

**A COMPARATIVE STUDY ON FLIPKART AND AMAZON:
SPECIFYING ON SMARTPHONE PURCHASE BEHAVIOR WITH
SPECIAL REFERENCE TO
DINDIGUL CORPORATION OF TAMIL NADU**

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Abstract

Internet has become the dominant and basic tool for every person's need and it has transformed the way people work. By integrating various online information management tools using internet, various innovative companies have set up systems for taking customer orders, facilitate making of payments, customer service, collection of making data, and online feedback respectively. These activities have collectively known as e-commerce or internet commerce. India has an internet user base of 450-465 million as per June 2017, up 4-8% from 432 million in last December 2016. Online shopping made so easy for everyone with their product variations and simple as well as easy way to buy things. It's a study has been made to critically examine various corporate and business level strategies of two dominant e-Tailers and those and those are Flipkart and Amazon. Comparison has been done considering for the two dominant e-commerce companies in challenges, their business models, survival strategies, shopper's online shopping experience, and product offerings. Both these big players made their own mark in India, but who is going to be ultimate winner in this 21st century. A comparative study of Flipkart.com with one of the close competitor Amazon.in delivers the full information about the different strategies to succeed in e-commerce sector and different opportunities available in India.

Introduction

As new wave of industrial revolution taking place, many economists, management experts, and organization theorists has contracted that the world has left the old industrial age, as professor Tom Canon has started that 'The new industrial revolution that surrounds us requires profound change in the way we consider enterprise, develop our businesses, the way we manage and the structures within which we manage'. Globalization of the marketplace and means of accessing through national and global superhighways have given a new dimension to the concept of information. In the beginning, the internet was characterized by slow dial-up connection and online billboards. Netscape came on the scene in the year 1994 with its point-and-click web browser that opened the door to the billion-dollar revenues e-tailers enjoy today. The penetration of e-commerce is low compared to markets like the United States and the United Kingdom but is growing at much faster rate with a large number of new entrants. The industry consensus is that growth is at an inflation point. Unique to India and potentially to other developing countries, cash on delivery is a preferred payment method. India has a vibrant cash economy as a result of which 80 percent of Indian e-commerce tends to be cash on delivery (COD). However, COD may harm the business in India in long run, and there is a need to make a shift towards online payment mechanisms. Similarly, direct imports constitute a large component of online sales. The advancing technology provides vast opportunities to the seller to reach the customer in much faster, easier and in economic way. Online shopping is the fastest emerging market in the recent years. In this 21st generation internet holds the major market in the retail sector. As per the June 2017, 450-465 million use online shopping. On the other hand, the purchasing of product from traditional market is continuing since years. Many customers go for the purchasing offline so as to examine the product and hold the possession of the product just after the payment for the product.

In this contemporary world customer's loyalty depends upon the consistent ability to deliver quality, value and satisfaction. Some go for offline shopping, some for online and many go for both kind of shopping.

The focus on the study is on the customer's choice to shop smartphones on Flipkart or Amazon. While making any purchase decision consumer should know the medium to purchase

whether in Flipkart or Amazon. Consumer should decide the channel for them which can best suit to their needs and wants and which can satisfy them.

In this competitive world, how consumers can decide the particular medium for their purchase of goods is very important to understand in a managerial point of view. Laing and Lai, 2000 said that the internet shopping next comes the e-mail using instant messaging and web browsing.

These are even more important than watching or getting entertain by the internet or getting any information or news, this are the two very common thoughts which comes to the people's mind when considering the internet users do when they are online. Online sopping also has to spend time, because customers see many products and choose the best one which suits him/her.

E-commerce: Electronic commerce is the buying and selling of goods and services, or transmitting of funds or data, over an electronic network, primarily the internet.

Online shopping: The act of purchasing products and services over the internet.

Objectives of the Study

- To know the profile of the respondents.
- To understand and estimate the consumer perception and factors affecting their behavior for choosing e-commerce sites for buying smartphones.
- To understand the tactics and the methods those are used by e-commerce players to grab the customers in India.
- To know how consumers are evaluating e-commerce sites for their purchases.
- To find out new opportunities and to succeed in those procedures.

Overview of the Past Researches

Tabatabaei (2009)¹ has explored the opinion of the consumer who are purchasing online and the consumer who are purchasing from offline market. The objective is to know why the traditional customer chooses to shop online and what are the factor influences then to purchase online and what are the factor for them to not use the sites for shopping.

Hahn and Kim (2009)² they found that the consumer trust in an online retailer was a significant predictor of perceived internet confidence and search intention for product

information through internet retailer. Search intention for product information through the online store and perceived internet confidence were significant and strong predictors of consumer's behavioral intention towards the online shopping. The findings of this study suggest that retailer of offers an internet channels as part of multi-channels retail strategy and provide consistent service throughout their various channels.

Jayewardene and Wright (2009)³ they found that the convenience, involvement, attribute of the web site and merchandising all collectively influence shopper's excitement. E-shopper excitement leads to positive word-of-mouth (WOM) and increases the intent to return. The limitation of this study was that there is no differentiation is made between the types of goods that e-commerce purchased.

Chaing and Dholakia (2014)⁴ the study revealed that the accessibility and the convenience of the shopping sites create the intention in the customer to purchase or not. When there is difficulty faced by a consumer to purchase online then the customer switch to the offline shopping for the purchase behavior and the consumer face difficulty in offline purchasing then they go to the online purchasing. After relating both the medium of shopping the consumer said that the online shopping is more convenient for them and gives more satisfaction which inspires the consumer to purchase online in the internet.

Iyer and Eastmen (2014)⁵ found that the population of senior who are more literate, more knowledgeable and who are more aware of the technology and those who have a positive behavior towards online shopping and internet are more into online shopping.

Problem Definition

In India e-commerce evaluated like a giant with huge opportunity and success rate. There are so many big and small players in market. Are they really going to sustain market for a long time and is there success rate for them? What are customers expecting from and are they ready to fulfill their requirements. The study is to understand both parties' requirements and procedures.

Statement of the Problem

In India e-commerce evaluated like a giant with huge opportunity and success rate. India isn't an easy place to build an e-commerce company. The vast, multilingual nation suffers from creaky infrastructure, a sometimes myopic bureaucracy and an ingrained distrust of the merchant class. There are so many big and small players in market. Are they really going to sustain in market for a long time and there is success rate for them? What are customers expecting from

them and, are they ready to fulfill their requirements. The online market accounted for almost 33% of total smart phones sales in India in 2016, a share that's expected to increase to 35% in 2017. The study is to understand both parties' requirements and procedures.

Significance of the Study

The consumers in today's era have not only many store choice, but they also have a wide variety of channels to choose from with the start of numerous channels (e.g. mobile commerce, E-commerce) and a continuous increase in the competition among channels, the understanding of what incites consumers to purchase from one channel rather than another becomes progressively important channel design and management. The study contributes to the current marketing literature by comparing the Flipkart and Amazon side by side. This study is also contributing hypothetically and practically to a better understanding of consumer behavior, particularly the online buying decision process.

Hypotheses

- There is no difference between gender and buying behavior of smart phone purchases.
- There is association between silent features of flip kart and amazon.

Research Methodology

Research design: With the help of this research, the researcher wants to describe the Specifying the features related to the respondents of Flipkart and Amazon on Smartphone Purchase Behavior. Therefore, this research is descriptive in nature.

Universe of Study: The study is carried out in state of Tamil Nadu. However, the study area was confined to Kodaikanal town. Population is infinitive in nature.

Sample size: Since the study is carried as a pilot study 39 respondents have chosen from the population randomly. The sample are totally the users of the online shoppers. The sample given importance to the gender equally ie, Male 25, Female 14.

Data Collection: Data was collected both from primary and secondary sources. Primary data was collected from the public people. Well-structured Questionnaire was used for collecting data. Informal interviews also taken from the respondents. The secondary data was collected from policy documents, published reports of similar projects, journals and Ph.D. thesis, journals and online sources.

Tools for data analysis: Both qualitative and quantitative data was analyzed in the light of framed objectives. Quantitative data was tabulated and statistically analyzed. Qualitative data

was interpreted based on the information collected from the field. T-test model is used by researcher to analysis the hypothesis.

Table No: 01**Independent Samples t-test on Gender and opinion about the features of Flipkart**

Flipkart	Levene's Test for Equality of Variances		t-test for Equality of Means	
	F	Sig.	t	df
Equal variances assumed	2.842	.100	.189	37
Equal variances not assumed			.214	36.263

**primary data*

The above table shows that there is no significant deference between gender and opinion about the features of Flipkart at .100 which means both male and female having same opinion about the features of Flipkart.

Table No: 02**Independent Samples t-test on Gender and opinion about the features of Amazon.**

Amazon	Levene's Test for Equality of Variances		t-test for Equality of Means	
	F	Sig.	t	df
Equal variances assumed	.044	.835	.455	37
Equal variances not assumed			.437	23.931

**primary data*

The table no 2 depicts that there is no significant deference between gender and opinion about the features of Amazon at .835 which means both male and female having same opinion about the features of Amazon.

Table No: 03**Oneway ANOVA between Age and Opinion about the features of Flipkart**

Flipkart	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	115.923	3	38.641	1.244	.308
Within Groups	1087.000	35	31.057		
Total	1202.923	38			

**primary data*

The table no 3 shows that there is no significant deference between age and opinion about the features of Flipkart at .308 which means all the age groups have same opinion about the features of Flipkart.

Table No: 04
Oneway ANOVA between Age and Opinion about the features of Amazon.

Amazon	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	144.677	3	48.226	.639	.595
Within Groups	2639.682	35	75.419		
Total	2784.359	38			

**primary data*

The table no 4 shows that there is no significant deference between age and opinion about the features of Amazon at .595 which means all the age groups have same opinion about the features of Amazon.

Table No: 05
Independent Samples t-test between Occupation and opinion about the features of Flipkart

Flipkart	Levene's Test for Equality of Variances		t-test for Equality of Means	
	F	Sig.	t	df
Equal variances assumed	.030	.863	1.023	37
Equal variances not assumed			1.087	17.559

**primary data*

The table no 5 shows that there is no significant deference between occupation and opinion about the features of Flipkart at .863 which means occupation has same opinion about the features of Flipkart.

Table No: 6
Independent Samples t-test between occupation and opinion about the features of Amazon.

Amazon	Levene's Test for Equality of Variances		t-test for Equality of Means	
	F	Sig.	t	df
Equal variances assumed	.305	.584	-.436	37
Equal variances not assumed			-.513	22.091

**primary data*

The table no 6 shows that there is no significant deference between occupation and opinion about the features of Amazon at .584 which means occupation has the same opinion about the features of Amazon.

The above analysis shows that students are mainly focused in this project because as the topic is related with the technology related along with the latest aspect of shopping so, we focused on students for the project. It is also clear that everyone knows about these e-commerce companies Flipkart and Amazon. It is states by the respondents that in the age group between 20-25 prefer to shop smart phones in online.

Conclusion

The study consisted with the smart phone purchasing behavior of major e-commerce players in India, Flipkart and Amazon. How they are performing and how they are running perfectly in the competitive world has been explained. The innovative thinking of them to reach more and more consumers is appreciable. They increased their network as much as possible with ultimate aim of reaching more and more customers. They made consumers work more easy and comfortable. In this competitive market one has to be lead and rest will follow. Based upon consumer's survey we got our clear winner and it is Flipkart. Amazon is also giving very tough competition to Flipkart even though it is new company when compared to Amazon. May be it takes some time to overcome, but definitely they are doing very well in Indian e-commerce market.

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