

Samaksh App: Characteristics and Important in Modern Era

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ABSTRACT

“SAMAKSH” is an e-commerce platform that provides easy, convenient and pleasurable shopping experience to the customers by connecting them with their neighborhood merchants by a simple, easy to use mobile Application. The days are gone when an Individual had to step outside for their daily product requirement. Our App covers all areas such as grocery, medicines, clothing, cosmetics, dairy products, bakery items and much more. By keeping the comfort of the customer in mind, the products are delivered at their doorstep. Now-a-days online shopping has become very popular and due to its over-Increasing demand, the local merchants and vendors suffer a lot in their business. This app simply brings such traders online and connects them to their localized customers. The app is simply an online to offline shopping medium, which brings customer as well as local merchants to the online shopping and indirectly supports our nation’s campaign “Digital India”. The App aims quick and faster home delivery of good quality products by keeping the comfort and satisfaction of the customers in mind, and thereby increasing the business opportunities for the local merchants.

Keywords: Online, Offline shopping, local merchant’s business, ‘Digital India’ campaign, Proper taxation.

I. INTRODUCTION

“SAMAKSH” is an online platform that allows you to shop all your daily needs products from your favorite neighborhood merchants and then delivers them to your doorstep. The App connects the customers directly with the merchants therefore when an order is placed by the customer to a merchant of his choice, the App arrange that order directly from that trusted merchant and delivers it to the customer. The App provides fast doorstep delivery, thus by using the app the customer had not to step outside for his daily products requirements just he has to place his order from anywhere he is and delivers it to his doorstep, thus the app provides comfort, convenience and a vast range of products to the customers. Apart from providing convenience and comfort to the customer the App offers quality products to the customers thus thereby, the App has entered partnership with the trusted merchants only, In the case of damaged goods there is 100% replacement guarantee, the customer

will not be cheated or overcharged for any item by the App, the price offered by the merchant in the store will be the final price for the customers irrespective of the price on the app.

II. OBJECTIVES

The basic Objective of the app is to bring the localized market to the doorsteps of peoples.

The Objectives of the App are as follow:

1. To provide comfort and convenience to customer, while using the app the customer can easily buy his daily products from anywhere he is, just he had to access his location and place his order to a merchant of his choice and that's it, the order will be delivered to his doorstep.
2. In this app local merchants, shopkeepers and retailers are the one from whom you are getting your products that means while using your location the app had already listed out the trusted merchants for you.
3. The app is providing business opportunities to the localized merchants by connecting them directly to the customers.
4. The customer will not be overcharged for any item, the price offered in the App will be the final price for the customer, there will be no extra charges applied by the merchants.
5. The app is simply an online platform that connects the local merchants and the customer to online shopping.
6. The App is very particular about the quality of goods delivered, for that the App allows partnership with the trusted merchants only.
7. In this app there will be transparency in all transactions, so taxation will be monitored.

III.SCOPE

The app is simply an online market. Online market offers massive scope, as India is a \$520 million retail industry. India is the sixth largest grocery market with a 19% growth year. There are many online shopping companies competing with each other for the leadership, most prominent being Big Basket, Pepper Tap, Grofers, Flipkart nearby, LocalBanya, Zopnow, Aaramshop, Farm2kitchen. These companies are trying to change the customer behavior for purchasing their product items online. Almost all of them are at most 3-4 years old and have grown leaps and bounds in many cities and receiving fascinating number's backing in terms of funding. Online shopping is indeed a fast growing business as all above companies have been able to manage huge investor's money and thereby expanding their business rapidly. Big Basket, the oldest of all, started in 2011 has roped \$85.8 million so far. Pepper Tap incorporated in 2014 has also received \$51.2 million funding so far. Grofers incorporated in 2013 with \$165 million funding has also competing in race of online daily products shopping.

The stressful, long stretched office hours followed by heavy metro traffics leaves no flesh and blood to shop household essentials. Peoples are exploiting all opportunities to save their valuable time and energy from tiring household works. Such people with high disposable income and self-pampering attitude are important for online

shopping companies, as these are the potential customers. Having a platform where one can place order for daily household needs and get it delivered at the doorstep is a good value proposition.

IV.LIMITATIONS

There are some Limitations of the idea, the Limitations are as follow:

1. Minimum order quantity/price – Just to avail this service people have to add an item which they might not need, just to make up the minimum order quantity.
2. High variable cost of delivery boys that is each delivery cost Rs.30-40.
3. Quality assurance issues.
4. Less Impulse Buying - Most items offers low margins. You will make profit from them only when you sell them in huge quantities.

4.1 LITERATURE REVIEW

4.2 GENRAL INTRODUCTION

Now a days who has the time and energy to drive all the way to the store, find a parking spot, hunt for all the items on the shopping list, wait in the way-too-long queue for way-too-many minutes, carry all the heavy bags to the car, and reach home looking tired and worn out.....when you have the perfect alternative of sitting at the comfort of your home or office, ordering everything through an on demand product delivery app, selecting the delivery time and location, making cashless payments, and receiving your delivery without any unnecessary trouble this is how the world of On Demand looks and feels like. It is convenient, time as well as labor saving, practical and affordable. And service providers in this arena are flourishing like never before. One such promising on demand product delivery startup is India-based “**SAMAKSH**” which is not only connecting customers with nearby retail stores, but also delivering groceries within 90 minutes. We are bringing offline retailers online and our users can get anything delivered from their favorite stores to their doorstep within minutes. Our users now don't have to spend time in going to a local market for their daily shopping. They have an option to get everything delivered to their doorstep. On-demand industry has seen a big push recently. People have started appreciating services that are customer centric. Our retail industry has not changed for decades. We are working to empower all the merchants with technology so that they can manage their business better. We want to change how people shop from stores around them. We aim to bring offline retailers online and help them grow. In the coming years, we hope to bring change in the lives of our customers and help them spend time doing what they love the most. We focus on delivering the best customer service to our customers. We believe that there is no better marketing than having your customers speak about your service. Building a new behavior among users and suppliers is always a big challenge. Our customer and merchants are used to making a trip to their local market for daily shopping. Over a period of time, we have managed to build trust among our users and create a shift in their shopping behavior. Ensuring on-time delivery and good quality of products have going to make our customers use and be loyal to our service.

4.3 MARKET SURVEY

For starting an Online shopping Startup we had to evaluate its feasibility and future prospects. Online shopping market refers to a relatively new market; idea has already been incorporated in which orders can be made on web or mobile application. Online shopping offers massive scope, as India is a \$520 million retail industry with 60% (\$350 million) of which is only grocery's share. India is the sixth largest grocery market with a 19% growth year. There are many online daily products shopping companies competing with each other for the leadership, most prominent being Big Basket, Zop Now, Aaram Shop, Nature's Basket, Grofers and PepperTap. Big Basket, the oldest of all, started in 2011 and has roped in \$85.8 million so far. Having presence in 7 cities, Big Basket is planning to target tier-2 cities also. Pepper Tap (incorporated in 2014), the youngest of above-mentioned companies has also received \$51.2 million equity funding so far. Grofers (incorporated in 2013) with \$165 million funding has a presence in 9 cities. After Grofers raised \$120 million from Softbank, BigBasket is getting even bigger as it is close to raising \$120 million funding from Sands Capital. Thus, online daily product industry is catching the eyeballs of not just investors but also the entrepreneurs. Established players like Amazon, Flipkart and Google have also entered the industry by the names of AmazonKirana and FlipKart nearby.

Starting an online market business could be a good idea if the customers are willing to pay a price for this service. That becomes one of the major challenges in starting an online market business in India. If there is a question of additional convenience fees then the customers instantly starts evaluating the pros and cons of an online market structure. 1. On the name of delivery charges, you are supposed to pay extra fees to get your stuff at home. So, for now online shopping companies are charging very less amount from the customers due to high competition. Online shopping companies are offering free delivery on minimum purchase as low as Rs.150. The highest being of BigBasket-minimum purchase being Rs.1000, but the delivery charges are minimal (Rs.20/-).

4.4 CHRONOLOGICAL AND THEMATIC EVALUATION

Chronological and Thematic evaluation is the study of the subject according to the time. Since 2012, more than 50 e-commerce companies had mushroomed in India, but by December 2015, few were left standing. Even the big boys of e-commerce dared not venture too far into the space. Flipkart started Nearbuy, but closed it in five months, Paytm's ZIP never took off, OlaCabs burnt its fingers trying to get its drivers to deliver grocery. So presently Grofers, BigBasket, and PepperTap are the top three grocery selling platforms in India. But today, online grocery is not an easy business it needs deep pockets, large assortment, competitive prices and inventory management. PepperTap failed on most of these parameters. On April 22, 2016, Navneet Singh, co-founder of the 17-month-old startup, said in a blog post that the company will shut its grocery delivery operations. The move to lure buyers with more and more discounts was bleeding the company's balance sheet -PepperTap was losing money, sometimes as high as 70%, on every order. There were no signs of profitability, and the startup

had become capital light. It had also failed to manage the inventory well, and it was difficult for customers to find everything they needed while placing an order.

Once PepperTap shut down, only two large players were left in the race — Grofers and BigBasket. Both companies are modelled differently but sell the same products — fruits, vegetables and things of daily need. Grofers is a marketplace (except for fruits and vegetables), and BigBasket has its own inventory and operates as a mega wholesaler. BigBasket decided early that it will become a wholesaler to a bunch of retailers — one or two in every locality. There are 1,000 such retailers on its platform. “We have tied-up with farmers for fresh fruits and vegetables. We also have partnerships with over 800 companies,” says Vipul Parekh, co-founder, BigBasket. It has tied up with over 1,000 farmers. Grofers, incidentally, has tie-ups with 100. Unlike BigBasket, which supplies to retailers, Grofers relies on retailers’ inventories. “We are bringing the local market to your phone, but there is lack of inventory,” says Dhindsa, co-founder Grofers. So he decided to remove retailers who were not performing well. In two years, Grofers almost halved the number of retailers on its platform — from 18,000 to 9,800. Grofers is tying up with brands (140 of them) to ensure availability of products. It also runs special schemes with brand — Nestle was running an offer on curd, Patanjali had another one for ghee. Working with brands also helps Grofers earn marketing money as it offers banner ads for promotions. The company has even started building cold chains to carry perishable items. A higher average order size is critical for any internet grocer, as net margins are low in the business. A vast assortment is needed to make money. BigBasket deals in 20,000 stock-keeping units (SKU), or unique products. That has led to a higher fill rate of 99%, which means when a customer orders, he gets 99 out of the 100 things ordered. For Grofers, the number is 94-95%. “We are working to reach that level,” says Dhindsa, co-founder Grofers.

4.5 ONLINE TO OFFLINE SHOPPING CONDITION

As general a person has to step outside for his daily product requirements but by the means of app he had to place his order in the app to a merchant of his choice, then the order is delivered to his doorstep by the merchant itself. Online to offline shopping means the consumer has to place his order online but getting the delivery from the same localized merchant as before in offline mode. Thus the app connects the local merchants and the consumers to an online platform and changes the normal offline shopping to an online mode. In recent years, the online shopping industry has absolutely exploded, to the point that there are now many people who will only buy new products online. It’s not difficult to understand the potential benefits of online shopping, but at the same time there are also people who are sticking to ordinary shopping, and they have their reasons as well. Ultimately, it certainly seems as if things are trending toward online shopping becoming more and more popular, but it is also highly unlikely that ordinary stores are going anywhere. By visiting your e-Commerce stores people will be able to get more information about the items you’re selling, check out product reviews and make better purchase decisions. By visiting you in-store they will be able to see, try and experience your products in real life which will also help them make a better choice. So why don’t we take the leap to combine

both offline and online activities to grow retailer business, thus by keeping this fact in mind the “online to offline shopping” mode is in the app.

V. RESULT

Increase in the number of startups in this particular space and the growing interest of investors, highlights the amount of potential in Hyperlocal space which has now made delivery of everything from groceries to mobile phones to medicines, directly from the stores near your home easy, along with an upper hand over ecommerce in terms of faster delivery, less shipping costs and trust of the consume. It won't be long before ecommerce is replaced by hyperlocal. The options are way more and the turnaround time is way less in hyperlocal. But on some level, the collaboration could also be explored between the two models. So connecting the local merchants and the customers connecting offline Market to online shopping has a great scope ahead.

VI. DISCUSSIONS

Now a days who has the time and energy to drive all the way to the store, find a parking spot, hunt for all the items on the shopping list, wait in the way-too-long queue for way-too-many minutes, carry all the heavy bags to the car, and reach home looking tired and worn out...when you have the perfect alternative of sitting at the comfort of your home or office, ordering everything through an on demand product delivery app.

According to one estimate from Tracxn, a provider of data on the startup space, some \$130 million was invested in 28 rounds in the past six months in this space. Companies themselves are targeting a combination of convenience, range of products and discounts to reel in customers — who seem to be biting. Investors too are hedging their bets on this industry. While they admit that the long-term potential makes for a tempting investment opportunity, a path to profitability remains hazy. To be sure, Grofers, which is backed by SoftBank Group Corp. and Tiger Global Management Llc, is one of the most well-funded hyperlocal grocery delivery start-ups, having raised about \$165 million so far. Since 2012, more than 50 e-grocers had mushroomed in India, but by December 2015, few were left standing. Even the big boys of e-commerce dared not venture too far into the space. Flipkart started Nearbuy, but closed it in five months; Paytm's ZIP never took off; OlaCabs burnt its fingers trying to get its drivers to deliver grocery.

"The company that is able to provide this service at the largest scale with the highest quality will win this battle." The fear of consolidation hasn't stopped companies from thinking big. For example, Grofers, a Gurgaon-based hyperlocal delivery venture, has raised some \$45 million in VC funding in just eight months of launching its platform. In that time, it has gone from making 500 orders a day to around 6,000. The founders are in the market for more capital, barely four months after raising their previous round.

VII. CONCLUSION AND FUTURE SCOPE

7.1 CONCLUSION

After analysing the Online Market Delivery Business in India we can conclude that it is a lucrative industry to enter. If you are an enthusiastic entrepreneur with an innovative business model and good operational handling skills you can surely test the waters.

Few things to keep in mind if entering online Market business in India

1. Must have sufficient capital to kick start and even bootstrap. We are reading many success stories in this segment, success blows its own trumpet but no one talks about the failure.
2. This place is already crowded. You must enter with an innovative model.
3. Evaluate your Points of Difference and Unique Selling Proposition, which makes you stand out.
4. Getting investment is a crucial factor (learn how to top the investor's list of favorite startups- What Investors Look For in a Business Before Investing) in this industry because of high operational cost and negligible margins. Investors generally bet on a strong team. Thus, make sure you have a complementary team with different skills.

7.2 FUTURE SCOPE

Purchasing and selling products and services over the internet without the need of going physically to the market is what online shopping all about. Online shopping is just like a retail store shopping that we do by going to the market, but it is done through the internet. Online shopping has made shopping painless and added more fun. Online stores offer product description, pictures, comparisons, price and much more. Few examples of these are Amazon.com, ebay.com, framt.com and the benefits of online shopping is that by having direct access to consume, the online stores can offer products that cater to the needs of consumer, cookies can be used for tracking the customer selection over the internet or what is of their interest when they visit the site again. Online shopping makes use of digital technology for managing the flow of information, products, and payment between consumer, site owners and suppliers. Online shopping can be either B2B (business to business) or B2C (business to consumer). Shopping cart is one of the important facility provided in online shopping, this lets customer to browse different goods and services and once they select an item to purchase they can place the item in shopping cart, and continue browsing till the final selection. Customers can even remove the items from shopping cart that were selected earlier before they place the final order. It reminds us of shopping basket that we carry in departmental store.

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