



# paytm

# PAYTM

## MARKET RESEARCH & BENCHMARKING

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Paytm : Promoting a cashless economy by building  
a payments network.



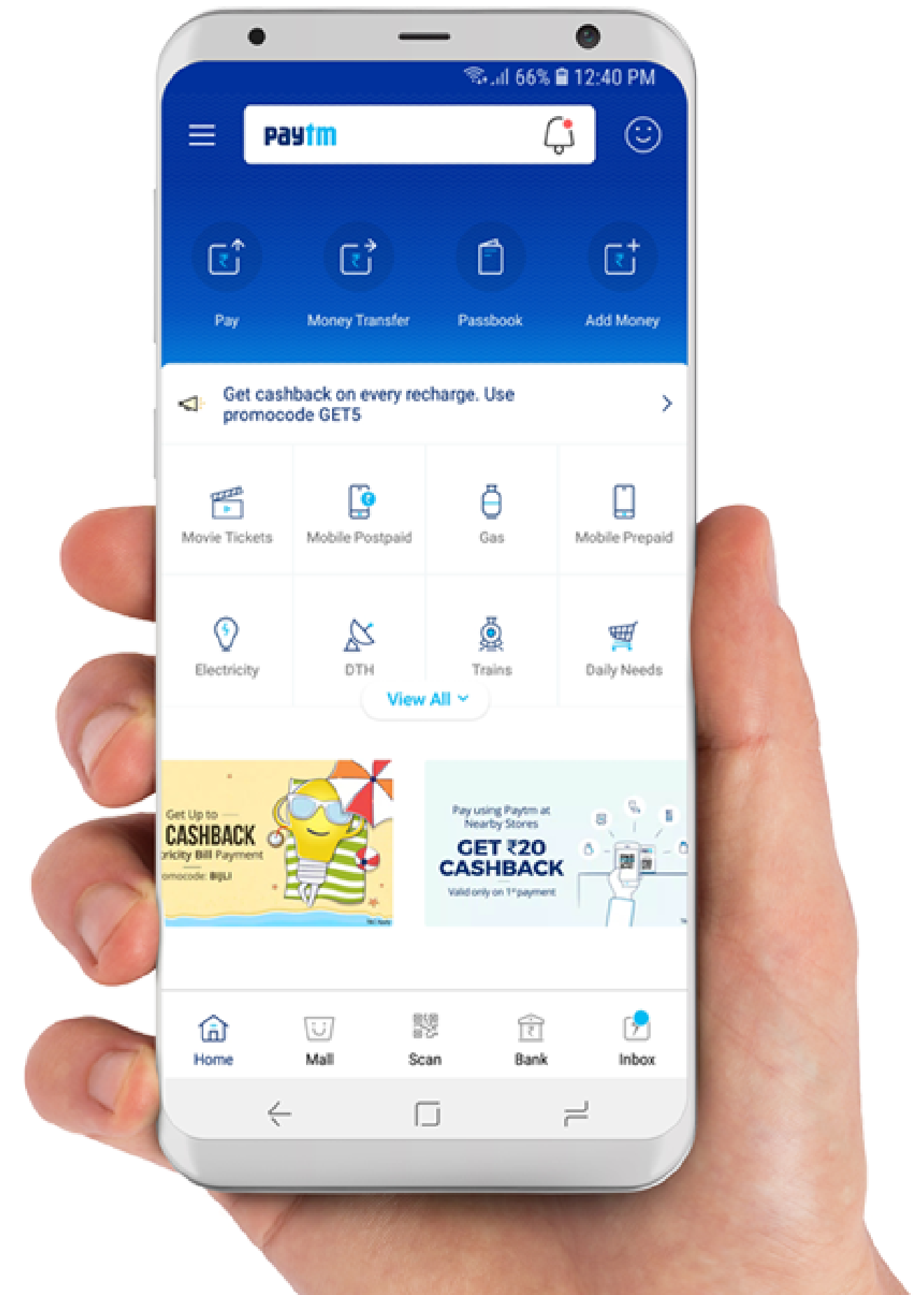
- Paytm (pay through mobile) is an Indian multinational fintech company that specializes in digital payment systems, e-commerce, and financial services.
- Its availability in 11 Indian languages has made it a huge success even in tier-3 cities in India.

**195.03 M**  
Revenue

**16 B**  
Valuation

**450 M**  
Registered user  
base

- Parent Organisation - One97 Communications





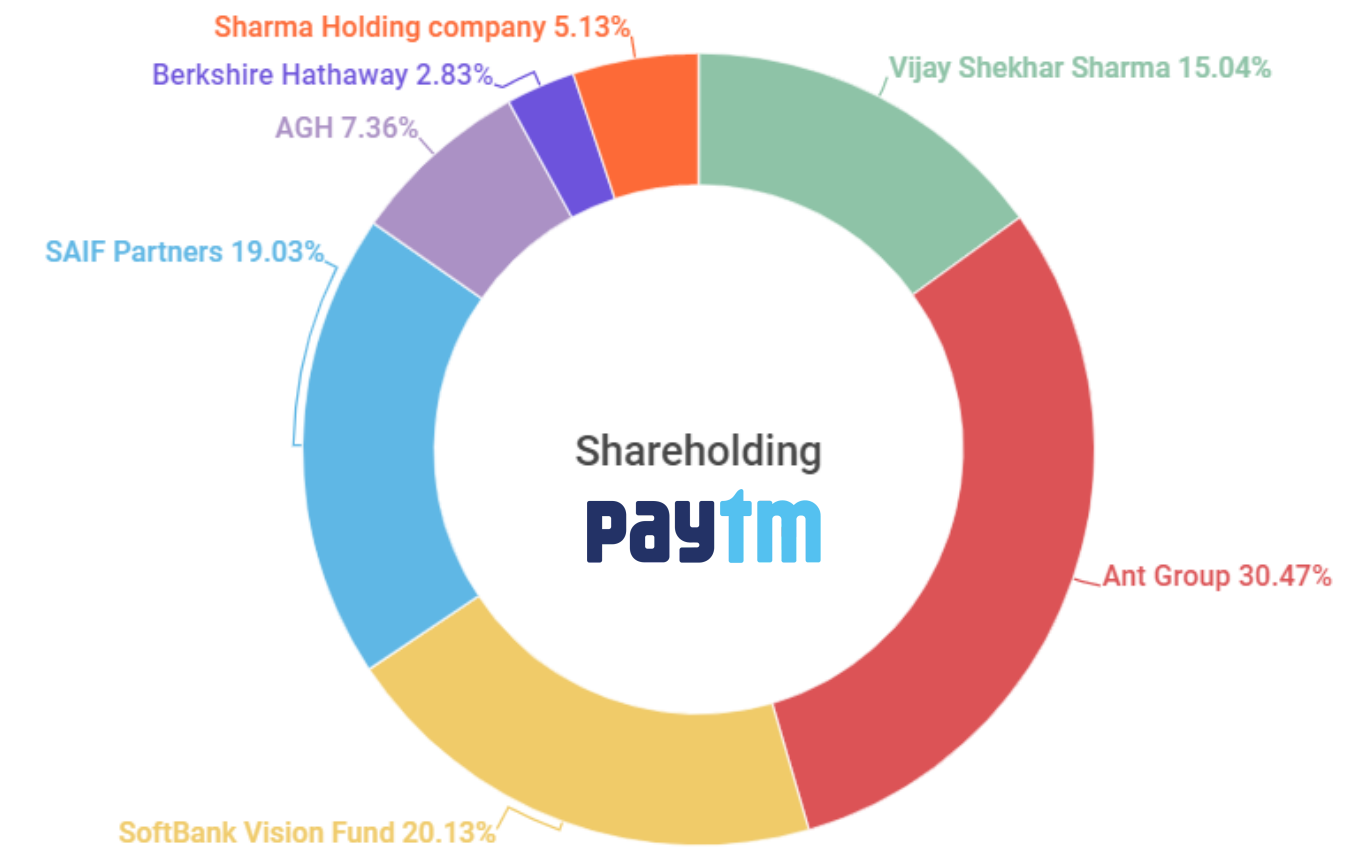
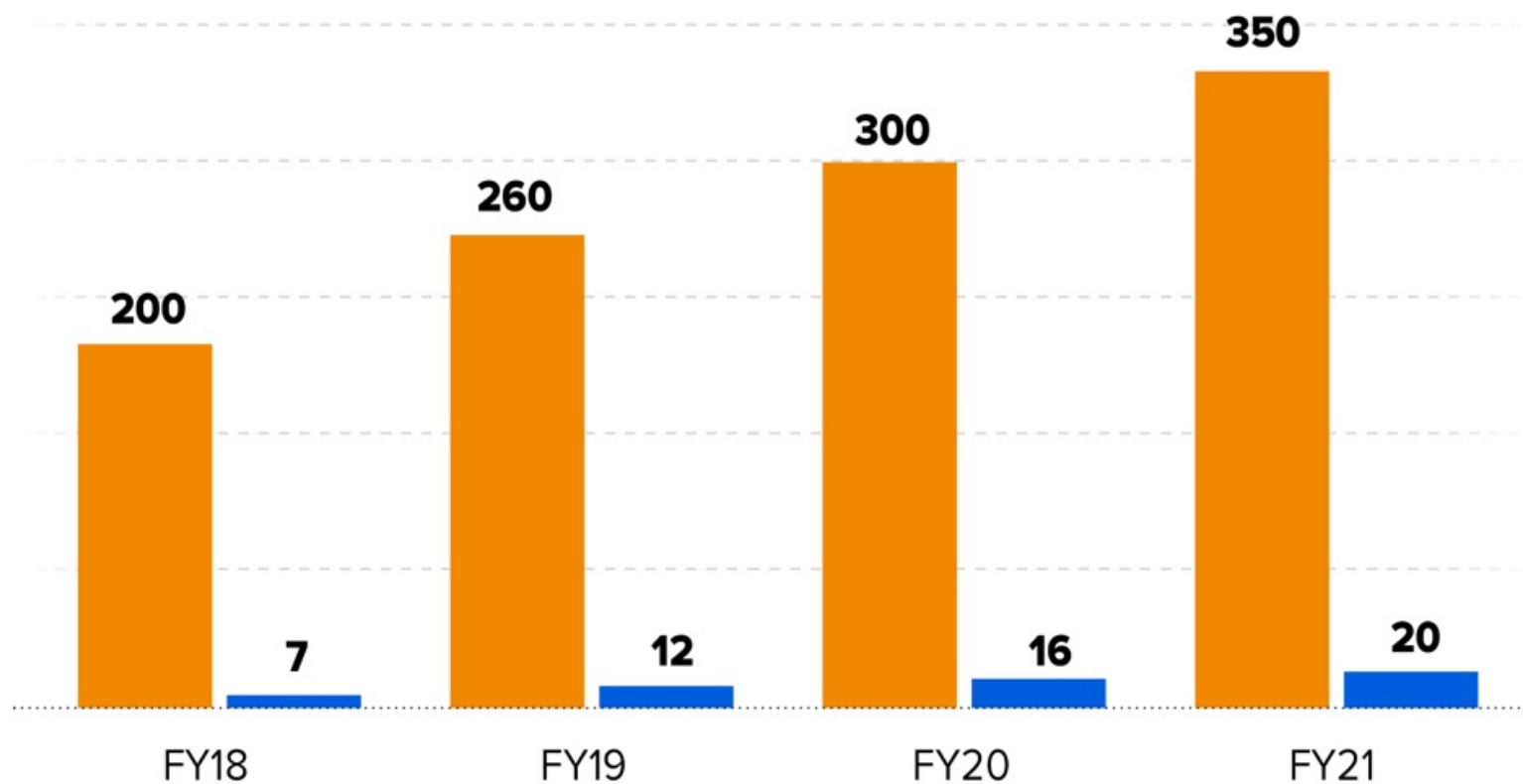
## Objective :

The company is on a mission to bring half a billion Indians into the mainstream economy through Technology - led financial Services.

## Paytm Payments Growth

Including UPI and Wallet

User Base (million) | Merchants (million)



## Paytm Financials

(Figures in Rs crore)

	Net Loss	Revenue	Expenditure
FY16	1,511	573	1,763
FY17	886	813	2,047
FY18	1,491	3,234	4,718
FY19	3,959	3,391	7,254
FY20	2,833	3,350	5,861

# TIMELINE

PayTM

Paytm

2010

Started as prepared mobile recharge website.

There was an initial investment of 2 million.

2015

Exponential increase in user base

Targeted every national and international cricket matches. Also an official partner in IPL Team.

2016 Impt

Demonetisation gave the company an almighty lift.

Paytm was quick in their response to this exigency within minutes of announcement.

2018 Impt

Paytm turned out to be a business app.

Targeted more than 7mn user by March. Company valuation=10billion dollars investment by Warren Buffet's Berkshire Hathway

2022 Impt

Paytm IPO - Success/failure?

Paytm staged India's largest IPO, but flopped in its debut. Issued price fallen to 1560.

# Paytm BUSINESS MODEL



## Customer segments

- Students, travellers, adults
- Small businesses, hotels



## Paytm cost structure

- Customer Aquisition
- Advertising
- Salary of employee
- App improvement & maintanance.



## Value Proposition of Paytm

- Convinience : User- Friendly
- Speed : Super fast
- Design : Well optimised & clean interface.
- Reliability : Highly reliable for payments.



## Services of Paytm

- Online payments : Contacts, QR Code or UPI.
- Booking flights, Bus, Movies or more.
- Recharges : Prepaid, postpaid, DTH
- Banking : Paytm payments bank
- Buy/Sell : Digital Gold
- Shopping : Paytm Mall



## Paytm revenue model

- Paytm market place : PaytmMall
- Bill payments : Gas, Electricity, Telephone, Water etc.
- Paytm Wallet : Interest on saved money of the customers.
- Recharges : Prepain, Postpaid, DTH etc.
- Paytm gold - Buy/Sell digital gold.



## Paytm Channels

- Mobile Applications
- Website

# Paytm SOURCES OF REVENUE

INTEREST	ADVERTISEMENT	COMMISSION	DIGITAL GOLD	PAYTM PAYMENTS BANK
<p>Paytm generate 4-6% from an escrow account in a nationalized bank. Paytm wallet money goes into account on which interest is earned.</p>	<p>Paytm sells its top banner slot and digital space on the app to various brands to earn money.</p>	<p>Nominal sum for commission in exchange for utility payments and recharges.</p> <p>Merchants pay 1% commission to transfer wallet money to bank account.</p>	<p>Gold is stored in digital form and may increase or decrease in net worth as per market.</p> <p>Paytm commission stays.</p>	<p>It operates like any other bank and earns revenue by selling its products.</p>



# Services

## Pay your Home Bills



Electricity Bill

Flat ₹30



Book Gas Cylinder



Piped Gas Bill

Win ₹10000



Rent via Credit Card



Broadband / Landline



Apartments



Water



Cable TV

## Ticket Booking

Flat 12% Off



Flight Tickets



Bus Tickets



Train Tickets



Movie Tickets



FASTag Recharge



Event Tickets



Metro Tickets

Get flat  
Rs. 25  
Cashback

Buy FASTag

## Financial Services

Flat ₹50



Pay Credit Card Bill



LIC / Insurance



Pay Loan



Municipal Tax

## Recharges

Flat ₹50



Mobile Recharge



Mobile Postpaid



DTH Recharge



Metro Recharge

## Transit



FASTag Recharge



IOCL Rewards



Challan



Toll

# Paytm USER BASED STUDY

As per an official statement, there are more than 140 Million monthly users on Paytm inbox. Paytm overall subscriber base exceeds 450 million and about half a million transactions happen on platform everyday.

**450 M**

Registered Users

**1000%**

Growth in money  
added to the avg  
paytm account

**89 %**

Users aged  
(16 - 24)

**1 T**

India's payments  
market in 3 yrs

**850 K**

Active Offline  
Merchants

**5 M**

Per Day  
Transactions

**39 M**

Daily Active  
Users



# paytm SWOT ANALYSIS

## Strengths

- First mover advantage
- Convenience Options
- Tie-ups with merchants
- Bucket of Services and Offers

## Weaknesses

- Need for IT infrastructure
- Lack of user awareness
- Fear of going cashless
- Poor customer care

## Opportunities

- Growing demand for aggregators
- Demonetization
- The surge in number of working professionals

## Threats

- Stiff Competition in existing ecosystem
- Safety concern (Information Security)

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# A brief Comparison!

Paytm has brought a paradigm shift in the retail industry by completely transforming the payment methodology. Initially, this online wallet cum e-commerce website was used to make payments for limited utilities like mobile and DTH recharge and shopping bills competing with the present gen apps like Google Pay and PhonePe.

Main advantage of using Paytm is a customer can use Paytm even without a smartphone because of the password feature in its app. This makes it stand out from these listed apps.



UPI Payments		
Contactless Card Payments		
Third-Party App Storefront		
Point Of Sale (PoS) Integration	Native Point Of Sale (PoS) Devices	Native Point Of Sale (PoS) Devices
Partnerships With Banks, NBFCs, Fintech Startups For Loans, Insurance, Stockbroking	Native Lending Platform	Partnerships With Banks, NBFCs, Fintech Startups For Loans, Insurance, Stockbroking
	Native Insurance Broking	
	Native Stockbroking Platform	
×	Payments Bank License	×
Third-Party Partnerships	Ecommerce	Third-Party Partnerships
	Travel Booking	
	Event/Movie Ticketing	
×	Social Commerce	×
×	Credit Card	×
×	Business Ledger Services	×

# paytm Its loading !

There are several payment platforms in India. However, none has managed to carve a niche for itself like Paytm (Fintech Unicorn). Paytm dominates the market for its comprehensive security features, user-centric experience, sheer ease of usage, simple interface and having good customer return potential are the contributing factors to its popularity that can't be ruled out.

Paytm platform plans to extend its operations to the loan market and give small loans to 500 million people.

Launching a Whatsapp-like chat app though with more evolved features.

Paytm plans to launch its super app by the end of this year and is expected to add 2000-3000 app developers to its mini-app store by then.

The acquisition of Shifu and Near.in allowed the network to expand its offline and online platform and enhance its customer experience.

# Paytm Challenges!

## **Difficulty in adoption of Change**

Basically, Indians have always preferred direct money but Paytm introduced a cashless economy through technology. But Paytm was able to bring this concept by enlarging to a minority.

## **Performance Issues**

Paytm is an e-wallet app and deals with money matter. Even though it takes a few seconds for a transaction, the performance issues may be corrected can help the application attract more customer base.

## **Competition with all giants**

Paytm is trying to compete with everyone (Google pay, Amazon, Razorpay, PhonePe etc) but they aren't good at acquiring the customers.

## **Unacceptance due to fail of security breach and fraud**

There is a wide notion that technology transaction is 80% highly risky. It is not only a notion but also 50% proven to be true. Consumers worry that their wallet could be hacked or attacked.

## **High expenses**

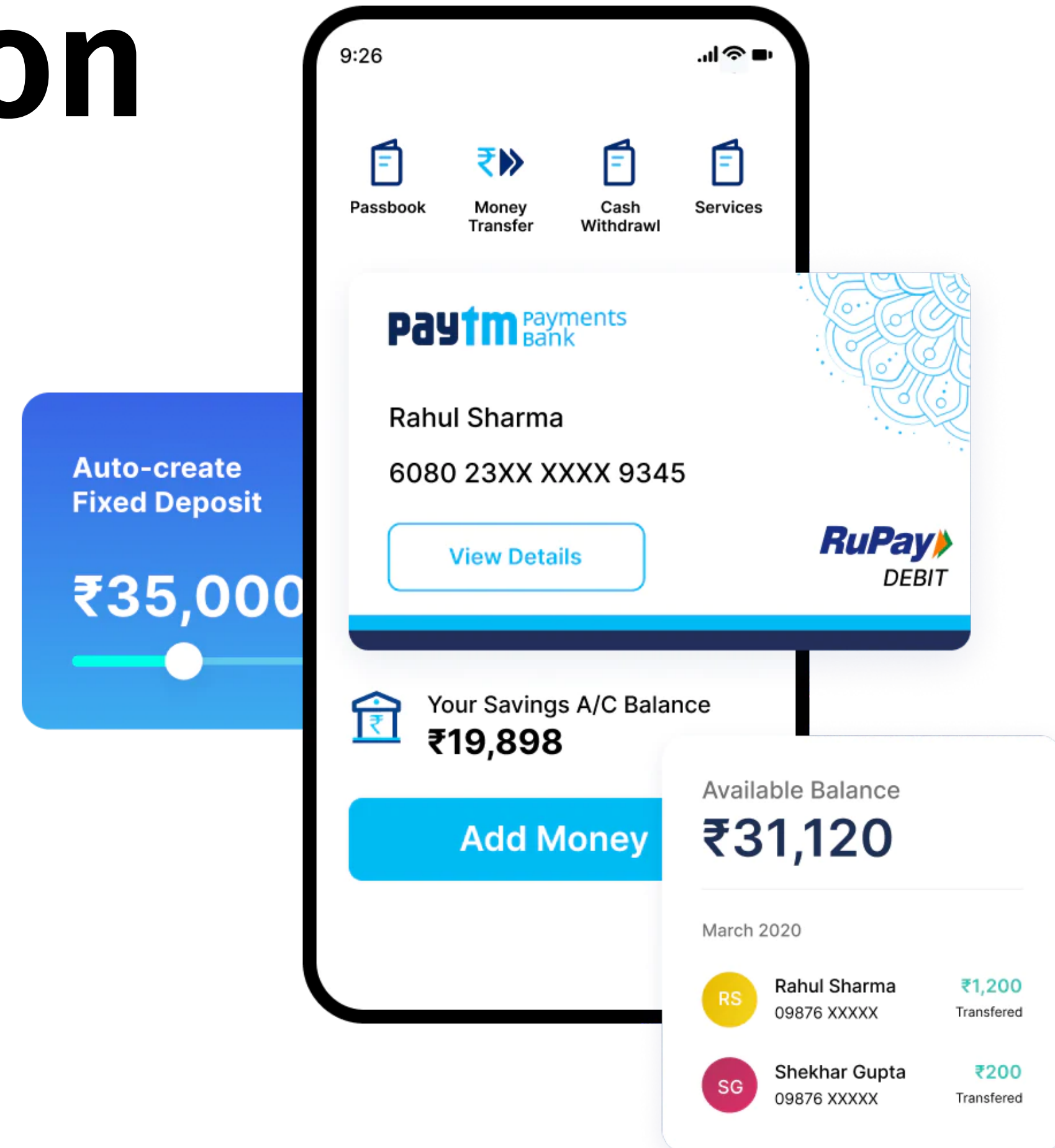
Paytm is focusing on both B2C & B2B. THus the entire capital is used to acquiring customers & business. **Paytm is still a net loss making company**

## **Transactional Issues**

The leading e-wallet firm has been battling continued transactions. Users also complained that efforts to transfer money back to their bank account were also failing.

# paytm Conclusion

- The mobile wallet adoption has grown significantly in the last couple of years with the rise in users for smartphones and mobile internet.
- With better data connection, Paytm has emerged as one of the leading competitors in e-wallet market.
- They emerged over the years in an economy where people traditionally, believe in a physical cash economy.
- Paytm has offered the facility of cash transaction offline.
- Paytm has provided a platform for all kinds of businesses in order to carry out their transaction in real time basis.





# Thank You

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