



### **NEWS HIGHLIGHTS**

FinTech software services market to reach \$14 bn by 2020

India among top nations with potential for digital payments: Digital Evolution Index

Fino Payments Bank eyeing 1 lakh touch-points

Snapdeal sale to Flipkart may be called off

### **Today's View**

### **Voice Delight**

Virtual assistants, that are more data trained and smart, are being progressively adopted in payments and banking. Voice Assistants such as the Apple Siri, Amazon Alexa, Microsoft Cortana, Google Assistant/Now and Samsung Bixby/Viv are driving this next level Fintech convenience. As a result, 18 million U.S. consumers have made a voice payment, and that figure is expected to grow at a 31% CAGR until 2022, as stated by research report from BI Intelligence. Among a variety of reasons for the use of voice in everyday tasks, consumers report time and effort reduction and simplicity are at the forefront.

Introduction of standalone voice devices, the likes of Amazon Echo and Google Home, have led a wide range of device manufacturers to integrate voice into their devices, from washing machines and smoke alarms to refrigerators. Higher adoption of devices built with superior voice abilities has got consumers more accustomed to using voice commands for everyday use, building a strong premise for voice-driven payments.

Take for example, the Mastercard-Samsung smart fridge enabled by Samsung's voice technology and its new companion, a voice-activated feature 'Groceries by Mastercard' app. Competing electronics major, LG's smart fridge relies on Amazon's Alexa assistant, achieving the same objective: instantaneous payment of groceries ordered just by talking to the refrigerator!

So, how are Banks leveraging this opportunity? Powered by Al technology partners, Banks in the U.S. are launching their own Voice Assistants to support voice services. Nuance powers voice-first assistants residing in mobile banking apps at USAA, Santander Bank, and others, while Personetics powers the virtual assistant, Ally Assist, in Ally's mobile banking app.

Launching own voice assistants, Banks are seeking to take care of the trust deficit involved in using services of an external provider. These Banking apps allow customers access to banking services like viewing the account statement through voice commands and make voice payments. Early entrants like PayPal, Venmo, and Square

#### OTHER INTERESTING NEWS

## Snapdeal sale to Flipkart may be called off

The proposed Snapdeal sale to Flipkart has been put on hold and may be called off as the founders and shareholders of the struggling online marketplace have not yet agreed on the terms of the deal, three people familiar with the matter said.

### THE SNAPDEAL SAGA

October 2014: SoftBank invests \$627 million in Snapdeal.

2015: Snapdeal buys FreeCharge for \$400 million in stock. Firm spends heavily to catch up with Flipkart and Amazon India but sales continue to lag Flipkart's.

2016: As funds dry up, Snapdeal cuts jobs and becomes a much smaller company.

January 2017: A boardroom battle between its founders and investors leads to dysfunction. The company passes up funding offers, cuts more jobs and sales collapse.

March 2017: SoftBank initiates talks to sell the firm against the wishes of Snapdeal founders.

July 2017: Axis Bank buys payments unit FreeCharge from Snapdeal for Rs385 crore in

Source- Mint

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Date- 31st July 17



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Cash are all offering P2P voice payments through SIRI. Some more Banks that have followed suit are, UK challenger bank Monzo, German direct bank N26, and the Royal Bank of Canada (RBC).

Researchers predict that over the years, voice payments will evolve from brief, awkward, and experimental sessions to interactions as natural as one might enjoy with a personal shopper or banking relationship manager. Financial providers that have exploited the first-mover advantage in this space will position themselves to be on the brink of success as voice adoption picks up.

### **Today's News**

# FinTech software services market to reach \$14 bn by 2020: Amitabh Kant

Financial technology software services market is expected to increase to \$14 billion in next three years given the proliferation of digital payments in the country, NITI Aayog CEO Amitabh Kant said.

Currently, more than 600 startups are in the field of lending, payments, insurance and trading and the current financial technology software services market stands at \$8 billion and this is expected to grow to about \$14 billion by 2020.

Source-Business Standard

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# India among top nations with potential for digital payments: Digital Evolution Index

According to the Digital Evolution Index 2017, India has emerged strong, exhibiting a high potential in terms of digital payments and has been categorised under the "break out" segment among 60 countries.

The Fletcher School at Tufts University in partnership with Mastercard, unveiled the Digital Evolution Index 2017. The Index is a comprehensive research that tracks the progress countries have made in developing their digital economies and integrating connectivity into the lives of billions.

Source-The Economic Times

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# Digital transformation and IoT to up investment in IT operations management tools by 2020

The growth of digital business and the Internet of Things (IoT) is expected to drive large investment in IT operations management (ITOM) through 2020, according to Gartner. A primary driver for organizations moving to ITOM open-source software (OSS) is lower cost of ownership.

Gartner believes many enterprises will turn to managed ITOM or ITOM as a service (ITOMaaS) enabled by open-source technologies and provided by a third party. With OSS, vendors can provide more cost-effective and readily available ITOM functions in a scaled manner through the cloud.

Source-The Economic Times

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This News Letter has been prepared with the assistance of Pankaj Tadas and Aparna Anand

# Indian Overseas Bank goes live with Bharat Bill Payment system

Public sector Indian Overseas Bank has offered Bharat Bill Payment System, introduced by the National Payments Corporation of India, for its customers.

BBPS is an integrated bill payment system that offers inter-operable online bill payments to customers. The services include online payments of electricity, telecommunication, DTH, water and gas bills.

Source-The Economic Times

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# Amazon goes all out to make clean sweep of Indian market

US-based e-commerce multinational Amazon has given a carte blanche to its Indian entity to go ahead and spend as much as it takes to make a clean sweep of the domestic market.

The e-commerce giant is willing to commit more than \$2 billion over and above the \$5-billion spend already committed, sources in the company told BusinessLine. For starters, Amazon India has earmarked 150-200 crore for marketing spend alone, for its biggest sale event for the year, the Grand Indian Festival between October 1 and October 5.

Source- Business Line

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### Fino Payments Bank eyeing 1 lakh touch-points: Gupta

Fino Payments Bank, which recently went live, plans to increase its touch-points to one lakh from the existing 25,000 in the next 3-5 years, Rishi Gupta, Managing Director and CEO, said.

During the period, the bank also plans to take its branch network from the current 410 to 1,000, Gupta told BusinessLine. Fino is the first payments bank to go live with 410 branches and over 25,000 touch-points on day one itself.

Source- Business Line

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### Debit card transactions at PoS terminals on the rise

Debit card transactions at point-of-sales terminals are growing rapidly while there has been a sharp drop in card swipes at ATMs, latest data from the Reserve Bank of India has revealed.

Debit card swipes at ATMs have slipped 18 per cent to 655 million transactions in May this year, compared with 800 million transactions in October, a month before demonetisation, according to figures released by the central bank.

Source- The Economic Times

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### NPCI gets RBI nod to operate Bharat Bill Payment System

National Payments Corporation of India (NPCI), the umbrella organization for all retail payment systems in the country, has received the final nod from the Reserve Bank of India (RBI) to function as the Bharat Bill Payment Central Unit and operate the Bharat Bill Payment System (BBPS).

"Nearly 45 crore bills which comprise of electricity, telecom, DTH, water and gas are permitted under BBPS. This initiative will provide a major push to digital payments," A.P. Hota, managing director and chief executive of NPCI.

Source- Mint READ MORE

### India vulnerable to cyber crime, must upgrade defence: Study

Demonetisation and the subsequent push for digitisation has escalated risks relating to cyber crime and India needs to urgently upgrade its defences by setting up a cyber security commission on the lines of the Atomic Energy and Space Commissions, according to an IIT Kanpur study shared with Parliament's committee on finance.

Noting that the government has initiated a number of programmes to enhance the participation of citizens in the fully digitalised economy, the study said cyber security centres set up by the Reserve Bank of India would be insufficient.

Source-The Economic Times

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## FinMomenta to introduce new products; targets SMEs

FinMomenta launched its first product 'Tachyloans', a peer-to-peer lending platform in May this year.

With a strong tech team, FinMomenta has made both borrowing and lending easy. "A borrower has to fill in a form, upload his/her PAN details or Aadhaar. There is no manual intervention except physical verification, and after receiving all details as well as his/her credit score, the person is eligible for loan. All these take only a few minutes".

The platform uses a proprietary credit scoring model enabled by Artificial Intelligence and Big Data to assess the creditworthiness of applicants.

Source- Deccan Herald

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## Payment gateway services provider PayU joins UPI

Payment gateway services provider PayU is the latest player to join the Unified Payments Interface (UPI) bandwagon having launched its own facility.

The Citrus UPI app is growing at a much faster rate. In less than three months, it has grown much more as compared to the growth of its wallet business in the first year as far as transaction numbers and volumes go, claims the company. Citrus Pay was acquired by PayU last year.

Source-The Economic Times

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