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Case Study NJCBMR

Case Study Flipkart (A): Transitioning to a Marketplace Model

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Abstract

Conducted case study was attempted towards examining the misperception circulating current e-tailing marketplace concerning misinformation of the platform's existing product. Reviewing of surfaced product quality challenge further uncovered related issues from the aspect of unhealthy price competition within the Indian marketplace, discrepancy in socioeconomic factors towards proliferation of current e-commerce practice and organizational ability in balancing sales growth to profit gain. Earlier academic studies and theoretical groundworks were reviewed and revisited to analyze, further uncover potential alternatives targeting resolutions of surfaced issues. Fabricated knowledge was then compared against viability of the current case in achieving compromised decisions that benefit the forthcoming organizational practice. Flipkart is an Indian-based e-tailing organization which emphasized a revolutionary transformation to a comprehensive marketplace model company. From its humble beginning as an online book selling site, the virtual platform has grown into a dominating player within India's domestic e-commerce market. The company has prided itself for offering of multiple product categories from a huge pool of domestic and international sellers at affordable prices and admirable service quality. Such aggregated performance, alongside continuous acquisition of promising brands, administrating of reliable sellers and acceptance of external advertising further secured the company with an extensive amount of foreign investment and local clientele. Its established logistic network subsequently factored proficient accessibility and reachability of the online consumeristic environment. Conducted inspection revealed over-emphasizing of price-based competition as Flipkart's utmost severe shortcoming in ensuring a positive profit margin. The organization's focus on price-cut and advanced deals has displayed an immense negligence on profound marketing strategy and quality maintenance of retailed products. A prospective outlook centering increase in vendors to cater an expanding marketplace has merely promised constructive revenue at potential deficit in actual return-of-investment (ROI). Direct competition without a sturdy market standing would be highly detrimental to existing players in the Indian e-tailing industry. Recommendations particular recognized a centralized approach to market rivalry by exploitation of core competencies and competitive advantage. A feint to the spiraling price war sees Flipkart's shifted focus to both superficial product handling, market targeting and customer servicing. Investment towards advanced infrastructure for purposes of inventory management and freight network would ultimately act as necessary foundations to organizational preeminence by segmented market and sole distribution of other internationally renowned brands.

Keywords: e-commerce, supply chain, Return of Investment, Business Model, Window shopping

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INTRODUCTION

The given case especially pinpoints servicing and quality control issues as encountered by Flipkart, an

India-based e-commerce platform, throughout its rapid build-up in the contemporary domestic marketplace. Readers are primarily introduced to the socioeconomic and consumeristic transformations in India following vast receptions of Internet-based consumptions among residents across diverse regions of the country. A managerial voyage enclosing the initialization of Flipkart as an online book selling portal to the multi-categorical window shopping terminal it is today is subsequently laid in enabling a clear and conspicuous picture centering the organization's entrance, market appraisals and strategic executions. Effectiveness of the marketplace model is then weighed in through comparison between business models of the home-grown organization and other well-established contenders such as Alibaba and Amazon. Presented argument pertaining the profitability setback faced by price-sensitive e-tailing businesses further gave rise to prospective tweaks on the existing supply chain for elevated competitiveness and survivability. In this, recent e-commerce phenomena within a developing nation with highly dispersed residential distribution is comprehensively illustrated by contrasting its virtual and retailing capacities to the organizational development stages of an e-tailing company (view Appendix 1).

SYNOPSIS

By addressing the negative social media comment voiced regarding misinformation of a product sold in Flipkart, an apparent oversight was unraveled on the organization's ability to offer monstrous range of products at genuine quality, while concurrently account for its core mission on superior customer servicing. With this being said, limited brand penetration and the incomplete retail ecosystem of the Indian market has previously encouraged noticeable growth of its e-tailing sector as the results of rapid digitalization. Fabrication of the Indian e-commerce horizon as a widely opened market, with adequate regulations to maintain domestic business ownership, and the tremendous mobile accessibility of its residents have simultaneously invited external competitions by the name of Amazon, besides local platforms such as Snapdeal. Such positive e-commerce outlooks would continue to the year 2026, at a prospected market expenditures of US$ 200 billion from the estimated value of US$111 billion in the year 2024 (India Brand Equity Foundation, 2022).

Focusing on the supply chain actions undertaken by Flipkart, a total of six distinct initiatives were undertaken by the organization in addressing dissimilar norms as encountered throughout its operations. The first initiative being its adoption of cash on delivery (COD) to the local consumers who lacked confidence and trust, as well as virtual transactional experience on online purchases. Alongside a predisposed clause on 30-days guaranteed return to its delivered items, buyers were well-protected against the perceived frauds of online-based transactions. The second initiative being a vastly interconnected logistic system covering comprehensive geographical dispersion of the targeted marketplace. With noting consumers from the outskirt of the country were highly interested, whilst having little geographical accessibility to unfamiliar products; wide coverage of Flipkart's 450 delivery hubs under the hub-and-spoke model would then ensure unobstructed reachability. The third initiative being the effective employment of event-based marketing through the Indian Premier League to cater viewership, promotional marketing through introduction of the Big Billion Days which aimed to attract short-term sales spur, coupled with the continuous scaling up of total sellers and product categories for an all-inclusive window shopping experience.

While continuous expansion of online sellers have encouraged revenue growth by standard of a commission-based earning, intensified competitions as caused by price effective offerings from foreign e-commerce platforms have given rise to a strenuous price war. Such challenging occurrence then provoked the forth initiative on the separation of eKart, a home-grown delivery operation, as an independent logistic business which offered coordinative services beyond internal requests of its mother firm. The sixth initiative which emphasized the Flipkart Advantage (FA) program that enabled proactive positioning of unbranded products has further established the relevance of niche offerings online as a constructive mean to overcome the uneven distribution of revenue margin between different product categories. Argument has essentially surfaced on the compatibility of both marketplace model and inventory-led models to the India's e-commerce phenomena. Nevertheless, practical revelation has indisputably swayed towards the latter. Unlike the inventory-led model as partially adopted by Amazon, Flipkart's operational model held closer resemblance to that of China's Alibaba in view of the similarities between socioeconomic layouts of both countries. Brand acquisition, strategic investments and close monitoring of existing sellers have then contributed positive feedbacks on the e-commerce platform.

All else considered, the company's marketing model which emphasized price competitiveness without offsetting both convenience and efficiency has yielded capital loses over positive revenue growth and market expansion. Sustainability was, therefore, achieved through external investments in anticipation of an upcoming profitability. Such monetary aids, however, were deemed temporarily; in turn, prompted the need for peripheral means and alternatives to overthrow the deficit. Effective dissemination of capital and resources has apparently possessed greater significance on e-business performance over the mere impact of digitalized advancement [1]. With upward scaling being an operational endeavor to secure sufficient, if not, overwhelming market share; ambiguity has remained on feasibility of marketplace model to the current infrastructural preparedness of e-commerce organizations against customers' expectations in the Indian marketplace.

CASE STUDY OBJECTIVES

1. To evaluate the practicality of current e-tailing arrangement in meeting market demands and expectations, while ensuring a robust equilibrium between product quality and servicing standard
2. To conceptualize the success factors of international e-commerce giants that can be feasibly adapted by Flipkart for an effective supply chain which thrives within the domestic marketplace of India
3. To coordinate both strengths and opportunities of the current e-commerce frontier for achieving sustainable profit margin among industrial practitioners
4. To verify the supportability of marketplace model against geographical and socioeconomic challenges in the contemporary and future business environment

FORMULATED QUESTIONS

1. While Flipkart has been focusing on infinite items to its customers, product and service qualities have become a serious trade-off. How can this be managed? How would the company administer its supply chain to ensure maximum customer satisfaction?
2. Taking into consideration different aspects within the domestic marketplace, the current Flipkart supply chain may or may not require transformation. Grabbing inspirations from foreign e-commerce giants including Alibaba and Amazon, is there any alternatives to focus on besides the B-to-C model?
3. Facing proliferation of price war in the current Indian e-tailing market, how would Flipkart stand out from its competitors without over reliance on price effectiveness? Would the business approach of Myntra be well-fitted to the company in the future?
4. In view of the local geographical and socioeconomic norms, would Flipkart's current business model be sustainable for the long-run? Which business model would fit the contemporary e-commerce environment of India better – marketplace model or inventory-led model?

ANALYSIS AND PROBLEM FORMULATION

Customer satisfaction has been bounded as an effective gauge to organizational performance and effectiveness [2]. While Hoe and Mansori (2018) have essentially proposed product quality as the sole determinant to market satisfaction and loyalty; such presumption has professedly overlooked the impact of service quality [3]. Likewise, an organization's limited capability in safeguarding customers' satisfaction, from both aspects of tangible products and purchasing services, could be massively disruptive to the market position and confidence in which it had spent vast amount of capital and temporal investments. Such was all the more evident following borderless information circulation of the world-wide-web that would tarnish an established brand by the click of a button [4]. This has, nonetheless, prevailed as a main issue to the currently examined case.

Being among the most populous countries worldwide, prevalence of 980 million mobile phone subscribers and 354 million Internet users as recorded for the year 2015 further conformed the extensive innovation diffusion ratio among Indian residents. Mirroring the circumstance of China, domestic and corporate innovation were simultaneously triggered through well-prepared IT amenities, advancement conventional communication system and digitalized upgrading of traditional conventional businesses [5]. As such, physical consumptions of unique and new products were solely restrained by logistic accessibility and their confidence towards virtual transactions. With Prolific adoption and integrated level of e-commerce practices being recognized as the mainsprings to its industrial success; a worthwhile decision was allegedly made by the discussed e-tailing organization, Flipkart, on exercising the cash-on-delivery (COD) approach against its domestic market. Surely, accessibility has emerged as a common benchmark among online business practitioners, with consumers from the outskirt and rural regions of India being main target market to the local e-tailing scene [6].

All things considered, the e-tailing market in India has remained an oligopolistic setup, having operational decisions of a dominating firm being directly maneuvered by market strategies as endorsed by its competitors [7]. Emerging of new local competitors and entering of foreign e-commerce giants did exert substantial pressure on the market dominance of Flipkart. On one end of the spectrum, discounts, promotions and continuous skimming of offered prices have created an endless predicament for price-based competitions. On the other end of the spectrum, event which went by the title of “Big Billion Day” was executed to parallel short-term sales achievements of fellow competitors via other foreign marketplaces (e.g., Black Friday). Note that majority, if not, all e-tailing organizations competing within the Indian market have preferred price-based competitiveness alongside profound marketing activities in drawing potential sales. Such measure, while conveniently implementable for short-term competitive advantage, has subsequently exposed themselves to an all-out price war. Meanwhile, the endeavors have yet to place any emphasis on the standards of their tangible and intangible offerings.

Debates centering the employability of both marketplace model and inventory-led model further spawned rational appraisal on the pros and cons of each approach. As observable in Appendix 2, the former was particularly efficacious for business up scaling and expansive market coverage at the expense of quality maintenance, costly logistics and inconsequential customer-seller relationship. The latter then capitalized the effects of timely shipments, capacity for quality control and encouraged relationship between customers and sellers, whilst forgoing the effectiveness in up scaling and managerial efficiency over necessitated inventory investments (View Appendix 2). As an Internet based organization which embraced the marketplace model, Flipkart’s underperformances have inevitably reflected the practices’ conventional shortcomings in both quality assurance (i.e., case of misinformation on the shoe) and relationship maintenance (i.e., ease of demoralization following negative social media reviews and sharing). In-house logistics by establishment of eKart, alongside its network of 450 dissemination hubs spanning the entirety of India have certainly absorbed substantial amount of transportation costs from an outsourced logistic service provider. However, its continuous up scaling has yet to provide a clear answer to the issue of quality handling.

With this in mind, argument is especially voiced on the need for stock-keeping to reassure product quality. Subsequent verdict should be easily clarified following operationalization of the Flipkart Advantage FA) program where storage emerged a foreseeable necessity. However, this would, yet again, placed the organization in hot water following an increased responsibility towards inventory spending – an unfavorable move against the current price sensitive market. Such situation then saw the organization’s strategy for economies of scale by reinforcing its network, so as to synchronously increase its market offerings. Question was, thus, posted on how such practice would precipitate organizational growth without putting a dent to its profitability.

As lucrative as it seem, the domestic e-tailing market closely resembled the flame to a bunch of attracted moths – extreme surface revenue gain with deficit investment return. The struggles as endured by Flipkart, and its local and international counterparts to achieve price leadership has apparently generated more harm than monetary successions. While Flipkart tackled such downfall by mean of expanding and leveraging existing sellers on its e-tailing platform, the practicality of earned revenue to counterbalance additional costs involved for both marketing (e.g., discounts and promotional pricing) and logistics (e.g., packaging and gateway payments), besides fixed operational costs (e.g., organizational management and customer servicing), remained utmost questionable. With this, external investments were deemed temporary, while being hardly sustainable shall e-tailing firms under the marketplace model adopt partial or full usage of the inventory system. Having difficulties arose on achieving perfect equilibrium between the extent of product offerings, quality assurance and competitive pricing without sacrificing profitability of each successful transaction, the company's future would ultimately fall on its strategic planning and execution.

EVALUATION OF ALTERNATIVES: BASED ON FORMULATED QUESTIONS

Question #1

While Flipkart has been focusing on infinite items to its customers, product and service qualities have become a serious trade-off. How can this be managed? How would the company administer its supply chain to ensure maximum customer satisfaction?

Throughout Flipkart's efforts to grab a larger slice of the market share through fulfilled requests and demands, the organization has fundamentally forgone the importance of quality. Under the presumption where capital gain through transactional revenues were used as needed expenditure to counterbalance deficits as generated from price-based advantages, an outlook towards positive capital return (i.e., profitability), thus, urged a greater emphasis on experiential surpassing. Simply, the significance of products and services which fulfill customers' minimal expectations should be exercised. Besides the price factor, a study by Sanyala and Hisamb (2019) then demonstrates convenience as an antecedent to market satisfaction towards e-commerce sites. Service quality, which comprised the components of general servicing, recovery servicing and logistic servicing, has further shown compelling influence on customers' satisfaction within the e-tailing environment [8–10]. Tackling issue of misinformation on the e-tailing platform, Flipkart's aim to achieve market dominance by mean of product expansion should require adequate product handling, as well as operational readiness for after-purchase services on cases of such in the future.

As mentioned by DeWitt, Nguyen and Marshall (2008), service recovery upon adverse occurrence should restore market patronage through generation of confidence and attachment [11]. However, the relevance of perceived seriousness of such incident, justice-related factors (i.e., interactional justice which accounts ways in which organization engage the customers, and procedural justice which accounts impartiality on the decided resolution), perceptions towards the switching cost required between available e-commerce platforms on said patronage should not be overlooked [12]. The intervention of competitors such as Amazon and Snapdeal has, nonetheless, lowered customers' switching cost towards adopting other e-tailing platforms. In this case, the faulty winner-take-it-all mindset should be set aside to secure allegiance among stable clientele. The organization's intention for market expansion through increased product offerings can be essentially substituted to focus specific market segments. Such decision then maneuver the platform's act of mass marketing to emphasize concentrated marketing among customers with greater potential. Instead of focusing on fulfilling customers' consumption requirements at subpar satisfaction, current idea fundamentally pushes the thought of offering service and product excellence to a group of potential customers at the expense of other, less profitable consumers for the short-run – "doing what you are actually good at and do it exceptionally well". This is until it has gained sufficient market allegiance prior redirecting such efforts to other possible niches and ventures.

Question #2

Taking into consideration different aspects within the domestic marketplace, the current Flipkart supply chain may or may not require transformation. Grabbing inspirations from foreign e-commerce giants including Alibaba and Amazon, is there any alternatives to focus on besides the B-to-C model?

Note that Flipkart's business model mirrored that of Alibaba in the sense where a vast network of sellers were available to a large coverage of domestic market. Core mission of the discussed organization which placed product availability as its central emphasis has been the key to secure an increased portion of existing market share through proficient advertising [13]. However, greater responsibility apparently falls on the company's ability to administer its sellers and its products (i.e., advertising investment, market position and consumers' experience) [14] whilst concurrently guarantees market expansion. Undeniably, the success story shown by Jack Ma's Taobao Village has seemingly reflected Flipkart's possibility in encouraging consumer-turn-sellers from the comfort of their living room. The idea was, nonetheless, complemented by the company's home-grown logistic network and delivery hubs throughout rural regions of India. Lowered barriers of entry following mere requirement of internet access and quality products for sale then enabled the overcoming of physical accessibility through eKart. Additionally, comprehensive training from the e-trailing platform centering virtual business operations, alongside information transparency from the organization on updated pricing and market demands would act as fundamental foundations for sellers, or in this case, the household merchants, to trade strategically – in both budgetary control and seasonal product selections. On another note, Amazon's inventory-led business model can potentially emerge as a preferred step to ensure successful brand positioning. One particular reason for such statement has been the ability of effective inventory management on product quality assurance [15]. While such approach would inevitably increase the fixed expenses required for business operation; yet, elevate the benefit of manageable delivery scheduling and organizational-complied quality standard. Further stated by Iglesias, Markovic and Rialp (2019) on the importance of brand experience and position within the marketplace towards customer satisfaction and loyalty; selling of unbranded products under the FA program further enabled higher opportunity for return-of-investment among household merchants who have yet to make a name from their offerings [16]. Unlike renowned brand names which possess a professional in-house quality control, presented issue regarding Flipkart's overemphasis on marketing and advertising can then be overcome by quality screening of stock-kept products from lesser-known sellers or retailers who hold little knowledge regarding product quality. In return, advertising and selling of subpar and misinformed products would be avoided. In this case, a win-win situation would occur following positive entrepreneurial revenue to rural merchants and market confidence to the e-tailing platform (Figure 1).

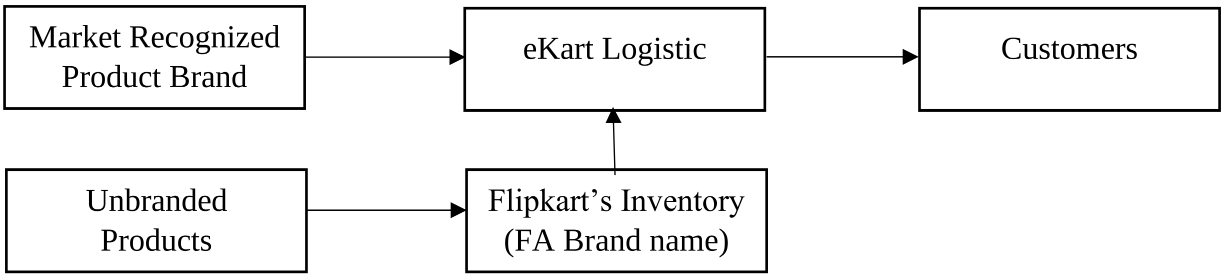

Figure 1. Proposed flow chart of branded and unbranded products in India's e-tailing market.

In Flipkart's efforts to increase the number of sellers on its platform, the unexplored household merchants in India can be a viable segment. Under such circumstance, the C-to-C approach can be potentially applicable by Flipkart as an additional alternative to increase its sellers and products with controllable quality under a common brand – FA.

Question #3

Facing proliferation of price war in the current Indian e-tailing market, how would Flipkart stand out from its competitors without over reliance on price effectiveness? Would the business approach of Myhtra be well-fitted to the company in the future?

The free entrance of foreign competitors, alongside simultaneous emergence of localized e-tailing platform do not necessarily drive the industry into an irreversible price war. Continuous executions of price-cut, discounts and vouchers have then been proven as a short-term advantage, pending subsequent strategies by the competing platforms which offer a comparatively lower price range for similar products. Understood from the transaction cost theory by Williamson (1979), organizational optimizations should be achieved following a decline in exchange-related expenditures [17]. This was, however, unachievable in Flipkart's continuous pursuit for price-based supremacy, having the monetary benefits as delivered to fellow customers being internally sustained by the organization. Nature of consumerism further driven extensive importance of quality offerings and advertising investments on consumption propensity against prevalence of pricing and product packaging [18]. As far as invested efforts for the achievement of price leadership concern, such endeavor is deemed harmful to the platform's profitability, with yielding little allegiance from existing purchasers upon discovery of injustice pricing to purchased products [19]. Instead, platform differentiation can be operationalized in seek of sustainable competitive advantage.

By definition of the resource-based theory, organization would understandably gain non-duplicable market competitiveness by mean of strategic remodeling towards common resources, the organization's structural and strategic planning, and the complete manipulation of rare resources unavailable to other competitors [20, 21, 22] Having said that, Flipkart's popularization of the previously untrusted China-manufactured XiaoMi brand in its home marketplace has proven the company's competency in achieving market dominance through successful marketing. Exploitation towards the flexibility as enabled by the e-commerce environment subsequently propels advantageous endeavors of strategic differentiation on market competitiveness and business effectiveness [23]. With this, core competency of the e-tailing platform can be developed in accordance to its ability in managing specific resources or brands to the Indian marketplace – as per mentioned on the possibility of globally recognized brands like Samsung. Beyond short-term gratification of price-based success, current proposition, thus, extrapolates positive tendency for market dominance in the technological and telecommunication sectors shall sole distributing of renowned brand names are achieved.

Nevertheless, competitive pricing in the online environment remains paramount in adherence to the market demand theory, where consumption is directly correlated to the required monetary exchange for an offering [24]. Having the company's acquisition of Mythra as a profitable attempt in capturing a share of the local fashion market, its business approach which embraces premium pricing might look inapplicable to Flipkart for the near future. The revelation is hereby justified upon India's socioeconomic layout which holds a considerable income gap between metropolitan and rural citizens, whilst account for their Internet accessibility. Aforementioned number of mobile phone users (i.e., 980 million users) and internet accessible users (i.e., 354 million users) have been utmost reassuring on the switch of multi-platform approach to focus mobile-only e-tailing. However, such endeavor would potentially distant consumers avoid mobile windowing and shopping to entail lost sales and revenue gain in the long-run. Comparable offerings at relatively low market patronage then caused shifted preferences and market share gain to competing platforms.

Question #4
In view of the local geographical and socioeconomic norms, would Flipkart's current business model be sustainable for the long-run? Which business model would fit the contemporary e-commerce environment of India better – marketplace model or inventory-led model?

On the account of game theory by von Neuman and Morgenstern (1944), the mathematical paradigm has evolved to explain the reciprocated correlations between decided attempts of market participants with direct correspond to each other in generating either intended or unexpected outcomes [25]. The concept has then acted as the theoretical bedrock to an organization's marketing behaviors with respect to the market actions of their competitors [26]. Against uprising competitions within the domestic e-tailing marketplace, Flipkart's voyage to achieve a complete marketplace business has continuously established its platform with vast extent of sellers and buyers. Revenue gain achieved through each successful transaction has acted as reinvested capital to the platform's consistent competitiveness in the Indian marketplace. However, its over-reliance on price has entailed a number of inconvenience in the form of profit deficit and non-existence short-term payout to its consumers. Flipkart's initiative by expanding the number of sellers would seemingly achieve revenue and organizational growth without guaranteeing positive ROI. Under the precondition where cooperative endeavor between market participants would yield increased income gain by each party over inter-organizational competitions [27]; question surfaced as to the company's continuous operation without substantial employment of other strategies outside of the price factor.

Presented battle between the components of advertising, pricing and product quality has seemingly pushed operational pursuits of e-tailing companies towards the edge of economical inventory management. Primary concern recognized the 30-days return policy which leveled product standard to customers' experience, whilst having each dissatisfaction propagates an unearned revenue to the organization's commission-based approach. Secondary concern then highlights the incur of transportation, stock-keeping, advertising costs to fellow consumers which caused possible switch of market preference to other alternatives that subject themselves to such disadvantages. Tertiary concern further highlights the overemphasizing of marketing and advertising under the underperformance of promoted products. Refreshing the primary social media comment on fraudulent product offered on Flipkart by its seller, the level of control and product handling should, therefore, be heightened (Figure 2).

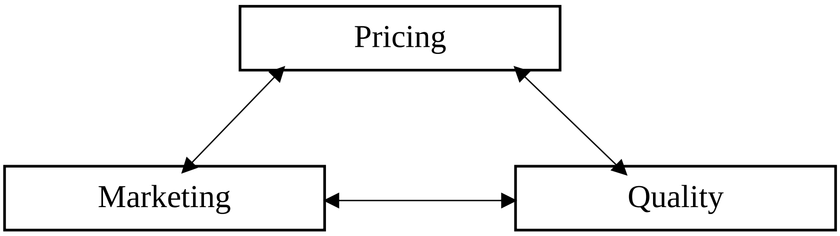

Figure 2. Inter-relationship between pricing, marketing and quality.

While the use of an inventory-led model would inevitably increase fixed cost sustained by the organization, such measure is possibly repaid by timely logistics, product quality and product availability [28]. Taking FA program as an initiative, inventory optimization is deemed achievable on internalization of various supply chain processes (i.e., eKart on product delivery and distribution) and stock-keeping of minimally recognized products. Note that consumers would refuse pricy consumptions for virtual offerings due to the setting's vague layout, such drawback can be overcome by sellers' reputation and marketing efforts [29]. Proposition, thus, supports the partial employment of inventory-led model against a thorough marketplace model under the established requisites where the e-tailing organization capitalizes quality assurance with well-informed marketing activities, and reduced emphasis on price-based competition.

RECOMMENDATION AND IMPLEMENTATION

Focused Marketing of Core Products – Prevention of Direct Competition

In actuality, positive market value perception and surpassing of consumers' expectation through e-tailing portals are maneuvered by traits of information intelligence, structural excellence, servicing standard, quality of offered items, as well as perceived discrepancy between expected quality and monetary exchange [30]. Taking an STP (segmentation, targeting and positioning) approach to the e-tailing environment, streamlining of marketed products among retailed items in totality can be a compatible operational alternative to highlight proficiency, whilst concurrently dodging the aggressive marketplace condition; as follows:

Segmentation

Note that Flipkart upholds the mission of increasing its available offerings to cater an ever-expanding domestic market. However, the tracking of sales and users' windowing behaviors could conveniently uncover different consumption subsets within the larger marketplace. Consumption patterns alongside constant preferences then showcased potential segments which yield greater revenue over other less significant niches (e.g., consumers from second- and third-tier cities possessed considerable curiosity and trial intention for unique products can be well-served by enabled accessibility of e-tailing purchases).

Targeting

The identification of potential market segments in which Flipkart would gain comparable advantage over its competitors, thus, corroborated these groups of consumers as possible long-term clientele (e.g., electronic products as favored by e-tailing consumers which prevailed as among the organization's offerings that contributed majority – 50% to 70% of its total revenue). Without straining the capital invested for development of other product categories, increased financial capital should be allocated towards such specialty in seek of enabling competency-based market dominance.

Positioning

Advertising efforts favoring such proactive subsets would then promote a more specialized market image (e.g., Zalora as an e-commerce platform specializing in clothing and fashion wears). Simply, an organization would be competing on its dominion level. As per mentioned on the requirement for concentrated marketing, general competitiveness which exposed the organization to the vast competitions can be replaced with more specialized rivalry in which Flipkart holds an absolute advantage.

Complementing such approach would be relationship maintenance and follow-up based off customers' former purchases. As argued by Alrumiah and Hadwan (2021), invested efforts and capital towards Big-data analytics in the e-commerce environment would advocate sellers' apprehension of market inclination, with ensuing effect on consumers' patronage [31]. Članak (2018) then supports the practicality of segmentation-oriented analytics as crucial apparatus for business intelligence towards determining collective clusters and locational dispersion among consumer base [32]. Such analytics can be applied towards the discovery of updated trends, in addition to the organization's core competencies. The consumerism market is essentially a fashion-based market where successful sales would depend heavily on current preferences and market inclination. Strategic implementations of the e-tailing industry would, therefore, rely impartially on its ensuing data-based competitiveness.

A Hybridized Business Model – Quality Assurance for Unbranded Products

As far as the firm's aspirations in focusing its operation towards becoming a thoroughly virtual-based platform, its marketplace-oriented process should never neglect a partial, if not, complete need of inventory and stock-keeping. Voiced recommendation typically conformed elements of refundable policy, fetching mechanism, innovative approach to virtual-based operation, depth and width of product categories, confidence towards confidentiality and punctual delivery in serving consumers' demands [33]. As per formerly discussed, the inventory-led model can be a viable alternative to ensure quality products to e-tailing consumers on timely and accurate delivery at a fixed monetary investment, whilst cumulative adherence to the afore-stated criteria. Such undertaking undeniably placed a form of financial commitment to the discussed firm for enhanced servicing quality; in turn, becoming a competitive asset outside of the price factor. Beyond dominating brands in the Indian virtual market, enhance performances of Flipkart's acquired brands such as Mythra can be extensively managed. Such setup would further encourage increased acquisitions of prominent brands under the groundwork of readied logistic infrastructures.

By similar virtue, existing warehousing activity would be an imperative factor to absorb mechanistic requirements under the intention of endorsing renowned brand names towards Flipkart's domestic marketplace. The company's marketing capability in transforming untrusted yet quality brands into domestically accepted products (i.e., as shown through the case of XiaoMi) is utmost unchallengeable;

such expertise, thus, surfaced as a pre-founded condition to its potentiality in monopolizing other, more recognizable brands among existing and new clientele. Exemplified through the circumstance of live-selling via virtual platforms, upgrading of existing supply chain has become a compulsory attempt in attaining process optimization at an excessively rising purchase orders [34]. This is, nonetheless, applicable to the off-live e-tailing platform. The availability of an inventory, alongside a well-prepared transportation network would undeniably be invaluable preparatory assets to the company's expansion endeavor under both sources of an established label and household sellers (i.e., C-to-C). Above the predisposition where foreign investment is severed upon deficit ROI, the company require a fortified market standing, which can be achieved through it's a solidified positioning effort.

Promote C-to-C Operation in the Domestic Market

Taking inspiration from the Taobao Village as kick-started by Jack Ma, continuous urbanization of the Indian community can be exploited for market expansion of Flipkart by promoting consumer-turn sellers across rural regions of the country. Such recommendation has been made out of three main reasons: 1) the company possesses a comprehensive network of logistics under the name of eKart which allowed increased convenience in transporting distant orders from each region of India to another without over-reliance on external freight vendors that possibly incur considerable amount of delivery expenditure, 2) the availability of FA program which allowed the virtual selling of otherwise unbranded products under an organizational endorsed brand name, and 3) the mass sharing of market information to household sellers in levelling their budgetary strategies, selective productions and price-setting which competitively match market demands. Setting aside the language barrier (i.e., the English language) and low virtual transaction penetration (i.e., MasterCard users), a fully developed internet-based networking and comprehensive regulation towards online practices in cementing citizens' technological trust would conveniently hit the extrapolated $35 billion of e-tailing revenue within the Indian market [35]. Such goal, in one way, can be reached by collaborated governmental and private resolutions for online C-to-C.

With reference to the previous recommendation regarding establishment of a hybrid business model to the e-commerce environment, stock-keeping and advertising at affordable commissions from household sellers would substantially prevail as a beneficial situation to both parties. The first benefit being consumers are able to expose their market offerings to vast number of potential customers at a relatively inexpensive capital requirement. The second benefit being Flipkart would partially or completely avoid to monetary investment needed for the inventory-led model (i.e., with the cost being transferred to the sellers' side), subsequently prompting revenue gained from each C-to-C transaction to support other necessary developmental operations (e.g., increased logistic hubs to ensure accessibility following urbanization of previously unexposed regions in the domestic market). Stated by Pi and Wang (2020) on an offsetting relationship between service excellence and required transactional expenditure among platform buyers; contemporary proposition hereby secured additional fees in aspect of warehousing towards the end of household sellers with respect to budgetary adjustment for e-commerce participation, while concurrently advocating quality control by in-house inventory professionals [36].

CONCLUSION

As informed in the study by Kara (2020), bargaining ability of practitioners within the e-tailing industry is defined by the firm's capacity in continuous learning and in-depth operational foundation. Flipkart's progressive journey across diverse stages of organizational development has fundamentally constructed the e-tailing platform into a recognizable force in the domestic e-commerce scene. Benevolent amount of foreign investments in response to the platform's prospective financial future, alongside commendable administrative and marketing strategies to guarantee continuous cash in-flow have then proven the company's capability to rival other industrial players with international market-coverage.

With this being said, both price factor and after-sales servicing are deemed crucial blueprints which actuate consumption satisfaction and repeated tendency within the e-tailing industry. Following a number of measures as endorsed by the discussed organization towards substantial betterment of customers' virtual shopping and purchasing experience such as the 30-days return policy, the cash-on-delivery policy, the Big Billion Day and a huge array of price cuts and discounts, its inability to secure a healthy capital return and profitability might have signified a necessary shift from price-based competitiveness to quality-oriented superiority. In-place-of charging head-on into the aggressive price war which yields more positioning harm than monetary benefits, Flipkart should reconsider its core competencies and most competitive product segments – strictly speaking, "doing what you are actually good at and do it exceptionally well".

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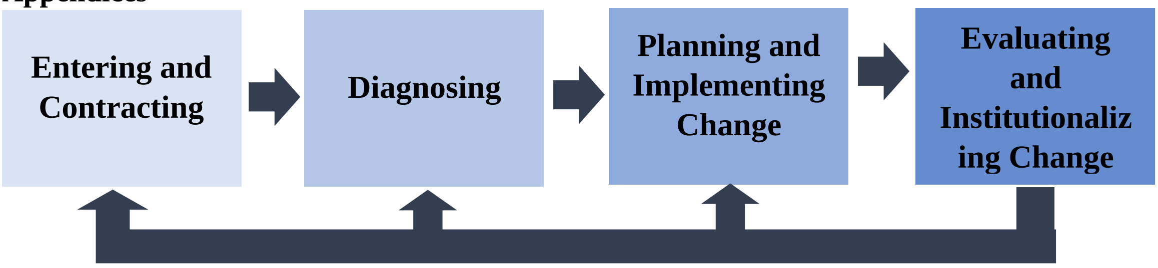
Appendices



Appendix 1: A General Model of Planned Change
(Source: Cummings & Worley, 2015, p.28)

Appendix 2: Strengths and Weaknesses of the Marketplace Model and the Inventory-led Model

Marketplace Model	**Inventory led Model**
Strengths	
High scalability	Timely shipments
Extensive product portfolio from diverse sellers	Increased quality and seller control
Investment attractive	Customer relationship building
Weaknesses	
Lowered ability for quality appraisal	Low scalability
High freight costs	Elevated fixed expenditures
Discourage customer relationship building	Unattractive for capital investment

(Source: IndianOnlineSeller.com, 2022)