

## NEWS HIGHLIGHTS

Flipkart gears up with 'AI for India'

Paytm rolls out loyalty programme to prop up sales

Government to step up buying from farmers

Bitcoin exchanges may come under ED scanner

Xiaomi launches Google Tez-powered payment service

OYO says no IPO plan for now, eyes over 1 lakh rooms by 2018

## Today's View

### Sensory Branding

Brands have long believed that they could strike an emotional chord in the customers' minds just by appealing to their senses. Businesses are increasingly relying on providing immersive experiences to their customers for a better connect. A multi-sensory experience can be struck through Touch, Taste, Smell, Sight, and Sound all at once or with a combination of two or more.

A great example of an auditory brand association is the global technology company **Intel** – a company that struggled branding processors. Now, as a result of the Intel jingle, people recall Intel almost instantaneously.

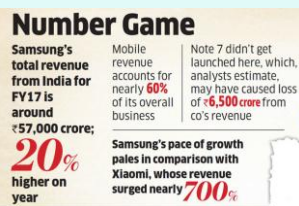
Sensory branding is by no means a new phenomenon. For decades, signature scents have been used by luxury hotels and retailers as sensory equities designed to create recognition and differentiation. Last year, **Apple** accessories maker **Twelve South** made it to the headlines for releasing “New-Mac” scented candles that smell like freshly unboxed Apple Mac – and not so surprisingly, the candles sold out pretty swiftly.

If a brand can use one of the senses to offer a customer an enhanced experience, it helps impact the customer's perception of the brand. According to a survey conducted by **Freeman**, a provider of Brand experiences, 9 out of 10 of those surveyed confirmed that brand experience is more central to their roles today than it was in the past.

## INTERESTING NEWS

### Samsung India's mobile business revenue up 27%

Samsung India's mobile phone business clocked a 27% increase in revenue to over Rs 34,000 crore for the year ended Mar 17 helped by local manufacturing and expansion of its retail channels.



While Samsung is ahead in terms of revenue, it has been losing market share in smartphones to Chinese rivals.

Source – The Economic Times

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Date – 21<sup>st</sup> Dec 17

Today, a whole new concept evolving is that of the “Sensory Reality”, making virtual shopping more immersive than ever before. (More on Sensory Reality in a follow up article)

In the world of payments, **Visa** announced a suite of sensory branding tactics aimed at establishing a better connect with the customers. These new **sound**, **animation** and **haptic** (vibration) prompts will help signify completed transactions in digital and physical locations when the customer pays with Visa. The sound of Visa will debut in Visa’s global advertising campaign ahead of the Olympic Winter Games PyeongChang 2018. Data shows that the Visa brand universally signifies trust, security and an understanding of available payment options. In a recent consumer study commissioned by Visa, up to 71% of the respondents surveyed thought a website was more secure in the presence of the Visa logo, yielding a higher likelihood to complete a transaction.

We believe that in the world of virtual payments and connected wearable devices, Visa’s sensory branding elements have the potential to evoke the same emotions of trust and security even when the traditional Visa logo is not visible.

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## Today’s News

### Flipkart gears up with ‘AI for India’

Flipkart just coined a new umbrella theme - ‘AI for India’. It is geared up to double down its work with AI tech, across conversational search, visual similarity, better last-mile delivery, fraud detection, personalization, and warehousing. Flipkart has collected enough unique 'Indian' data to build various algorithms.

"There are some interesting projects in the marketplace, customer support, search and personalization. You will see much more innovation coming out of Flipkart in the next year." said Sachin Bansal, executive chairman of Flipkart.

Source – *The Economic Times*

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### Paytm rolls out loyalty programme to prop up sales

Paytm is introducing a loyalty programme that will allow users to accumulate points and use it across all of Paytm's platforms and its offline merchant base. Cashbacks, one of the most popular reasons for higher usage of the app, will be accumulated as 'Paytm Loyalty Points'.

The company has aggressively been trying to drive digital transactions among its users and merchants. This will further encourage users to transact using Paytm and drive business growth for merchant partners.

Source – *The Times of India*

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

### Carmakers want 5% GST to push e-vehicles

Carmakers have sought a number of incentives to push electric vehicles — a 5% GST, I-T benefits, waiver on road tax and toll charges, free parking, and 50% reduction in power tariff for charging these vehicles. The industry wants incentives to make electric vehicles affordable and kick-start the process of conversion.

Source – *Business Standard*

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### Uber suffers new blow as EU court rules it's a taxi service

The EU's top court ruled that Uber is an ordinary transportation company instead of an app and should be regulated as such. It ruled the service provided by Uber connecting individuals with non-professional drivers is covered by services in the field of transport.

The case is yet another thorn in the side for Uber, which has drawn the fury of local taxi drivers and officials.

Source – *The Economic Times*

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### Hike wallet transactions touch 10m

Hike Messenger has doubled wallet transactions to 10 mn within a month, and will launch features like cab bookings, movie ticketing, food ordering, bill payments and other in-app offerings.

Source – *The Economic Times*

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## Government to step up buying from farmers

The government is giving top priority to reaching out to more farmers and directly buying grains from them, food minister Ram Vilas Paswan said. Procurement prices of wheat, mustard, chana etc have already been raised by 6-11% and the immediate focus would be to make sure more farmers can sell to state agencies.

The government has said it will seek to address the concerns of farmers. That's likely to see an intensified focus on boosting the rural economy in the run-up to the general election in 2019.

Source – *The Economic Times*

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## Bitcoin exchanges may come under ED scanner

The Enforcement Directorate (ED) plans to scrutinize bitcoin exchanges to check for violations of forex rules by exchanges and cryptocurrency investors. This follows a survey by the I-T department to determine how tax assesseees were treating bitcoin investments. If the I-T department concludes that bitcoin is a currency, it would establish a clear violation of the Foreign Exchange Management Act (FEMA).

“It is income-tax (department) which is heading the investigation. If it finds any violation of FEMA, we will launch an investigation” said an official.

Source – *Livemint*

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## Xiaomi launches Google Tez-powered payment service

Chinese handset maker Xiaomi on Wednesday introduced a new payment service, powered by Google Tez, on its e-commerce platform Mi.com and Mi Store app.

Users can now make cashless transactions on both Mi.com and the Mi Store app as Google Tez operates atop the UPI. “As a merchant partner for Tez, Xiaomi customers can now seamlessly and securely pay with any bank account stored in their Tez account,” Sujith Narayanan, Head of Partnerships and Business Development, Tez said.

Source – *The Economic Times*

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## OYO says no IPO plan for now, eyes over 1 lakh rooms by 2018

OYO does not have immediate plans to IPO, its founder & CEO Ritesh Agarwal hinted. “For the time-being, we are in an early stage of the company and the market, so for the time being we are not commenting on any specific IPO plans,” he said. “We also recently raised \$250 million in private capital. So, we have a healthy balance-sheet for the time being,” said Agarwal. The company targets to grow from 70,000 keys to 1,80,000 keys by December next year and claims to be currently operating with 80%+ occupancy in top cities of India.

Source – *Livemint*

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## Avaya in talks to buy Indian start-ups

Coming out of bankruptcy, Avaya says financial restructuring will allow it to have over \$300 mn in cash flow, to be utilized to invest into new tech and acquiring tech start-ups in India.

The company is looking for start-ups with strong intellectual property and differentiation in areas such as AI, IoT, digital channel, cloud, machine learning and voice.

Source – *BusinessLine*

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## Bitcoin on SEBI radar, can't be ignored, says Ajay Tyagi

Cryptocurrencies such as Bitcoin are on the radar of SEBI. Observing that Bitcoins were not a systemic risk to India, SEBI Chairman Ajay Tyagi said that the regulator was in the process of determining legal oversight.

“The govt is in consultation with SEBI and RBI. Bitcoin may not be a systemic risk in India but there has to be a law,” he said.

Source – *BusinessLine*

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## Startup investors raise alarm over 'angel tax'

The startup investor community in India has again raised concerns over 'Angel Tax'. The tax forces young startups to part with a portion of the raised capital due to disagreements over the valuation of the company by I-Tax officials.

Source – *Business Standard*

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