

Paytm opens online mall, signs up 1,000 brands

<http://www.hindustantimes.com/business/paytm-opens-online-mall-signs-up-1-000-brands/story-qJID9rjvo8sLkhNgFuneiK.html>

In a bid to beat frauds ranging from unauthorised discounts to duplicate products, e-wallet company

Paytm will set up exclusive brand stores, managed by the brands themselves, to ensure original products and realistic promotions.

In 2015, Paytm had delisted 3,200 sellers for frauds, but brands were still distressed over the dilution of their image. Now, it has signed up more than 1,000 brands like Samsung, Dell, HTC, HP, Whirlpool, Woodland, Lakme, Casio, Samsonite and Puma in this new avatar.

The brands will manage these stores themselves. For example, Samsung will choose a handful of authorised sellers to host their inventory on the brand store. It will also be able to customise the brand page, put up promotions and showcase products, just as it would do in its showroom or on its website.

The Paytm store can be integrated with the brand's own website as well. "We will provide everything the brand needs, from catalogues, payment tools and logistics support," said Amit Bagaria, V-P at Paytm. Brands can also connect offline sellers to brand stores.

Paytm has two categories - structured (branded products) and unstructured (non-branded products). For the unstructured it will continue to have a long tail of retailers. "But, in the next six months we will move 90% of all structured products to brand stores... This will help in regulating unauthorised discounts and curb frauds," said Bagaria.

Brand stores are not a new concept. Snapdeal started it in 2012. Flipkart and Amazon also have it, but not on the scale that Paytm is envisaging. "For them it's about giving brands a little more visibility, but for us it's our core strategy," said Bagaria, a former Flipkart executive.

TMall, owned by Alibaba, has done this in China. Brands like P&G, Adidas, UNIQLO, GAP, Nine West, Ray-Ban, Dell, Samsung, Logitech, Lipton, etc have exclusive stores on TMall. Paytm would be the Indian version of Alibaba. Alibaba and its affiliate Ant Financial have a substantial stake in Paytm's parent company One97 Communications.

