

## **Diwali sales: Online, offline retailers offer smaller discounts, set to see drop in festive season spend**

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Neither online nor offline retailers might see any big surge in spends this festive season, going by current collection trends. For one, smaller discounts from online players appear to be curbing consumer enthusiasm; while discounts last year were chunky at even 70-80%, this time they're smaller at 40-50%. For another, the fact that Diwali will be celebrated at the end of the month could take some of the sheen off shopping, essentially at the lower end of the price curve.

"The season should be good to okay," Kishore Biyani, group CEO, Future Group, said, pointing out that it can be a bit of a damper when Diwali falls at the end of the month, rather than at the beginning, as it did last year. Kabir Lumba, managing director, Lifestyle International, however, told FE that sales so far had been good, registering a double-digit growth. Kapil Agarwal, vice-president, marketing, Whirlpool, said the company was targetting strong double-digit growth this season, with new launches in every category. "We have earmarked about 40% of our annual budget for this festive season," Agarwal said.

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While Amazon India and Flipkart will hold full-fledged sales, Snapdeal has split up its sale into three phases. While electronics – mobile phones and heavy appliances – are tipped to bring in the bulk of the money at 50-60%, fashion and lifestyle would contribute 20-25%, and home and kitchenware will fetch 15-20%.

Industry observers believe deals and discounts would be similar to those seen during the October 1-6 sale period. "We will continue to offer attractive price discounts, bank offers, no-cost easy monthly installments (EMI) options and exchange offers to our consumers," a Flipkart spokesperson said in an emailed response.

"While we have seen a 110% growth in sale in categories like mobile, this sale, consumers are also purchasing beauty and health products, which