

July 2022

Eb2b in India

redseer

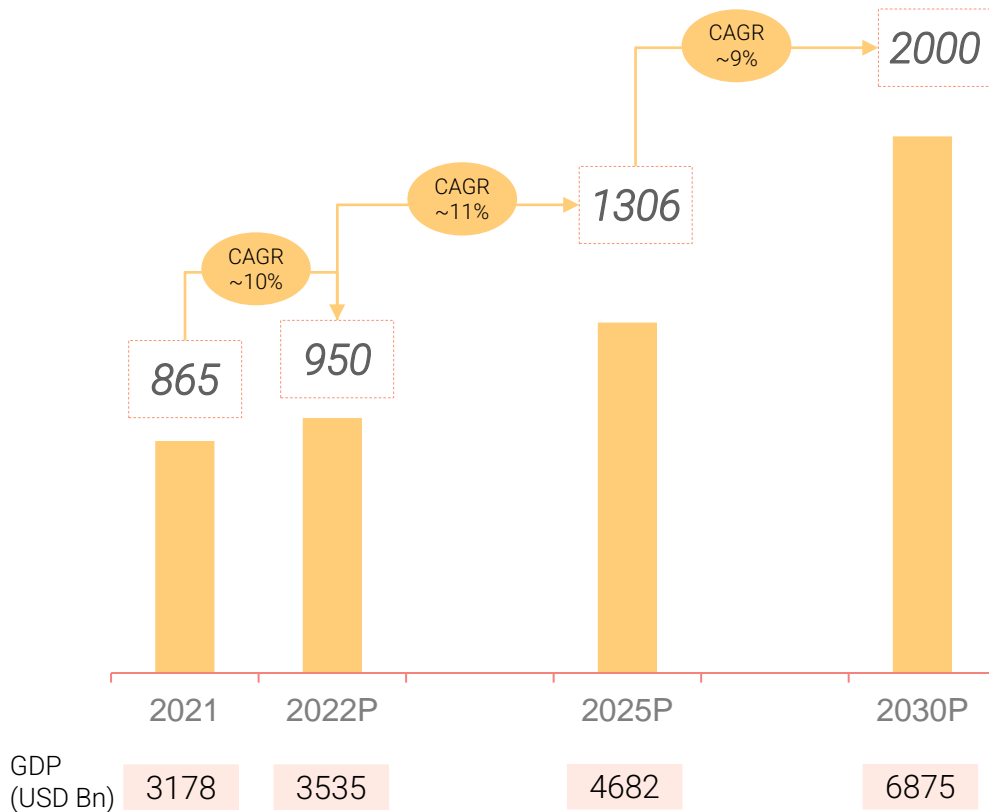
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Media Release

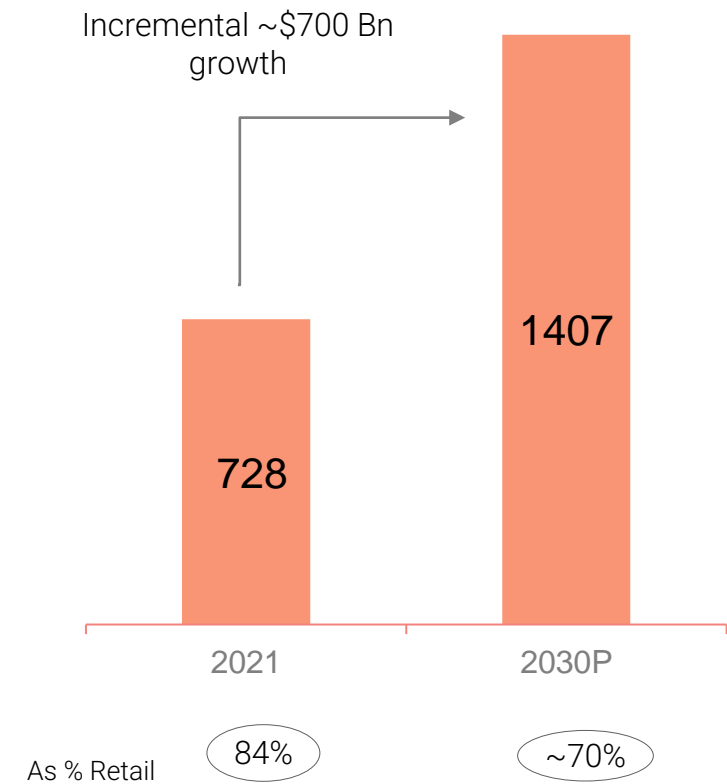
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India retail will be a huge ~\$2 trillion opportunity by 2030, with General Trade remaining sizeable and adding \$~700 incrementally in sales this decade

Total B2C Retail Market Size – Growth Forecasts
USD Bn



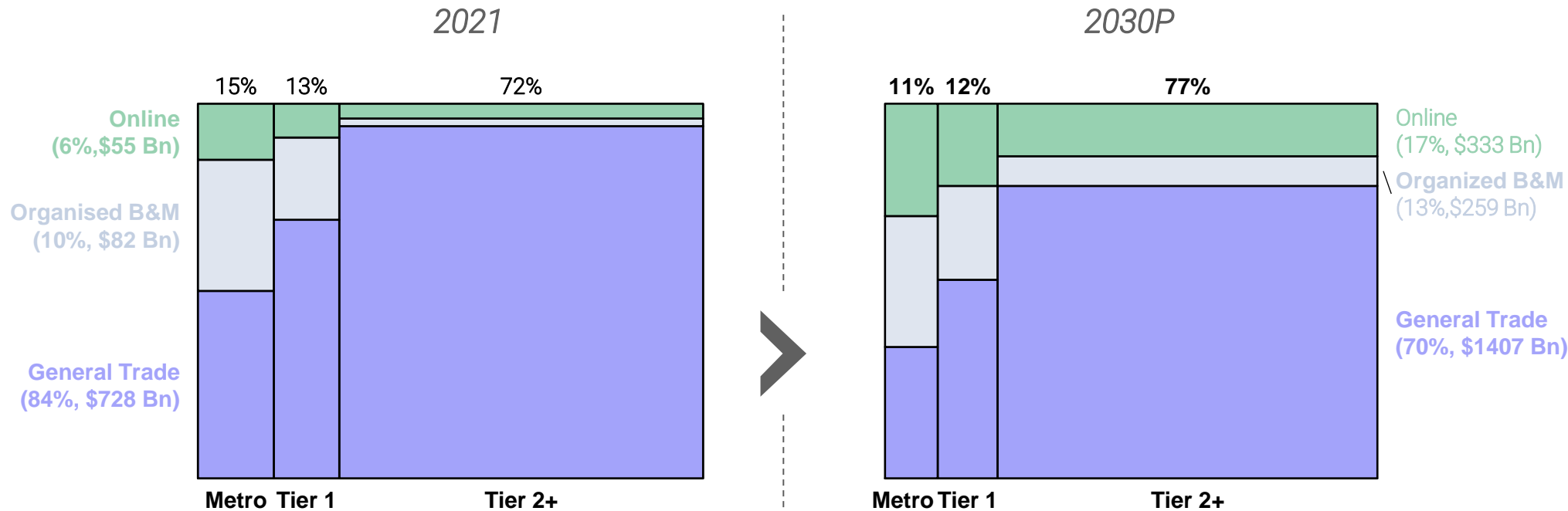
General Trade Size within Retail- USD Bn







General trade 's resilience will be across city tiers but especially in Tier 2+ markets

Retail Market Split by City Tier

USD Bn, % of Retail Market, 2021,2030P



Country				
Share of Unorganized Retail (% , 2021)	10-15%	35-40%	20-25%	84%

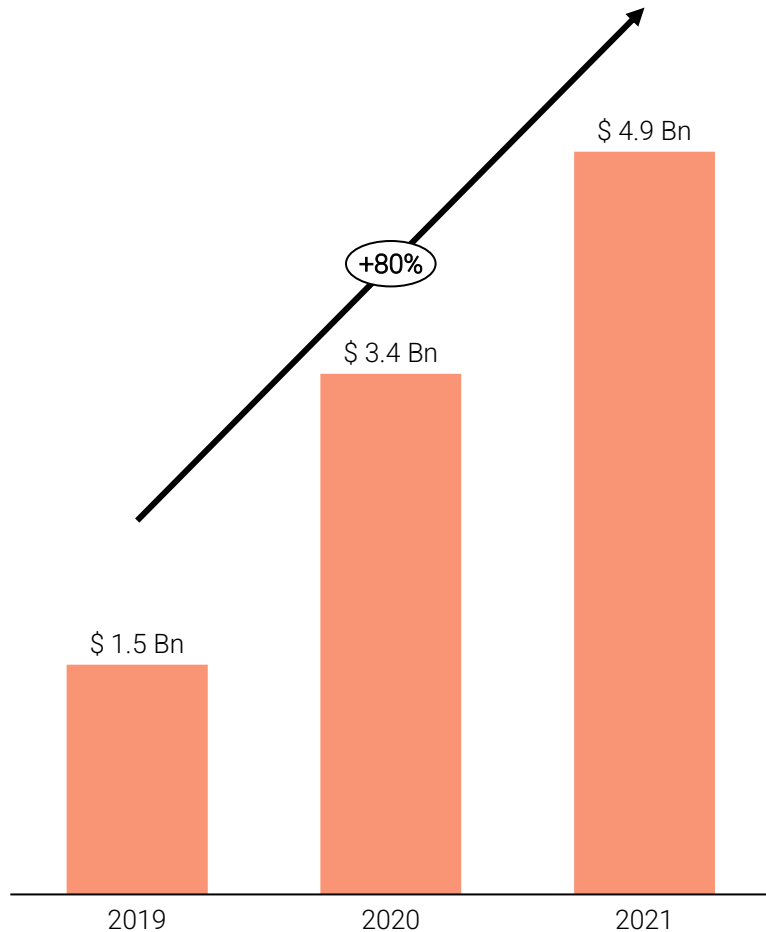
Barriers to organized B&M adoption in India:

- High operations cost (rentals for stores and warehouses)
- Complex regional diversity leading to demand for localized experience
- FDI regulations in multi brand retail and restrictions for foreign retailers

Source(s) : Redseer Research, Redseer Analysis

India's Eb2b market has been growing steadily, focusing on solving the key needs of General Trade

eB2B Market (GMV)
CY 19-21, USD Bn



Note(s): 1. Retailer focus ->50% of revenues coming from retailers 2. Wholesaler focus ->50% of revenue coming from wholesalers

Source(s): RedSeer IP, Expert interactions

What are the challenges you face when purchasing from the offline channels?
% of respondents, N=1223

Overall



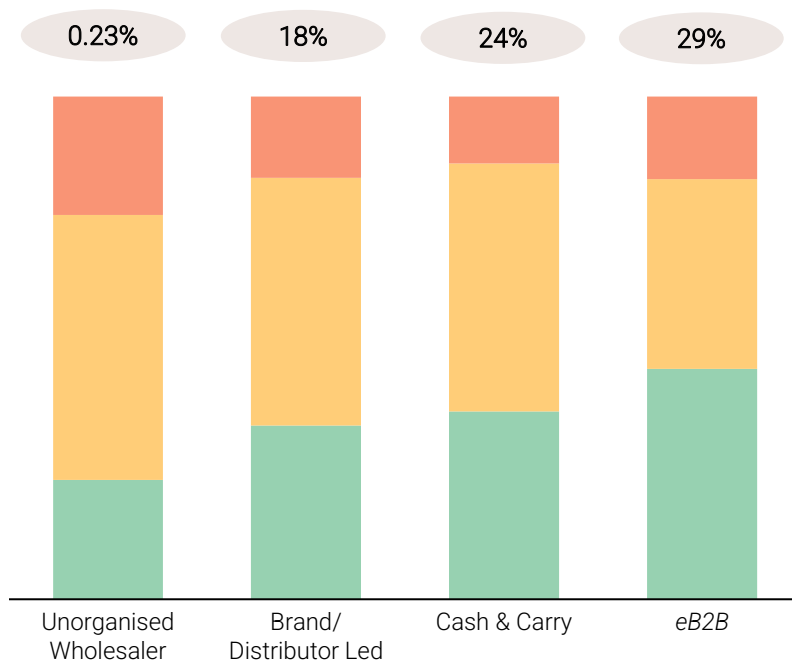
Half of retailers face major challenges in offline procurement related to pricing, credit, product quality and variety along with delivery issues

There is a high retailer satisfaction with eB2B channel, which is driving a strong intent to increase Eb2b procurement in 2022 and beyond

Detractors Neutrals Promoters

On a scale of 0-10, how likely are you to recommend the following channels?
% of respondents

Eb2b NPS amongst retailers substantially higher than all other channels

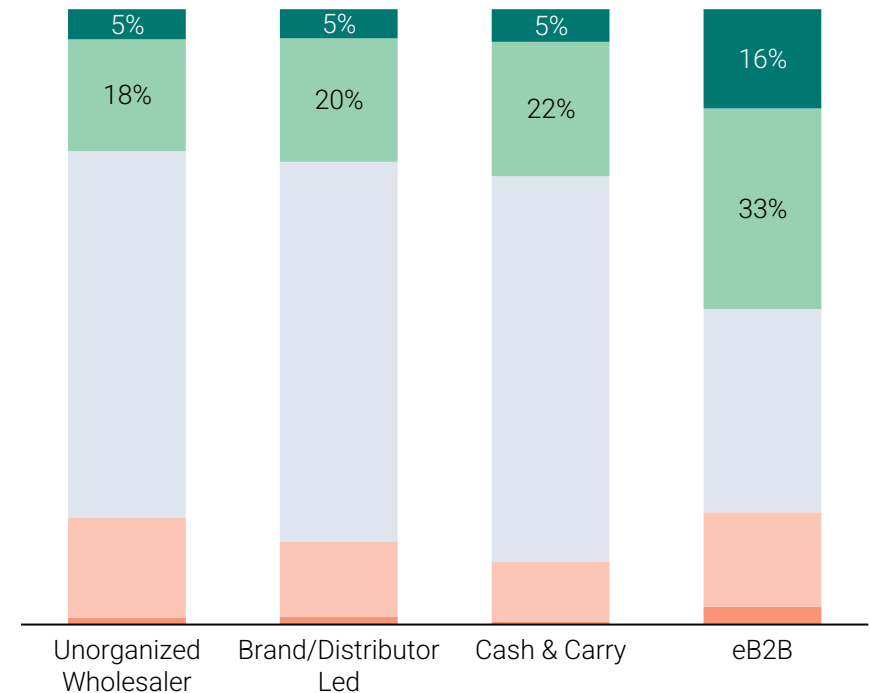


~xx% Indicates NPS

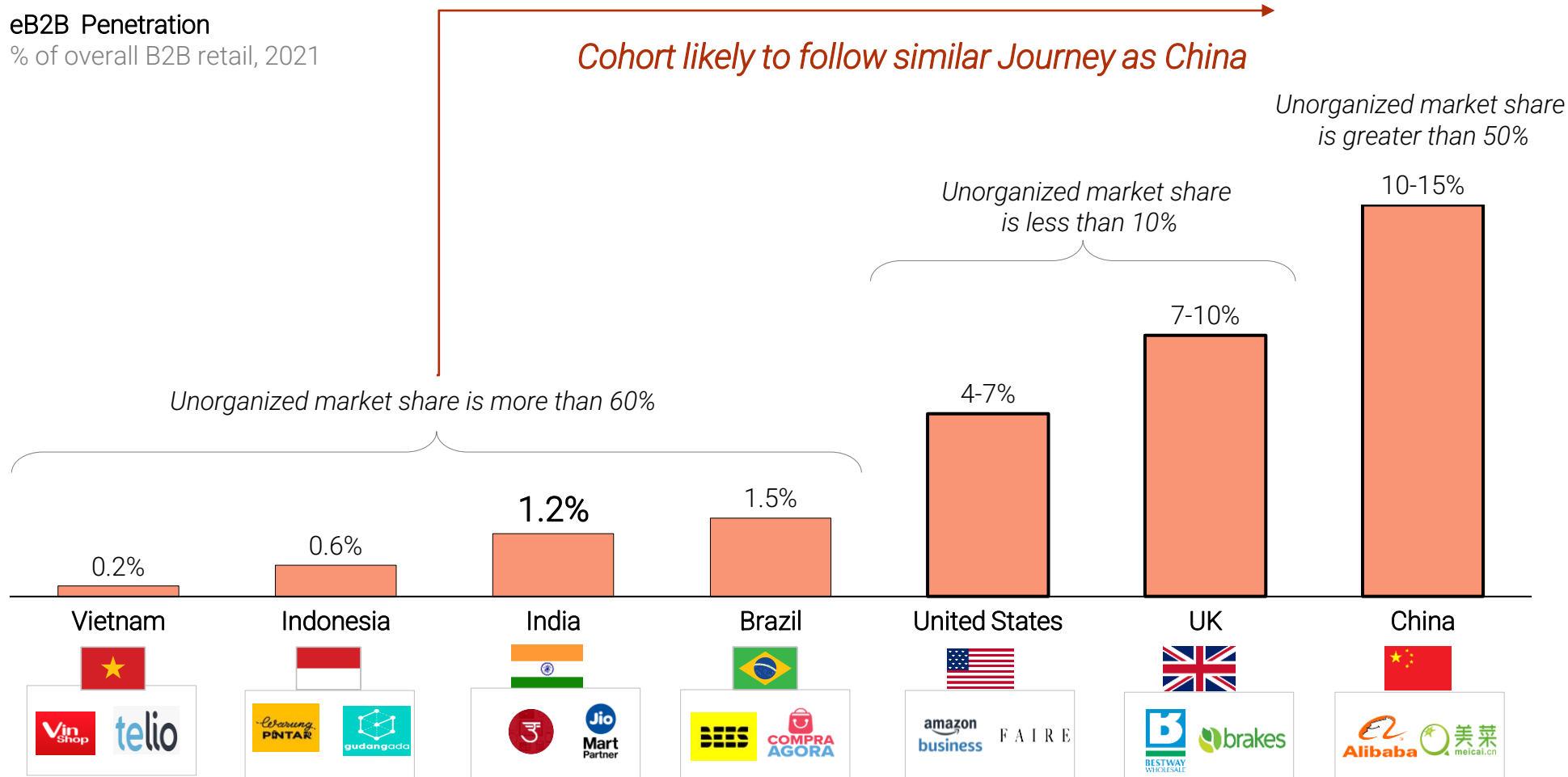
In 2022, how do you expect the spend on following purchase channels to evolve from current levels?

%, N= 1223

Half of Eb2b users plan to meaningfully expand their Eb2b procurement in near future



Headroom for eB2B in India is immense – International benchmarks indicate that aggressive growth in eB2B is likely to follow



Note – B2B Players that are operating in parts other than retail value chain are not included above. E.g. machinery/ raw material suppliers

Enabling Eb2b sales to reach \$90-100 Bn GMV by 2030, led by multiple favorable factors

XX%

Penetration of eB2B
in GT B2B market

Driven by number of growth drivers....



Opportunity from large unorganized retail market



Increasing receptiveness of retailers towards eB2B



Higher Brand Satisfaction



Increasing eB2C penetration



Higher capital efficiency ratio of eB2B as compared to eB2C

eB2B Market 2021-2030P

India eB2B Market (GMV)

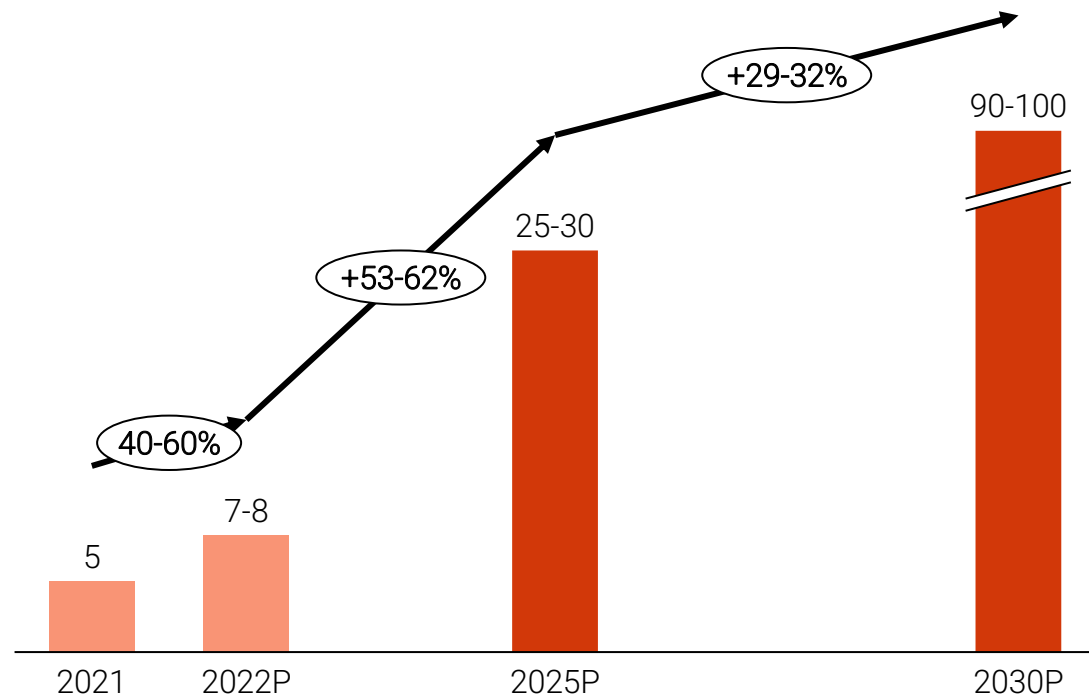
CY 21- 30P, USD Bn

<1%

~1%

2.5-3.5%

7.5-8%





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