abhinav, argues that e-tailers have a bright future in India. When it comes to finding a way to shop online without breaking the bank, e-tailers are the best choice for customers. Some of the best discounts can be found on Flipkart.com, and shopping there is a breeze. The success of e-tailers in India depends on their brand awareness, brand image and their particular policies as the whole concept of online shopping has changed in terms of customer buying behaviour.

A Study on Online Buying Behavior of Consumers in India by researchers **Upasana Kanchan, Naveen Kumar, and Abhishek Gupta** was published in the ICTACT Journal on Management Studies in 2015. that young people are more likely to shop online. Those with greater disposable means and more education are increasingly turning to online marketplaces. Because of safety concerns, consumers are

cautious to purchase online. Nonetheless, many people are resistant to change because of the perceived technical difficulty of internet shopping. Establishing reliable connections between merchants and their clientele is essential for the success of any online business.

### **PROBLEM STATEMENT**

The Internet Retail Industry is often regarded as a massive sector in India, with both a vast amount of untapped potential and a growing number of established business triumphs. Amazon and Flipkart are just two examples of the many various kinds of online retail marketing that can be found on the market today. How long will they truly be able to sustain their position in the market, and how successful are they at this point in time? What do consumers expect from them, and are they willing to live up to those anticipations? What are the consumers hoping to get out of them? The objective of the research is to get a more in depth comprehension of the procedures and requirements imposed by both parties.

### **OBJECTIVES OF THE STUDY**

The findings of this research offer insightful information about the elements that influence consumers' online shopping decisions. These are some of the objectives of this study:

The goals of this study are:

- To understand and evaluate how customers feel about online retail marketing; and what factors affect their behaviour (amazon vs flipkart).
- To learn how shoppers evaluate online stores before making purchases.
- To examine the barriers that prevent physical and internet retailers from cooperating.

### **RESEARCH METHODOLOGY**

A research methodology is a collection of procedures or techniques used to find, pick, analyze, and assess information relevant to a study's subject. In the part of the research report, the observer has the opportunity to evaluate the study's general truth and dependability. dedicated to methodology.

#### **Research Objective**

- To determine which of Flipkart and Amazon the consumer prefers to purchase on and get an understanding of why they make that choice.
- This will be helpful in determining what aspects of an online store customers like and what draws them to the site. Additionally, what do you think the most significant concerns are for a client to have while they are doing their purchasing online??

### **METHOD USED FOR DATA COLLECTION**

#### **• Primary Data**

These are primary data that have never been used before and were collected specifically for the purpose of this research. For the purpose of this project, I need to use them.

#### **• Secondary Data**

It will be gathered to raise the calibre of the primary material.. Websites, periodicals, annual reports, journals, reference books, and newspapers might all utilise this to compile the information and archives they need.

### SAMPLE DESIGN

- **Sample Unit**

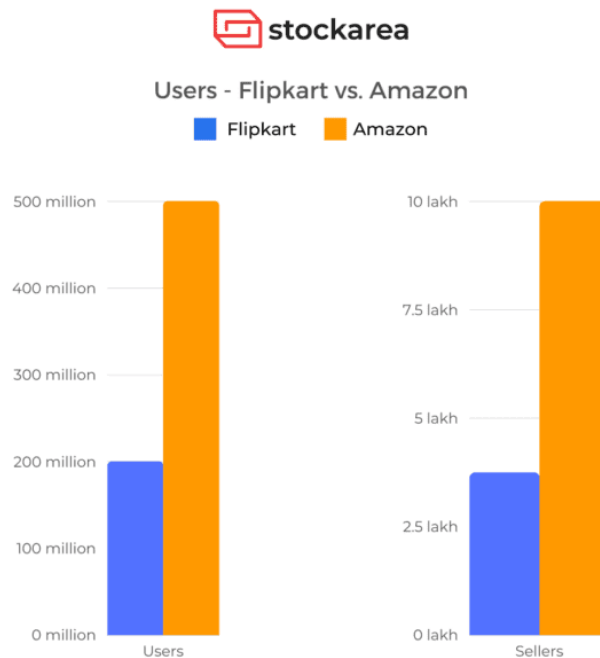
In order to investigate the preferences of consumers with regard to various on-line purchase platforms, samples were chosen randomly from New Delhi..

- **The Media We Have As Examples**

Google forms-structured questionnaire.

- **Methods of Sampling–**

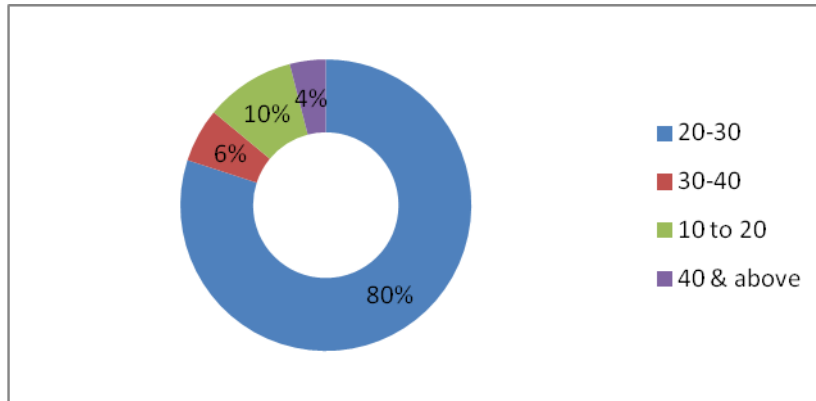
- a. Random sampling and practical sampling
- b. The sample size is 100.
- c. New Delhi is a centre of research.



### I. DATA ANALYSIS AND INTREPRETATION

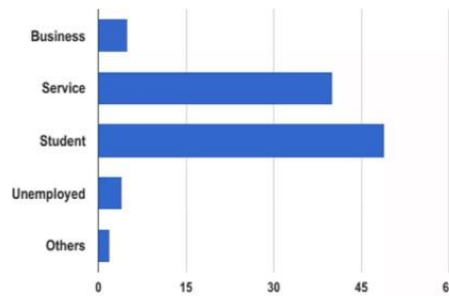
The objectives of the research were studied in the context of a continuous online shopper who has made multiple transactions, since this kind of respondent would be the most qualified to offer information about online shopping. As a result, it is vital to determine who within the population uses the internet on a regular basis. The following questions on the respondents' typical shopping experiences were posed in the survey.

## 1. What age bracket do you belong to?



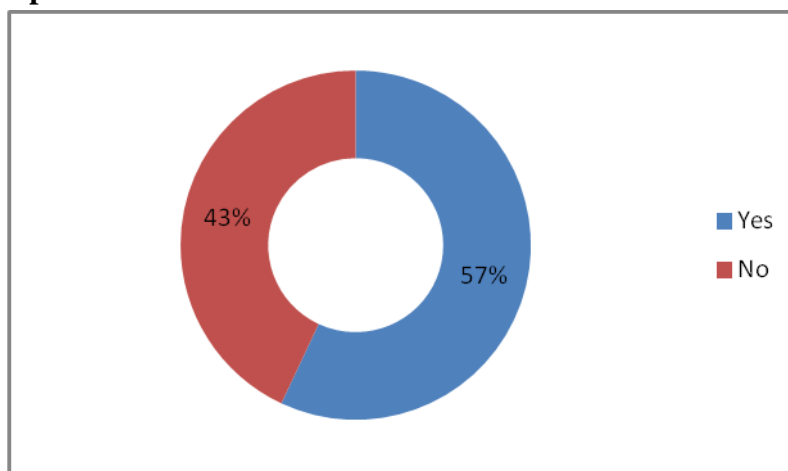
- Eighty percent of respondents are between 10 and 20 years old and another twenty percent are between 20 and 30 years old, indicating that the majority of Internet users belong to the younger generation.

## 2. What are you doing right now?



- The results of the survey indicate that the great majority of those who responded are either students or members of the armed forces who fall within the age groups discussed earlier. These people have the highest use rates of any other group in the nation's population.

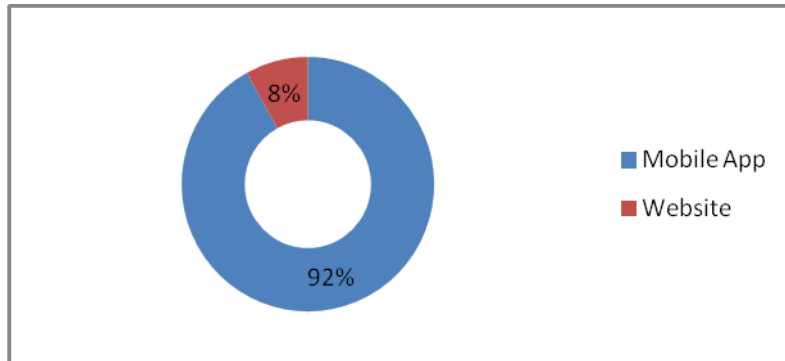
## 3. How often do you purchase online?



- According to the data, 57% of consumers regularly buy online. This large percentage is driven both by working adults who don't have time to shop in person and by younger generations who place a premium on ease of use and variety of selection.

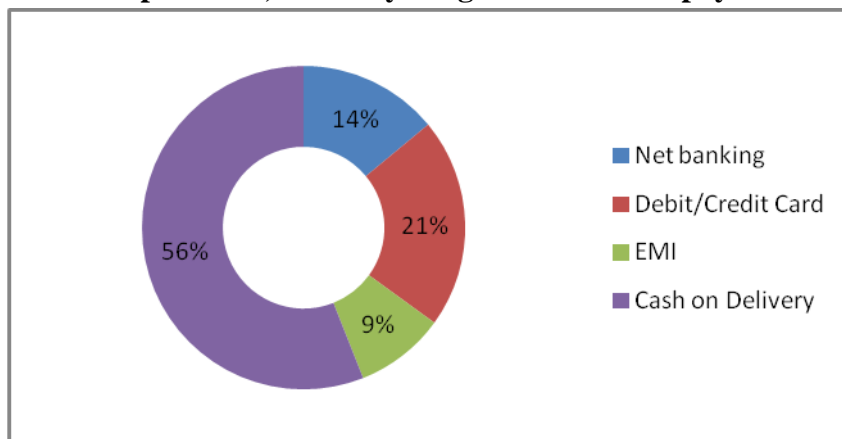
- 43% of the public seldom makes online purchases because of doubts about product quality and merchant rigidity..

#### 4. Which internet shopping site do you favour?



- According to the statistics, most people find shopping on a mobile app more convenient than on the initial website.

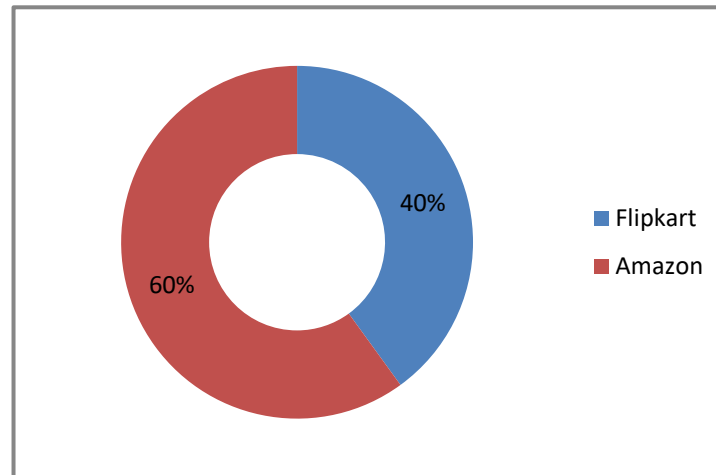
#### 5. When making an online purchase, what is your go-to method of payment?



- According to the results of the poll, cash on delivery (COD) is the favoured form of payment. The use of alternative payment methods, such as debit and credit card transactions and banking conducted online, is steadily becoming more common.

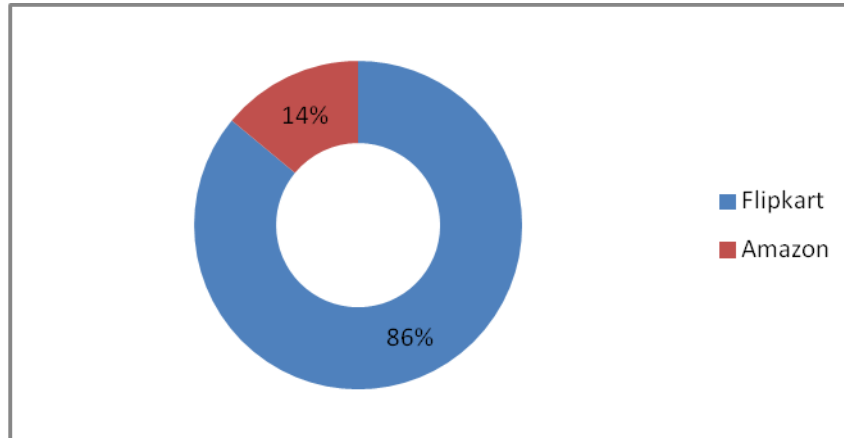


**6. Which shopping platform do you find to be the most user-friendly for your online purchases, and why?**



• The findings of the poll indicate that the overwhelming majority of respondents consider Amazon to be their go-to website for online purchasing.

**7. Which e-commerce platform do you believe has the mobile app design that is both the most user-friendly and the most effective?**



• According to the results of the survey, 86 percent of respondents said that they would prefer to use the mobile app that is provided by Flipkart rather than the one that is provided by Amazon. This is as a result of the fact that the Flipkart app provides customers with a shopping experience that is marked by increased ease of use..

**II. FINDINGS**

The following findings emerged for me from the survey data:

• - The majority of people who shop online are between 10 and 30 years old, including students and military. This age group is also the age group in the country that makes the most frequent usage of the internet.

- Customers have reported having a more positive shopping experience when making purchases via a mobile application as compared to the company's main website, which is one reason why consumers choose to make their purchases through this channel.
- When it comes to making purchases online, the two forms of payment that are used the majority of the time are cash on delivery and card transactions.
- Consumers are more likely to prefer Amazon over Flipkart to complete their online purchasing needs due to a variety of reasons. Amazon currently has a larger selection of products than Flipkart does.
- Why Since making purchases on the official website and mobile application of Flipkart is so easy, an increasing number of consumers are choosing to conduct their online shopping on Flipkart rather than on Amazon.
- When "deals and discounts" are made easily available to customers, it increases the likelihood that those customers will make purchases online since it motivates them to save money.
- Amazon surpasses Flipkart in terms of having lower product pricing, a bigger choice of items, and speedier delivery periods for those products. The three product categories that sell the most are those dealing with clothing, footwear, and electrical goods.
- Flipkart's customer service, exchange/return/refund policy, product description and presentation, customer feedback and rating system, and customer feedback and rating system are all of the highest possible quality.

## CONCLUSIONS

This study accounted for the actions of Flipkart and Amazon, two of India's most prominent online marketplaces. It detailed the company's operations and how they manage to remain so productive despite the intense competition they face. It's inspiring that they've come up with creative solutions to attract more people. In an effort to get a large number of new customers, they implemented as many upgrades to the network as possible. As a consequence, consumers have access to a less time-consuming and more accessible alternative. In today's cutthroat marketplace, no one will come after you unless you take the lead. Based on user feedback, we have concluded that Amazon is much better than its main competitor, Flipkart. The company has a deep understanding of Indians and has made efforts to strengthen its Indian roots, while being a worldwide enterprise. While it is a younger company than Amazon, Flipkart is giving the latter a lot of competition. It may take some time for it to gain mainstream popularity, but there's no denying its success in India's booming online retail sector.

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