



NEWS HIGHLIGHTS

RBI reiterates warnings about trading in Bitcoins

District magistrates asked to promote digital payments

E-mobility, digital payments, DBT among power ministers' agenda for meet

Venture capital rush for Indian start-ups shows no signs of abating

Google launches an array of India-focused apps, services

Today's View

Personalization is Key

Trailing from our last write-up, there is more to subscription commerce than just subscription boxes.

Amazon has redefined the convenience of subscription e-commerce through its **PRIME membership**. It not only offers unbeatably quick one-day and two-day deliveries on hundreds of thousands of products, but also exclusive discounts and access to **Amazon Prime Video**. Amazon Prime Video offers its customers, anytime, anywhere unlimited ad-free streaming of Amazon Original series, premium movies and TV shows from India and around the world.

With this, Amazon Prime is now aggressively competing with **Netflix**, a media-streaming giant and a veteran in the subscription business. Netflix's success can be derived from the commonplace phrases being used these days like "Netflix and Chill" and "Binge Watching". What keeps people hooked to Netflix subscription is the level of personalization built in. Statistics reflect that around 75% of what viewers watch on Netflix comes from recommendations based on sophisticated data analytics and predictive models.

Inching beyond entertainment e-commerce, the subscription model suits both the business as well as the customer, across many industries. Take for example, **Ola Select services**, a subscription service, offered by the cab aggregator allowing customers to hail cabs on a priority basis even during peak hours with no peak time charges. On paying an upfront subscription fee, the service also offers customers exemption from surge pricing and in-cab wifi! As expected, customers are willing to pay an additional price to ride with the added comfort.

INTERESTING NEWS

Startups test a brand new crypto-currency: ICO

ICOs, could be the future of fundraising. Indian startups are skipping VC dollars to raise funds through ICOs despite the regulatory ambiguity, as investors take longer to scrutinize investments.

Startup	ICO Status	ICO Target	Existing Institutional / Angel Investors
Drivezy (Founded in 2015)	Jan-18	\$15 m	Das Capital, Axan Ventures
WandX (2017)	Underway	\$4 m (Raised \$430,000)	Bootstrapped
Nucleus Vision (2013)	Q1 2018	\$60 m	Reliance Cap, Tim Draper
BitIndia (2017)	Underway	Not available	John McAfee
Cashaa (2016)	Underway	\$32 m	Celestial Holdings, 2F Capital

WandX launched its ICO on October 27 and raised \$430,000 as on December 4. "This is an easier way to raise money. This would've taken at least six months through a VC," said the CEO.

Source – *The Economic Times*

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Date – 06th Dec 17

Even wearables start-ups such as **GoQii** provide a one-on-one personalized health and lifestyle coaching on subscription. It tracks and analyses user's personal data which is sent across to the lifestyle coach for developing a health plan and monitoring progress.

In subscription commerce, the gap between the best and the rest is widening and this can be directly attributed to the customer experience. The measurement scale here would not be the time taken from browse, to pay as the customer knows that the payment has to be made only once for the time length of the subscription. The game changer here is the ease with which a customer can cancel or change a plan or the clarity with which terms, conditions, and charges of plans are laid out.

In the present day scenario, needs have changed and choices have grown by leaps and bounds. We believe, like all other businesses, the success of subscription commerce is going to be a play of effectively personalized customer experiences.

Today's News

RBI reiterates warnings about trading in Bitcoins

RBI warned the public of the risks of virtual currencies. The central bank said, "in the wake of significant spurt in the valuation of many virtual currencies and rapid growth in ICOs, RBI reiterates the concerns."

"There is no underlying or backing of any asset for virtual currencies. As such, their value seems to be a matter of speculation. Huge volatility in the value of VCs has been noticed in the recent past. Thus, the users are exposed to potential losses on account of such volatility in value," the central bank said. Bitcoins or other virtual currencies do not yet have wide acceptance as tender for settling trade transactions. They are 'mined' using algorithms which are based on blockchain technologies.

Source – *The Times of India*

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District magistrates asked to promote digital payments

The Centre has told district magistrates that it expects them to ensure acceptance of digital payments at all merchant points in a district and head working groups to track performance on usage of the same. The Centre has fixed a target of 2,500 crore digital transactions for 2017-18. Nearly 94% districts in the country have registered for the PM awards, which are to be given out next year on the Civil Services Day.

In a recent conference, the Centre spelt out the "expectations" it has from the competing districts regarding promotion of digital payments in their jurisdictions.

Source – *The Economic Times*

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This News Letter has been prepared with the assistance of **Sadhika Agarwal** and **Aparna Anand**

In India, 250 startups on Amazon Launchpad

12 months after kickstarting Amazon Launchpad in India, the company has reached the milestone of hosting 250 startups. Of these, 94 startups have revenues of over Rs 10 lakh and 14 have revenues of over Rs 1 crore.

"We received over 2,000 applications over one year and have seen a steady increase in the number of people who are interested," said Sateesh Srinivasan, global head, Amazon Launchpad.

Source – *The Economic Times*

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Google set to offer free Wi-Fi in smart cities

Google is extending its free Wi-Fi beyond railway stations to include entire cities. They have already connected 227 railway stations in India through Google Stations to provide high speed connectivity. They are now taking this beyond the railway stations to entire smart cities. They have already deployed it in a couple of smart cities in India and Indonesia.

Source – *BusinessLine*

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Google invests in Dunzo

Google picked up a significant minority stake in hyper local startup Dunzo. It led a \$12 mn investment, which also saw participation of early backers Aspada Investments and Blume Ventures.

Source – *The Economic Times*

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E-mobility, digital payments, DBT among power ministers' agenda for meet

Electric mobility, digital payments and Direct Benefit Transfer are some of the topics that will be discussed in the meeting of the Power and Renewable Energy ministers of states.

The ministers will chalk out a strategy for ensuring round-the-clock power for all and discuss Feeder and Transformer Meters, Prepaid Smart Meters, Digital Payments, Anti-Theft Campaigns, Direct Benefit Transfers (DBT), Cross subsidy charges within limits of tariff Policy and Time of the day Tariff.

Source – *The Economic Times*

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Venture capital rush for Indian start-ups shows no signs of abating

The VC rush for Indian start-ups refuses to subside as new foreign investors join the bandwagon. More than two dozen new investors made investments in India this calendar year.

“We are increasingly witnessing first-time investors entering the Indian digital and technology space as well as dormant investors coming back. On the one hand, we see large, semi-strategic investors taking big and long-term bets and on the other, new venture and growth capital funds as well as family offices are getting more active,” said Pankaj Naik, Aventus Capital.

Source – *Livemint*

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Google launches an array of India-focused apps, services

Google India announced India-first products and features. These include two-wheeler navigation in Google Maps, bill pay in Tez, Android Oreo (Go edition) to improve the experience on low-RAM phones, new apps like Google Go and Files Go that are built from scratch, and Google Assistant for the Jio Phone.

“The India-first suite of products and features are aimed to help more people discover how the internet can make life easier and more convenient—whether it’s helping pay bills on time, navigating through the quickest routes or searching for answers to questions wherever we are.” said Caesar Sengupta, VP, Next Billion Users, Google’s initiative.

Source – *Livemint*

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Tokyo Financial Exchange Takes First Step Toward Bitcoin Futures

Taking a cue from U.S., the Tokyo Financial Exchange is now preparing to launch its own bitcoin derivatives futures product. The Tokyo Financial Exchange, one of Japan’s leading financial exchanges that counts the likes of JPMorgan Chase among its trading participants, is set to join the rush among traditional financial institutions to support bitcoin as a financial product.

Source – *Cryptocoins News*

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Flintobox raises \$7 million from venture capital firm Lightbox

Activity-based learning kits startup Flintobox has raised \$7 mn from Lightbox. Some earlier investors also participated.

The firm had earlier raised \$1.5 million over separate rounds from angel investor Ashwin Chadha, GSF Accelerator, Globevestor, Germany-based seed fund Asian E-Commerce Alliance and Mauj Mobile.

Source – *Livemint*

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MobiKwik in talks to raise over \$60 mn

MobiKwik is in talks with investors to raise over \$60 million before the end of the current fiscal. Through partnership with a few banks and NBFCs, the company is all set to launch a host of financial services such as personal loans, insurance and zero interest loans to its users.

Source – *The Economic Times*

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Google, Tata Trusts to create employment via Internet Saathi

Google will expand its Internet Saathi programme to create "digitally-enabled livelihood opportunities" for women. The programme aims to facilitate digital literacy among women in rural India. It has so far, trained 30,000 internet saathis, who have in turn influenced 12 million women in the country.

Source – *The Economic Times*

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