

# Flipkart To Focus On Large Appliances And Set Up Specialized Logistics Network To Earn Better Revenues

<http://thetechportal.in/2016/03/30/flipkart-to-focus-on-large-appliances-and-set-up-specialized-logistics-network/>

Flipkart, one of the largest Indian eCommerce marketplace, is now focusing on a fast growing category - large appliances. For that, the company is also setting up a specialized logistics network. The same was conveyed by Flipkart's head of business for large appliances Amit Bansal, to ET.

This move from Flipkart will also enable newer and lesser known brands to set up their online presence and attract more customers. Large appliances category includes products like televisions, air conditioners, refrigerators, etc. and is the third largest category for the company after electronics and apparels.

With top-selling brands of large appliances on Flipkart - Vu, BPL, Sansui and Whirlpool, the company is able to negotiate a better price for the customer by integrating closely with the brand. And while that negotiation happens, Flipkart also uses data collected from the users to help shape new strategies and bring better products to the market - a smart-selling strategy which has been used for quite some time now, specially by western e-retail and retail companies.

Amit Bansal, head of the large appliances business at Flipkart, said, We have redesigned and set up a dedicated in-house supply chain that (will handle), installation and customer experience. We import directly from them (brands), help them distribute through our centres, provide installation service and help in brand marketing.

With competitive pricing, the company has been able to attract many users on the platform and as a result, almost 50 percent business is now coming from non-metros.

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Thus, Flipkart moved on from the top brands and started focusing on new and lesser known brands. It partnered with affordable technology brands to sell those brands on its platform.

This move of the company to focus of large appliances will help Flipkart to achieve its target of shipping a billion units a month and serving 100 million customers by 2018.

Earlier, Mukesh Bansal, who was the company's head of commerce, had told that Flipkart will sell goods worth \$10 billion (Rs 65,000 crore) during fiscal 2016, and "nobody will be even half of that".

Flipkart is estimating the category to be worth \$10 billion and that it will double by 2020. According to Goldman Sachs the ecommerce market is estimated to expand to \$36 billion in 2016-17 from \$11 billion in 2014-15.