Reliance Industries withdraws fashion brands from rival e-commerce marketplaces ahead of own launch

By Isabelle Crossley - 17 April 2019

Reliance Industries has started to remove its own clothing, footwear, and lifestyle brands from e-commerce marketplaces such as Flipkart and Amazon as it gears up to launch its own business to customer e-commerce platform.

Mukesh Ambani’s Reliance Industries is working on launching its own multi-brand e-commerce platform later this year and has sped up the pace of withdrawing its brands from other platforms to prepare, three sources told ET Bureau. The business is removing its global fashion brands which it holds the licenses for in India as well as its own brands.

Reliance Industries has close to 50 joint ventures or master franchisee arrangements with international brands, many in the fashion sector. The business has been retailing the brands, including Burberry, Steve Madden, Kate Spade, Diesel, Canali, Furla, Jimmy Choo, Emporio Armani, and Marks & Spencer online on sites like Myntra, Jabong, Flipkart, Amazon, and Tata Cliq. However, the business is now removing the brands from these platforms to create exclusivity for its upcoming marketplace.

“Reliance has stopped taking new orders. Whatever is available on the third-party marketplaces will be sold till the stocks are exhausted,” one of the sources told ET Bureau.

Ambani announced his plans to launch an online to offline venture in July last year that will utilise his businesses Reliance Jio Infocomm and Reliance Retail stores. The business already operates the multi-brand online platform Ajio.

Despite launching late in the game, Ambani is at an advantage to his main rivals Flipkart and Amazon. Both businesses are foreign-owned and, due to new foreign direct investment regulations, this means that they cannot
sell brands in which they have a stake on their platforms. Reliance Industries, as an Indian business, is at full liberty to do so.

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