

***Flipkart***



**VS**

**amazon**  


# **Business Case Study of Flipkart vs Amazon in India (2021)**

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# Flipkart & Amazon at India

- In 2014, Flipkart market share in India → 40%
- Amazon market share in India → 12%
- In 2018, Flipkart market share in India → 38.5%
- Amazon market share in India → 31.2%

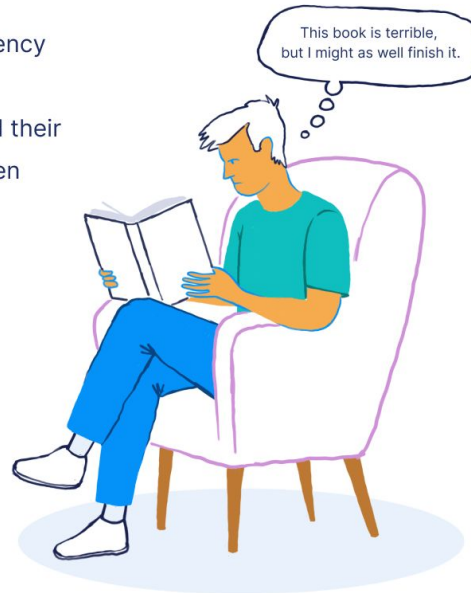
# The Sunk Cost Fallacy

- Psychological tendency of human beings wherein paying for the right to use a good or service will increase a rate at which the good will be utilized.
- The Sunk Cost Fallacy is our tendency to follow through on something that we've already invested heavily in (be it time, money, effort, emotional energy, etc.), even when giving up is clearly a better idea.

# The Sunk Cost Fallacy

## The sunk cost fallacy

The sunk cost fallacy is the tendency for people to continue something because they've already invested their time, energy, or money, even when abandoning it would be more beneficial.



# Amazon Strategies in India

- Investing in Indian standup comedy by Amazon increased their paid subscription and orders.
- Strategically released most anticipated web serieses in festive seasons like Diwali.
- Prime subscribers buy 3 times more than non-prime subscribers.

# Flipkart Strategies in India

- Flipkart has 66% share in Diwali market.
- Amazon has more popularities in Tier 1 cities, while Flipkart is more popular in Tier 2 and 3 cities.
- Flipkart plus subscription feely available for students.
- Flipkart is commanding the loyalty of home CTOs by attracting the teeanagers to buy electronic products (high margin profit products)

# Flipkart Strategies in India

- Flipkart is more popular to the people with no cards and subscriptions.
- Flipkart plus customers (5x) buy more than Amazon plus customers (3x).
- Flipkart has dominance in online fashion markets.
- Amazon struggles to build fashion brands, Flipkart doesn't have as strong ecosystems as Amazon.



# Amazon SWOT Analysis

## SWOT ANALYSIS OF amazon

S



### Strength

- Strong brand recognition and reputation
- Diverse product offerings
- Well-established distribution network
- Cutting-edge technology
- Strong financial performance
- Large customer base

W



### Weakness

- Dependence on third-party sellers
- Data security concerns
- A business model that is easy to copy
- Regulatory issues
- Limited customer loyalty
- Limited product control

O



### Opportunities

- Expansion into emerging markets
- Expanding physical stores
- Investment in new ventures
- Planned Entry into Crypto
- More acquisitions

T



### Threats

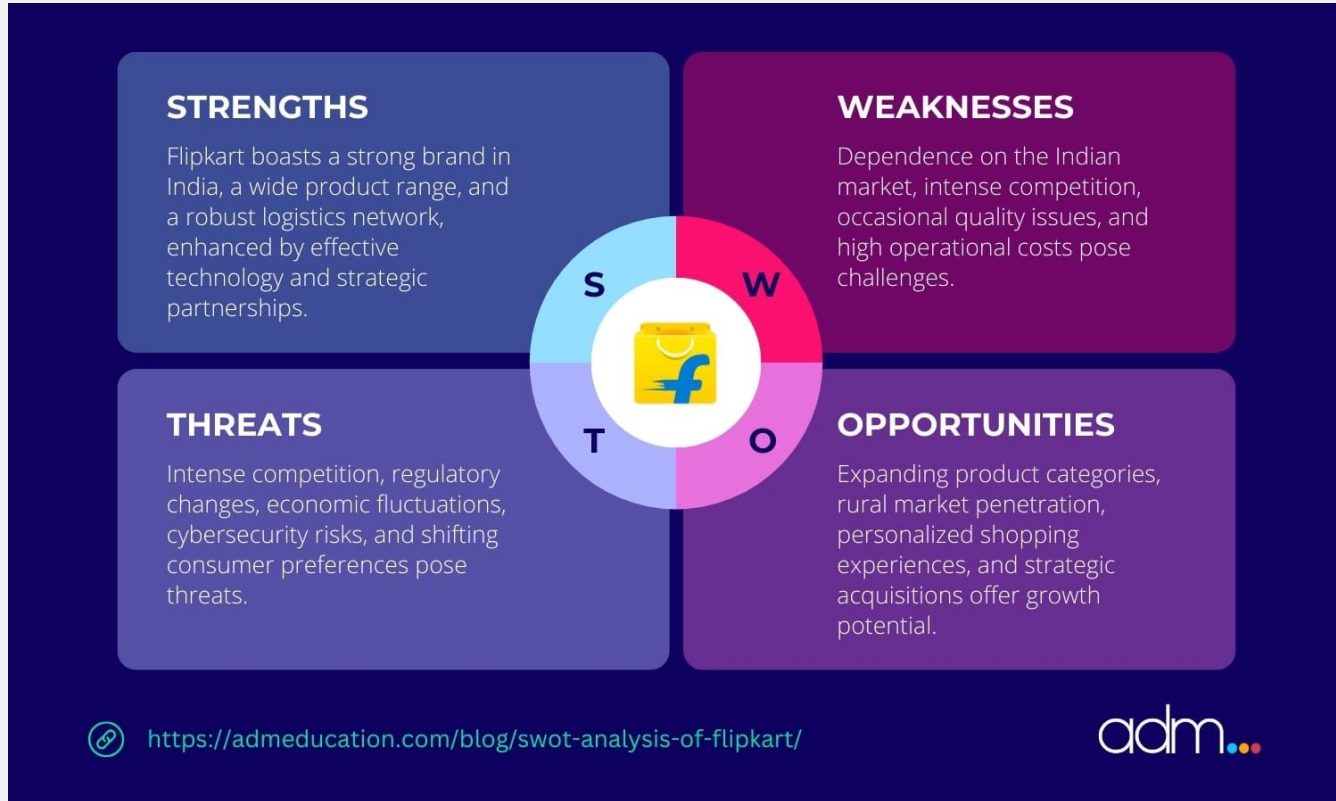
- Intense competition
- Regulatory issues
- Cybersecurity threats
- Economic recessions
- Natural disasters



THE BUSINESS  
MODEL ANALYST

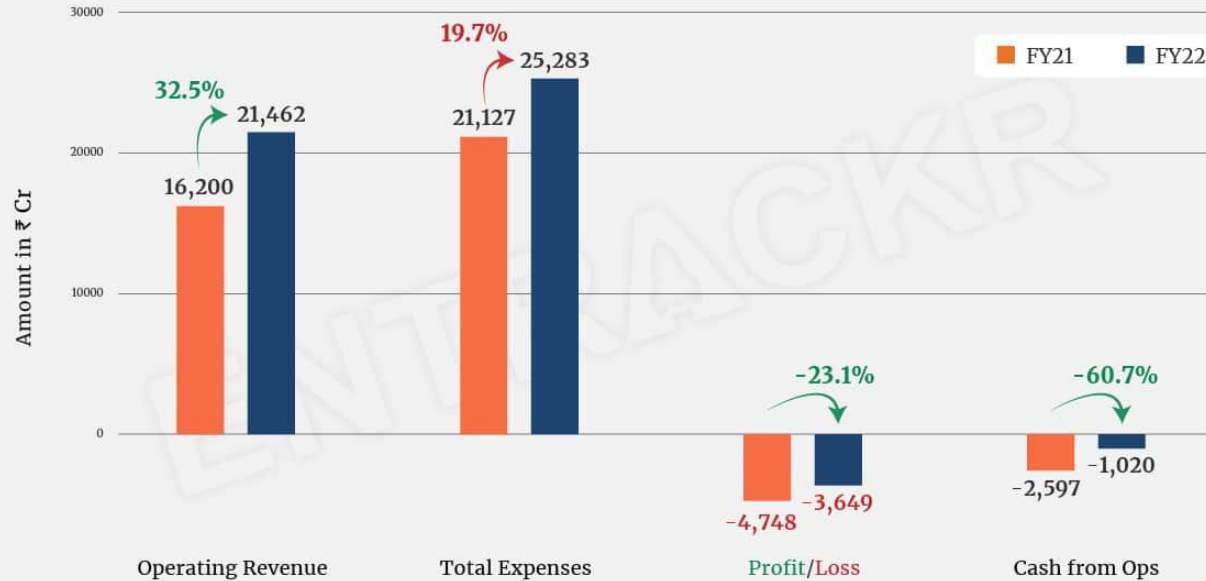
[businessmodelanalyst.com](https://businessmodelanalyst.com)

# Flipkart SWOT Analysis



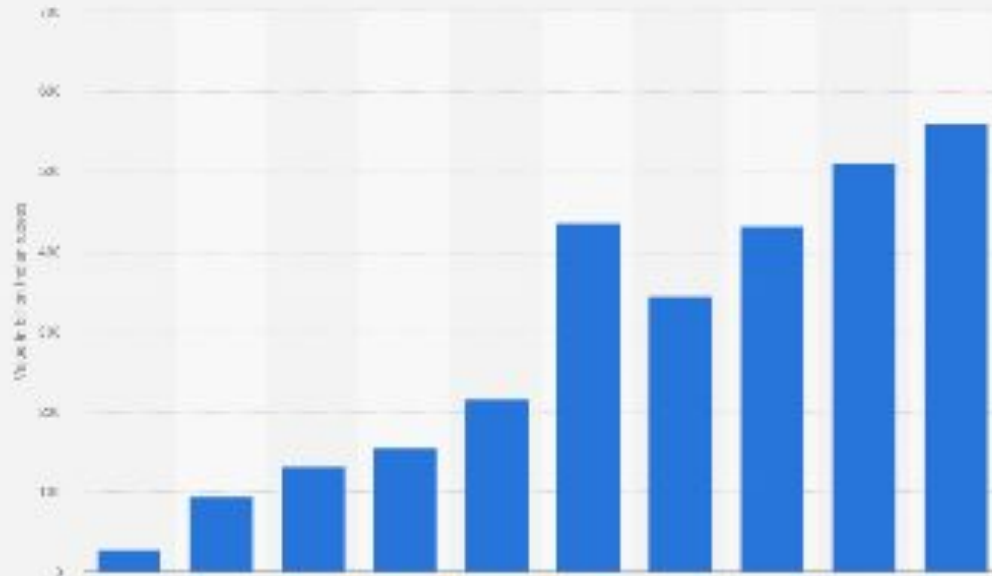
# Amazon Revenue in India

## amazon services Financials FY22



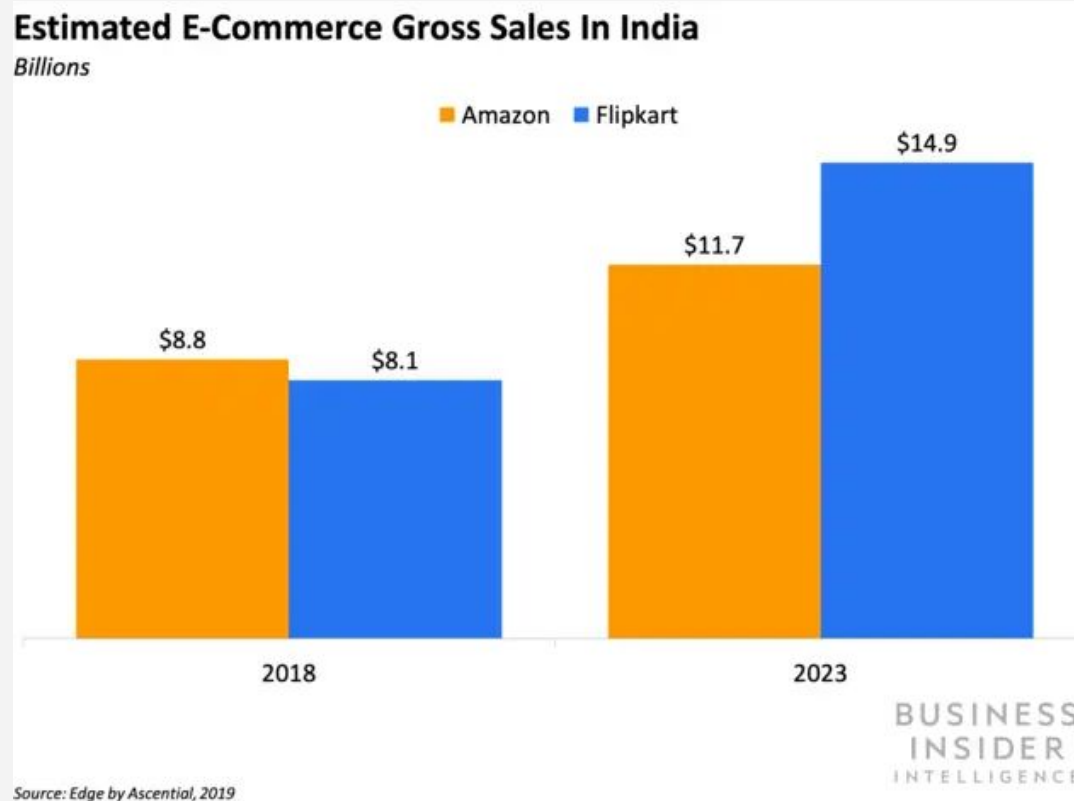
# Flipkart Revenue in India

Revenue of Flipkart Private Limited between financial year 2014 and 2023 (In billion Indian rupees)



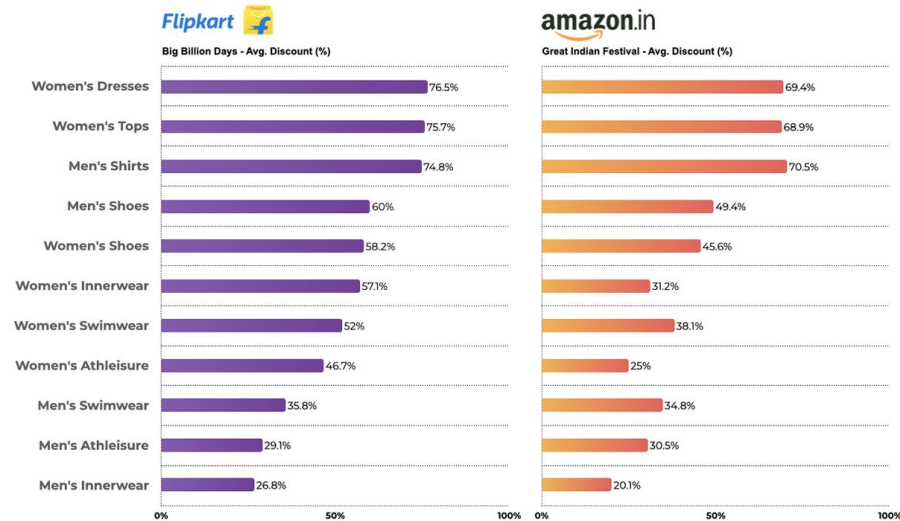
Source:  
Product Analytics (General)  
© Statista 2024

# Amazon vs Flipkart Revenue in India



# Flipkart vs Amazon Statistics in India

## Flipkart Big Billion Days Vs. Amazon Great Indian Festival Sale: Average Discounts - Apparel Subcategories



# Business Lessons

- Immediate ROI must be a complete bargain → 499 Rs for 3 special stand up comedies on prime vs 1 ticket price.
- Pricing is a double edged sword.
- What does customer care about? → should be the first priority for the companies.