

Flipkart makes giant strides in large appliances

<http://www.thehindubusinessline.com/info-tech/flipkart-makes-giant-strides-in-large-appliances/article8612159.ece>

E-commerce major Flipkart is betting big on the large appliances segment and believes it will be among its top three growth drivers in the next few years.

The company has set up a dedicated supply chain for large appliances with a focus on careful handling during transportation and after-sales services.

Amit Bansal, Business Head of Large Appliances, said: "Over the next three-five years, large appliances will be one of the top three growth and focus areas for Flipkart. In the last three-four quarters, we have maintained a 60 per cent plus online market share in large appliances.

Miffed by discounts

"This is a testament to the fact that customers trust us to be able to make high-value purchases."

Leading consumer durable firms have in the past been miffed by the discounts and pricing strategies of e-commerce platforms, while some home-grown brands and smaller players have seen more value in getting on the e-commerce bandwagon.

But that is now changing, Bansal said.

Welcome disruption

"Over the last five quarters, the disruption that Flipkart has been able to offer in the large appliance space has led the top established brands softening their stance.

"The top key brands have started engaging with us as a platform, which is a big win for the Indian consumer," he said.

Bansal added that brands such as Samsung have started working with the e-commerce platform recently, while others like Whirlpool have become key strategic partners. Some brands that had stopped working with it in the past are also back on board, he said.

For careful transportation, vehicles have to be designed differently, he pointed out.

"Also, productivity tools have been introduced to avoid damage during lifting or handling them. In addition, people who deliver large appliances are trained in soft skills and technical knowledge (for demonstration and installation)," he added.

Large appliances is still a niche category for e-commerce players.

However, Flipkart said it has seen strong traction for even categories such as air-conditioners in recent times, which require dedicated installation services.

It believes the bigger chunk of its growth will come from outside of the top 10 cities.