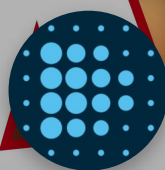


Amazon Great Indian Festival Vs Big Billion Day- Who offered better discounts?

4th Nov, 2020



BY DATAWEAVE

The Great Indian Festival finally arrived and it coincided with Flipkart's Big Billion Day Sale. The pandemic has pushed consumers to shop online and both, the Great Indian Festival and the Big Billion Day sales had been eagerly anticipated. Flipkart's sale lasted between 16-21 October, while Amazon's (in India) took started on 17th October.

It is claimed that Amazon and Flipkart have hit \$3.5 billion in sales in just four days. On the last day of its Sale, Flipkart claimed to have achieved 10 times growth as compared to last year's Big Billion Day sale. Clearly, the sales have surpassed all the forecasts made for this year's sale. We at DataWeave took a closer look to analyze the discounts that were offered across popular categories, to see if customers really had access to better deals and discounts.

Our Methodology:

We looked at the top 500 products across categories like Fashion – men and women, electronics, Amazon devices, baby products, grocery and personal care. The pricing offered on these products across the sale period was compared with the pre-sale price, to understand the trend in discounts across the popular categories and brands.

The Verdict:

We segmented the products we were tracking into the following:



Type 1: Products were either priced the same or were discounted over the sale compared to pre-sale

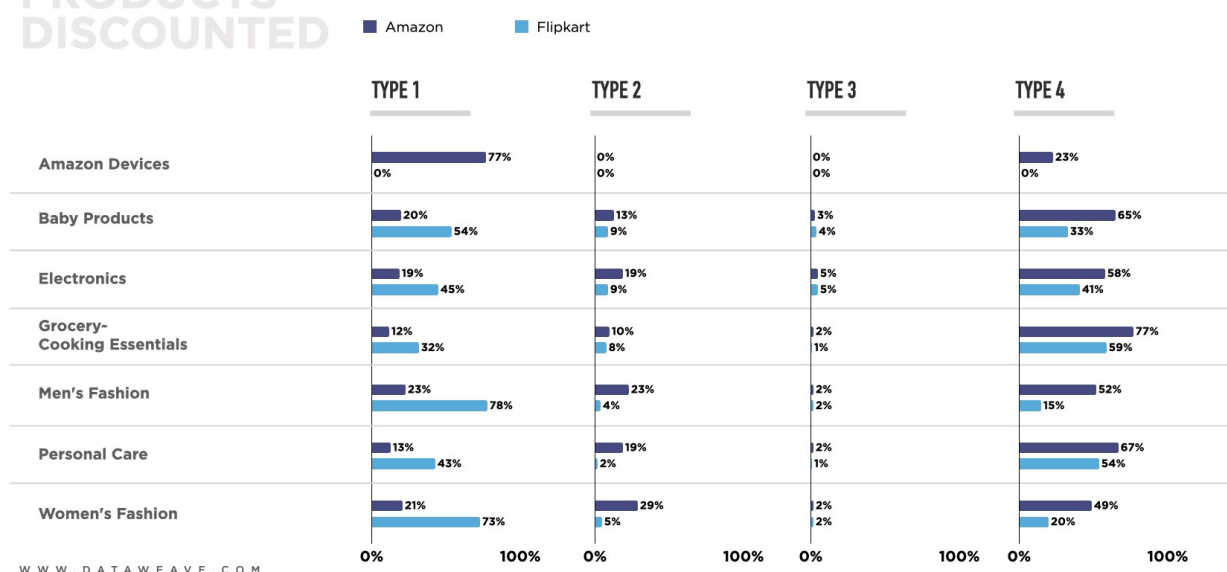
Type 2: Products were either priced the same or witnessed price increase during the sale compared to pre-sale

Type 3: Products which saw both price increase and decrease during sale compared to pre-sale

Type 4: Products whose price continued to be the same even during the sale

% OF PRODUCTS DISCOUNTED

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Flipkart clearly provided the better deals to customers for the categories we looked at during their Big Billion Day sale compared to Amazon. Flipkart discounted 54% of its products during the sale period compared to Amazon, and 26% of the products were discounted.

It is also interesting to note that in addition to offering more discounted products, Flipkart also offered additional discounts than Amazon.

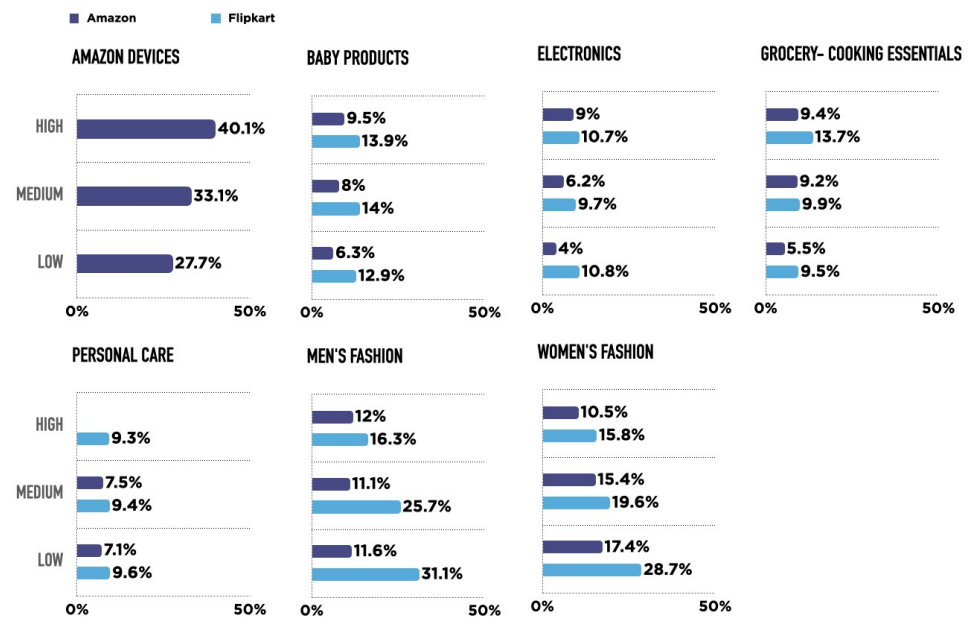
Amazon offered 13.2% additional discount and most of this average discounting can be attributed to a 33.8% discount on Amazon devices. It also ended up increasing the pricing for 16% of the products during the sale period, while Flipkart hiked the pricing for 6% products. 56% of products on Amazon continued being sold at the same price even during the sale.

Additional discounts across product premiumness levels

Premiumness was based on the actual price of a product before the sale event. This was divided into low, medium and high premiumness levels, with high indicating higher selling prices.

ADDITIONAL DISCOUNT %

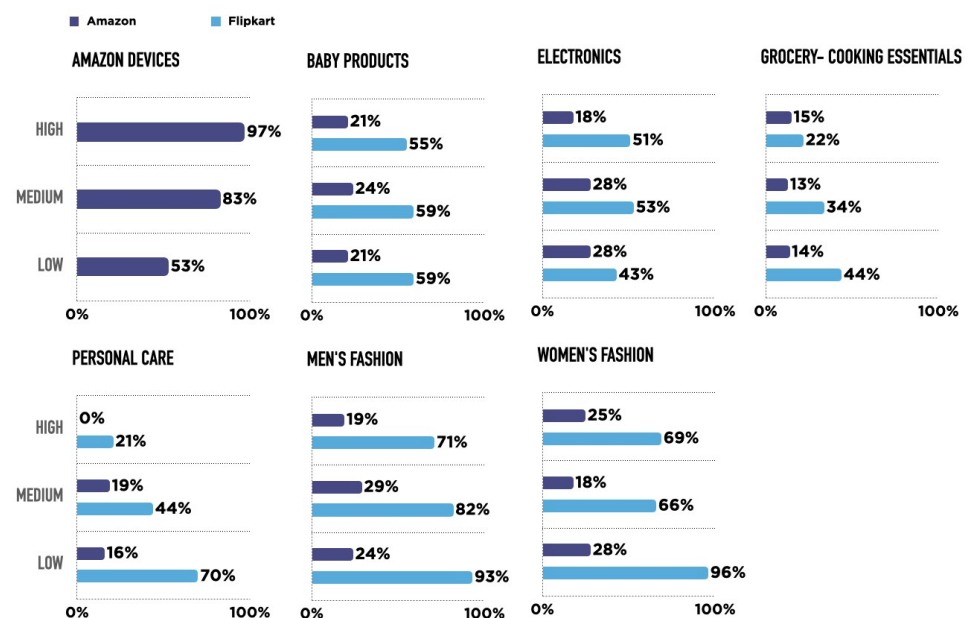
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% OF PRODUCTS ADDITIONALLY DISCOUNTED

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In Amazon devices, baby products, electronics and grocery-cooking essentials, Amazon showed a direct relationship between its additional

discounts and the level of premiumness. While Flipkart did not seem to follow a particular pattern with respect to product premiumness.

Flipkart offered the highest discounts for premium products in the Fashion category (for both men and women) compared to the rest.

Top brands by additional discounts:

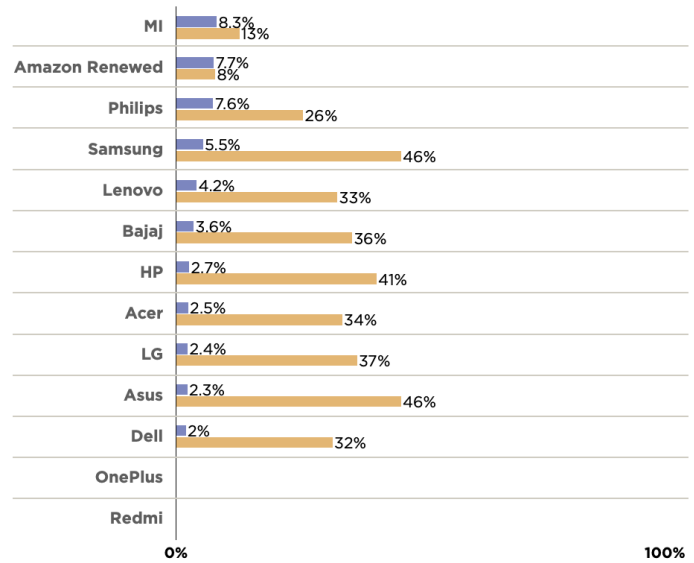
We looked at popular brands across categories to arrive at brands that were being sold at the maximum discount. These brands appeared at least twenty times in the top 500 ranks we considered.

% OF PRODUCTS DISCOUNTED AMAZON - ELECTRONICS

■ ADD. DISC %
■ % OF DISCOUNTED PRODUCTS

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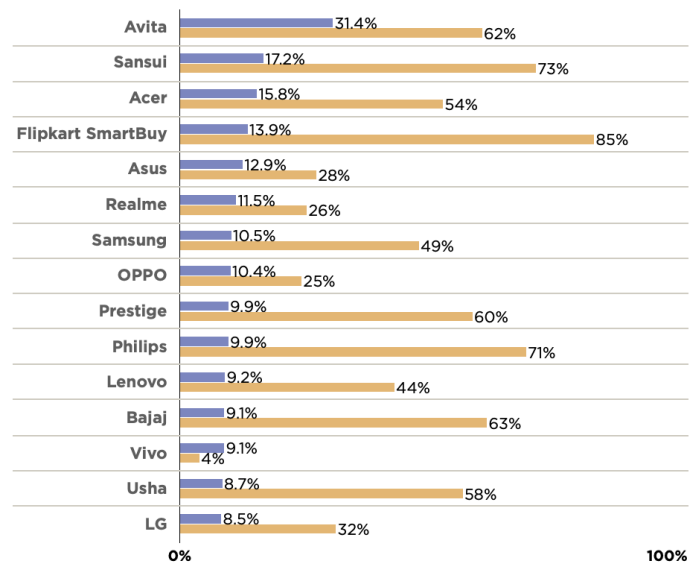


% OF PRODUCTS DISCOUNTED FLIPKART ELECTRONICS

■ ADD. DISC %
■ % OF DISCOUNTED PRODUCTS

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Acer, Philips, Samsung, Lenovo, Bajaj, Asus which were common brands across both Flipkart and Amazon in the electronics category, were being sold

at much deeper discounts on Flipkart (almost double), compared to that on Amazon.

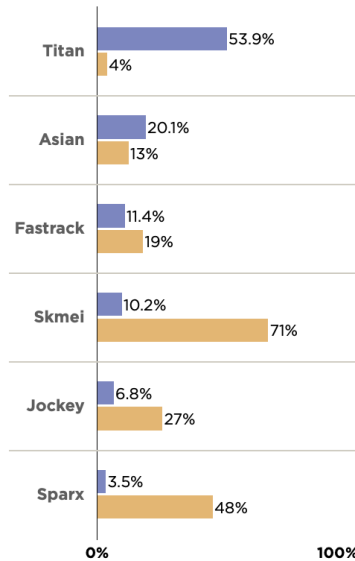
Avita was extremely popular under the laptop sub-category on Flipkart and was observed to be discounted the highest during the sale.

% OF PRODUCTS DISCOUNTED AMAZON - MEN & WOMEN'S FASHION

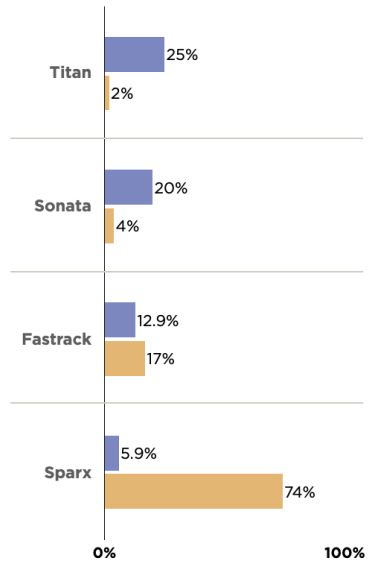
■ ADD. DISC %
■ % OF DISCOUNTED PRODUCTS

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Men's Fashion



Women's Fashion

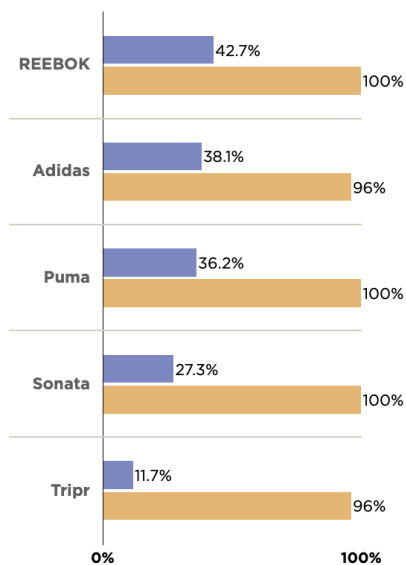


% OF PRODUCTS DISCOUNTED FLIPKART - MEN & WOMEN'S FASHION

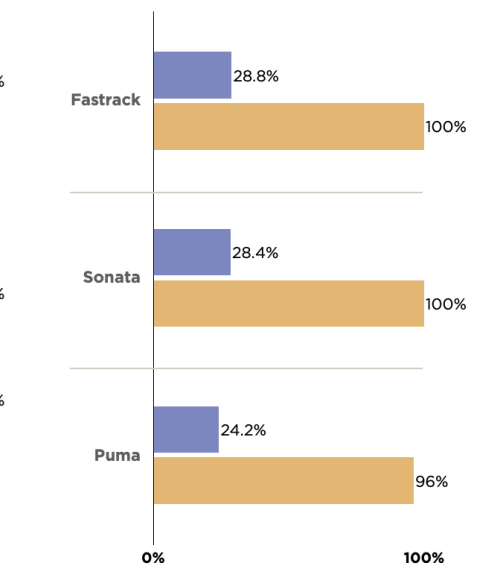
■ ADD. DISC %
■ % OF DISCOUNTED PRODUCTS

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Men's Fashion



Women's Fashion



In Fashion, Titan was the most discounted brand with 53.9% additional discount but only 4% and 2% of the products offered discounting in mens'

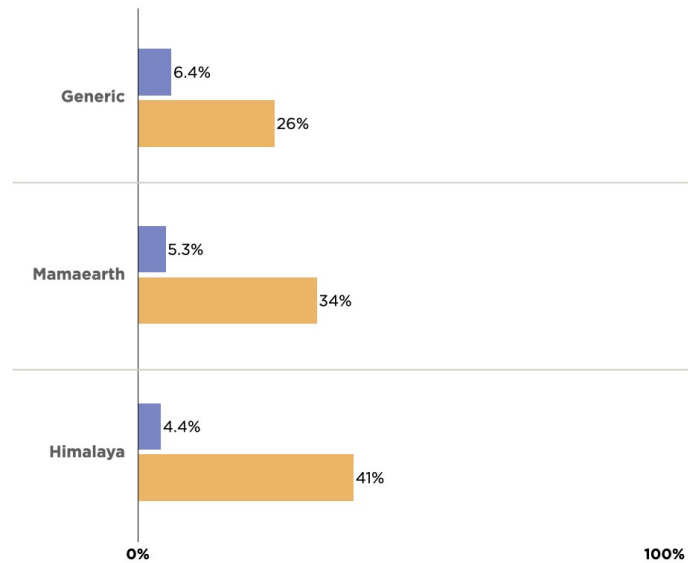
and womens' fashion respectively. Reebok in mens' fashion and Fastrack, Sonata and Puma in womens' wear on Flipkart, had discounts across almost all the products.

% OF PRODUCTS DISCOUNTED AMAZON - BABY PRODUCTS

■ ADD. DISC %
■ % OF DISCOUNTED PRODUCTS

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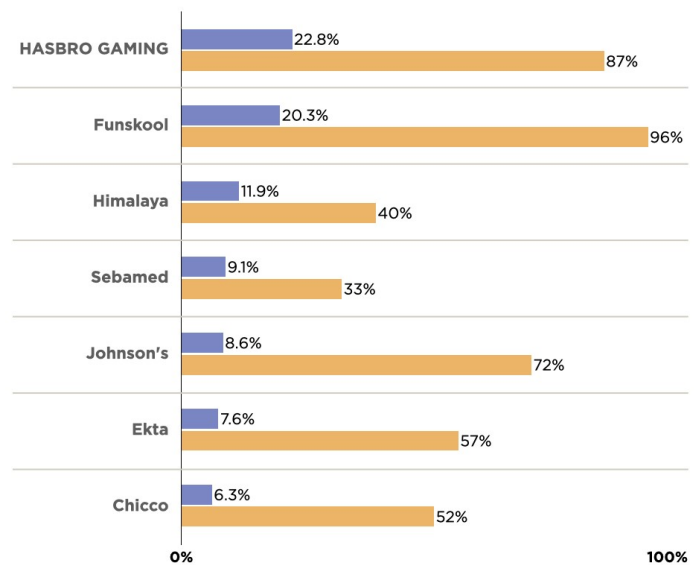


% OF PRODUCTS DISCOUNTED FLIPKART BABY PRODUCTS

■ ADD. DISC %
■ % OF DISCOUNTED PRODUCTS

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In the baby care category, Hasbro gaming on Flipkart had the highest additional discount followed by Funskool. Both the brands had more than

85% of their products discounted.

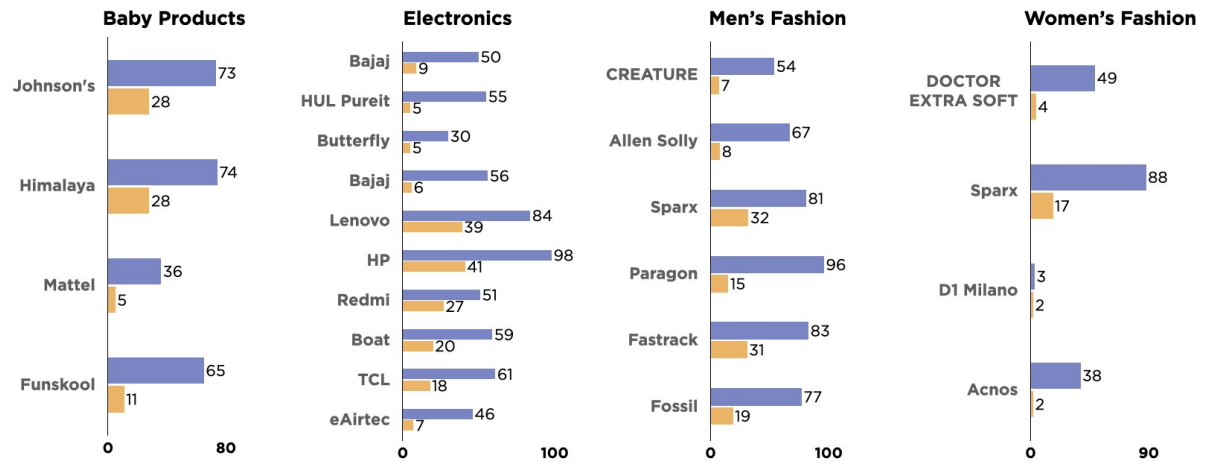
Johnson's, which was common on both Amazon and Flipkart, was offered at higher discounts on Amazon compared to Flipkart. However, only 31% products were discounted vs 72% on Flipkart.

Most Visible Brands

We looked at the top 200 ranks across each sub-category to narrow down on the most visible brands across the sale period.

TOP 200 PRODUCTS ONLY AMAZON

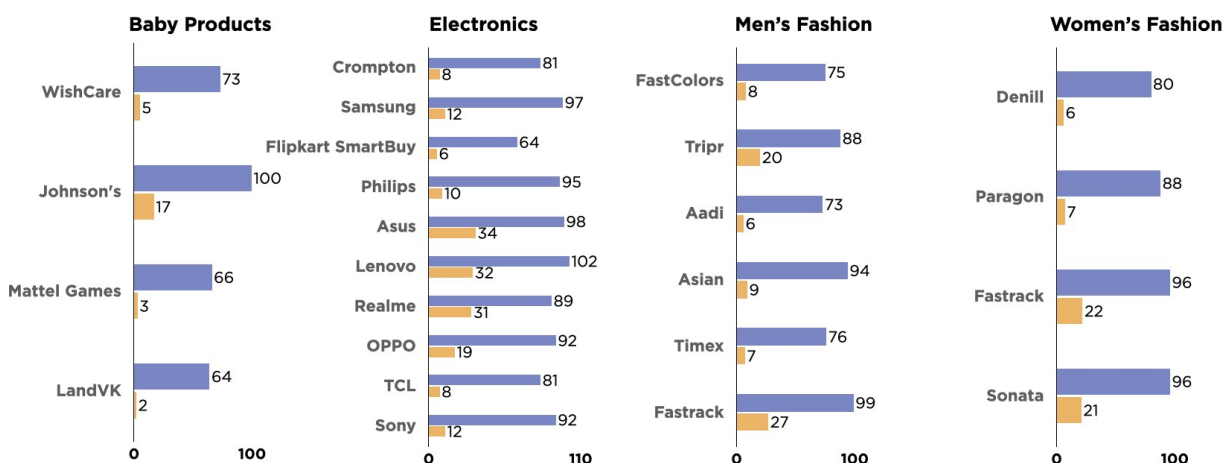
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TOP 200 PRODUCTS ONLY FLIPKART

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Across all categories and their sub-categories, the sub-category *laptop* had distinct brands that hold the majority of the products. This is observed both

in Amazon and Flipkart where brands like Lenovo, HP, Asus hold more than 33% share of the first 200 products.

“Mobile” category was dominated by brands like Redmi and Boat on Amazon, and Realme and OPPO on Flipkart. These brands occur at least 24% of the time in the top 200 ranks.

Who Won?

There are many ways to look at this. To begin with, the combined sales of Flipkart and Amazon during the festive season in India accounted for more than 90% of the e-commerce industry’s gross sales. That amounts to a 55% year-on-year growth. Delving further, we see that Flipkart was far more aggressive with their offerings.

They discounted 56.8% additional products at an overall discount of 15%. On the other hand, Amazon retained their typical cautious approach to discounting, with only 28.4% of the products, at an overall discount of 12.8%.

If we adopt a more macro view of the sales, we have to take into account that this year is somewhat of an anomaly. Given the social distancing norms and other SOPs governing the common man, more people have been ushered into the world of online shopping. The penetration extended far into the Tier 2 and Tier 3 cities as well, thus potentially benefiting Flipkart, owing to their interior reach.

Going by the numbers, Flipkart seems to have taken this round without a doubt. As we observed though, there are many ways to look at this and what seems to stand out from these two giants, is the consumer. At the end of the day, it’s the consumer that in spite of these strange times, has shopped more than before, indicating that the situation is getting back to a semblance of normalcy.

So Flipkart’s got the sales numbers but the consumer got deeper discounts on more products. As the old adage goes, ‘consumer is king’.

- **DataWeave Marketing**

4th Nov, 2020

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