

Technology

## E-COMMERCE INDUSTRY IN INDIA

From dining out to booking air tickets, refilling your petrol tank to paying your semester fees, virtual payments has taken over traditional payments. Welcome to the world of eCommerce! A term, that is probably more than a decade old in the country, is now becoming the de-facto standard for payment in the Indian market. Especially, matching the footsteps of its complimentary technology devices, eCommerce too is catching up with the advancement wave in the country. This is the reason why smartphones are replacing desktops and even debit cards as the primary carriers of making payments.



**Mr Kush Mehra, Vice President & Business Head - Payment Solutions, Pine Labs, talks with SEI and shares his insights about the eCommerce industry in India and how his enterprise has an opportunity here.**

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### Excerpts from the Interview:

**In comparison with the traditional buying and selling, how would you rate India in terms of eCommerce?**

India's eCommerce market today is small as compared to traditional buying and selling but growing rapidly. The growing ease of Internet access and navigation are the critical factors that will result in rapid adoption of eCommerce. Safe and secure payment modes along with the logistics management will further accelerate India's eCommerce growth.

**How is eCommerce relevant to Pine Labs and payment solutions industry?**

Extremely relevant, as one of the most critical element in the eCommerce business model is that of "last mile fulfillment" where retailers are looking for better management and control especially when it comes to payment collection. Our POS technology has been a key enabler in this space and has been able to meet the dual objective of "convenience and control" with its GPRS POS solution. Given the rapid YoY growth of over 40% in this segment we see eCommerce being a key driver for Pine Labs to provide portable payment acceptance solutions.

**Tell us about your business. Can you name-drop some of your prominent clients for reference purposes?**

Pine Labs solutions range from payment to loyalty to promotions to Petroleum. So, from modern retailer to a small or medium retailer, manufacturers, malls, insurance companies, oil retailers, taxi services, quick service restaurant, online retailers etc from Pine Labs customer-base. To a name a few. Tata Starbucks, Bata, Shoppers Stop, Samsung, Satyam Cinema, Future group, Croma, BPCL, Jabong, Scholastic, Barista, Blackberry, Yum, Cannon, Daikin and several others across Indian geography as well as abroad.

**Brief us about your marketing strategy?**

To strengthen our leadership position in the payments solution space by creating strategic marketing alliances with merchants and financial institutions. Establish Pine Labs payments acceptance products as the "one stop shop" for all businesses and retailers across market segments through way of innovation, flexibility, security and convenience. We look to achieve by creating segment specific products which would address specific business needs of our customers. All this backed with strong in-store on POS branding activities would help us achieve a higher brand recall.

**How does your revenue model benefit from e-commerce industry?**

As this segment has very specific requirements around COD, EMI, portability etc. Pine Labs has been able to create a niche for itself by packing these as a bundled offering on the POS device. Plus all this comes at a very competitive cost for e-commerce retailers as they do not need to invest in purchasing our devices/products but avail of our leasing mode.

**How does Pine Labs equate against its competitors?**

We have a fairly differentiated proposition which revolves around superior technology. "Plutus" our product enables all Payment form factors to get accepted on a single device plus provides a great deal of flexibility to our customers. Our "direct to merchant model" has made us the single largest 3rd party in India with the largest no. of organized retail establishments who use our payment solution products. We are the only "technology cum business" partner for retail organizations helping them to set up a seamless payments acceptance infrastructure along with providing VAS to grow business.

**Where do you see Pine Labs in 2-3 years from now (from Indian market scenario)?**

To be present in many new segments- healthcare, jewellery, wellness, utilities etc. We would look at tripling our merchant base in the next 2 years

**Tell us about the latest company developments**

Our solution Plutus EMI has found very positive reception in the market. Plutus EMI is a comprehensive and reliable solution to facilitate merchants or manufacturers to offer their consumers instant EMI payment option. Consumers get the convenience of paying for large ticket purchases in clearly defined installments with multiple tenure options. It also helps Merchants by increasing not only the sales but also the average value of transactions. Plutus EMI can engage almost the entire universe of card-carrying customers with a single agreement signed with Pine Labs. Plutus EMI enables to offer EMI facility for all leading card issuers such as Citibank, HDFC Bank, ICICI, American Express, HSBC, Axis Bank, SBI, Standard Chartered, Kotak Mahindra etc.

- Priy Pandit