

# A COMPARATIVE STUDY ON CUSTOMER SATISFACTION BETWEEN AMAZON AND FLIPKART CUSTOMERS IN AN EDUCATIONAL INSTITUTION

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## ABSTRACT

*E-commerce is anything that involves an online transaction. E-commerce (electronic commerce or EC) is the buying and selling of goods and services on the Internet, especially the World Wide Web. 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 marketing data, and online feedback respectively. An attempt has been made to critically examine the comparison of customer satisfaction of two big e-tailers and those are Flipkart and Amazon. Both these big players made their own mark in India. A comparative study of Customer satisfaction between Amazon and Flipkart delivers the information about the factors that impacts customer satisfaction to succeed in e-commerce market. This paper is an attempt to analyze customer satisfaction level of Amazon and Flipkart. The primary data was collected. 179 samples are collected through a structured questionnaire. Data were analyzed through simple statistical methods like percentage. The major findings of the study is that majority of the customers are satisfied with Amazon.*

**Key Words:** *E-commerce, E-tailers, Online Shopping, Customer Satisfaction, Online transaction*

## 1. INTRODUCTION

Internet became more powerful and basic tool for every person's need and 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 marketing data, and online feedback respectively. These activities have collectively known as e-commerce or Internet commerce. Online shopping made so easy for everyone with their product variations and simple way to buy things. An attempt has been made to critically examine the comparison of customer satisfaction of two big e-tailers and those are Flipkart and Amazon. Both these big players made their own mark in India. A comparative study of Customer satisfaction between Amazon and Flipkart delivers the information about the factors that impacts customer satisfaction to succeed in e-commerce market.

## 2. OBJECTIVES OF THE STUDY

- To identify the respondents perception towards Amazon and Flipkart shopping
- To investigate the major factors that impact customer satisfaction towards Amazon and Flipkart

- To compare the customer satisfaction level of Amazon and Flipkart customers and the aspects of online shopping provider which satisfies the customers

### 3. REVIEW OF LITERATURE

For the above stated objectives, a detailed review of literature has been done and the information collected and utilized for the research works have been presented below;

- 1) 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.
- 2) 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.
- 3) Dhevika V.P.T, Lata Sri 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 behaviour.
- 4) 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.
- 5) 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.
- 6) 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.
- 7) 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 e-tailers 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.

### 4. METHOD

#### 4.1 Profile of the Respondents

The Post Graduate students of the educational institution have been taken for the study. Majority of the respondents fall the age group of 21 to 23 years (53.4 percent) followed by 24 to 26 years (21.8 percent). In gender classification, male (53.6 percent) takes a higher response. It shows their interest towards online shopping. In family annual income classification, respondents whose family earn 1 to 2 lakhs p.a prefer online shopping more (33.5 percent), followed by the family with 2 to 3 lakhs p.a income (22.3 percent) and family with above 5 lakhs p.a income has lesser preference over online shopping (11.2 percent). It clearly depicts that annual income is not a barrier for the respondents to shop online. In Payment method classification, Cash on Delivery stands tall with 63.1 percent followed by Debit / Credit Card payment (20.1 percent) and Net Banking (14.0 percent).

**Table – 1:** Profile of Respondents

Characteristics	Percentage n=179	Characteristics	Percentage n=179
<b>Gender</b>		<b>Family Annual Income (in lakhs pa)</b>	
Male	53.6	1-2	33.5
Female	46.4	2-3	22.3
		3-4	17.3
		4-5	15.6
		Above 5	11.2
<b>Age (in years)</b>		<b>Payment Method</b>	
21 – 23 years	75.4	Debit/Credit Card	20.1
24-26 years	21.8	Cash on Delivery	63.1
26-28 years	2.8	Net Banking	14.0
		Third Party	2.8

#### 4.2 Survey Instrument

To guide our investigation, we have done a descriptive research. The questionnaire was finalized after doing a pilot study with 40 respondents. The first section consisted 3 items of demographic data such as gender, age and family annual income. The second section consisted of attributes that the customers prefer over Amazon and Flipkart, such as On Time Delivery, Quality of the Products, Ease of shopping, etc.

#### 4.3 Samples Design

The Post Graduate students of an education institution were taken as the samples, with relevant to the objective of the study. Census method was carried out for data collection. Since the population size of the Post Graduate students itself is less, the entire population was taken for the study. The number of respondents was 179 and the questionnaire was distributed for the same.

#### 4.5 Comparative Analysis of Customer Satisfaction in Amazon and Flipkart

**Table – 2:** Comparative Analysis of Flipkart and Amazon

Factors	Amazon	Flipkart	Amazon	Flipkart
<b>Website Usage</b>				
Ease of use in mobile platform	37.4	54.7	44.02	48.12
Availability of Product Information	44.1	50.8		
Product and Price Comparison	49.7	43		
Ease of search	45.3	48		
More app traffic in:	43.6	44.1		
<b>Products</b>				
Quality of Products	55.3	40.8	46.48	44.8
Product Collection & Variety	47.5	46.9		
Effective order matching delivery	43	50.8		

Stock availability	50.3	44.7		
Product damages high in:	36.3	40.8		
<b>Delivery and Order</b>				
Timely Delivery	43.6	50.8	41.88	51.7
Easy return policy	44.1	50.8		
Order cancellation procedure	37.4	54.7		
Order tracking facility	50.8	41.9		
Delivery at remote areas	33.5	60.3		
<b>Payments</b>				
Offers and Discounts	51.4	44.7	47.5	47.33
Payment facility	41.9	52		
Reasonable Price/Value for money	49.2	45.3		

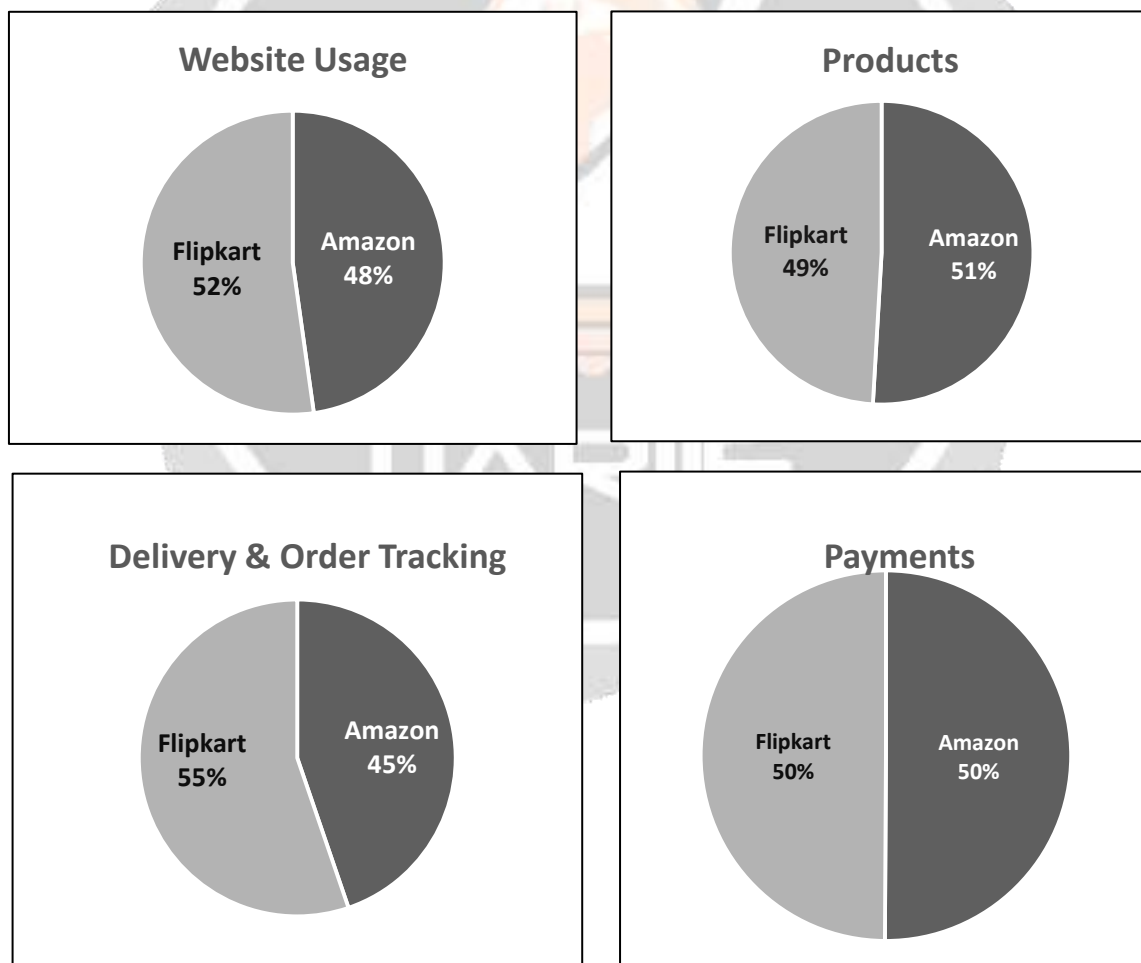


Fig – 1: Comparative Analysis of Flipkart and Amazon

#### 4.6 Discussion and Implications

From the above table and diagram, it can be inferred that, all the 4 factors (Website\_Usage, Products, Delivery\_Order, Payments) contribute towards Customer Satisfaction of Amazon and Flipkart. However the customers are highly satisfied with the Website\_Usage of Flipkart than Amazon which has 52% and 48% respectively. Amazon has high quality and products variety when compared to Flipkart, with 51% in Products factor. 55% respondents are satisfied with the Timely delivery and Order tracking of Flipkart, which provides the effective services such as delivery at remote areas and easy return policy. There is no difference in the Payment facility of both the shopping sites, which means both provide equal services in terms of payment facility. Therefore, the customers are highly satisfied with the services of Flipkart when compared to Amazon.

#### 5. CONCLUSION

Online shopping is a new technology that has been created along with the development of the Internet. The study consisted with the aspects in which customers of Flipkart and Amazon are satisfied and the comparison between the Customer satisfactions of both the sites. The innovative thinking of both online shopping sites 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. In this competitive market one has to be lead and rest will follow. Based upon consumer's survey, Flipkart satisfies the customer in terms of website usage, delivery and order tracking. However, Amazon gives tough competition to Flipkart which satisfies the customer in the aspect of quality of products. Even though it is an international company it understood Indians very well and made its roots stronger in India. It may take some time to overcome, but definitely both are doing very well in Indian e-commerce market.

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