

MagicPin

Indian Startup Company

What is MagicPin?

Magicpin is a software platform where users and merchants in a locality discover, interact, and transact online. For merchants, they are the go-to platform for spotlighting their uniqueness while boosting their revenues and utilization through real-time promotions, loyalty programs, and content updates. For users, they are the destination to find out the buzz in their locality and discover interesting people to connect with and events/merchants to go to. It is a free Android app for discovering and earning great cashback and free recharge on shopping bills at restaurants, beauty salons, spas and fashion outlets.

Magicpin is the go-to platform for retailers and brands, to reach out to relevant local customers, highlight their uniqueness, reward loyal customers through magicpin points and vouchers, real-time promotions, augmented reality games, run micro influencer campaigns and more.

It has a highly driven team with a rich and varied background from IITs, IIMs and other reputed colleges. MagicPin have built and scaled high performance teams from scratch, built technology solutions that impact lives and advised leading corporates on strategy and operations. They have also been an integral part of India's startup journey having worked in leading VCs and led investments in several early stage startups in India like Delhivery, Housing, TinyOwl, LimeRoad, Freshmenu, CraftsVilla, OneAssist.

What MagicPin do?

Basically, MagicPin is a discovery and user savings platform. Magicpin exists to create a marketplace that is more local, relevant and celebrates the thrill of shopping and savings for all.

It is an app-based rewards platform. It allows users to discover and earn rewards for shopping at local stores. It drives the discovery of brands and retailers across categories like fashion, food, electronics, grocery, pharmacy, home delivery, entertainment, and more. It connects retailers with customers in the hyperlocal retail ecosystem, creating value for both parties. Users can upload bills to earn vouchers and coupons.

Mission

Magicpin is on a mission and vision is to make hyperlocal magical and to emerge as the go-to platform for the users who search for companies and services online and earn rewards. Magicpin's core mission is to drive discovery for offline retail. It is a hyper-local app, which is a super app of sorts since they work across fashion, beauty, food, etc. It's a trillion-dollar market. It has always been to provide convenience and value to users with extra savings, especially during challenging times when essential commodities are facing price fluctuations.

Founders

Anshoo Sharma and Brij Bhushan in 2015.
Gurgaon, India
Company Stage-Series D

Legal Entity

SAMAST TECHNOLOGIES PRIVATE LIMITED

CIN: U74140HR2015PTC073829

Date of incorporation-May 25, 2015

Operating revenues range is INR 100 cr - 500 cr for the financial year ending on 31 March, 2022.

Authorized Capital: \$10,000 to \$100,000

Paid-up Capital: \$10,000 to \$100,000

The total revenue of the company is \$100,000 to \$10 million.

Investors (16)

- Abhinav Sinha
- Nitin Sharma
- Zomato
- Knollwood Investment Advisory
- Lightspeed Venture Partners
- Moonstone Asset Management
- Suraj Saharan
- Prashant Sarin
- Trifecta Capital
- Lightspeed
- WaterBridge Ventures
- Samsung Venture
- Google Launchpad Accelerator
- The Bunting Family Pvt. Fund
- Ritesh Agarwal
- Lightspeed India Partners

Partners

- Bata
- U.S. Polo Assn.
- Puma
- Wow Momo
- McDelivery
- Apollo Pharmacy
- Guardian Pharmacy
- Peter England
- Zandu
- Boat
- ITC Limited

Amount of Money Invested

Magicpin has raised a total funding of \$106M over 13 rounds. Its first funding round was on Aug 21, 2015. Its latest funding round was an Angel round on Jan 28, 2022 for \$210K.

Funds Raised

The company last raised \$61 million (around Rs 446 crore) in its Series D round, which was led by Zomato. Raising capital is not a priority for MagicPin..

Revenue Model

Magicpin is a social rewarding platform. Magicpin's business model is mainly funded by merchants and brands. They use the platform to provide personalized offers to their customers. They pay recurring platform fees and a per transaction charge for the business that Magicpin drives to them.

In the marketplace business model, sellers from all the cities and states are made available their products on the platform. So, that seller will get the business opportunity to boost up the sales. The company also earns its revenue from various promotions and advertisements. They provide such kind of service to the merchants that help them in increasing their customer base. In the same way, Magicpin also earns through the commissions. The rate of commission varies between 10%-12%.

Recognition: Magicpin as a platform also enables the users to get followers, likes, and comments for their taste and interests in local activities.

Referral Chain: Brings out the uniqueness by getting the merchant's customers to spread the word in the locality and amongst their social circles.

Discovery: Magicpin enables discovering of trending events, interesting people, and relevant activities around the users' locality that makes it all the more interesting for users.

Potential customer acquisition: Caters to both new and established merchants to acquire potential consumers in the course of the business.

Increase in utilization: Build transactions in off-peak hours and liquidate excess inventory.

Savings: Through merchants, rewards programs specially designed for Magicpin users.

Enhancing customer engagement: MagicPin comes up with strategies and offers that existing customers can come back more often.

Strategy

MagicPin, however, has gone through different phases of the internet economy evolution, and consistently changed to adapt. Its strategy is to continue to tap the density-based markets instead of quickly expanding to a larger number of cities and ending up spreading too thin.

Categories

- ONDC
- Dine-out
- Food Delivery

- Pharmacy
- Fashion
- Electronics
- Nightlife
- Beauty
- Corporate

Local Focus

From the time the company was founded in 2015, Magicpin's main business has been to act somewhat like an online classifieds portal for hyperlocal deals across retail, food and entertainment categories. For example, a user can search for white linen shirts on the platform and he could be shown five stores in his vicinity selling such shirts. The company offers the user a discount if he goes to the store, buys the shirt and pays for it via the Magicpin app. Meanwhile, the store is also charged a commission by Magicpin for enabling the sale.

What are they Looking For?

The problem MagicPin is trying to solve is how to take the fast-growing online economy and plug their local merchants into it. In the last decade, the data available has exploded in so many different ways, creating a great opportunity for AI. MagicPin aims to create demand for the merchants, which continues to grow. But to fast-track our journey, MagicPin can use ONDC to take their merchants to more places, which is a win-win situation for everyone.

Plans for this Year

Double Growth by the end of 2023.

Expansion Plans

- Magicpin is planning to expand its business in tier-2 cities.
- They are planning to search more areas in the existing market.
- They will tie-up with several other merchants to give a better experience to their customers.
- Aims to be Profitable by mid 2024.
- Double Growth by end of 2024.
- \$12B GMV by end of 2024.

MagicPin Remarkable Achievements

- Currently operating at \$3B gross merchandise volume.
- There are 10 million active users with at least six transactions on Magicpin every month.
- The platform has witnessed 2.5x revenue growth in 15 months.
- Magicpin has partnered with the National Cooperative Consumers Federation of India (NCCF), through the ONDC platform.

- After the Open Network for Digital Commerce (ONDC) crossed 11,000 retail transactions on April 30, Magicpin claimed that it had a role to play in 10,000 of those transactions on that date.
- Magicpin's revenue from operations grew 1.6X to INR 232.78 Cr in FY22 from INR 146.22 Cr in FY21.
- Total revenue rose 1.6X to INR 239.4 Cr in FY22 from INR 148.1 Cr in FY21.
- After facing depletion in scale during FY21, offline discovery, and reward platform Magicpin hacked over 59% growth in the following fiscal year.
- Magicpin's revenue from operations grew 59.6% to Rs 233 crore during the fiscal year ending March 2022 as opposed to Rs 146 crore in FY21.
- Early April announced that it had on-boarded nearly 25,000 food merchants from its network of local restaurants while making it the largest restaurant aggregator on ONDC.

Top competitors of Magicpin

Here is a list of the top 10 competitors of magicpin, ranked by Tracxn score:

1. Upside - Washington, DC based, 2016 founded, Series D company.
2. Snapcart - Jakarta based, 2015 founded, Series A company.
3. Shopkick - Redwood City based, 2009 founded, Acquired company.
4. Promoboxx - Boston based, 2010 founded, Series A company.
5. FetchRev - Tempe based, 2011 founded, Series A company.
6. un:hurd - London based, 2016 founded, Seed company.
7. CheckoutSmart - London based, 2012 founded, Seed company.
8. Sparkfly - Atlanta based, 2001 founded, Series A company.
9. Formulate - Stockholm based, 2015 founded, Acquired company.
10. Pomona - Jakarta based, 2015 founded, Series A company.

MagicPin's Top 5 Clients

1. MagicMart (Retail)
2. Foodie's Paradise (Food and Beverage)
3. Fashion Frenzy (Apparel)
4. Gizmo Galore (Electronics)
5. Homeward Bound (Home and Living)

Other Details

- Employee Count 372 as on Sep 30, 2023
- Valuation \$363M as on Jan 28, 2022
- Annual Revenue \$32.1M as on Mar 31, 2022
- Competitor Rank 2nd out of 89 competitors with a Tracxn Score of 65/100
- 70 percent of MagicPin operations is on account of the offline transaction business and the rest is e-commerce deliveries.