

*Flipkart*

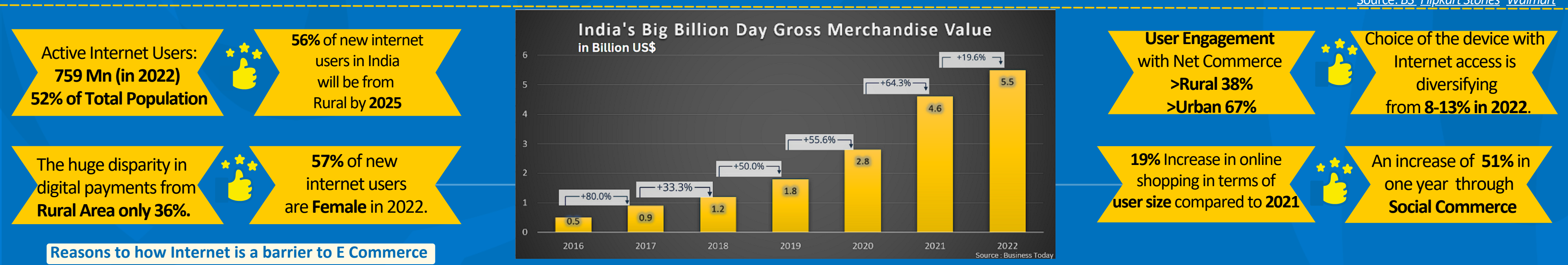


**wired** 7.0



Campus case challenge

*Ideas that  
Empower  
Dreams*

**TEAM KARTKINGS**  
**718219-U4B71JQ7**



### Reasons to how Internet is a barrier to E Commerce

- Do not own an Internet connection at my home
- Not aware of the benefits of the internet
- Not interested in accessing the Internet
- Too difficult to understand and use
- Cannot afford Internet Connection
- The Internet is very confusing to me
- Not allowed to access the Internet
- Do not own devices at home
- Too time-consuming/ Don't have enough time
- Nothing interesting for me is available on the internet

27%

25%

24%

22%

20%

18%

17%


17%

15%


12%

- It's a surprising fact that rural India has 20% more active internet users than urban India.
- The rural population in India presents a \$50 billion opportunity – driven by their aspirations to improve their lives but constrained by limited information, mobility, digital literacy, and lack of trust.


### Problems in Rural Setup:



1. Access: 95%+ of village consumers travel 5-10km spending up to 2 hours to withdraw cash from an ATM.



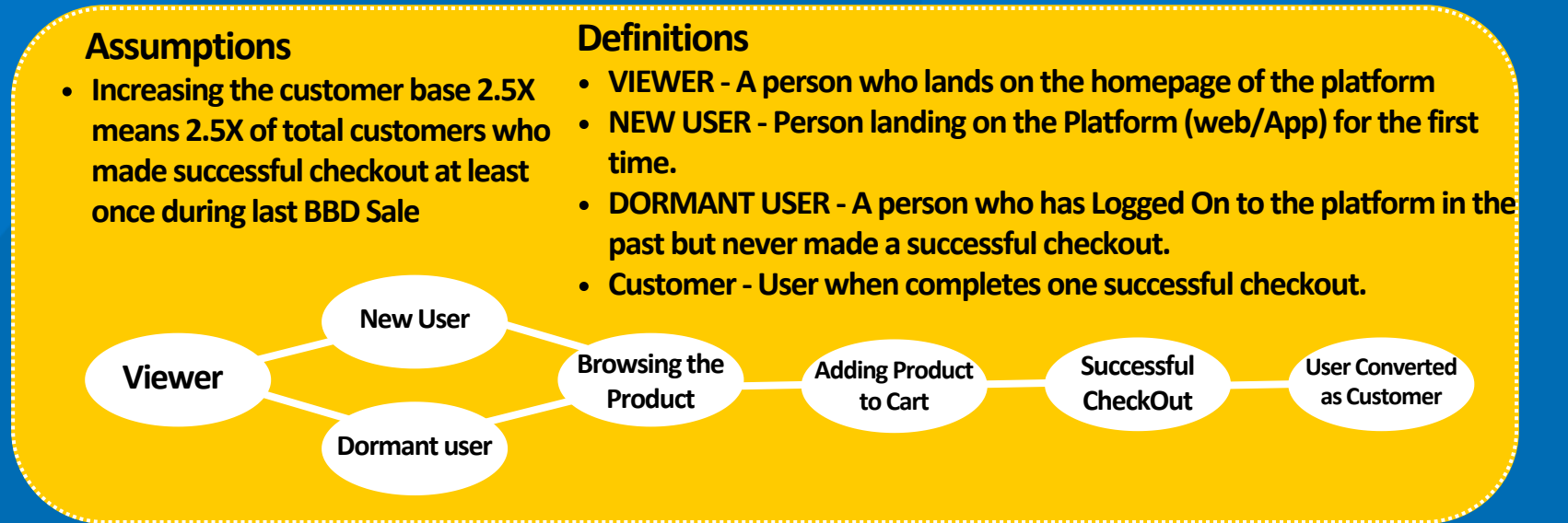
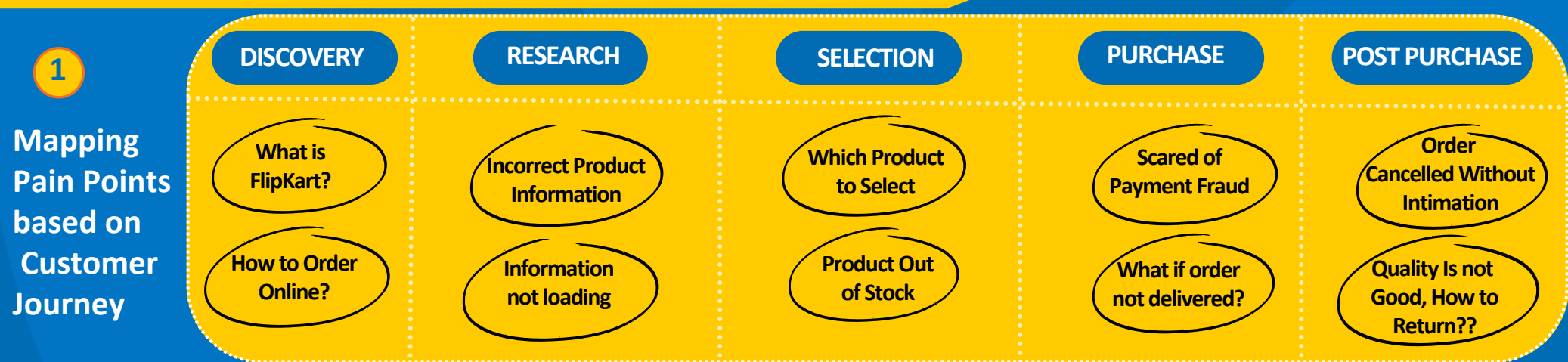
2. Choice: The village Kirana store accounts for < 5% of the spend in the village, as consumers look for a wider range of choices at Taluk/District-level stores



3. Convenience: 80% of village consumers travel 2-5km, spending over 1 hour, to pay their electricity bills.

Source: IndiaTimes

Source: 1Bridge



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Customer Pain Points

- Lack of trust and fear of receiving damaged products decreased consumer confidence.
- Late Delivery and low-quality products lead to the cancellation of orders.

Word Cloud based on Tweets mentioning TBBD

- Allegations of Price Hike and false discounts on products made people cite Flipkart as unreliable.
- Out-of-stock products are a common complaint by customers

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Hyper Segmentation

Based on the primary and secondary research, User segments which can be the most extensive customer base of Flipkart for coming BBD can be divided into 3 subgroups.

NEW Users from Tier 3 and Tier 4 (Age Group 16-26)

NEW/ Dormant Users of Upper Age group (50+ Years of Age)

NEW/Dormant Users from Tier 1 / Tier 2 cities

ToFu

MoFu

BoFu

Potential: Segment with Digital Literacy and a high level of internet and smartphone penetration.

Communication Message: Showcasing the value through affordable deals to increase app downloads and successful checkouts.

Potential: Value-seeking segment, having some disposable income/savings.

Communication Message: Communicating improved customer experience to enhance engagement

Potential: Segment looking for comfort and ready to move from branded to unbranded shopping.

Communication Message: Personalized communication complemented with strategies like referrals

Other than these 3 cohorts, some others are:

- New Users from Tier 3 and Tier 4 (Age Group 35+) - Potential customers with the lowest experience of e-commerce and least confident about digital payments but using smartphones and social media (Social Commerce)
- High-Income Dormant Users (Tier 1) - Potential customers with low CAC and high LTV, apt with financial literacy.

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Potential Customer Segmentation

Potential Addressable Market

759 millions

Total Available Market

659 million

Serviceable Available Market

606.28 million

Serviceable Obtainable Market

454.71 million

Potential Addressable Market - Overall Internet Users in India

Total Available Market - Active Smartphone Users in India

Serviceable Available Market - Users who are willing to do online shopping

SAM = TAM \* ( 0.92)

Serviceable Obtainable Market - Users who are ready to use Flipkart for online shopping

SOM = SAM \* (0.75)

Source - Primary and Secondary Research, *The Hindu*, *Inc42*

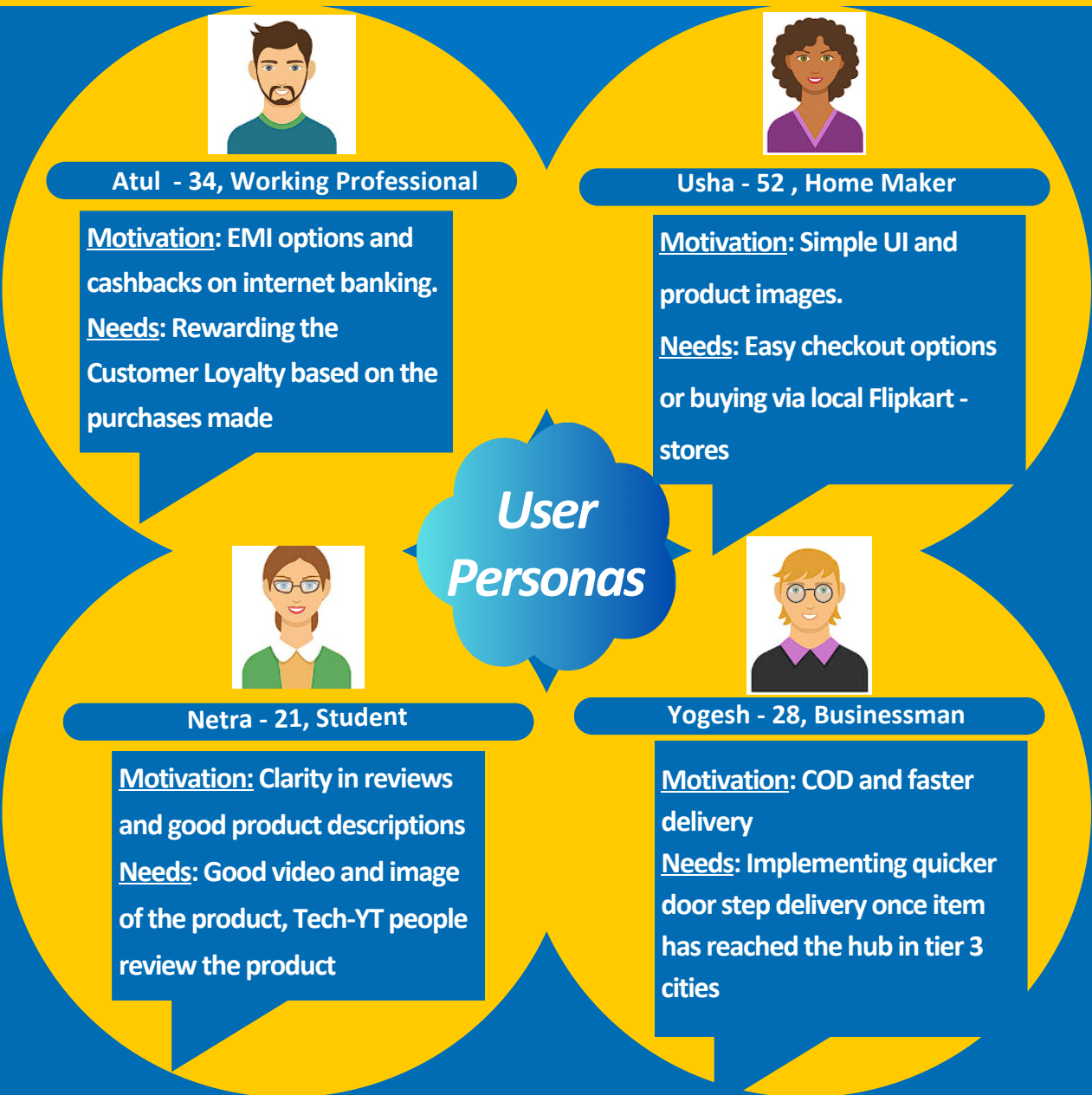


Flipkart through Customer Lens: Competitive Perception

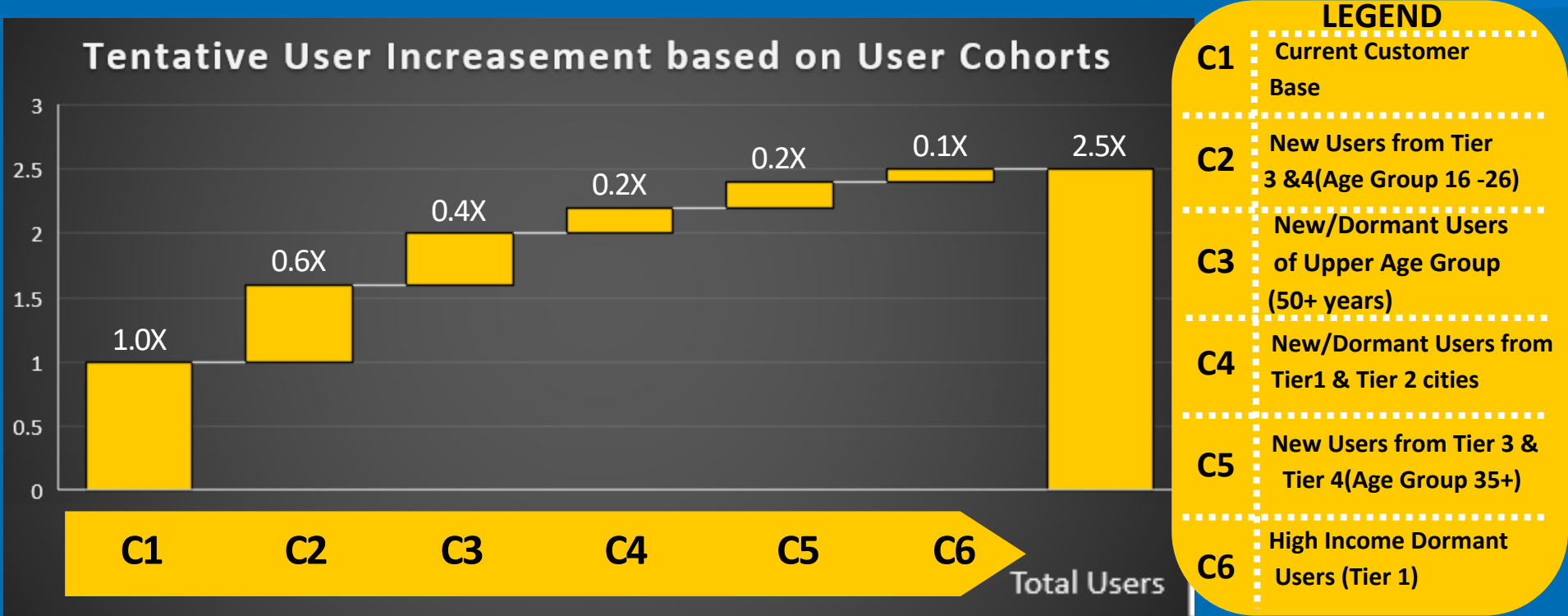
Based on our primary research these are the factors that affect people to shop online vs offline



These reasons, along with advances in technology and changing consumer behaviors, have contributed to the growth of online shopping as a popular retail channel.



CHALLENGES FOR FLIPKART	SOLUTION IMPLEMENTED BY COMPETITORS
Post Purchase Engagement	Amazon - OTT Mini TV
Lack of trust on product originality	Ajio, Nykaa - Certificate of Product Authenticity
Limited reach of products in Tier 3/4	Meesho - Targeting the local retailers
Category wise best selling products	Amazon - Best Seller List
Fear of buying the wrong product	Myntra - Use of try and buy for fashion products





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# Thank you

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