WOMEN'S HANDBAGS
81.0 %

MEN'S JEANS
35.0 %

Flipkart

MEN'S SHIRTS
60.0 %

TABLETS
27.0 %

MATTRESSES
37.0 %

TELEVISIONS
24.0 %

Myntra

Diwali Season Sales: Here's How India's eCommerce Giants Fared

25th Oct, 2017

WOMEN'S TOPS
46.0 %

MEN'S WATCHES
45.0 %

BONG.COM

BY DATAWEAVE

MEN'S FORMAL SHOES
45.0 %

WOMEN'S CASUAL SHOES
41.0 %

TOMMY HILFIGER MEN'S   BLACKBERRYS BLACK DERBY   PANASONIC 58 INCH

As the battle of the Indian eCommerce heavyweights continues to accelerate, we have witnessed three separate sale events compressed into the last four weeks of this festive season. Flipkart has come out with all guns blazing following its multi-billion-dollar funding round, leaving Amazon with little choice but to follow suit with its own aggressive promotions. At this stage of a highly competitive eCommerce cycle, market share is a prize worth its weight in gold and neither Flipkart nor Amazon are prepared to blink first.

At DataWeave, our proprietary data aggregation and analysis platform enables us to seamlessly analyze these sale events, focusing on multiple dimensions, including website, category, sub-category, brand, prices, discounts, and more. Over the past six weeks, we have been consistently monitoring the prices of the top 200 ranked products spread over sub-categories spanning electronics, fashion, and furniture. In total, we amassed data on over **65,000 products** during this period.

The first of these pivotal sale events was held between the 20th and 24th September, which we earlier **analyzed in detail**. Another major sale soon followed, contested by Amazon, Flipkart and Myntra for varying periods between the 4th and 9th of October. Lastly, was the Diwali sale held by Amazon, Flipkart, and Myntra between the 14th and 18th of October, joined by Jabong between the 12th and 15th of October.

In analyzing these significant sale events for all eCommerce websites, we observed an extensive range of products enjoying high absolute discounts,

but with **no additional discounts during the sale**, i.e. prices remained unchanged between the day before the sale and the first day of the sale. The following infographic highlights some of the sub-categories and products where this phenomenon was more pronounced during the recently concluded Diwali sale. Here, discount percentages are average absolute discounts of products with unchanged discounts during the sale.

UNCHANGED DISCOUNTS DURING DIWALI

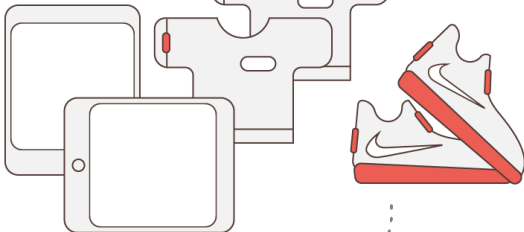**SUB-CATEGORIES** WITH HIGH BUT UNCHANGED ABSOLUTE DISCOUNTS

amazon

WOMEN'S HANDBAGS
53.0 %

SUNGLASSES
48.0 %

MEN'S JEANS
35.0 %

TABLETS
27.0 %

Flipkart

WOMEN'S HANDBAGS
81.0 %

MEN'S SHIRTS
60.0 %

MATTRESSES
37.0 %

TELEVISIONS
24.0 %

M Myntra

WOMEN'S TOPS
46.0 %

MEN'S WATCHES
45.0 %

JABONG COM

MEN'S FORMAL SHOES
45.0 %

WOMEN'S CASUAL SHOES
41.0 %

PRODUCTS WITH HIGH BUT UNCHANGED ABSOLUTE DISCOUNTS DURING SALE

TOMMY HILFIGER MEN'S OVAL SUNGLASSES

ON MYNTRA
65.0 %

BLACKBERRYS BLACK DERBY BROGUE FORMAL SHOES

ON JABONG
55.0 %

PANASONIC 58 INCH FULL HD LED TV

ON FLIPKART
54.0 %

LEVI'S PRINTED WOMEN'S ROUND NECK T-SHIRT

ON FLIPKART
50.0 %

MICROMAX 40 INCHES FHD LED TV

ON AMAZON
45.0 %

CASIO A1091 MEN'S WATCH

ON FLIPKART
30.0 %

W W W . D A T A W E A V E . C O M

Having identified the aggressive use of high but unchanged absolute discounts amongst eCommerce heavyweights during the sale, we focused our

analysis on the **additional discounts offered during the sale,** to more accurately reflect the value these sale events deliver to Indian consumers.
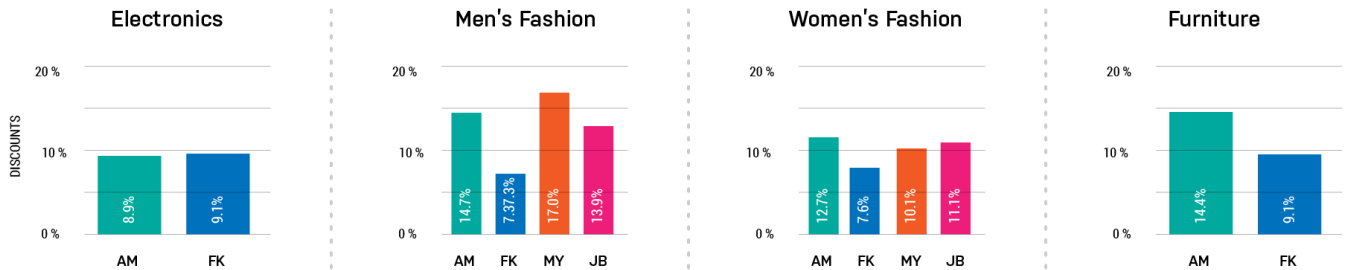
Several categories, sub-categories and brands emerged as enjoying substantial additional discounts. The following infographic details our analysis:

DIWALI SALE ANALYSIS

ADDITIONAL DISCOUNTS PER RETAILER AND CATEGORY

DATAWEAVE

Legend: AM - Amazon | FK - Flipkart | MY - Myntra | JB - Jabong

Electronics
DISCOUNTS

AM	FK
8.9%	9.1%

Men's Fashion

AM	FK	MY	JB
14.7%	7.37.3%	17.0%	13.9%

Women's Fashion

AM	FK	MY	JB
12.7%	7.6%	10.1%	11.1%

Furniture

AM	FK
14.4%	9.1%

TOP SUB-CATEGORIES BY DISCOUNT:

GREAT DEALS ACROSS THE BOARD

amazon

MEN'S T-SHIRTS	WOMEN'S SKIRTS	DINING SETS
24.2 %	22.8 %	16.2 %
PEN DRIVES	TABLETS	LAPTOPS
15.6 %	10.1 %	9.8 %

Flipkart

MOBILES	WOMEN'S T-SHIRTS	MEN'S JEANS
13.4 %	12.3 %	12.2 %
WOMEN'S T-SHIRTS	TABLETS	LAPTOPS
16.8 %	9.8 %	8.1 %

JABONG.COM

MEN'S T-SHIRTS
18.8 %
MEN'S FORMAL SHOES
17.9 %
SKIRTS
14.6 %
WOMEN'S SPORTS SHOES
12.9 %

Myntra

MEN'S SHIRTS	MEN'S SUNGLASSES
35.0 %	33.8 %
MEN'S JEANS	WOMEN'S SUNGLASSES
25.0 %	18.2 %

amazon

BRANDS WITH THE HIGHEST DISCOUNTS:

FASHION BRANDS GET GENEROUS

W WOMEN'S TOPS 80.0 %	REDMI TABLETS 65.0 %	GENEVA WATCHES 61.0 %
WRANGLER MEN'S JEANS 60.0 %	ASUS LAPTOPS 14.5 %	MUBELL DINING SETS 40.0 %

Flipkart

CLU CLU T-SHIRTS 76.0 %	PUMA CASUAL SHOES 39.5 %	ASUS MOBILES 33.5 %
INDUSCRAFT BEDS 25.0 %	CASIO WATCHES 20.0 %	WAKEFIT MATTRESSES 20.0 %

JABONG.COM

FOSSIL WATCHES 45.0 %
BLACKBERRYS MEN'S SHOES 30.0 %
FOREVER 21 SKIRTS 29.3 %
PEPE MEN'S JEANS 28.7 %

Myntra

ALLEN SOLLY MEN'S JEANS 40.0 %	OAKLEY MEN'S SUNGLASSES 40.0 %
RAY BAN SUNGLASSES 35.0 %	SHOETOPIA CASUAL SHOES 25.0 %

NUMBER OF PRODUCTS WITH ADDITIONAL DISCOUNTS
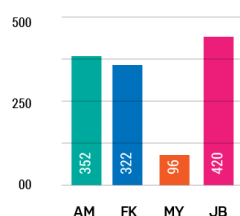
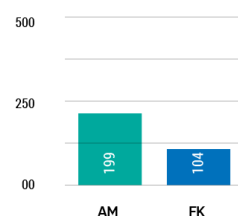Legend: AM - Amazon, FK - Flipkart, MY - Myntra, JB - Jabong

Electronics

NUMBER OF DISCOUNTED PRODUCTS

AM	FK
338	255

Men's Fashion

AM	FK	MY	JB
277	326	82	311

Women's Fashion

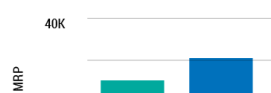| AM	FK	MY	JB
352	322	96	420

Furniture

AM	FK
199	104
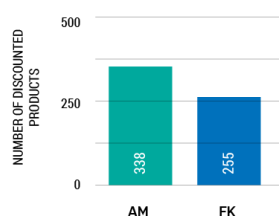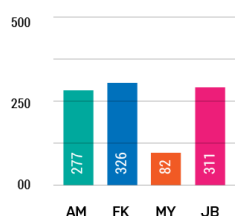
AVERAGE MRP OF ADDITIONALLY DISCOUNTED PRODUCTS

Legend: AM - Amazon, FK - Flipkart, MY - Myntra, JB - Jabong

Electronics (40K)

Men's Fashion (5K)

Women's Fashion (5 K)

Furniture (40 K)

AVERAG

20K	
00	

25165 (AM) | 30442 (FK)

2.5K	
00	

1592 (AM) | 2093 (FK) | 3447 (MY) | 4421 (JB)

2.5 K	
00	

1526 (AM) | 2082 (FK) | 3964 (MY) | 4547 (JB)

20 K	
00	

23580 (AM) | 34304 (FK)
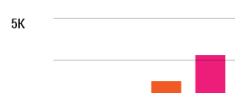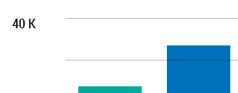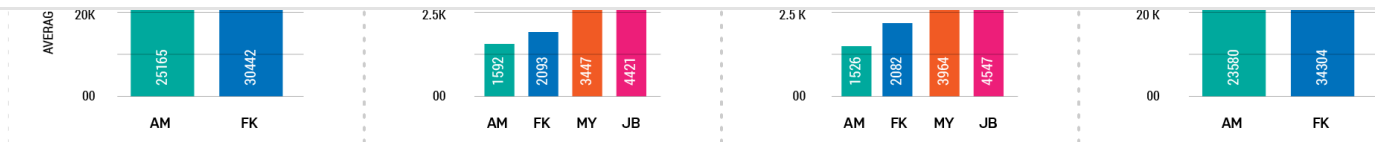
Amazon and Flipkart continue to stand toe to toe on discounts in Electronics, although Amazon offered discounts across a greater number of products. Flipkart adopted a more premium brand assortment in the Electronics category with an average MRP of INR 30,442 for additionally discounted products.

What stands out in our analysis is Amazon's consistently aggressive discounting in fashion compared to Flipkart. As anticipated, Jabong and Myntra continued to offer attractive discounts in a large number of fashion products, seeking to maintain their grip in their niche. Furniture, too, is a category where Amazon out-discounted Flipkart, albeit through a less premium assortment mix (average MRP of INR 23,580 compared to Flipkart's INR 34,304).

Several big brands elected to dig deep into their pockets during the sales to offer very high discounts. These included attractive discounts from Redmi, Asus, and Acer in Electronics, and W, Wrangler, Levi's, Puma, Fossil, and Ray Ban in Fashion.

Which Sale Delivered Greater Value For Consumers?

Since DataWeave has extensive data on both the pre-Diwali sale (held between 4th and 9th of October), and the Diwali sale (held between 12th and 18th October), we compared prices to identify which of the sale events offered more attractive discounts across categories, sub-categories and products.

While the discount levels were generally consistent across most sub-categories, only varying by a few percentage points, we identified several sub-categories and products that displayed a large variation in the absolute level of discount offered.

DATAWEAVE

PRE-DIWALI SALE VS DIWALI SALE ANALYSIS

HIGHER DISCOUNTS DURING PRE-DIWALI SALE

BY SUB CATEGORY
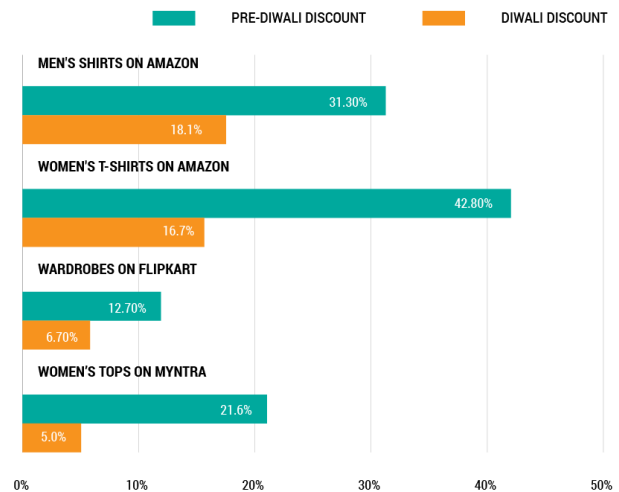
BY PRODUCT

PRE-DIWALI DISCOUNT %

DIWALI DISCOUNT %

■ PRE-DIWALI DISCOUNT   ■ DIWALI DISCOUNT

MEN'S SHIRTS ON AMAZON
- 31.30%
- 18.1%

WOMEN'S T-SHIRTS ON AMAZON
- 42.80%
- 16.7%

WARDROBES ON FLIPKART
- 12.70%
- 6.70%

WOMEN'S TOPS ON MYNTRA
- 21.6%
- 5.0%

(0% — 10% — 20% — 30% — 40% — 50%)

AMAZON	AMAZON	FLIPKART
Apple iPhone 6s	**Fossil Q Men's Smartwatch**	**Adidas STAN SMITH W Sneakers**
34.0 %	50.0 %	30.0 %
4.0 %	30.0 %	5.0 %

FLIPKART	MYNTRA	MYNTRA
Canon EOS 200D DSLR Camera	**Puma Men Running Shoes**	**Ted Smith Unisex Aviator Sunglasses**
20.0 %	60.0 %	75.0 %
8.0 %	35.0 %	50.0 %

HIGHER DISCOUNTS DURING DIWALI SALE

BY SUB CATEGORY

BY PRODUCT

PRE-DIWALI DISCOUNT %

DIWALI DISCOUNT %

■ PRE-DIWALI DISCOUNT   ■ DIWALI DISCOUNT

WOMEN'S FORMAL SHOES ON AMAZON
- 13.6 %
- 36.4 %

MEN'S JEANS ON FLIPKART
- 5.9 %
- 12.2 %

MEN'S SHIRTS ON MYNTRA
- 10.6 %
- 35.0 %

MEN'S SUNGLASSES ON MYNTRA
- 8.8 %
- 33.8 %

(0% — 10% — 20% — 30% — 40% — 50%)
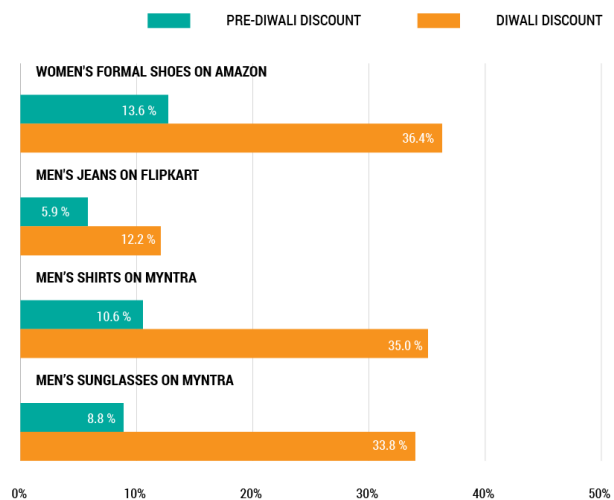
AMAZON	AMAZON	FLIPKART
Ray-Ban Women's Sunglasses	**Royal Oak Dining Set with 4 Chairs**	**Nike WMNS Running Shoes**

| 25.0 % | 25.0 % | 19.0 % |
| 50.0 % | 45.0 % | 43.0 % |

FLIPKART	**MYNTRA**	**MYNTRA**
Panasonic 123cm Full HD LED TV	NOISE Unisex Smartwatch	MANGO Women Round Neck T-shirt
9.0 %	30.0 %	45.0 %
28.0 %	50.0 %	55.0 %

WWW.DATAWEAVE.COM
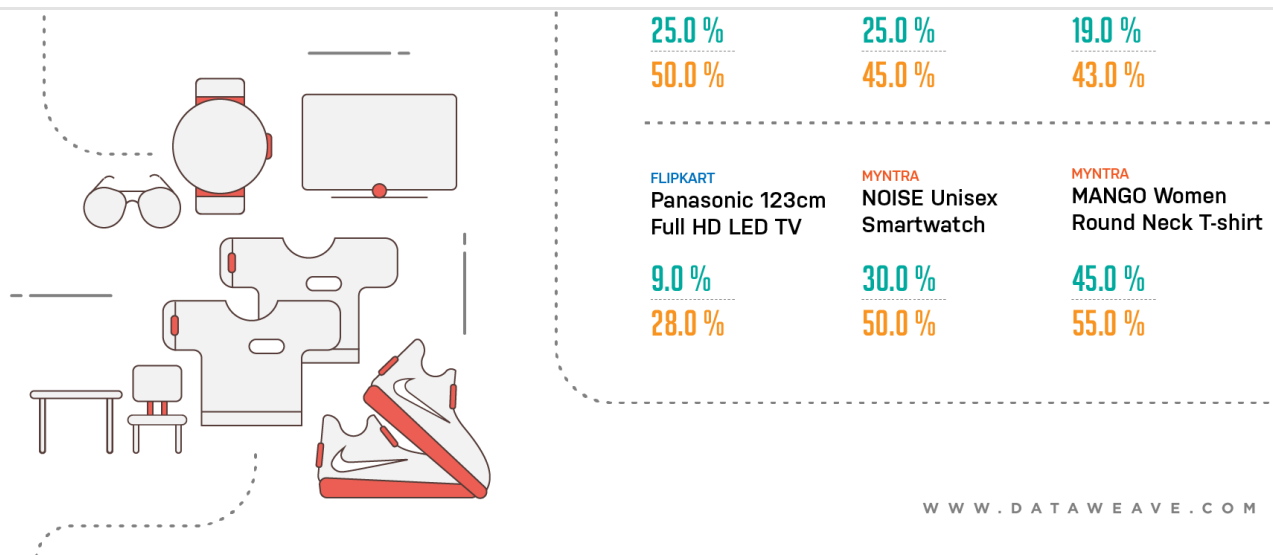
As the infographic above shows, Amazon identified women's formal shoes as a key category in its discounting strategy, which saw its level of discounting triple during the Diwali sale. By comparison, Flipkart doubled its discount in men's jeans, and Myntra tripled its discounts on Men's shirts and sunglasses.

Similarly, during the Diwali sale Amazon, Flipkart and Myntra all offered selected products with an aggressive 40% to 50% discount level.

Interestingly, Amazon, Flipkart and Myntra all elected to reduce the level of discounts offered on specific products as well. One of the biggest discount moves was Amazon's reduction on iPhone 6s from 34% to only 4%. Flipkart recorded a similar price move on Adidas originals Stan Smith sneakers (30% to 5%) and Canon EOS 200D DSLR cameras (20% to 8%).

Market Share Reigns Supreme

Based on our analysis of the festive season sales, Flipkart's aggressive approach powered by its multi-billion-dollar funding round enabled it to stave off Amazon's discounting strategy in the annual eCommerce festive season sales this year, increasing its lead over **Amazon India** in a market where the total sales is believed to have surged by up to 40 percent over 2016's sales.

Based on several reports, Flipkart's share of total festive season sales appears to have increased from 45 percent in 2016 to 50 percent this year, capturing much of the market up for grabs from a now relegated Snapdeal. **Amazon's** market share during a festive sales period that stretched over a month is estimated to have remained steady at 35 percent, though the company reported it saw a 50 percent share in other metrics such as order volume and active customers.

The key question for both industry analysts and consumers alike is, how much deeper are retailers willing to go in their quest to capture market share at the expense of operating margins?

If you're interested in DataWeave's data aggregation and analysis platform, and how we provide Competitive Intelligence as a Service to retailers and brands, **visit our website**!

- DataWeave Marketing

25th Oct, 2017

AMAZON   E COMMERCE   PRICING   RETAIL