



NEWS HIGHLIGHTS

Truecaller crosses 100M daily active users mark in India

Zebi buys Bengaluru-based blockchain start-up Element42

Over 7,000 cash-starved start-ups may benefit from angel tax relief

BharatPe in final stages to close \$17M funding from Sequoia India

Today's View

Business Psychology with AI

AI is closely linked to human psychology. Taking into consideration rapid strides being made by AI in diverse applications, the linkage is becoming even more intricate. From 'context awareness' mechanisms bringing about an ability to think and create like humans to 'natural language processing' which gives AI a platform and method to communicate, every step seems to be one taken in the direction of making it wholly analogous to human functioning and thinking.

Interestingly, tech organisations are even employing psychologists to understand how to make machines more natural to interact with and how to use technology to create better customer experiences, whether it is in the physical or digital world.

Looking at underlying human psychology for consumer behaviour, organisations are employing business psychology to create more effective AI-based applications for content and data-driven marketing strategies like personalised campaigns. According to the **Accenture Interactive Personalization Pulse** report, 45% of potential customers have abandoned a website because the amount of information or number of choices was overwhelming. Similarly, as per **BCG** report, personalisation matters for 26% respondents to start a banking relationship.

Various organisations are specifically looking at analysing human psychology traits to develop AI-based products. For example, London-based **DataSine**

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Small e-commerce sellers no less in mega offers

For the first time, small sellers on Amazon and Flipkart, recently appointed to sell some fast-selling smartphones and electronics, are offering prices similar to or lower than those set by large, preferred sellers such as Cloudtail, Appario and OmniTech Retail.



Source – *The Economic Times*

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Date – 21st Feb 19

blends psychology with machine learning to create highly individualised marketing campaigns. Its content personalisation platform Pomegranate applies machine learning to behavioural data that companies already collect to build customer profiles, and provides a content editing platform to guide marketers in tailoring a range of content elements, including words and images. Banking customers like **BNP Paribas** and **Tinkoff Bank** have been using this platform to achieve uplifts of up to 80% in engagement and 71% in sales.

Apart from contextual marketing, 'psych-AI' can play important role in other fields as well. For instance, predictive hiring and talent management platform **Plum** is leveraging AI and Industrial-Organizational Psychology for human capital management (HCM). Its neural network is based on a database of 24 trillion data points for quantifying the potential of human capital and charting the future of the workforce. Its 'Talent Rediscovery' feature allows applicants to be considered at any time for positions they are well suited for, regardless of when or for which position they previously applied for.

Though most of the organizations may feel that they need to be technologically 'savvy' to survive in the market, we believe it is the 'human factor' that provides the edge, endurance and resilience.

Today's News

Zebi buys Bengaluru-based blockchain start-up Element42

Zebi, a blockchain player, has acquired Element42, a Bengaluru-based firm working in the same space, for an undisclosed sum. Post-acquisition, Zebi will have a total workforce of 75. This acquisition will transfer all of Element42's clients to the acquirer. "We are going to double the number of employees this year. We will add 150 in the following year," said Sudheer Kuppam, Chief Executive Officer of Zebi. Addressing a press conference to announce the acquisition, he said the company is looking to have 1,000 employees in the next 3-4 years, as it expands blockchain-based services.

Source – *Businessline*

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'Digital economy a \$1-trillion opportunity for India'

India can create over \$1 trillion of economic value from the digital economy in 2025, with half the opportunity originating in new digital ecosystems that can spring up in diverse sectors, says a report from Ministry of Electronics and Information Technology, in partnership with McKinsey. "The trillion dollar economy report is the symbol of opportunity that India offers," said Ravi Shankar Prasad, Minister of Information Technology. "Digital India is also an opportunity for people in digital space to do business in India. Currently, India's digital economy generates about \$200 billion of economic value annually 8% of India's GVA in 2017–18 largely from existing digital ecosystem comprising information technology and business process management, digital communication services, e-commerce, domestic electronics manufacturing, digital payments, and direct subsidy transfers, the report said.

Source – *BusinessLine*

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This News Letter has been prepared with the assistance of **G Balakrishna** and **Manish Kulkarni**

Truecaller crosses 100M daily active users mark in India

Swedish caller identification app Truecaller on Wednesday announced that the platform has crossed the 100 million mark in terms of daily active users in India. With its integrated services including caller ID, SMSes, instant messaging, video calling and Truecaller Payments, the platform now has over five lakh premium subscribers and 130 million daily active users globally, the company said in a statement.

"India is one of our focus markets and we will continue to expand in the Indian market and integrate more services to create a robust unified communication platform that simplifies the lives of our users," said Alan Mamedi, CEO and Co-Founder, Truecaller.

Source – *The Economic Times*

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RackBank to set up data Centre in Kerala

RackBank Datacenters, a leading data Centre platform for cloud, content and large enterprise customers, is setting up a data Centre at the Infopark, Cherthala, in Kerala. Anil Reddy, Chairman, RackBank, and Hrishikesh Nair, CEO, Infopark, signed a MoU in the presence of Chief Minister Pinarayi Vijayan and State Information Technology (IT) Secretary M Sivasankar. RackBank has committed an investment of Rs 1,000 crore in the project over the next eight years in Infopark, an official spokesman said.

Source – *BusinessLine*

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Over 7,000 cash-starved start-ups may benefit from angel tax relief

A series of changes made to the so-called angel tax by the government could give wing to 7,000 cash-starved start-ups, sources in the Department for Promotion of Industry and Internal Trade (DPIIT) said. According to industry observers, an investment of around \$12 billion might come from 2,000 angel investors and hundreds of smaller backers of start-ups by the end of the year. Of this, about \$7 billion will come in the form of corporate investment.

After facing sustained pressure over the past three years from start-ups and venture capital funds over the tax, the government introduced changes in tax norms, giving in to most of the demands raised by the sector. Providing a wider set of exemptions from the angel tax, the Centre allowed start-ups which have raised capital up to Rs 25 crore to claim tax benefits, as distinct from the earlier Rs 10 crore. It also gave a slew of waivers and a tweak in definition industry demanded.

Source – Business Standard

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Powering India's AI push through sensible data localisation

The 1939 Phony War was theoretically about Poland but was really about world domination. The debate on data localisation is similarly phony. Supposedly about privacy, individual freedom, and narrowly defined national security, it is actually about money and power. It is about a choice India faces lead the emerging digital world, or be a receptacle for "trickle down" technology. Sensible Data Localization can help ensure India's economic future by nurturing enterprises that can be global leaders in the "new" world economy driven by Artificial Intelligence. A strong economy almost naturally secures India's position in the world order.

Source – Money Control

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BharatPe in final stages to close \$17M funding from Sequoia India

In what could become one of the largest Series-A funding rounds in India's start-up sector, payments firm BharatPe is in the final stages of closing an investment of around \$17 million led by Sequoia Capital India, according to multiple people in the know of the deal. The latest round is expected to value the payments start-up, which is competing with giants Paytm and Flipkart-owned PhonePe, "between" \$60-\$65 million, sources said. BharatPe had raised close to \$2 million in seed funding led by Sequoia Capital India and Singapore-based BeeNext in October last year, along with participation from American Express top executive Sanjay Rishi, PayU co-founder Nitin Gupta, and PineLabs CTO Nipun Mehra among others.

BharatPe is a QR code based payment app which enables offline merchants to accept digital payments via any service running on the Unified Payment Interface (UPI) directly to the merchant's bank account. It claims to make payment acceptance simple by offering merchants a single interface for all UPI apps such as PayTM, PhonePe, Google Pay, BHIM, Mobikwik, Freecharge, True Caller and 100 other UPI apps.

Source – The Economic Times

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Zomato eyes gold with its subscription plan

Zomato expects its subscription-based programme Zomato Gold to bring in \$20-25 million in revenue by the end of 2019, highlighting the growing importance of the premium product to the online delivery and restaurant discovery and bookings platform's topline. Additionally, Zomato Gold, which was launched in 2016 in Portugal and in the UAE, before being formally launched in India in November 2017, has now crossed the milestone of having 800,000 paying subscribers in its home market, according to Gaurav Gupta, chief operating officer of Zomato.

Source – The Economic Times

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Bill.com bans wire transfer fees for small businesses

Bill.com CMO Yael Zheng highlights both the convenience and the cost savings available for small businesses that take advantage of International Payments. "Payments can be made and tracked in US dollars, for a better wire transfer rate than most banks, and in more than 24 local currencies with no wire transfer fee and at a competitive exchange rate," Zheng says.

Bill.com says it has already seen "rapid adoption" of the platform by customers who can now make payments in more than 40 countries. The solution provides automated approval workflows, and helps SMEs save time by syncing with major accounting software platforms such as Quickbooks, Xero, Sage Intacct, and Oracle NetSuite.

Source – Banking Tech

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