



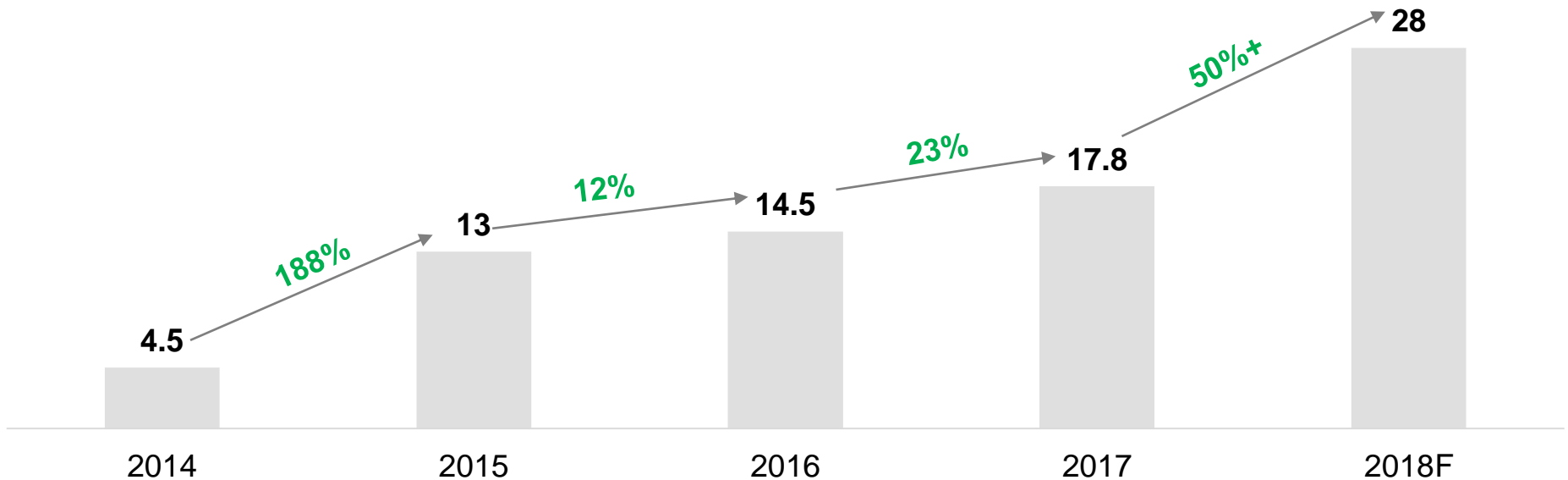
E-tailing in India: Redseer Perspective

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Industry growth momentum resumed in 2017 as it witnessed 23% Y-o-Y growth reaching ~18 Bn

Note: 1 \$ = INR 60

Indian E-Tailing Market- Gross GMV
(For Each Year, In USD Bn)



- Breakout year for sector
- Flipkart crosses USD 1 bn GMV
- Amazon, Snapdeal grow rapidly

- Breakneck growth continues
- Flipkart crosses USD 4 bn GMV run-rate while Snapdeal and Amazon touch USD 3 bn

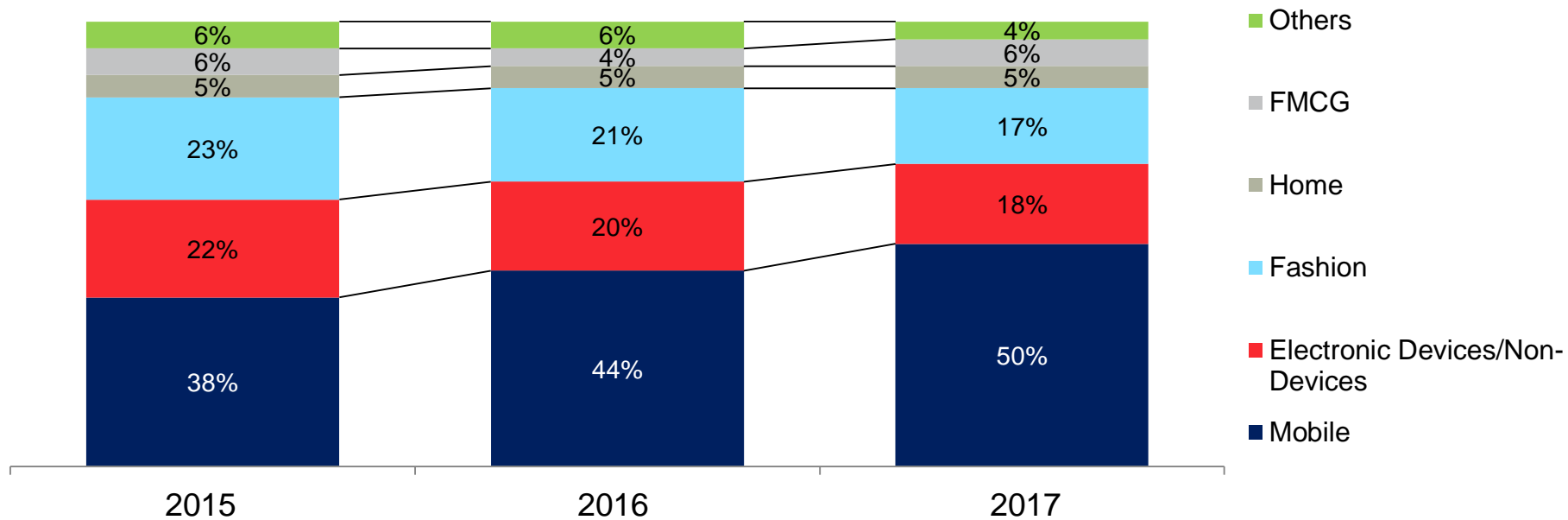
- GMV growth slows but GMV 'quality' and unit economics improve
- One of the biggest player Snapdeal loses market share

- Industry growth momentum continues
- Largest ever monthly GMV for sector in Sepy'17 (sales) month

- Industry expected to grow faster compared to previous years
- Bigger horizontals are expected to drive growth

Mobiles continues to be the highest selling category; Share of fashion category has been consistently decreasing

Indian E-Tailing Market- Category Share of Gross GMV
(Y-o-Y)

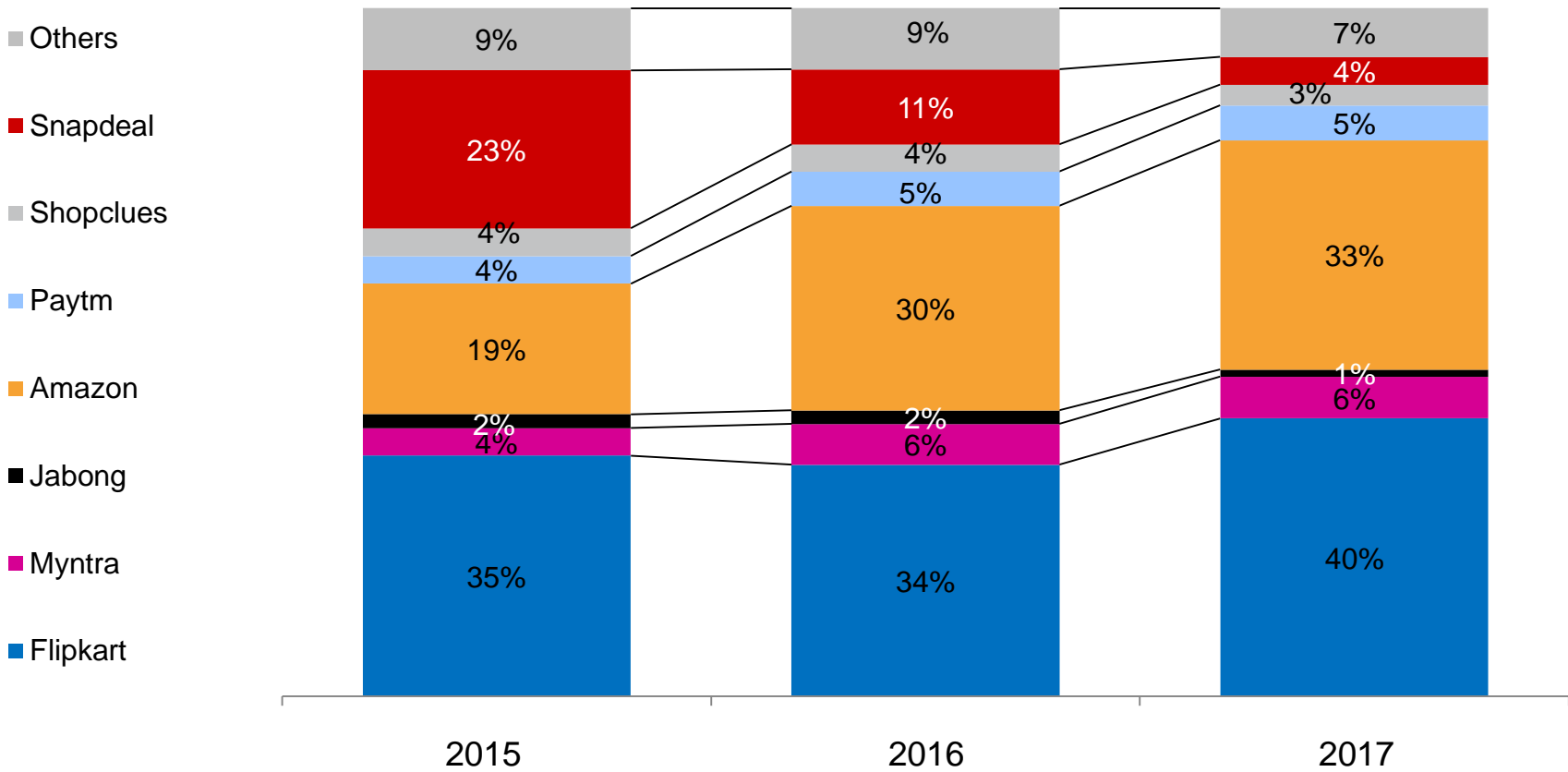


Key takeaways

- Market share for mobile category has continuously seen an increase, half of the E-tailing business is being driven by the category as of 2017
- Among smaller categories- share of Home and FMCG category increased in 2017

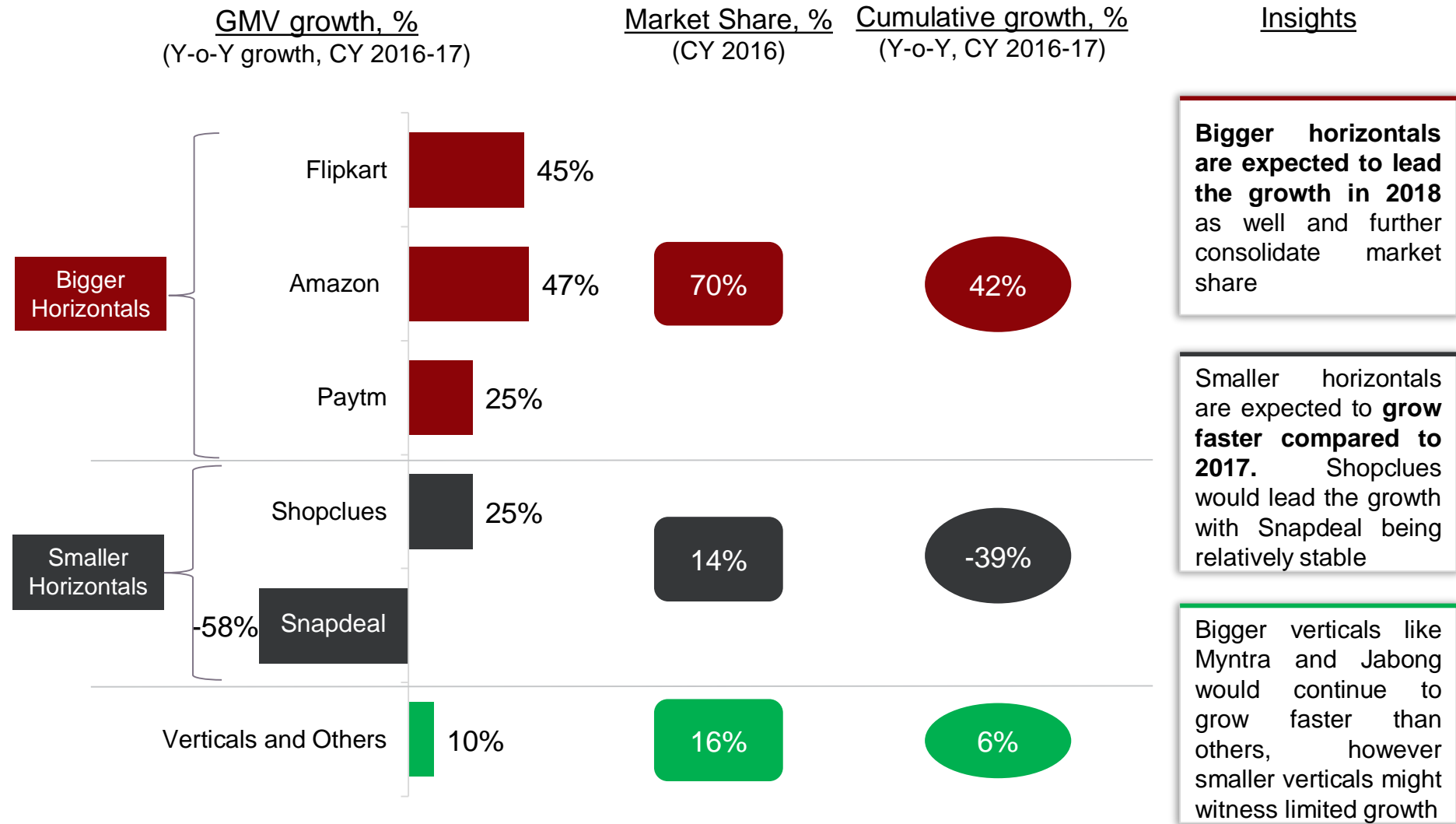
Flipkart group was the biggest winner of 2017 with ~47% market share, 500bps improvement from 2016

Indian E-Tailing Market-Share of Gross GMV (Y-o-Y)



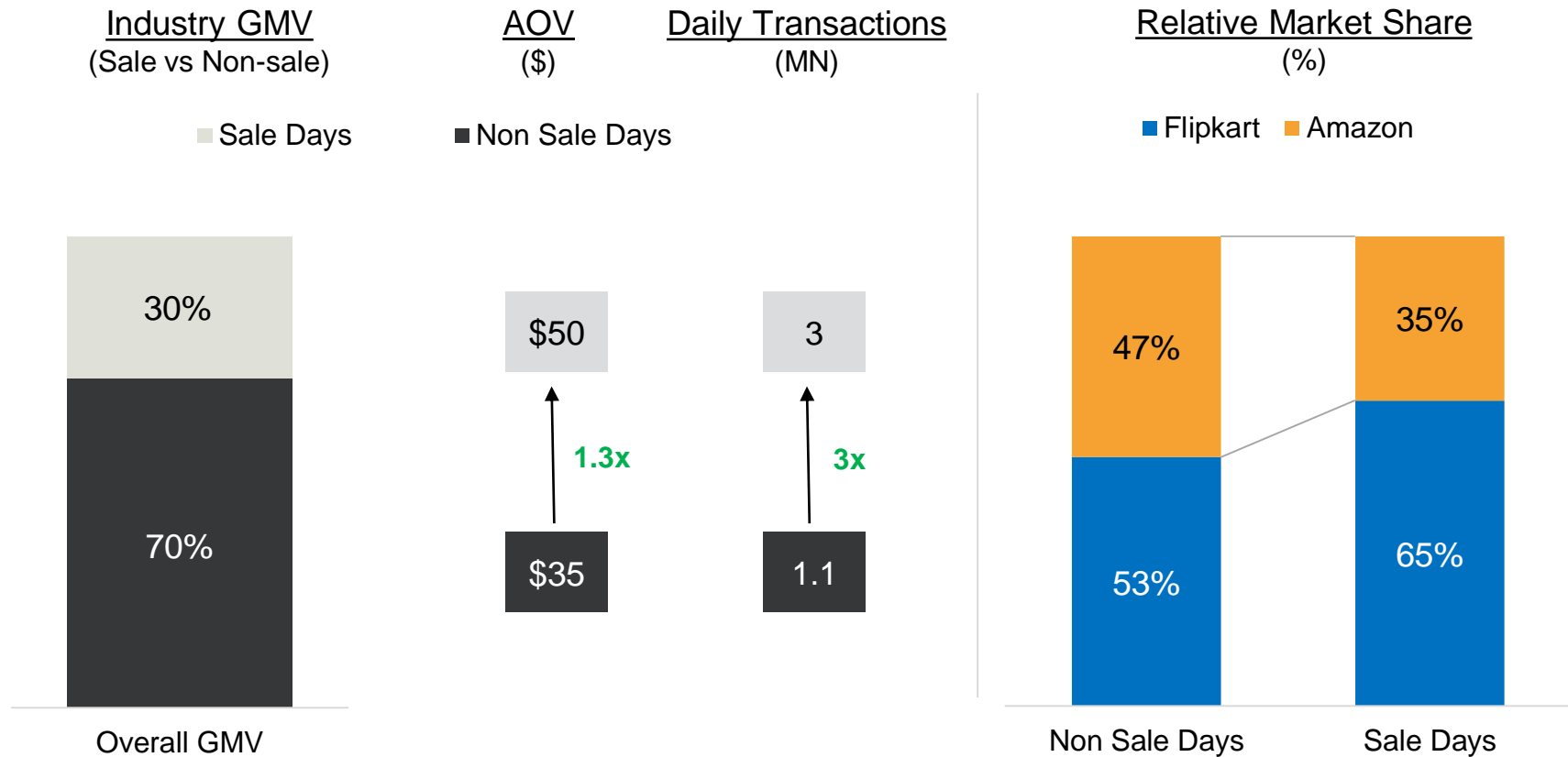
Note: 1) Paytm O2O numbers are not included
2) Share of Ebay os <1% in overall GMV

Industry growth would be driven by bigger horizontals in 2018 as witnessed in 2017



Note: Small horizontals are players with <5% market share

Indian e-tailing market is sale driven like China as ~30% of Industry GMV was contributed by 10% of the days (Sale Days) in 2017



Flipkart witnessed higher jump in sales (3-4X) compared to Amazon(2-3X) during all sale events in 2017 owing to its efficient marketing and attractive prices during sale events

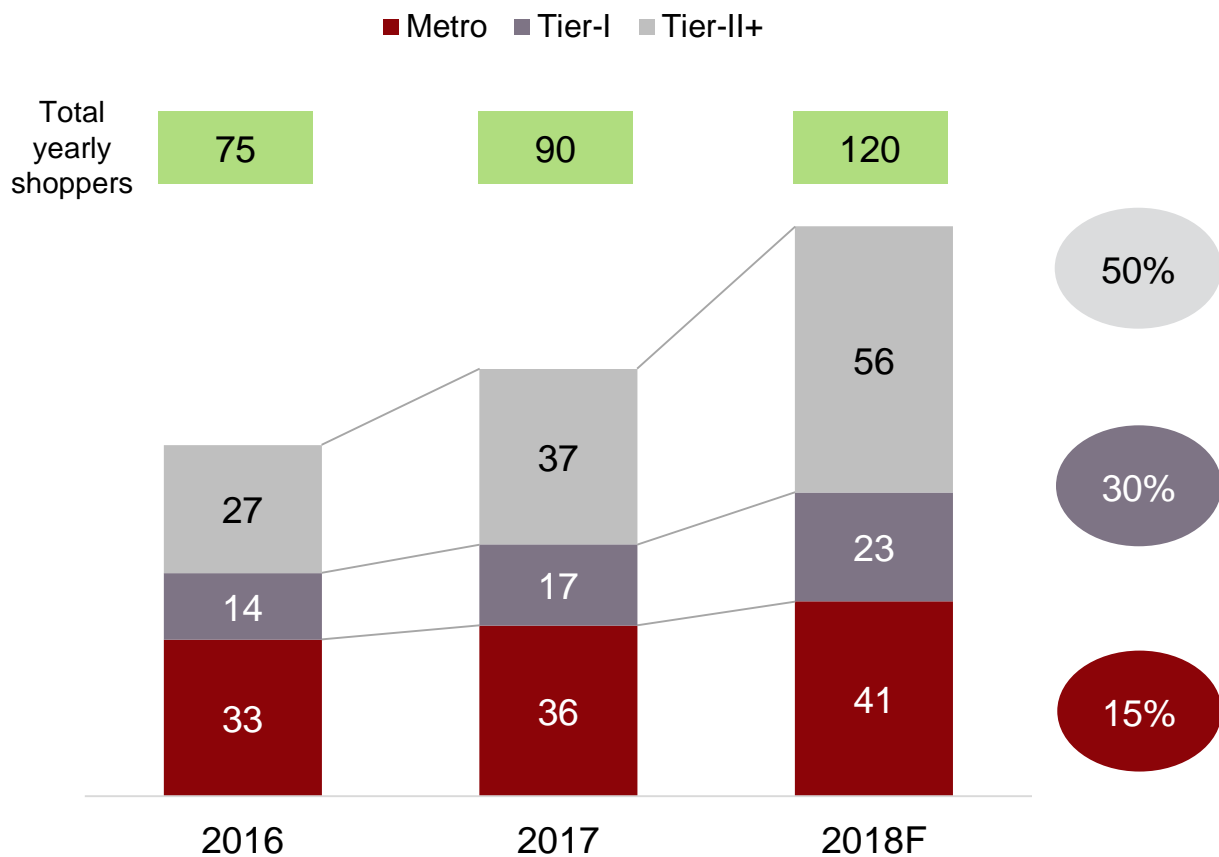
Note: 1. Jan, May, Jun, Aug, Sept, Oct, Dec are considered sale months
 2. Total number of sale days considered are 35

Tier-II+ would be the mainstay of growth in 2018 with a total of 50 Mn+ online shoppers from these smaller cities

Yearly Unique shoppers
(Y-o-Y trends, MN)

Y-o-Y Growth rates
(%)

Key takeaways



□ **Metro:**

- Slower growth in compared to Tier-I and Tier-II+
- Added 3 Mn shoppers in 2017, **expected to add 5 Mn more in 2018**

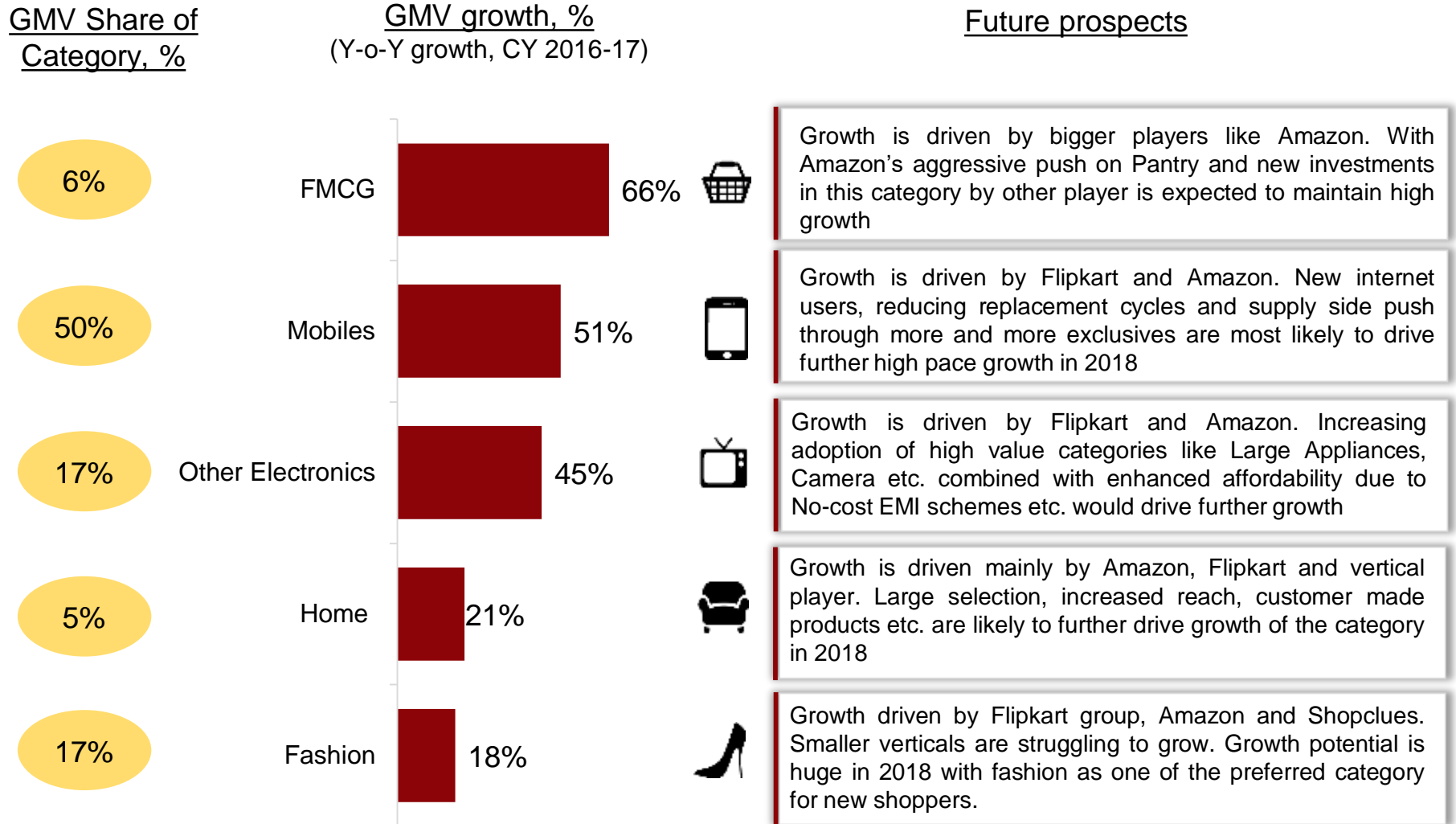
□ **Tier-I:**

- Second fastest growing market
- Added 3 Mn shoppers in 2017, **expected to add 6 Mn more in 2018**

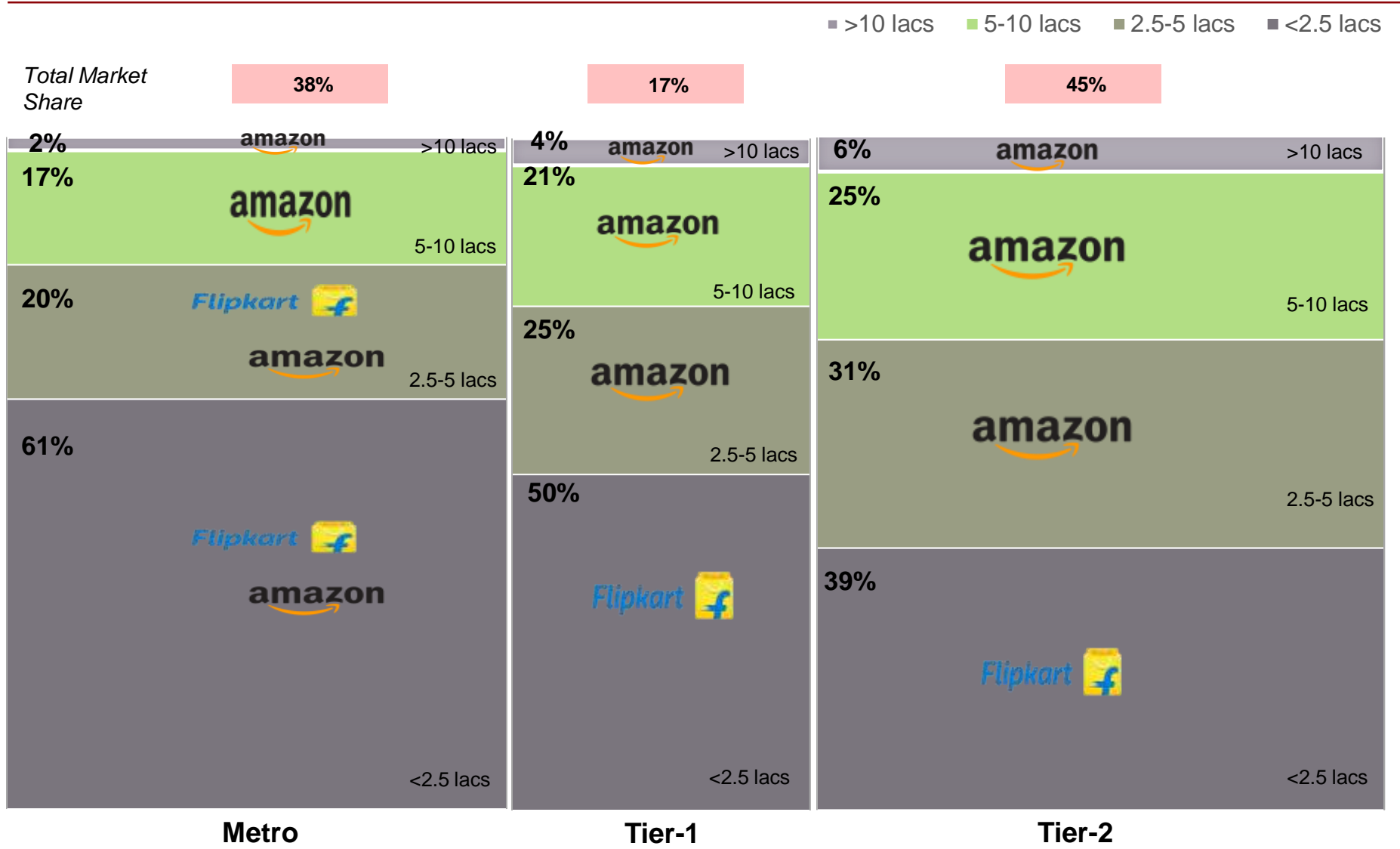
□ **Tier-II+ :**

- Fastest growing market
- Industry added 10 Mn shoppers in 2017, **expected to add 19 Mn more in 2018**

Industry growth in 2017 was driven largely by Mobiles; FMCG was the fastest growing category



Amazon has a higher share of customers in high income groups; while Flipkart leads among Tier-1 and Tier-2 customers with lower income





Thank You!

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