



Oct 2021

# eCommerce Festive Season '21

*Festive Week 1 Estimates*

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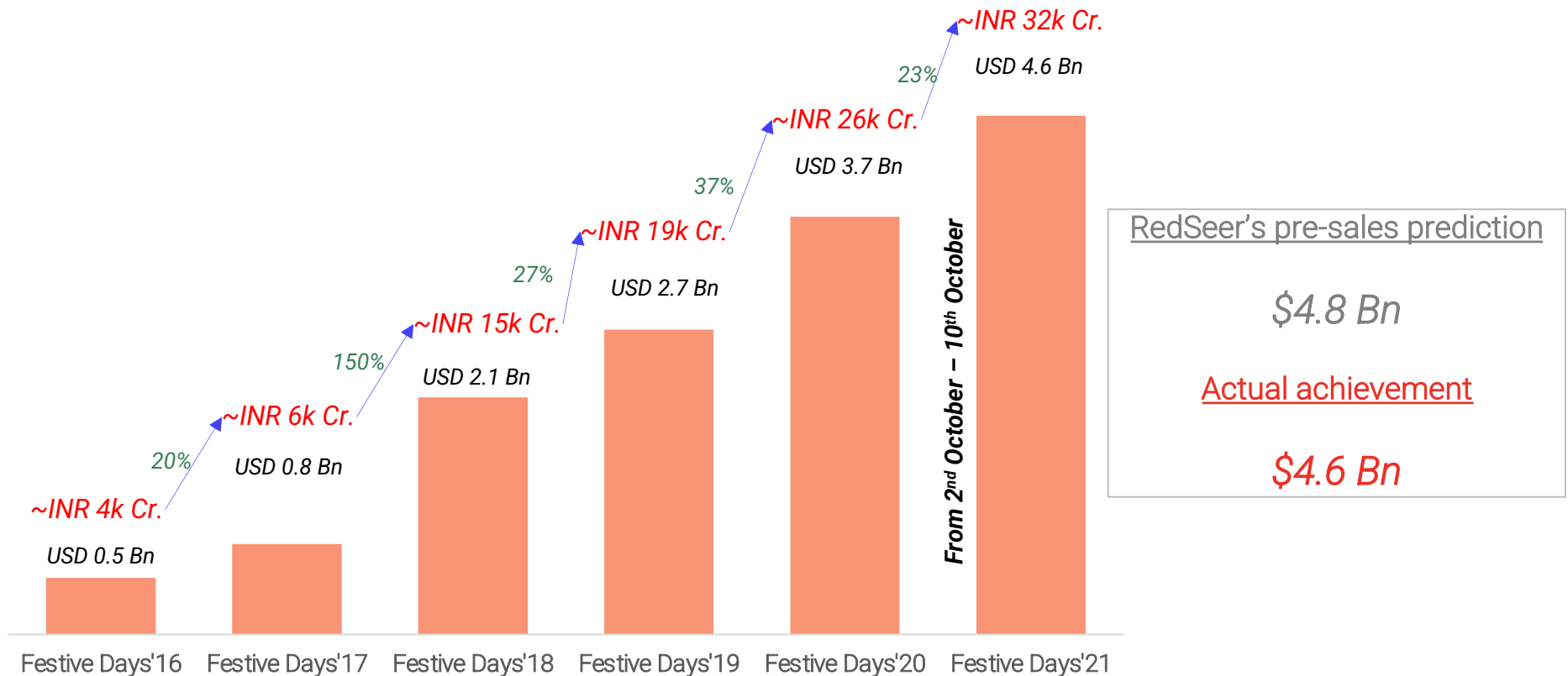
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# Online Festive Sales saw 23% YoY growth in GMV

\$4.6Bn/INR32,000Cr of goods have been sold online from brands and sellers during the festive sales

## E-tailing Checkout/Gross Sales (Festive Season – Week 1)

(For overall Indian online retail, INR Crores, USD Bn.)



1. For 2021, the sale period is considered to start from 2<sup>nd</sup> October running till the 10<sup>th</sup> of October
2. Sales figures includes estimates for overall eCommerce in India
3. 1 USD = 70 INR

# Key Themes Driving Festive Sales

## Fashion Makes a Comeback

*After a poor showing during last year's festive, customer demand for fashion was back this year with affordable models and new platforms targeting Tier II users*

## Mobiles strong showing

*INR 68Cr of mobiles purchased every hour during the festive sale across platforms during the festive sales!*

## Tier II continues to show up

*Tier 2 population continue to show up during festive sales on the different platforms largely enabled by various affordability schemes and bank tie-ups*

## Super Quick Deliveries

*eCommerce platforms were able to shave an average of 5hrs on delivery timelines to customers with better warehouse planning and streamlined supply chain*

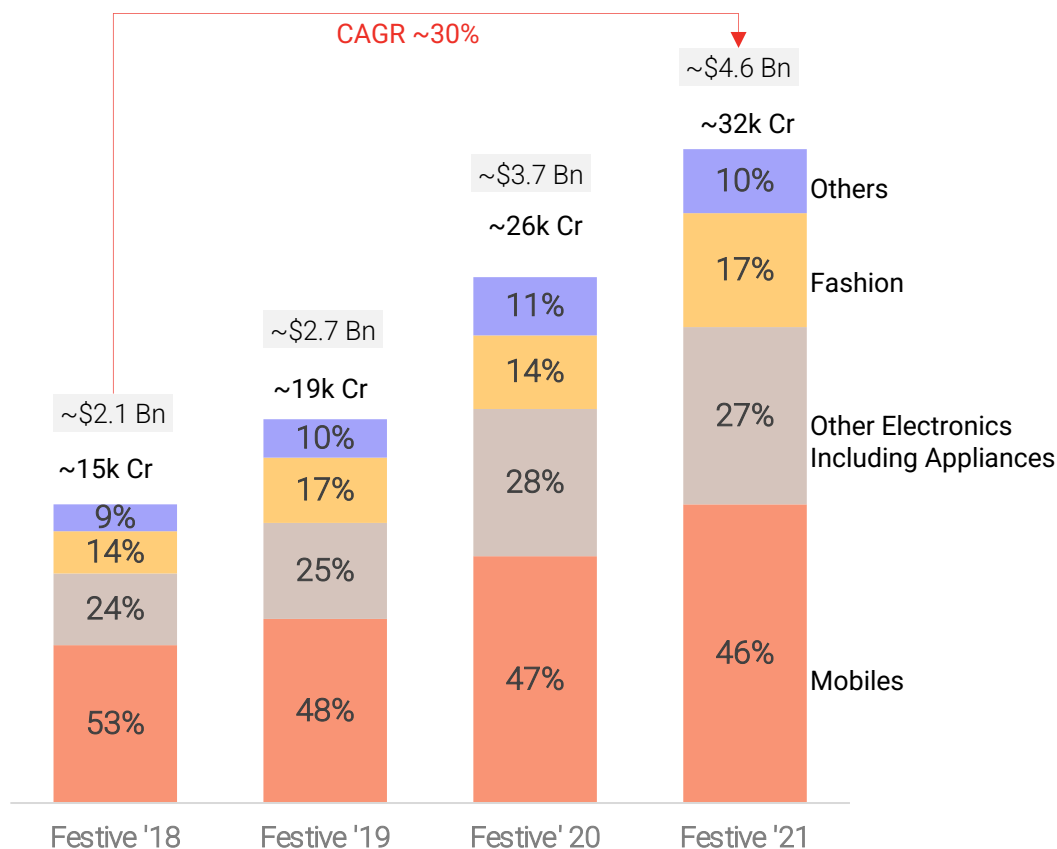
## Online Channels continue positive adoption

*The festive sales this year proved that brands and sellers selling online have reason to be bullish about the future of sales online – with increased adoption in Tier II+ cities and newer customers coming online for the first time*

# Category mix this year is still mobiles heavy, with the resurgence of Fashion after a quiet 2020

## Category Mix during Festive Sales

(Gross GMV For overall India eTailing; INR Cr, USD)



## Key Insights

- **Mobiles, Electronics and Appliances remained strong this year** driven by new launches, EMI options and smart upgrade plans of brands
- **INR 68Cr of smartphones was purchased every hour** across the platforms
- **Fashion has picked up slack of last year** driven by inherent customer demand to refresh their wardrobe and newer affordable platforms and models reaching Tier II + customers
- Demand for other categories like **Home furnishings, Home Décor and Furnishings** have been subdued during the festive season this year

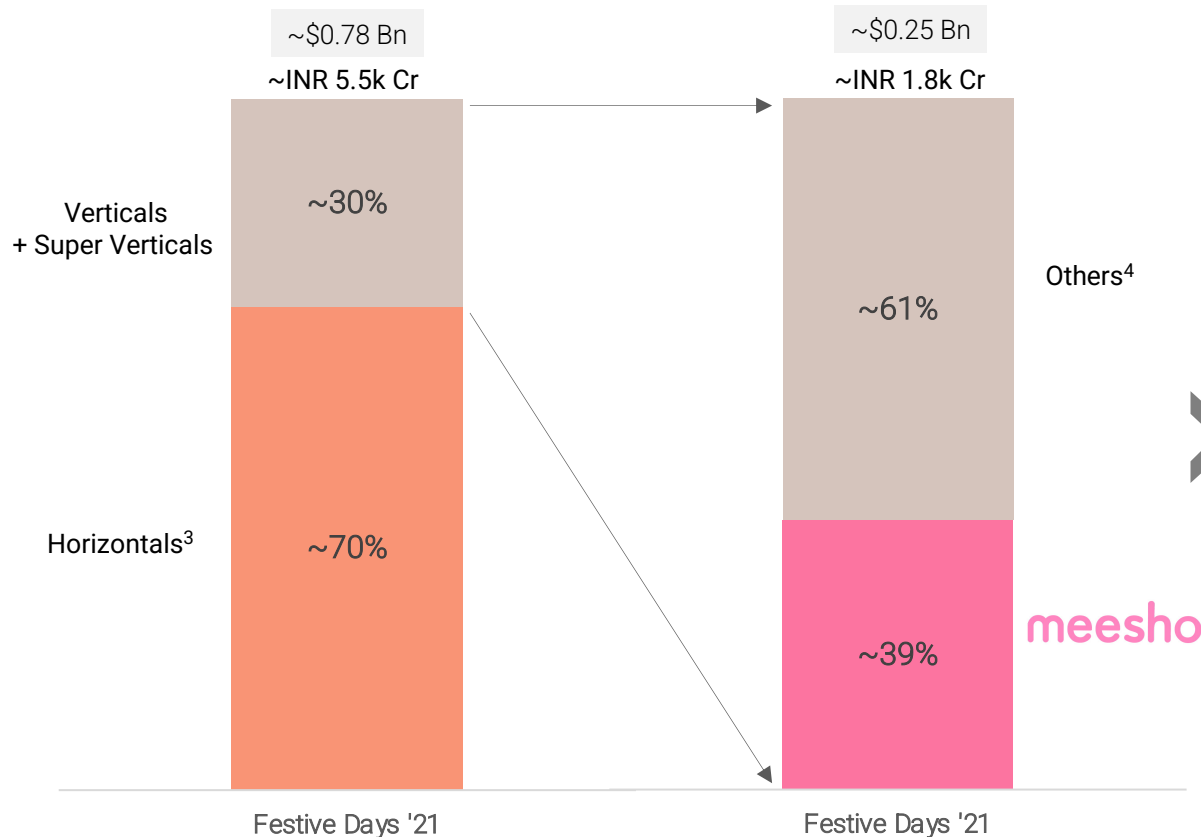
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# With Fashion making a comeback – newer players in the market have been quick to capitalize on this demand

## Meesho capturing ~39% of the market outside Horizontals

### Fashion<sup>1</sup> Market Share Splits<sup>2</sup>

(Gross GMV For overall India eTailing; INR Cr, USD)



### Key Insights

- Horizontals like Amazon.in and Flipkart.com still contribute to ~70% of the overall Fashion sales on online platforms
- Of the remaining market – **Meesho has been able to garner a ~39%** share with their affordable offerings targeting a typical Indian household looking for good value products
- Fashion has seen a resurgence on the back of a largely vaccinated **population that's looking for a wardrobe refresh** for social gatherings and vacations

1: Fashion includes the sale of apparel, footwear and Fashion accessories only, doesn't include Makeup, Personal Care and Fragrances

2: Market Sizes are approximated on the overall Gross GMV for various platforms

3: Horizontals here refers to sales from Flipkart.com, Amazon.in and other horizontals like Snapdeal, PayTM Mall, etc.

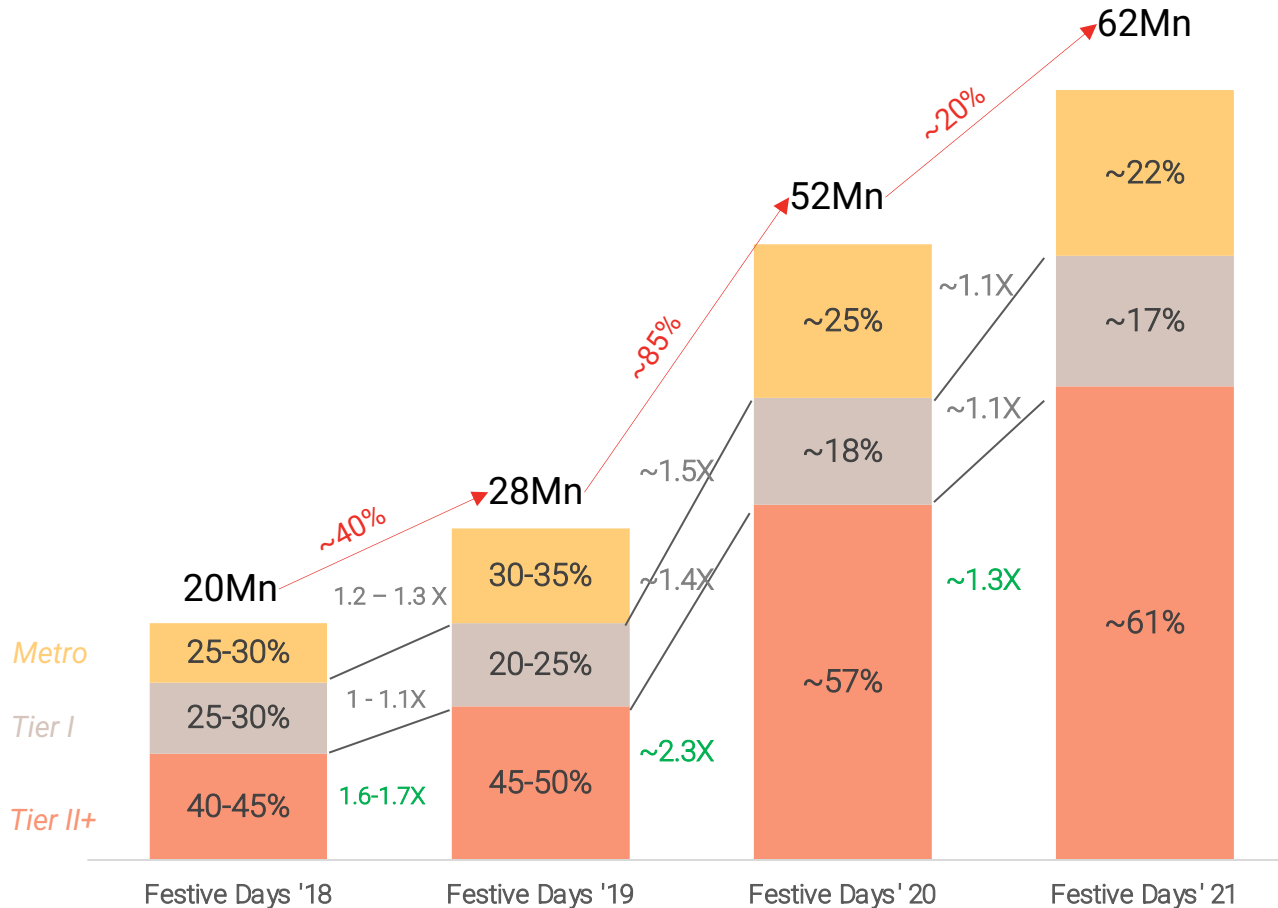
4: Others include Myntra, Ajio, Nykaa Fashion and other Fashion platforms like Limeroad and other D2C players

Festive Days indicates 2<sup>nd</sup> Oct – 10<sup>th</sup> Oct2021; Meesho Festive Days were from 6<sup>th</sup> Oct – 10<sup>th</sup> Oct.

# The overall online shopper base grew by ~20% compared to last year with Tier II contributing to ~61% of all shoppers

## # of shoppers

(For overall India eTailing; Mn.)



## Key Insights

- With ~40Mn shoppers coming from T2+ cities- this festive was one that was dictated by affordability schemes.
- Mobiles continued to dominate the % share of all products across the different platforms - with mid and high-end brands becoming more attainable on the back of affordability constructs offered by platforms, banking partnerships and seller driven discounts
- With affordability schemes and an aspiring customer base – the GMV per user went from INR 4980 in 2020 to INR 5034 in 20221

With an aspiring set of shoppers across the city Tiers – the overall GMV per shopper has grown by 1.04X – indicating an inherent aspiration in the shopper

# of shoppers (Festive Season – week1)

(For overall Indian E-tailing)

	CY 20	CY 21	Change (CY 19-20)
# of shoppers	52 Mn	62 M	1.2X
GMV or sales per shopper	~INR 4980	~INR5034	1.04X
Gross GMV	~INR 26k cr.	~INR 32k cr.	1.25X

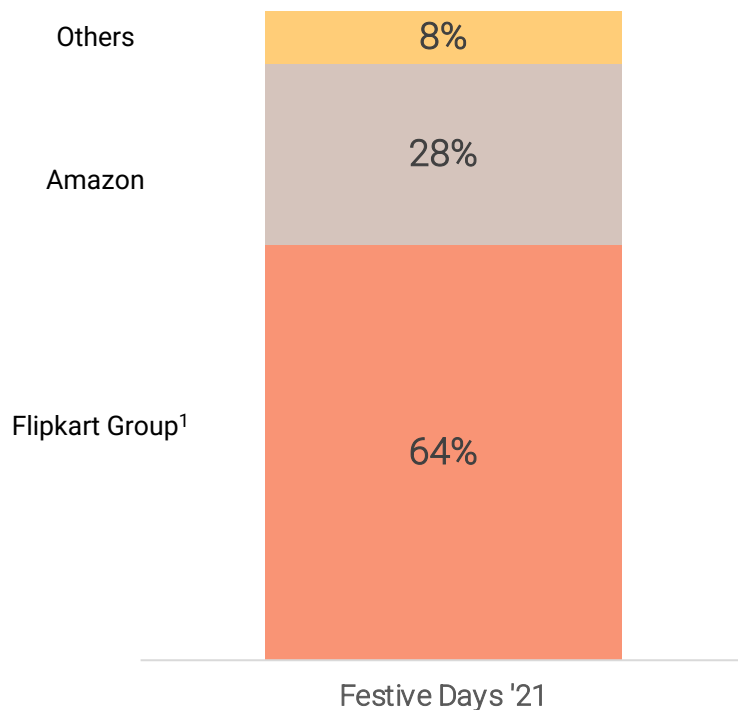
*Festive period sales has largely become a Tier II phenomenon with customer outside this demography having a more democratic spending pattern through the year*

*Marginal increase in GMV per user as the Tier II customer gets more aspirational in his/her purchases as compared to last year*

# Flipkart Group emerged as the leader during the festive sales with an impressive 64% market share

## Player Share during Festive Period (For overall Indian E-tailing)

100% = Festive Week GMV for overall eCommerce industry



1. Flipkart Group includes Myntra

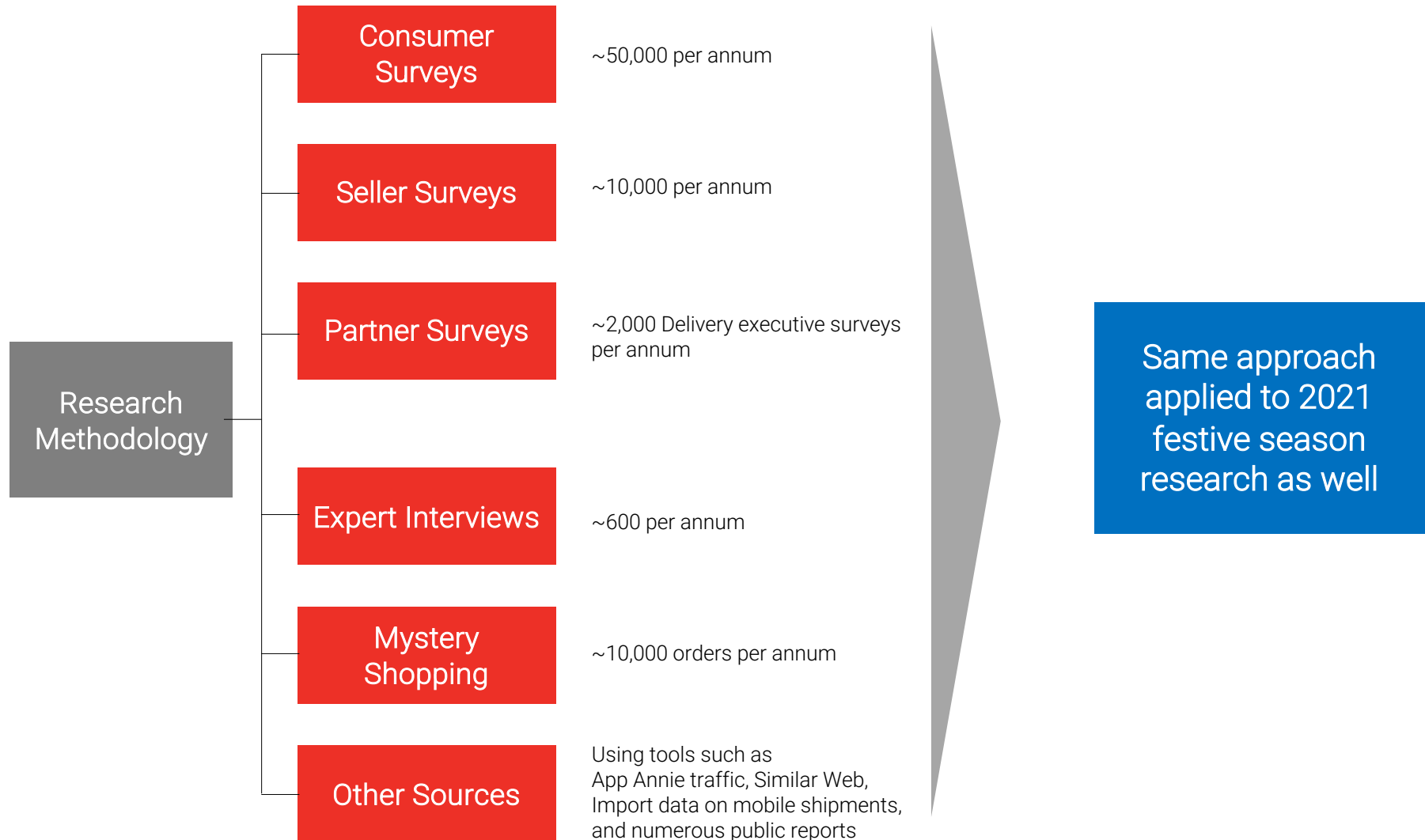
## How did the eCommerce industry manage to maintain customer demand

- ✓ High pre-sales marketing and campaigns including a “curtain raiser event” to reveal sale prices and “pre-book” items at discounted prices.
- ✓ Affordability constructs through platforms, banking partnerships and seller driven discounts on aspirational brands to bring the most competitive price to the aspiring end customer
- ✓ Warehouse and demand planning enabled the platforms to fulfil orders to the customers much quicker

**Research Methodology-** RedSeer Integrated Research approach incorporating feedback from consumer surveys, tech-based research and behavioral analyses and validations from broader e-tailing and logistics ecosystem.



**Methodology-** Our festive sale data is captured using our well refined RedSeer Integrated Research Approach which we have perfected over the last six years





# Thank You

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*Reach out to our team for in-depth and one-of-its-kind  
eCommerce festive season 2021 insights*

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# Key assumptions and definitions about festive sale events

Term	Definition
eCommerce Definitions	<ul style="list-style-type: none"> <li>▪ GMV- Gross Merchandise Value- Total value of items sold</li> <li>▪ Metro refers to top 9 cities (Delhi/NCR, Bangalore, Hyderabad, Chennai, Mumbai, Kolkata, Pune, Ahmedabad and Surat). Tier 1 is the next 40 cities</li> <li>▪ Category definitions- Mobiles includes smartphones and feature phones, Electronics include devices and non-devices, Large and Small Appliances include consumer durables, Fashion includes Apparel, Footwear and Accessories, Others include Home, Furniture, Books &amp; General Merchandise (Toys, Stationary, Sports&amp; Fitness, Beauty &amp; Personal Care, etc.)</li> </ul>
Festive Event/Week 1	<ul style="list-style-type: none"> <li>▪ Typically Amazon holds its 'Great Indian Festival' and Flipkart holds its 'Big Billion Day Sale' as the first wave of festive sale. This year's, Amazon's event will last for a whole month</li> </ul>
Festive Month	<ul style="list-style-type: none"> <li>▪ E-commerce marketplaces usually hold up-to 3 sales leading to the festival of Diwali.</li> <li>▪ The first of these sales is usually the largest and usually accounts for more than 60% of the sales during the festive period</li> </ul>
Festive Event 1 Sale Dates	<ul style="list-style-type: none"> <li>▪ 2017- Sep 20th to Sept 24th</li> <li>▪ 2018- Oct 9th to Oct 14th</li> <li>▪ 2019-Sep 28th to Oct 6<sup>th</sup></li> <li>▪ 2020 Early Access- 15<sup>th</sup> October for Flipkart, 16<sup>th</sup> October for Amazon</li> <li>▪ 2020 Flipkart Big Billion Days- 16<sup>th</sup> to 21<sup>st</sup> October</li> <li>▪ 2021- Assumed as 6<sup>th</sup>-12<sup>th</sup> October (Big Billion Days)</li> </ul>