



NEWS HIGHLIGHTS

Bank of Baroda partners Truecaller for UPI payments

Google limits third-party app access to users' data

WhatsApp builds system to comply with RBI data norms

Facebook to expand innovation hubs for AR, VR tech to groom start-ups

Snapdeal has \$125 million with run-time of a decade, says Kunal Bahl

Today's View

Assisted E-Commerce

A recent **World Bank** report indicates the rural population in India to be 66.46% of the total population. While modern India keeps talking about smart cities and futuristic digital services there are hinterlands with limited access to basic amenities including electricity and internet.

According to a **Forrester** report, India's e-tailing market totalled \$16 billion (1.04 lakh crore) in 2016, rising to \$20 billion (1.3 lakh crore) in 2017. The geographical segmentation is a 40-60 split where 40 per cent of the gross merchandise value (GMV) is generated in metros while 60 per cent comes from non-metros. The e-commerce opportunity in these markets are huge, but developing the apt ecosystem to tap the opportunity is an uphill task due to various complexities.

With the aim of connecting the rural customer, **StoreKing** has created an interface between the sellers and buyers. It sets up a kiosk with a rural retailer, and provides a tablet with a range of products available. The customer selects a product and pays the price to the rural retailer who, in turn, places the order with StoreKing. The customer gets delivery of the products from the company's warehouses in the next few days. This transportation-distribution model of StoreKing has created a network of nearly 50,000 rural retailers, helping them emerge as part of an online supermarket.

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Ola Money partners with Cashfree for 'pay later' facility

Ola Money has partnered with payments startup Cashfree to launch a Buy Now-Pay Later micro loan facility for consumers on the app. The service allows consumers to get 15 days credit for amount ranging from Rs 1,500 to Rs 20,000, depending on their credit profile.

Source – The Economic Times

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Date – 10th Oct 18

This online buying of the consumer through an offline store is part of the evolving Assisted e-commerce model where the 'phygital stores' (Physical + Digital) give complete assistance and information about online shopping. Another assisted e-commerce startup, **IndiaBuys** is helping people in rural India buy products online through their phygital set-up. IndiaBuys stores can be opened by any person in any town on a franchise-based model.

Spotting this opportunity early on, **Amazon.in** kicked off the assisted shopping project, code-named **Project Udaan** as a pilot in 2015 and has since expanded to 14,000+ stores in 21 states with large network partners like **StoreKing**, **Vakrangee** to smaller partners like **Linq** etc. Amazon has plans of rebranding these service points to '**Amazon Easy**' by the middle of 2019.

Initiating a similar business model to spread e-commerce services to the remotest places across Bangladesh, leading online marketplace **AjkerDeal.com** and retail service brand **PayWell** have collaborated to fulfil this goal.

Not only for goods like electronics, apparels or grocery, these stores are also likely to serve as the windows to the online world for the rural dwellers. Be it bus tickets, rail tickets or online banking services, the assisted service centres can provide a gamut of such services with the ease of a physical store, creating a win-win for both the service companies and rural denizens.

Today's News

Bank of Baroda partners Truecaller for UPI payments

Bank of Baroda (BoB) has tied-up with True Software Scandinavia — the company behind caller-ID app Truecaller — to enable digital payments using BHIM Baroda Pay UPI Service. Truecaller has gone live with its account-to-account payment service, ahead of WhatsApp, as it is fully compliant with the Reserve Bank of India's (RBI's) data localisation norms.

In terms of the tie-up, those who register for payments under the UPI platform through the Truecaller app will get a @barodapay handle — the address for receiving or sending money from their bank accounts. This partnership by Truecaller is in addition to its tie-up with ICICI Bank. Earlier this year, Truecaller had acquired fintech app Chillr to get a foothold in the payment space.

Source – *The Economic Times*

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Google limits third-party app access to users' data

Ecommerce companies, financial technology platforms and other start-ups received a rude shock from Google's decision to limit the degree to which mobile apps can access users' call logs and texts, ending an era of a barrierless ecosystem for developers. The move will have a direct impact on lending and financial services companies that rely on such data to determine customers' credit scores, as well as on ecommerce companies that scrape such information to build customer profiles.

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of **G Balakrishna** and **Aparna Anand**

Amazon trebles choice of offerings under private labels

Online retailer Amazon India has nearly tripled its selection of products of its private brands business, as part of a broader strategy to reduce its reliance on categories such as smartphones and large appliances, amid an expensive market share battle against arch-rival Flipkart. Amazon said it has increased the number of private label products to 43,000 in 2018, compared with 15,000 in 2017.

Source – *Mint*

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Snapdeal has \$125 million with run-time of a decade, says Kunal Bahl

It has been a roller-coaster ride for Snapdeal, the Gurugram-based online marketplace. From a valuation of \$6.5 billion to backing by global investors and employing 10,000 at its peak, the Kunal Bahl and Rohit Bansal-led entity has seen it all. However, the company founders claim to be finally getting its groove back.

Source – *Business Standard*

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Eros now partners with Freecharge

Eros International's video on demand service Eros Now has partnered with Axis Bank-owned FreeCharge to grow its userbase. As part of the deal, Eros Now will offer one month free access to its library of more than 11,000 movies, original shows and music videos to FreeCharge customers who are recharging pre-paid packages through the FreeCharge app.

Source – *The Economic Times*

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WhatsApp builds system to comply with RBI data norms

WhatsApp has built a system that stores payments-related data locally in India as the Facebook Inc.-owned messaging service begins the process of complying with data localization norms of the Reserve Bank of India (RBI).

A spokesperson for WhatsApp said it has started a pilot project with almost one million users in the country. "In response to India's payments data circular, we've built a system that stores payments-related data locally in India," the spokesperson told Mint. "WhatsApp Payments is useful for people in their daily lives and we hope to expand the feature to all of India soon so we can contribute to the country's financial inclusion goals."

Source – Mint

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Facebook to expand innovation hubs for AR, VR tech to groom start-ups

In a bid to reach out to more start-ups and create India-first tech solutions, social media giant Facebook is planning to launch three more innovation hubs for Augmented Reality (AR) and Virtual Reality (VR) technologies.

The company said it was also focusing on providing a platform to developers through its initiative named Developer Circles, which has around 50,000 members in 15 cities. It is planning to expand to 100,000 developers in 20 cities by June 2019.

Source – Business Standard

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Twitter is looking for expert to fix India story

Twitter is looking for a country director to head India, a leadership role the global microblogging site is seeking to fill in a country that may have failed to live up to the promise of high advertising sales growth despite increasing smartphone and Internet penetration.

Twitter's last country head Taranjeet Singh left in September after a stint of three-and-a-half years amid weak advertising revenue. He was brought in to increase its local sales presence by building partnerships with brands and agencies to deepen their customer engagement on the microblogging site.

Source – The Economic Times

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Paytm cuts commission to be paid by sellers to compete with Flipkart, Amazon & Snapdeal

Alibaba-backed Paytm E-Commerce, which recently launched Paytm Mall, inspired by the Chinese giant's shopping portal TMall, has lowered the commission that sellers on its platform need to pay in some product categories to take on larger rivals Flipkart, Amazon and Snapdeal. "To help you get more out of selling with Paytm, we are lowering the base commissions for certain categories to 1.65%," the company said in an email to its sellers. "With a lower commission, you can now offer the most competitive prices to your customers and increase your chances of boosting sales."

Source – The Economic Times

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Nykaa in early talks with SoftBank to raise up to \$200 million

Nykaa, the online retailer of fashion and beauty products, is in early talks with SoftBank Group Corp. to raise \$150-200 mn, according to people aware of the development. The latest funding round, if it goes through, will take Nykaa's valuation to anywhere from \$700 mn to \$800 mn. It will also be the first foreign investment into the company, which has so far raised capital only from Indian funds and investors.

Source – Mint

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IIT-B to groom 30 women entrepreneurs for start-ups

A COHORT of 30 women entrepreneurs will be groomed by the IIT Bombay, as well as Women Entrepreneurship and Empowerment under a new programme launched on Monday. The Society for Innovation & Entrepreneurship (SINE) at IIT-B has joined hands with WEE to launch a 'Women Entrepreneurship and Empowerment Mentorship Program', with support from Department of Science and Technology and NITI Aayog.

Source – The Indian Express

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Car rental start-up Revv to offer subscription-based products

Self-drive car rental start-up Revv plans to expand its footprint and product offerings with annual subscription-based products and on-demand cars. Revv, which is present across 15 cities, is rolling out services in eight more including Kolkata, Ahmedabad, Kochi and Mangaluru, by the end of FY-19.

Source – BusinessLine

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