CASE STUDY

The Online Ordeal!

Dr. Radhika Dixit*, Prof. Srishti Joshi, Prof. Tamanna Bavishi

1. Associate Professor, Indira School of Business Studies, Pune, India
2. Assistant Professor, Indira School of Business Studies, Pune, India
3. Assistant Professor, Indira School of Business Studies, Pune, India

Manuscript Info	Abstract
  Corresponding Author **Dr. Radhika Dixit**	Online shopping in India is evolving fast and has the potential to grow exponentially in the times to come, as the internet penetration reaches far and wide across the country. However to take advantage of this situation the e-tailers need to meet the expectations of the customers in the form of timely delivery, products assortments, solutions of customer problems, exchange policy, refund policy, payment policy, etc. The success of e-commerce lies on the effectiveness of its backend and supply chain management. In a customer centric market today where a customer is a king, no one can actually afford to bear his disapprovals and dissatisfaction.

14 Feb, 2014:

It's Friday evening and Samantha has just arrived at her home from office with great enthusiasm as she along with her friends is going to join her office Gym from Monday. Samantha is an IT professional in an MNC who has recently moved to Pune from Texas on a project for the duration of three years. For joining gym she decides to shop for a pair of sports shoes. Due to her past experiences of online shopping in US she by default opts for online shopping. After searching for few minutes she comes across a dozen of e-tailers offering great variety and discounts. After comparing and going through the reviews of previous shopper's experiences she settles for clickcart.com.

Clickcart.com is a three year old E-Commerce company setting benchmarks for Indian e-tailers in terms of assortment of products, pricing, offers and discounts, timely delivery and solutions of customer problems (After sales solutions).

Samantha quickly decides on the pair of shoes that she wants and places the order. When she comes to the payment page, she is surprised to see a "Cash on Delivery" option as she has never seen this in Texas. She ignores this option and carries on with her usual "Credit Card" mode of payment.

Once the order is placed, she receives a confirmation mail saying she will receive her consignment on 16th February, 2014 in the evening.

16th February, 2014:

Being a Sunday, her colleagues invited Samantha for lunch. During lunch, she gets a call from the delivery boy saying he was standing outside her building and would be delivering the order in the next 10 minutes to the given address. Since the delivery boy was conversing in Hindi she finds it little difficult to understand that the delivery boy was already at her home, which was extremely surprising for her as she was expecting a prior confirmation call with regards to the delivery time. She requests the person to come back after couple of hours, at around 4 p.m. at the given address.

The delivery boy, after disagreeing to it for some time finally agrees. After lunch, Samantha eagerly awaits the delivery of her consignment. While enjoying a TV Show, she falls asleep and gets up around 5.15 p.m. and immediately checks her phone for any missed calls. On finding no calls, she calls back on the number of the delivery boy. She then gets to know that the delivery can only happen next day afternoon. After knowing this, she requests him to deliver at her office address.

17ᵗʰ February, 2014:

Mondays are always hectic, so Samantha did not get anytime at all to think about anything other than work till about 4 o'clock, when she realizes that at 6.30p.m. She needs to go the gym. On calling the delivery boy, she learns that the package will be delivered to her earliest by 7 o'clock. Feeling helpless at the situation, she had no choice but to wait. She continued passing her time browsing the internet while her friends were enjoying the first gymming session. Finally, she gets a call at 7.15 p.m. informing her that the package will be delivered to her within 10-15 minutes.

Finally, the shoes were there and now, after wasting so much time and having the "Indian" experience of online shopping, she leaves for the day.

18ᵗʰ February, 2014:

Getting up early morning, Samantha decides to go for a jog. To her surprise, the shoes do not fit her! Feeling uncomfortable, she takes off her shoes and keeps them aside. Failing to understand what went wrong and where, she cross-checks the size that she had ordered with the ones that were delivered to her. There was no difference between the size ordered and delivered. She then decides to speak to the company representative for the replacement and calls on the toll free number given.

After following the IVR, she finally gets connected to a customer executive.

"Hello, Welcome to Clickcart.com, I am Rahul, How can I help you?"

"Hi this is Samantha, I had ordered a pair of shoes which were delivered to me yesterday but it doesn't fit me well. I want to get a size replacement"

Rahul: "Ma'am, can I please have your order number"

Samantha: "Ya, just a second… it is 89851245"

Rahul: "Thank you for the number Ma'am. Can I please put your call on hold so that I can track your order details?"

Samantha: "Ya, Sure "

Rahul: "Thank you ma'am"

After two Minutes.

Rahul: "Thank you Ma'am, I have already raised a request for replacement. Your request number is: RQ52521. Your package will be picked up by the courier company within 5 working days. Ma'am I also request you to go through our exchange policy terms and conditions on the website and to drop a mail regarding the same, mentioning the specifications about the size required."

Samantha: "Oh my God! Can't it be picked today or tomorrow I need them urgently."

Rahul: "Sorry Ma'am, we will try to pick them as early as possible, sorry for the inconvenience caused."

Later in the day, she drops a mail to the company for replacement.

20ᵗʰ February, 2014:

In the evening around 5 o'clock, she receives a call from the courier company for picking up the shoes for replacement around 7.30 p.m. in the evening from her home.

Disappointed, she waits for the shoes to be replaced.

Meanwhile she continued tracking the status of her order online

27ᵗʰ February, 2014:

Totally frustrated, Samantha now wanted to know whether her shoes will be delivered to her or not. She again decides to call the company service representative.

After going through the IVR system she finally gets to connect with the customer service executive and gives him all the details regarding her purchase and replacement. After putting her on hold for 5-7 minutes the executive gets back to her and urges to wait for another couple of days for the delivery of right size shoes.

Highly impatient Samantha now decides to revoke her order in case if it is not delivered in next two days.

Same day in the evening while checking her mails Samantha notices a mail from Clickcart.com, to her dismay the company requests her to wait for another ten days since the size requested was not in stock. Now disgusted with the scene, she decides to cancel the order and ask for refund.

Quickly she replies to the mail and asks for refund after cancelling her order.

28th February, 2014

Morning 11:00 a.m. she receives a call from the company's customer care asking her the reason for cancellation of the order. After sharing her dissatisfaction with the executive she insists for the cancellation and refund.

This was 150th enquiry call in a month's time for order cancellation and refund by the customer care department of Clickcart.com. The call intended at knowing the reasons for order cancellation. It's a matter of concern since it is not only a loss of one customer but of a potential customer capable of generating great deal of business to the company through positive word of mouth.

Later that afternoon she receives a mail from the company confirming her order cancellation and mentioning that refund is only possible in the form of a credit note/voucher which will be delivered in next 4-5 working days and can be redeemed on any future purchases from Clickcart.com.

Having undergone such disastrous experience of e-shopping in India, Samantha finds it contrasting with her previous experiences back in Texas, where the refund was transferred back to the customer's account from which the payment was made.

1st March, 2014

It's a Saturday, on the other side of the phone; it is Samantha asking her friend Juhi to accompany her for buying a pair of shoes from the market.

Back in Bangalore (head office of Clickcart.com) the CEO of Clickcart.com has called an urgent meeting with his Strategic team and regional heads to understand the reasons for increasing order cancellations and requests for refund during past few months. The objective of the meeting was to come up with appropriate strategy for customer recovery and retention.

Teaching Note

The case has been developed for the students involved in study of following courses:
1. Customer relationship management.
2. Services Marketing
3. Consumer Behavior
4. Service operations
5. E-Commerce

Teaching objectives of the case:
The focus of the case is on following objectives:
1. Designing and managing service process.
2. Managing Customer relationship and building loyalty.
3. Customer feedback and service recovery.
4. Understanding consumer behavior in service environment.
5. Customer profiling and Framing of customer expectations.

Teaching Approach:
For conducting this case the most ideal way will be to divide the class in small groups of 4-5 students per group, permitting them to discuss the key issues raised in the case and then asking them to assume the role of CEO of Clickcart.com and suggest the appropriate measure for customer recovery and retention. The clear **protagonist** in the case is the CEO of clickcart.com who is facing so many issues affecting his business.

Following is the **board plan** for the same:

Problems Identification	**Causes**
Recommendations	**Conclusion**
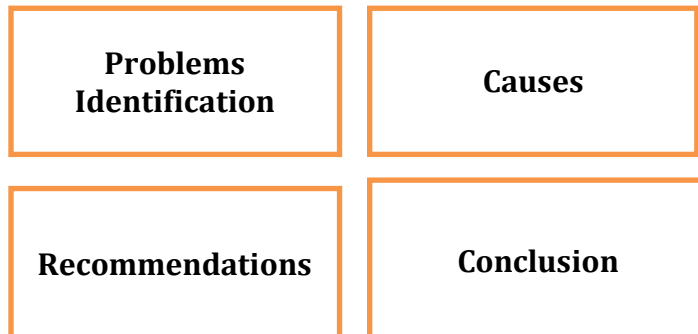
The key problem areas highlighted in the case are as follows:

1. Expectations of online shoppers.
2. No prior communication about the delivery time.
3. Lack of training of delivery personnel on account of communication skills and professionalism.
4. Lack of commitment and delay in delivery of goods.
5. Lengthy process for replacement.
6. Repeated process of filing request for replacement of goods.
7. No update on the status of request to the customer.
8. Disconnect between information provided by the customer care executive and e-mail from the company to customer.
9. Lack of inventory management and distribution.
10. Conditional Refund policy of the company.
11. Difference in online shopping experiences in India viz-a-viz other developed nations. (Evident from payment option of "COD", Refund policy, Delivery time, inventory management and customer services.)

Probable causes of the problems:

1. High expectations of the customer based on past experience of online shopping.
2. Lack of investment in employees training and development.
3. Inefficiencies in MIS, supply chain and logistics management.
4. Lack of infrastructural development in country.

Some of the Recommendations:

1. To do customer profiling and map their expectations.
2. Service blueprinting for designing service and creating a satisfactory experience for the customers.
3. To strengthen the MIS to reduce ambiguity, repetition and failures during service delivery.
4. To redesign services for quality, productivity & profitability improvements.
5. Training and development of employees working at all point of contacts with the customers.
6. Adopt strategies based on the concept of relationship marketing, so that customers with high CLV are not lost.
7. Designing service recovery system in order to enhance the pool of loyal customers.
8. To device a mechanism to reduce the perceived risks associated with e-shopping.
9. Institutionalize systematic and continuous learning from customer's feedback.
10. To display service guarantee explicitly.