



## Flipkart: The Big Billion Day Fiasco

“It feels a bit like a boxing bout in which one boxer made all the noise and accidentally knocked himself down before the opponent even entered the ring.”

—Kartik Hosanagar, Professor, Wharton School, University of Pennsylvania<sup>1</sup>

On the evening of October 7, 2014, Megha John,<sup>i</sup> an information technology (IT) consultant in Delhi, sat in her drawing room recollecting about the prior day’s experience with Flipkart’s online sale, the Big Billion Day.<sup>ii</sup> John had prepared a list of goods she had wanted to purchase during the sale, but by 1 p.m. most of the advertised products were out of stock. Discouraged but still eager to buy, John looked at nonsale products and found one that she wanted to purchase. She was again disappointed when she could not complete the transaction due to technical glitches, server crashes, and limited stock availability. Like John, many customers had failed to cash in at Flipkart’s website during the sales event. One billion consumers visited Flipkart on October 6, 2014, and 998.5 million left the website without completing a transaction.<sup>2</sup>

Matters became worse when Flipkart found itself at the receiving end of negative social media attention when hashtags such as #FlopKart and #FakeKart began trending.<sup>3</sup> The social media attacks forced Sachin Bansal and Binny Bansal, founders of Flipkart, to issue a public apology to mitigate the damage caused from the Big Billion Day.<sup>4</sup> It also led to an extensive in-house post-mortem analysis of what went wrong during the sales event to identify long-term corrective actions that would prevent the recurrence of similar adverse situations in the future. The Flipkart fiasco opened up a fresh debate surrounding the world of e-tailing in India, placing the industry under intense scrutiny. John considered the different factors that Flipkart should have accounted for prior to the massive promotional campaign’s launch. As an IT consultant, John also thought about the role IT could play in preventing such events from happening again. Moreover, she wondered what additional contribution IT could make to strengthen Flipkart’s business strategy.

i Megha John is a fictional character developed by the authors for the purposes of class discussion. Any similarities toward a real person are coincidental and unintentional.

ii This case has been written on the basis of published sources only. Consequently, the interpretation and perspectives presented in this case are not necessarily those of Flipkart or any of its employees.



Published by GlobalLens, a division of the William Davidson Institute (WDI) at the University of Michigan.

©2015 Surinder Batra and Sandeep Puri. This case was written by Surinder Batra (Professor of ITM at IMT Ghaziabad, India) and Sandeep Puri (Associate Professor of Marketing at IMT Ghaziabad) as the basis for class discussion rather than to illustrate either the effective or the ineffective handling of an administrative situation.