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The Emerging Landscape of E-Retailing & The Millennials

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India is at the top of A.T. Kearney Global Retail Development Index 2017, replacing China which stood there for long. This has been possible due to a favorable foreign investment environment, a strong economic growth and a boom in consumption mainly on account demographics (millennials). This appropriately sums up the Indian retailing landscape!

AT Kearney Global Retail Development Index is reinforced by IBEF (India Brand Equity Foundation), September 2017, updates that the Indian retail industry has emerged as one of the most dynamic and fast-paced industries with the entry of several new players and India's retail market is expected to grow at a Compound Annual Growth Rate (CAGR) of 10 percent to \$1.6 trillion by 2026 from \$641 billion in 2016.

An indiaretailing.com 2016 estimate of revenues from E-retailing currently pegged at \$15 billion is expected to grow upto \$60 billion by 2020. A report by Forrester also expects the e-retailing market to reach \$64 Billion by 2021. The inflection points for the above phenomena of markets to deepen, according to Matrix Partners was, reaching a critical mass of at least 20 million daily

active users on the internet in 2011. This coupled with mobile internet users exceeding desktop internet users by mid 2012 to early 2013 made a number of business models attractive. Matrix Partners further forecast that by 2021, at least another 30 billion dollar e-commerce companies are expected to be created in India.

This growth is being driven by Indian Millennials leading India's smartphone revolution. An astounding 84 percent of them are already reliant on mobile broadband. A Morgan Stanley Research shows millennials spend an average of 17 hours a week online. They may be young, but many of them are already the chief wage earners in their households and contribute approximately 70 percent of respective household income.

This tidal wave of youth is driving an economic transformation. Since they have disposable income and access to broadband and data services, they sit in cafés, browsing social media accounts on their smartphones while shopping for new shoes, gadgets, apparel or even new homes online. Another Morgan Stanley report, based on its AlphaWise survey and analysis of the habits of India's millennials and the potential implications of their preferences concludes that "Indian Millennials could become the largest disruptive force in India for years to come, and this trend is still in its nascent stages,".

As the largest millennial population in the world, the sheer number of India's 18- to 35-year-olds doubtlessly will hold significant sway over the country's immediate economic future.

Online link - <http://businessworld.in/article/The-Emerging-Landscape-of-E-Retailing-The-Millennials/28-10-2017-129782/>