

Blazing sun pushes online sales of air coolers, conditioners soaring

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One's crisis may turn out to be another's opportunity.

A scorching sun, heat-wave conditions shifting eastwards and a dreaded drought across a dozen states has pushed online sales of large appliances like air-conditioners, air coolers and refrigerators across many states – and the trend is only expected to soar further in the coming couple of months until the monsoon rains drench the earth and bring down the temperatures.

And the digital-savvy younger generation is driving up this online sale: almost 45% of these orders are booked on the apps they use.

What is more, sales of window air conditioners have sharply declined to less than 20 per cent of the overall air conditioners market. And, among the split air conditioners, which now command an over 80 per cent market, the shift is significantly from lower starred to higher starred and inverter categories. Majority of air-conditioners sold online are of 1.5 ton capacity.

E-commerce major Paytm, which is offering up to 30 per cent discount on MRP on air coolers, has seen this spurt in sales. “Sale of air conditioners on our platform increased by 40 per cent in March over February while that of coolers increased by 65 per cent, Amit Bagaria, Vice-President, Paytm, told BusinessLine on Wednesday.

Almost 50 per cent of this online sale on Paytm is from the metro markets like Delhi, Chennai, Mumbai, Hyderabad and Bengaluru. “But, this time, we are witnessing a spurt in sales this month from the eastern states as well.”

He said air-conditioners are sold online round-the-year – almost 95 per cent of these for residential uses—but coolers' sales, in an otherwise fragmented market, peak significantly in summer, by 18-20 per cent as compared to other consumer durables' 8-10 per cent this time of the year.”

Paytm, he said, sold around 500 air conditioners and 400 coolers everyday in March. Consumers start buying for summer much earlier in the year. “Over 3,000 units were sold in January and we have seen a 30 per cent spurt in February with almost double the growth in March. We hope to clock 2.5 times increase in April sales over March.”

Amongst the air conditioners, the top online selling brands are Voltas, LG and Hitachi while Symphony, Crompton Greaves and Bajaj coolers are the most preferred one. In the case of refrigerators, the 'cold' favourites are LG, Whirlpool and Samsung. “YoY, we have grown four times owing to our offline-to-online strategy.”

Bagaria said, overall, this year (2016-17) is expected to be the one that would see the boom of consumer durables in online space, just like mobile phone category saw in the past two years