

NEWS HIGHLIGHTS

As artificial intelligence-based loan apps boom in India, some borrowers miss out

How technology has become the backbone of the Indian BFSI industry

How digital banking picks up pace amid Covid-19 pandemic in India

Inside HDFC Bank's Plans To Spruce Up Its Digital Offerings

Today's View

Your Digital Stylist

Fashion is one of the most challenging fields, highly impacted by global economic uncertainty as well as distinct trends and industrial changes. In response to the pressure for growth and cost efficiency, many brands have started a series of initiatives to improve their speed to market and to implement sustainable innovation.

As evident during the pandemic, the need to adapt and overcome has been paramount for fashion brands to survive. Brick-and-mortar fashion companies are feeling the pain augmented by Covid-19. Mall-based retailers reportedly saw earnings plunge 256% in Q2'20, according to Coresight Research and over 12,000 US stores closed in 2020, according to real estate company CoStar Group, up from 10,000 stores the year before.

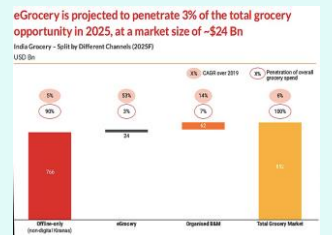
One exciting innovation in the fashion industry has been the introduction of AI-based digital stylists and chatbots, that can give feedback to customers on outfit choices or suggest alternatives if required. For example, **Stylesnap** is an AI-powered feature built into the **Amazon** app that help you find looks you love quickly and easily. Take a photograph or screenshot of an outfit, upload it onto the Amazon app, and you'll be presented with items that look just like the ones in the picture.

Akhil Handa
+91 22 6759 2873

Aparna Anand
Aaprna.Anand@bankofbaroda.com

How Swiggy, Dunzo, and BigBasket are gearing up to capture the \$3.3B e-grocery market

According to data provided by homegrown consulting firm RedSeer, the online grocery market has seen a massive 75 percent growth in the past 1.5 years, with a gross merchandise value (GMV) of \$3.3 billion in 2020.



Source – Your Story

[READ MORE](#)

9th June 2021

Even **Facebook** is experimenting with an AI system of its own called Fashion++. The software uses AI to analyse a person's outfit and suggest subtle alterations that it thinks could improve the look, like rolling up the sleeves or removing an accessory.

Israel-based **Syte** offers retailers and brands a camera button that can be added next to the search bar on a mobile website or app. Shoppers can upload images of their favorite styles through the button, and then see looks "inspired" by those images on the brand's site. Syte counts a number of high-profile brands among its clients, including **Tommy Hilfiger, Mynta, and Kohl's**. Even luxury brands are testing digital stylists in select markets: **Prada**, for example, has introduced a "personalized concierge" chatbot for its relaunched Chinese website.

Fashion-tech company **Style.me** provides virtual styling solutions, and has recently launched a powerful plugin that can integrate a 3D virtual fitting room to any online retail website.

Recently, **Fashion Innovation Agency** has introduced digital human stylists (DHS) that is powered by Microsoft AI, IoT and natural language processing. It can understand what's in your wardrobe, what's in your calendar, where you're going, allowing personal recommendations that are visually and verbally communicated back to the user within your own home.

With the customers' lives becoming progressively entwined with the digital world, it is imperative that brands in Fashion Industry start embracing the latest technologies to push their limits of manufacturing, marketing and wearability.

Today's News

As artificial intelligence-based loan apps boom in India, some borrowers miss out

As the founder of a consumer rights non-profit in India, Karnav Shah is used to seeing sharp practices and disgruntled customers. But even he has been surprised by the sheer volume of complaints against digital lenders in recent years. While most of the grievances are about unauthorised lending platforms misusing borrowers' data or harassing them for missed payments, others relate to high interest rates or loan requests that were rejected without explanation, Shah said.

"These are not like traditional banks, where you can talk to the manager or file a complaint with the head office. There is no transparency, and no one to ask for remedy," said Shah, founder of JivanamAsteya. "It is hurting young people starting off in their lives - a loan being rejected can result in a low credit score, which will adversely affect bigger financial events later on," he told the Thomson Reuters Foundation. Hundreds of mobile lending apps have mushroomed in India as smartphone use surged and the government encouraged digitisation in banking, with financial technology (fintech) firms rushing to fill the gap in access to loans.

Source – *The Times of India*

[READ MORE](#)

Can The Financial System Support The Revival Of The Indian Economy?

Asteep, unprecedented rise in COVID-19 cases is slowing down India's economic recovery. Several businesses, especially retail, have been crippled by local lockdowns, although there have been no breaks in supply chains, and many industries are functioning. Rising unemployment and hard-hit sectors such as tourism and hospitality are pulling down the economy.

The financial system, dominated by the banking sector—the backbone of the Indian economy, has not been in a healthy state over the last few years.

Source – *International Banker*

[READ MORE](#)

A Joint Secretary for 'digital drive' at the Ministry of MSME

The times are tough. Small businesses are faltering in India, and in a recent survey by Dun and Bradstreet, over two-thirds of them reported that it would take them a year to recover to pre-COVID-19 demand levels.

In the survey, the top three factors reported that would help revival were access to credit, better marketing support, and technology adoption. In fact, through digitisation, technology is the game-changer, enabling more accessible credit through Fintechs, increasing the reach of business through e-commerce platforms, and improving throughput owing to IoT solutions.

Source – *Money Control*

[READ MORE](#)

How technology has become the backbone of the Indian BFSI industry

The BFSI sector in India is rapidly changing for the better. With the evolution of innovative, new-age technologies like Artificial Intelligence (AI), Machine Learning (ML), and more, digital banking is climbing new heights. We are witnessing a revolution in the fintech world that has transformed the banking industry into a far more efficient and profitable business. Many people are inclining towards digital interactions and transactions with their banks.

The powerful digital software capable of facilitating smooth customer onboarding, digital lending, sales automation, and many other services has been of immense use for banks and financial service providers. Banks and Financial Institutions (FIs) can offer seamless banking services to their customers. Embracing the advanced digital solutions for improving banking services can be rewarding for banks and FIs. Modernising banking infrastructure has become essential for banks to have an edge in the highly competitive BFSI industry.

Source – Your Story

[READ MORE](#)

After a decade in the PR industry, this woman entrepreneur launched a fintech advisory platform for women

In a career spanning close to a decade in the public relations (PR) space, Shagun Bansali Mehta always found one thing challenging — managing her money. She says the subject was always a thorn on her side, leaving her dependent on her husband or her father for financial decisions.

“Everyone says you need to save and invest money. But women generally do not end up making their own decisions when it comes to investment. I would speak to many of my colleagues and friends, and everyone had the same problem. The biggest recurring theme we see is that we (especially women) are not talking about money and financial wellness enough, or we do not involve ourselves as much as we should when it comes to our finances,” explains Shagun. Shagun, based out of Mumbai, took the first steps towards this by starting Miss Piggy Banks - a curated Instagram handle and blog. The page, started in June 2020, is dedicated to educating and making finance simple for women.

Source – Your Story

[READ MORE](#)

How digital banking picks up pace amid Covid-19 pandemic in India

The ongoing pandemic in India has led to a sharp increase in digital banking, and consequently, raised the expectations of consumers who want instant and personalised services. A large number of people staying at home are turning to digital channels, both online and mobile, to fulfil most of their banking requirements. As a result, traditional visits to branches and face-to-face interactions with bank staff have reduced.

Since March 2020, however, banks have expanded their digital footprints across the banking space. Banks are using digital channels to offer a range of services, including onboarding new customers through video KYC, deposits and withdrawals, outward remittances, payment collections etc. Late last year, the National Payments Corporation of India approved a WhatsApp proposal to allow users to transfer and receive money through the messaging app.

Source – Live Mint

[READ MORE](#)

HPCL integrates new digital payment solution at fuel stations

India's HPCL is expanding digital payments options at the pump with the introduction of a new easy-payment solution at the company's retail outlets. Customers will be now able to pay for fuel, LPG and lubes through the ICICI Bank FASTag app, according to a press release.

The solution is available for all customers via the retailer's HP Pay App. With this move, HPCL is the first and only oil marketing company to integrate payment systems with FASTag, says the release.

Source – Petrol Plaza

[READ MORE](#)

Inside HDFC Bank's Plans To Spruce Up Its Digital Offerings

HDFC Bank Ltd., currently under regulatory restrictions amid frequent outages across its IT systems, is working to revamp its digital offerings and upgrade legacy IT infrastructure. According to a person familiar with the matter, two simultaneous processes are underway.

One of these is attempting to create a “digital factory”, which upgrades processes across consumer credit products and small business loans. The second, termed internally as the “enterprise factory”, is working on upgrading legacy infrastructure.

Source – Bloomberg Quint

[READ MORE](#)

Disclaimer: The views expressed in this newsletter are personal views of the author and do not necessarily reflect the views of Bank of Baroda. Nothing contained in this publication shall constitute or be deemed to constitute an offer to sell/ purchase or as an invitation or solicitation to do so for any securities of any entity. Bank of Baroda and/ or its Affiliates and its subsidiaries make no representation as to the accuracy; completeness or reliability of any information contained herein or otherwise provided and hereby disclaim any liability with regard to the same. Bank of Baroda Group or its officers, employees, personnel, directors may be associated in a commercial or personal capacity or may have a commercial interest including as proprietary traders in or with the securities and/ or companies or issues or matters as contained in this publication and such commercial capacity or interest whether or not differing with or conflicting with this publication, shall not make or render Bank of Baroda Group liable in any manner whatsoever & Bank of Baroda Group or any of its officers, employees, personnel, directors shall not be liable for any loss, damage, liability whatsoever for any direct or indirect loss arising from the use or access of any information that may be displayed in this publication from time to time.