

# More Retailers Look to Expand into India

## ARTICLE |

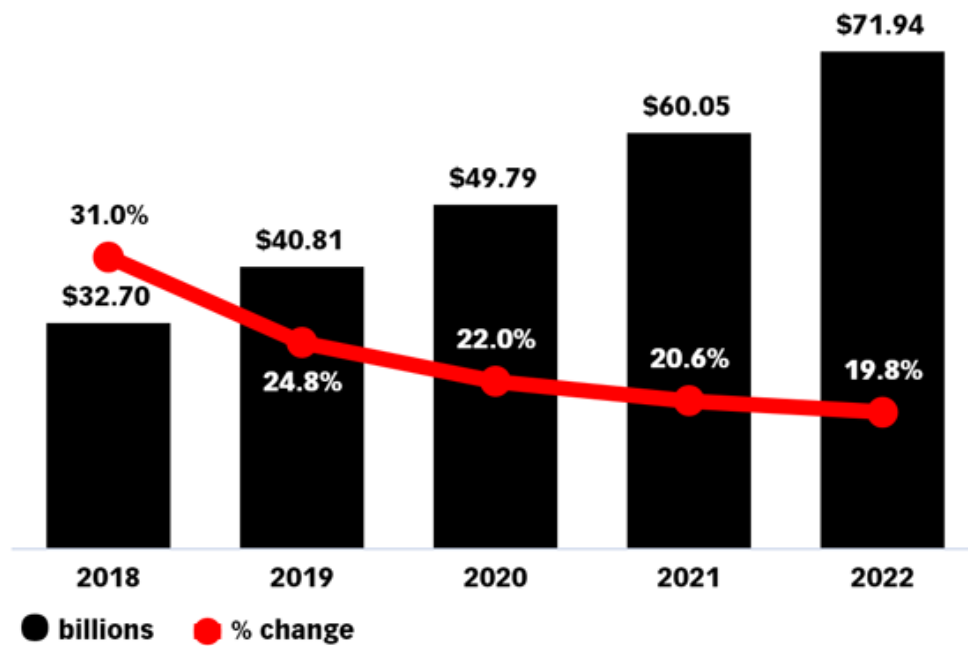
### eMarketer Editors

**A** major trend in ecommerce this year is international retailers investing across Asia-Pacific to gain access to markets. Case in point: Walmart's May 2018 purchase of Flipkart, India's major homegrown digital retailer.

"India, with its population of 1.3 billion people, represents the biggest opportunity in Asia-Pacific for retailers," said Corey McNair, author of eMarketer's latest report, "Retail and Ecommerce Sales in Asia-Pacific 2018: International Retailers Look for Entry to India and Other Growing Markets." (eMarketer PRO subscribers can access the [full report here](#). Not sure if your company subscribes? [Find out here](#).)

## Retail Ecommerce Sales

India, 2018-2022



Source: eMarketer, May 2018

www.eMarketer.com

This year, ecommerce will account for just 2.9% of overall retail sales, which translates to \$32.70 billion. Fertile ground for growth fueled the bidding war between Amazon and Walmart for Flipkart.

Prior to the Flipkart bidding war, Amazon had already invested in or acquired at least six ecommerce platforms in India. Those investments led to Amazon capturing 30% of India's ecommerce market, per a May 2018 Citi Research report. Acquiring Flipkart, which holds 30% of the market according to Citi Research, would have clinched dominance in India for Amazon. Walmart's strong desire to enter India, however, led it to outbid Amazon, paying roughly \$16 billion to secure Flipkart.

While Alibaba did not participate in bidding for Flipkart, it also has ambitions in India. The company has a 40% stake in the largest mobile banking service in the market, Paytm. This investment also includes a 50% share in Paytm's ecommerce platform, Paytm Mall. The digital

store recently replaced Snapdeal as the third largest ecommerce player in India and is growing at a fast rate.

By and large, foreign investment in India will help ecommerce sales to more than double to \$71.94 billion by 2022. Outside of India, international retailers will have the most transformative effect on Southeast Asia, whose markets include Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.