

Driven by exclusive online launches and strong promotions of smartphones, sales through [e-commerce](#) segment grew faster than the offline segment during the first quarter of this financial year, said a market report.

[E-commerce](#) channels captured a record 38 per cent share of the total smartphone sales during Q1 2018, according to the latest research from Counterpoint's Market Monitor service.

“While the smartphone shipments in offline segment declined by 3 per cent, online segment grew by 4 per cent year-on-year. This is driven by the increase in the number of models launching on online platforms coupled with aggressive offers,” said Karn Chauhan, Research Analyst at Counterpoint Research.

According to the report, [Flipkart](#) continued to dominate the online smartphone market with 54 per cent share, with [Amazon](#) at second place with 30 per cent followed by [Mi.com](#) with 14 per cent market share.

While [Amazon](#) declined to comment on the report, homegrown [e-commerce](#) major [Flipkart](#) said it was looking to hold 40 per cent of the total online and offline market by 2020.

“As of now, we have 25 per cent market share on online and offline put together. We will be bringing in more brands, exclusive offers and product exchanges to take this share to 40 per cent by 2020,” said Ayyappan R, senior director (smartphones), [Flipkart](#).

However, the report said [Amazon](#) dominated the premium smartphone segment with 77 per cent market share because of the sales of OnePlus. According to data from market research firm IDC, OnePlus led the premium phone market in India with 48 per cent share in the fourth quarter of previous financial year.

Chinese smartphone maker [Xiaomi](#) led online platforms with a share of 57 per cent during Q1, followed by 14 per cent share of Samsung and 8 per cent share of Huawei (Honor).

“India still has one of the lowest percentage of users who are connected to the internet and shop online. This trend is changing rapidly as 4G data consumption has increased. Hence, to target first time shoppers, both Flipkart and Amazon have scaled up their operations in recent quarters, especially in the smartphone segment which is a major value driving category for these platforms,” said Tarun Pathak, associate director at Counterpoint Research.