

RISE OF PAYTM: STUDY ON ITS MARKETING STRATEGIES

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CERTIFICATE FROM THE INSTITUTE

This is to certify that the project report titled “**Rise of Paytm: Study on its Marketing Strategies**”, is a bonafide work carried out by **Mr. Mohd Akhter Shakeel** of MBA 2018-20 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfillment of the requirement for the award of the Degree of Masters of Business Administration.

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I MOHD AKHTER SHAKEEL hereby declare that the project report entitled "**Rise of Paytm: Study on its Marketing Strategies**" submitted for the partial fulfillment of the requirement for the award of MBA is my original work and the Project Report has not formed the basis for the award of any degree, diploma, associateship, or other similar titles.

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ACKNOWLEDGEMENT

I would like to express my sincere gratitude to my advisor Prof. Dr. Abhinav Chaudhary for the continuous support of my study and related research, for his patience, motivation, and immense knowledge. His guidance helped me in all the time of research and writing of this thesis. I could not have imagined having a better advisor and mentor for my study.

I am also grateful to respected Prof.RajanYadav HOD (Delhi School Of Management) For permitting me to utilize all the necessary facilities of the institution.

I am also Thankful to all the other faculty members of our department for their kind Co-operation and help.

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TABLE OF CONTENT

Chapter no.	Title	Pg. No
	Abstract	6
1	Introduction	7-12
2	Marketing Strategy Of Paytm	13-23
3	Objectives Of Marketing Strategy	24-33
4	Review of Literature	34-38
5	Research methodology	38-42
6	Data analysis and Interpretation	43-47
7	SWOT Analysis	48-49
8	Findings, Suggestions and Conclusions	50-52
	Reference	53-54
	Appendix	

ABSTRACT

Paytm -- which stands for Pay through Mobile -- is India's largest mobile commerce platform. Paytm Wallet has always been the pivot on which Paytm built first its recharges and payments business, followed by its full-fledged marketplace, all within two years. Paytm Wallet enables people to use their phones to pay for their shopping or services not just at Paytm, but at thousands of destinations outside Paytm. It is slowly becoming a way of life.

With this new campaign, Paytm used external media, as well as the Paytm platform itself to reach millions of customers coming each day since it is a great medium for advertising. Because of the campaign, there has been a direct positive impact on the brand, including new customer acquisition through traditional media and online media.

Paytm is an Indian mobile app and online service which is used to make payments using e wallet and e-money. Paytm was formed in 2010 and its parent company is One97. Vijay Shekhar Sharma is the CEO of the company. Paytm has received several rounds of funding from well-known investors like Alibaba Group, Ratan Tata, and Mountain Capital etc. Paytm got a huge boost in business momentum because of the nation-wide demonetization of currency notes of 500 & 1000 in India in November 2016. This propelled many people to use Paytm as the government focused on cashless transactions. Paytm is headquartered in Noida, NCR, close to India's capital New Delhi.

CHAPTER 1

INTRODUCTION

Strategic analysis is designed to address the first strategic question, "Where are we now?" Traditional market research is less useful for strategic marketing because the analyst is not seeking insights about customer attitudes and preferences. Instead strategic analysts are seeking insights about the firm's operating environment with a view to identifying possible future scenarios, opportunities and threats.

Strategic planning focuses on the three 3C's, namely: Customer, Corporation and Competitors.

A detailed analysis of each factor is key to the success of strategy formulation. The 'competitors' element refers to an analysis of the strengths of the business relative to close rivals, and a consideration of competitive threats that might impinge on the business' ability to move in certain directions. The 'customer' element refers to an analysis of any possible changes in customer preferences that potentially give rise to new business opportunities. The 'corporation' element refers to a detailed analysis of the company's internal capabilities and its readiness to leverage market-based opportunities or its vulnerability to external threats.

Mintzberg suggests that the top planners spend most of their time engaged in analysis and are concerned with industry or competitive analyses as well as internal studies, including the use of computer models to analyze trends in the organization. Strategic planners use a variety of research tools and analytical techniques, depending on the environment complexity and the firm's goals. Fletcher and Bensoussan, for instance, have identified some 200 qualitative and quantitative analytical techniques regularly used by strategic analysts while a recent publication suggests that 72 techniques are essential. No optimal technique can be identified as useful across all situations or problems. Determining which technique to use in any given situation rests with the skill of the analyst. The choice of tool depends on a variety of factors including: data availability; the nature of the marketing problem; the objective or purpose, the analyst's skill level as well as other constraints such as time or motivation.

Marketing Strategy is:

"The marketing strategy lays out target markets and the value proposition that will be offered based on an analysis of the best market opportunities." (Philip Kotler & Kevin Keller, *Marketing Management*, Pearson, 14th Edition)

"An over-riding directional concept that sets out the planned path." (David Aaker and Michael K. Mills, *Strategic Market Management*, 2001, p. 11)

"Essentially a formula for how a business is going to compete, what its goals should be and what policies will be needed to carry out these goals." (Michael Porter, *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, NY, Free Press, 1980)

"The pattern of major objectives, purposes and goals and essential policies and plans for achieving those goals, stated in such a way as to define what business the company is in or is to be in. (S. Jain, *Marketing Planning and Strategy*, 1993)

"An explicit guide to future behaviour." (Henry Mintzberg, "Crafting Strategy," *Harvard Business Review*, July–August, 1987 pp. 66–74)

"reserved for actions aimed directly at altering the strengths of the enterprise relative to that of its competitors... Perfect strategies are not called for. What counts is... performance relative to competitors." (Kenichi Ohmae, *The Mind of the Strategist*, 1982, p. 37)

The distinction between "strategic" and "managerial" marketing is used to distinguish "two phases having different goals and based on different conceptual tools. Strategic marketing concerns the choice of policies aiming at improving the competitive position of the firm, taking account of challenges and opportunities proposed by the competitive environment. On the other hand, managerial marketing is focused on the implementation of specific targets." Marketing strategy is about "lofty visions translated into less lofty and practical goals [while marketing management] is where we start to get our hands dirty and make plans for things to happen." Marketing strategy is sometimes called *higher order* planning because it sets out the broad direction and provides guidance and structure for the marketing program.

Marketing strategy is a long-term, forward-looking approach to planning with the fundamental goal achieving a sustainable competitive advantage. Strategic planning involves an analysis of the company's strategic initial situation prior to the formulation, evaluation and selection of market-

oriented competitive position that contributes to the company's goals and marketing objectives. strategic marketing, as a distinct field of study emerged in the 1970s, and built on strategic management that preceded it. Marketing strategy highlights the role of marketing as a link between the organisation and its customers.

At its most basic level, strategic marketing addresses three deceptively simple questions: (1) Where are we now? (2) Where are we going? and (3) How are we going to get there? In attempting to answer these questions, strategic planners require sophisticated skills in both research and analysis.

Scholars continue to debate the precise meaning of marketing strategy. Consequently, the literature offers many different definitions. On close examination, however, these definitions appear to centre around the notion that strategy refers to a broad statement of what is to be achieved.

Marketing strategy involves mapping out the company's direction for the forthcoming planning period, whether that be three, five or ten years. It involves undertaking a 360° review of the firm and its operating environment with a view to identifying new business opportunities that the firm could potentially leverage for competitive advantage. Strategic planning may also reveal market threats that the firm may need to consider for long-term sustainability.^[9] Strategic planning makes no assumptions about the firm continuing to offer the same products to the same customers into the future. Instead, it is concerned with identifying the business opportunities that are likely to be successful and evaluates the firm's capacity to leverage such opportunities. It seeks to identify the *strategic gap*; that is the difference between where a firm is currently situated (the *strategic reality* or *inadvertent strategy*) and where it should be situated for sustainable, long-term growth (the *strategic intent* or *deliberate strategy*).^[10]

Strategic planning seeks to address three deceptively simple questions, specifically:^[11]

- * Where are we now? (Situation analysis)
- * What business *should* we be in? (Vision and mission)
- * How should we get there? (Strategies, plans, goals and objectives)

A fourth question may be added to the list, namely 'How do we know when we got there?' Due to increasing need for accountability, many marketing organisations use a variety of marketing metrics to track strategic performance, allowing for corrective action to be taken as required. On the surface, strategic planning seeks to address three

simple questions, however, the research and analysis involved in strategic planning is very sophisticated and requires a great deal of skill and judgement.

A marketing strategy is a business' overall game plan for reaching people and turning them into customers of the product or service that the business provides. The marketing strategy of a company contains the company's value proposition, key marketing messages, information on the target customer and other high-level elements.

The marketing strategy informs the marketing plan, which is a document that lays out the types and timing of marketing activities. A company's marketing strategy should have a longer lifespan than any individual marketing plan as the strategy is where the value proposition and the key elements of a company's brand reside. These things ideally do not shift very much over time.

DIGITAL WALLET

A digital wallet refers to an electronic device that allows an individual to make electronic transactions. It is also referred by other names like mobile money, mobile money transfer, and mobile payment generally represents a payment services operated under financial regulation and are performed from or via a mobile device. This can include purchasing items on-line with a computer or using a smartphone to purchase something at a store. An individual's bank account can also be linked to the digital wallet. In other words, mobile money transfer refers to any method of monetary exchange that utilizes the facility of a mobile device with authorized support facility and conformance to defined and explained legal policy.

PayTm, as its abbreviation states, Pay through Mobile was launched in 2010 by One97 communications as a prepaid mobile and DTH recharge company. Gradually, it made its way into the e-commerce market in the year 2014 and further added bus ticketing to its kitty in 2015. PayTm now offers multiple products ranging from primary mobile recharges to buying apparels or electronics enabling customers to get everything at one place. Thus, over a period of time, it has become both a payment platform as well as the marketplace.

This strategy not only enables PayTm to serve multiple needs of the customers, giving them a holistic experience by saving their time and efforts but is also expected to be helpful in cross-selling and up-selling and thus increasing the overall profitability of the organization. It has even obtained the license from Reserve Bank of India to run a Payments Bank. As a result, PayTm is amongst the top 7 e-commerce companies in India to have billion-dollar valuation and transformed the business model of PayTm from a recharge web site to a payment cum e-commerce marketplace. It has 100 million PayTm Wallet users that carry out over 75 million transactions every month. China's Alibaba Group with its affiliate Ant Financial invested \$680 million in PayTm in September 2015 to raise their stake to 40%, taking its valuation at somewhere around \$4 billion. On account of higher valuation, PayTm had resources to stitch Rs.203 Crores worth of deal with Board of Control for Cricket in India for 84 matches. Considering the quantum of following that cricket has in India, this association with BCCI for primary sponsorship rights is sure to get a lot of visibility to PayTm brand and likely to catapult it as a national brand with significantly high brand recall amongst all sections of society.

We all are well aware of the term 'Demonetisation'. Have experienced its wrath. On 2016 with the announcement of demonetisation of 500 and 1000 rupee notes by Indian Government it got tough for the masses to cope up with daily money problems. Banks and ATM's too were exhausted leaving people clueless to deal with money problems.

Paytm was launched into market long back but its digital wallet came to much use during the demonetisation period. It was not that there was no other app that solved the purpose but Paytm with its huge ad campaigns attracted more audiences.

Between the period of November 10 and December 20 PayTm added almost 20 million new users. They had over seven million transactions each day which was more than combined daily usage of debit and credit cards.

This definitely was not possible in a jiffy with other competitors in market but this was the result of a great marketing strategy applied by Paytm team.

The Perfect Strategy Of Marketing

Marketing is not a rocket science. Partnership with perfect brands, campaigns and advertisements can work wonders. As it is said strike the Iron when its hot, PayTm followed the simple rule books of marketing to grab attention and gain users.

PayTm Karo is now viral and now everyone is upto saying let me PayTm you! It became active in social media and also partnered with Uber and NDTV for their campaigning. Creating awareness camp and going facebook live to make people aware of their digital wallet helped them a lot in business.

Competitors-

- Oxigen Wallet
- Mobikwik
- FreeCharge
- Vodafone M-pesa
- Airtel Money
- Google Pay
- Amazon Pay
- Phone Pay

CHAPTER – 2

MARKETING STRATEGY OF PAYTM

Pay Through Mobile is simply referred as Paytm and it is associated with e-commerce industry. It is of Indian origins and was founded in the year 2010 by its founder Vijay Shekhar Sharma. Paytm is a subsidiary of its owner company One97 Communications but a major part of its share is also owned by Alibaba Group from neighbouring country China. Paytm has targeted each and every person irrespective of age, income, gender or status as its target customer because it wants to penetrate in every nook and corner of India.

Product in the Marketing Mix Of Paytm :

Paytm is actually a payment system via the electronic-commerce medium. It started its operations as a B2B organisation but realised the importance of customer participation and opened B2C option also. Paytm offered mobile recharging and later added bill payment like payment of DTH, electricity and broadband along with e-commerce to its portfolio.

In the year 2015, it ventured towards new horizons and added travel booking for busses and in the year 2016 for movies in partnership with Cinapolis. It acts as a portal to shop for multiple products from apparel to electronic items. Paytm has increased its operations to include services like booking air tickets, taxis and payment at petrol pumps.

The government is propagating cashless economy system and this endeavour will be a step in right direction. Payments bank will be opened and it will attain a separate entity with the founder of Paytm Vijay Shekhar Sharma, One96 Communication and its subsidiaries holding 51%, 30% and 10% respectively. Paytm has gained approval from Bharat Bill Payment System and users can easily pay bills through this medium from now onwards.



Place in the Marketing Mix Of Paytm :

Paytm has a Pan-India presence and has set up its headquarters base at Noida in Uttar Pradesh. It is actually a platform that can be used easily by anybody and everybody at his/her convenience. Paytm launched a toll-free number which is first of its kind and was at that point of time unheard of. 1800-1800-1234 was a simple number that was used for recharges. Paytm was launched as a recharge website via a mobile application. It can be accessed via browser and its app is also on iOS, Windows and Android operating systems. Paytm Wallet was launched in the year 2014 and it became largest service portal for mobile payment in India. By the end of November 2016, 150 million and 75 million wallets and Android-based apps were downloaded respectively. It has signed a deal with InMobi, one of the largest portals in online industry to increase its user base.

Price in the Marketing Mix Of Paytm :

Paytm is a medium which helps to pay bills in an easy manner without going to that related office and standing in the queue for payments. It has become one of the most successful ventures related to online payment. In the year 2015 Reserve Bank of India granted it a license to start first payment bank in India. The intention of the bank is to use existing user-base of Paytm to offer diversified new services like online transfer, savings account, online banking and debit cards. Paytm has become easy-to-use and innovative interface and this has been possible because of its features as well as its pricing policy. The company was the first to start a trend of cashback and instead of discounts they offered a money back in wallets.

Promotions in the Marketing Mix Of Paytm :



Paytm has adopted an aggressive and unique marketing policy to create better brand visibility. They initiated net banking and launched several schemes and offers as part of their promotions. Ad campaigns were shown via multiple channels on radio, television, newspapers, magazines and billboards. It also relied heavily on mouth publicity. Demonetization of currency notes worked heavily in its favour and garnered huge publicity and an increase in active users. Paytm is the title sponsor for every cricket series in India hosted by BCCI for four years since the year 2015. It is the recipient of several accolades and awards like Disruptive Digital Innovator Award in the year 2015 and The Most Innovative Company of the year 2014.

Product:

Paytm is a leading online payment company and an ecommerce portal based out of India. Paytm offers various products & services in its marketing mix like ewallet, online shopping etc. The name Paytm is a short form for pay through mobile. Customers can access the portal on computers and apps on their smartphones for making online payments like mobile recharge, bills, shopping etc. Paytm wallet enables customers to pay bills like electricity, recharge their mobile numbers, pay for DTH services, pay at restaurants, book air tickets, movie tickets etc. Paytm basically empowers the customers to make payments instead of using cash or debit / credit cards. Payments bank from

Paytm enable customers to have bank accounts like any other bank and have access to services like debit card, savings account etc.



Image: way2offer

Price:

Paytm is a free to use service as it is a medium through which customers can make payments for the other services which they avail. The foundation of payment was because of series of investments they received. Indian business tycoon had invested in Paytm as a personal investment in the brand. After this, a funding of \$575 million was received by Paytm from China's leading business group Alibaba. Paytm also received funding from Taiwan based Mountain Capital. These huge fundings enables the company to get new customers on board and give them free service. Paytm is also parallely giving discounts and offers to promote its online shopping ecommerce portal. This gives an insight in the pricing strategy in its marketing mix. There are many other apps and tech companies similar to Paytm but none of its competitors have a market share as strong as it has. Paytm earns its revenue from commission which happen on the transactions. Also, money deposited and stored in the ewallets are also used to generate income through interest.

Place:

Paytm, like any other app or website, is accessible everywhere through a smartphone or laptop having internet connectivity. The Paytm office is headquartered in Noida, India. The service is currently serving the Indian consumers and is available throughout the country for making payments and shopping. Paytm is widely accepted as a mode of payment across various industries, sectors and geographies. Several restaurants, groceries, supermarkets, hotels etc all accept Paytm as a part of payment. Ticketing houses and tour operators use Paytm's service for rail, plane, bus ticketing. All these show the extensive reach of the service, which is widely accepted by vendors and customers alike. Paytm has also launched services in Canada.

Promotion:

Paytm has been aggressively advertising itself as a part of its marketing mix. Ad campaigns of Paytm are been showcased through TV commercials, online ad banners, billboards, print media like newspapers, magazines etc. These have enabled Paytm to become a household name, with a catchy phrase of "Paytm karo". Apart from this, the company has also been actively involved in sponsorship of several events, competitions etc which have given the brand tremendous visibility. Paytm has also been roped in as the official sponsor and partner of the Indian cricket team, which would give huge publicity and visibility to the brand across the world. Retailers, grocery stores and supermarkets accepting Paytm as a mode of payment also display wall hangings and posters, which give the brand a strong visibility.

Since this is a service marketing brand, here are the other three Ps to make it the 7Ps marketing mix of Paytm.

People:

Paytm, being a service brand, gives importance to its people ie its customers as well as its employees. More than 13000 people are employed with Paytm as a part of its strong people strategy in its marketing mix. Apart from employees, more than 3 million merchants accept Paytm as a mode of payment. The company has grown in leaps and bounces as it has in excess of 75 million app downloads. Also, more than 150 million people actively use Paytm wallets for making online transactions.

Process:

Paytm has several business interface and customer friendly processes for the ease of doing transactions. The basic process of using Paytm is as follows. Once a user has registered with Paytm, they have to transfer some money using netbanking, credit/ debit cards, IMPS or other ways mentioned from their bank. Once the money is in the Paytm wallet, codes and numbers of vendors are used to transfer e-money from customer to vendor. As the brand is new and is growing rapidly, it had also focused on customer service processes.

Physical Evidence:

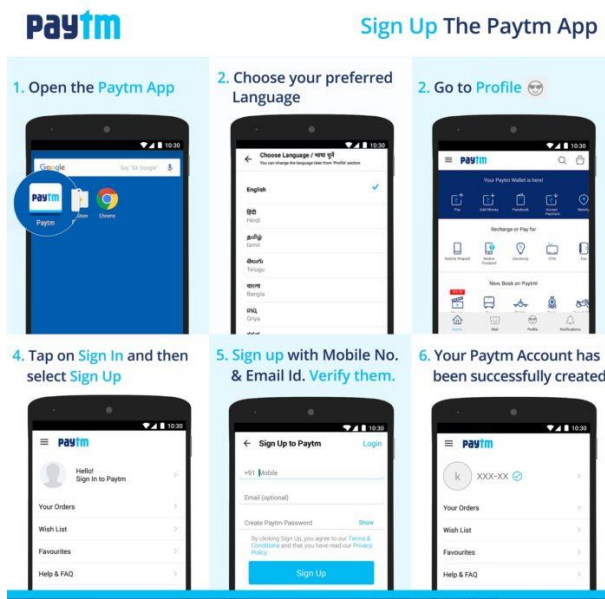
Paytm's physical evidence is the presence of the brand with customers and merchants. The app installed in smartphones is the biggest physical evidence for Paytm as the app interface is the most critical moment of truth for the customer for making payments and vendor for receiving the payments. Apart from this, the blue logo with Paytm written is easily recognisable. The presence of stickers, hanging placards, posters etc of Paytm at outlets give the physical presence of the brand. Hence, all this summarises the Paytm marketing mix.

Marketing Ideas to Retain Existing Customers

1. Safety Flowchart

No matter how much modern people have grown day by day but transferring and paying money online creates a bit of confusing thoughts among users that would it be safe or not. But Paytm made a flowchart depicting how using their digital wallet is as safe as compared to credit and debit cards. As digital wallet is not connected to bank account so its amount is limited and also if any case of hacking occurs or fraud ones bank account remains untouched!

Infographics



2. Bank Account Protection

Just before you click on purchase option in any e-commerce site pops up a spartan warrior with his shield giving the message that PayTm guards users bank accounts.

3. Facebook Live

It's very important to make people believe and understand of how their account is protected and free of hacking with Paytm digital Wallet. what could have been a better way rather than using Facebook Live!

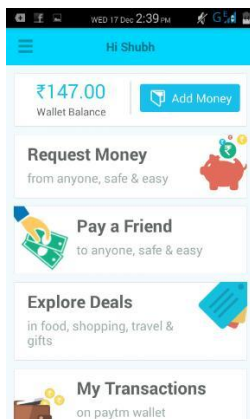
4. Soldier Mobile Game

Perfect campaign for tech-savvy people and game lovers. Users could download a soldier game from Paytm app. The game is about Spartan PayTm soldiers fighting against an army of frauds. Basically to make people aware of how Paytm protects ones account!

5. Automatic Start Of The Month SMS

With the start of the month Paytm started sending reminder payment messages to users and saying it can be done stress freely by using Paytm digital wallet.

Guiding All Way



6. Workshops

Parenting camp were introduced where the trainers spoke how teenagers nowadays tend to bad habits due to use of free pocket money. This can be used by limiting their account and payments by using Paytm.

7. Mumbai Dabbawallas

They tied up with Mumbai dabbawallas, rather with the lunch services to accept Paytm cash only for more usage of app.

8. MBA Contest

A free video contest for MBA first year students were conducted. A team of four were asked to create a video about how Paytm can be used and the video that would get maximum likes would win. This became viral and gave more user retention to Paytm.

Gaining New Users Marketing Strategies

1. Pocket Dance

This was the best of the ad campaigns. It was known as Pocket dance. The miseries of taking out wallet a to pay and checking for money on various pockets of a user. It can be made easy by just pulling out ones mobile and Paytm-ing the amount. It ended with the message- Why do the pocket dance every time looking for money? Paytm karo!

2. Celebrity Endorsements

Famous dancing stars like Shiamak Davar and Remo D'Souza were seen doin pocket dance in television. In internet cartoons and GIF's were made on famous people doing pocket dance that went viral.

Remo And Shamak



3. Interactive Fun App

Do you like Talking Tom or Chip Munks? They made something similar, an app where famous people in their animated avatar would teach you the pocketdance. The instructions came like – Right bottom pocket, Left bottom pocket and Back pocket. One can adjust the speed and choose songs too.

Talking Tom



4. Gabbar Singh viral video

Humour was added by using dialogues of famous character Gabbar that went viral. The video opened up by Gabbar asking his dacoits to go and loot the village people. He dacoits return empty handed. When Gabbar enquired 'Khali Hatth kyu Aya Hai?' the dacoits replied, 'Kisike paas paisa nhi hai, sab Paytm kar rahe!'

These marketing strategies have been great by Paytm to attract audience and they have been successful. Let us watch out on how they further build up a strong network in marketing.

CHAPTER – 3

OBJECTIVES OF MARKETING STRATEGY

To better understand how to craft a marketing plan, you should know its elements. A marketing plan consists of several key pieces of information, which can be divided into sections based on your preference. If you're not sure where to begin, take a look at these [sample marketing plans](#). As you start yours, keep in mind that that you should include the following points:

- **A situational analysis.** A 'situational analysis' is simply a snapshot of your company's current situation. List your company's strengths, weaknesses, opportunities and threats. When trying to determine your strengths, think what is your company's competitive advantage. In what ways is your product notable, or superior to other products? Do you have access to a more or less untapped market? Are your customers particularly loyal? Is your customer service exemplary? Use a similar process to analyze your weaknesses, and be honest with yourself. Opportunities are self-evident; what potentials can you positively exploit in the future?
- **Your target audience.** It's absolutely key that you identify your target audience. If you don't know your target audience, you may as well not be in business! Figuring out your target audience takes a bit of guessing and some presumptions. Start by determining their general interest: rock-climbing, gaming, cooking? You should then describe your target audience in terms of demographics, such as age, sex, earnings, religion, or family composition, or by lifestyle (healthy, active, sedentary, etc.) Then try to determine their *thinking habits*. Are they conservative, modern? Introverted, extroverted? How often do they purchase your product, and in what quantity? Once you determine your target audience you can figure out the best channels to market your business to them on social media.
- **Outline your marketing strategies.** Which methods and outlets will you use to push your product? Are you going to be using social media networks? If so, which ones? If you're using Facebook or Twitter, will you also be using paid advertisements? Consider other forms of marketing you may not have considered: billboards, print advertising, promotion via influencers and bloggers, etc .For more examples of marketing strategies for small businesses, check out our previous post.

- **Set a budget.** Every successful business *has* to have a marketing budget. You should dedicate a percentage of your projected gross sales to your monthly or annual marketing budget. If you're a small business or just starting out, this may mean paying out of pocket or borrowing at first, but it's well worth it. **Remember:** marketing is absolutely essential to the success of your business. Don't think that marketing is out of your budget—with so many different marketing tactics available, including digital media, you can find a mix of strategies to appease even the tightest budget.

Significance of Marketing Strategy

Because one aspect of a marketing plan affects all of the others, coordinating your activities is critical to eliminating interference and maximizing your profits. A marketing strategy looks at all of the areas of your selling activities and helps each one support the next, making sure all of your departments are aware of what each is doing. Understanding how to create an integrated marketing strategy will help you make better individual decisions regarding specific marketing tactics.

streamlines Product Development

A marketing strategy helps you create products and services with the best chances for making a profit. This is because marketing strategy starts with marketplace research, taking into consideration your optimal target customer, what your competition is doing and what trends might be on the horizon. Using this information, you determine the benefit customers and clients want, what they're willing to pay and how you can differentiate your product or service from the competition.

Helps Determine Optimal Prices

Part of a marketing strategy is setting the right price for your product or service based on what you learned in your market research. If you learned that customers want a high-end product in your category, your pricing strategy might require you to sell at prices that create a high-end perceived value. If your target customer is bargain conscious and is willing to accept fewer bells and whistles on your product in exchange for paying less, your pricing strategy will require you to sell at or below the competition's price.

Establishes Effective Distribution

Once you know what product features you'll offer, who your target customer is and what your price points will be, you can select where you want to sell to maximize your marketing effectiveness. Younger customers will be more likely to shop using a smartphone or on a website, paying with PayPal or a credit card. Older customers might prefer to shop at retail outlets. If your market research shows you need to be in retail stores but you don't have a sales force, you can use a wholesaler or distributor.

Assists with Marketing Communications

Your market research will help you create your brand, or image you want to establish about your business. Without marketplace research and a strategic marketing plan, you might respond to solicitations from advertising salespeople on an individual, reactionary basis, sending messages that don't fit in with the brand identity you've created based on your product development efforts. A marketing strategy lets you determine if a particular magazine, radio station or website fits into your selling plans.

Organizational Impact

When you have a marketing strategy, your departments can better work with each other, because they are all working from the same plan. For example, your advertising people will talk with your product development people to determine what message you should send about your benefit. Your sales people will talk with the people responsible for managing your image to determine if they can offer discounts, coupons or rebates without damaging your brand.

- Marketing strategy provides an organization an edge over it's competitors.
- Strategy helps in developing goods and services with best profit making potential.
- Marketing strategy helps in discovering the areas affected by organizational growth and thereby helps in creating an organizational plan to cater to the customer needs.
- It helps in fixing the right price for organization's goods and services based on information collected by market research.
- Strategy ensures effective departmental co-ordination.
- It helps an organization to make optimum utilization of its resources so as to provide a sales message to it's target market.

- A marketing strategy helps to fix the advertising budget in advance, and it also develops a method which determines the scope of the plan, i.e., it determines the revenue generated by the advertising plan.

Scope

The marketing plan is a detailed roadmap that outlines all your marketing strategies, tactics, activities, costs and projected results over a period of time. The plan keeps your entire team focused on specific goals - it's a critical resource for your entire company.

It takes time to develop a marketing plan - from a few days to a few weeks, depending on your experience and the depth of the plan - so it's a good idea to define the scope beforehand to manage content expectations and deadlines.

Marketing plans can range from something as simple as a 1-page summary document to a 50+ page document covering multiple product lines and distribution channels. "Traditional" marketing plan templates can be intimidating for a business person without an MBA or a marketing degree, as they contain a lot of theory that business people can't always tie to tangible results like market share goals, profit and loss results and monthly sales and marketing activities.

There's nothing wrong with creating a very detailed plan; however, it's best to create a plan that delivers what you need based on your company situation. Each company is different, depending on company age, revenue, resources available and marketing and sales expertise.

Feel free to modify the process and the level of detail, based on your needs and your available time. For example, if you need to prepare a plan very quickly, you may not choose to go through all of the exercises in the supporting subjects. Instead, just respond to the questions in the exercise and do your best. You can always come back and revise your plan if necessary.

SIGNIFICANCE, OBJECTIVES & SCOPE OF STRATEGY MARKETING OF PAYTM

Objective

Paytm's objective has been to increase the market share of the Wallet, capturing the market.

To achieve this, it had to overcome several hurdles, the biggest of which is that the adoption of the Wallet as a way of keeping money online and transacting using mobile phones is a challenge for many people in India. The brand also had to figure out how to increase the number of Paytm Wallets, since success depends on volumes.

Paytm's target market is all of India's internet users and smart phone users. The Paytm mobile app is available on all possible platforms including Android, IOS and Windows.

The publicity strategy was uniform and aimed at mass audiences across all cities. To truly reach everyone, including those in regional markets, the brand even began using local vernacular with its press ads, in an attempt to reach out to regional markets.

The number of mobile phone connections in India is increasing. The mobile phone is seen to be a very convenient means of cashless transactions. Also the trust factor that Paytm has established through its recharge and bill payments services had already been increasing its daily transaction volumes going into the campaign. More importantly, its repeat user base was expanding and so Paytm was sitting on an opportunity.

The creative across offline and online media was based on the variety of products Paytm offers its customers, such as recharge, wallet, payments and online shopping. This encouraged new customers to sign up for the Paytm Wallet, and for existing customers to use it again.

The offline channels of communication were television, out-of-home, newspapers and transit media. Having tasted success with its TV campaign during the World Cup, Paytm released its new TV commercial during the Indian Premier League Season 8 and major cricketing events. It was also launched across other media like digital, print and radio. Paytm was an associate sponsor of IPL and got 120 seconds of airtime during each of the 60 matches of the tournament & **sponsor of BCCI**.

This was planned with Paytm's target market in mind, since the brand needed to reach a mass audience. The strategy was to establish the brand image through offline and push the promotions through online. Paytm's online advertising strategy is simple – bring visibility to Paytm everywhere, and motivate people to try the offers the brand runs.

Paytm allocated a budget of Rs 500 crore solely for marketing in the year 2015. The money was used to finance marketing campaigns via online and mobile as well as offline channels. Out of the budget, 70 percent of orders on Paytm come from mobile. Though Paytm has websites for its services, shopping using Paytm is a mobile first experience for sure.

The Paytm campaign's mobile component included: mobile banner advertising, app-install pushes, app notifications, SEM advertising and more promotion on Paytm properties as well as third party sites.

Paytm Care works on the brief of resolving issues at lightning speed. The way it communicates is also in sync with the Paytm personality. Every email carries a name and aspires to bring a resolution as quickly and as well as possible.

Where other marketing channels miss out is in prompting app-installs. In keeping with its "storming the market" strategy, Paytm has also been exploring co-branding opportunities. Such strategic partnerships with Uber Cabs, Meru Cabs and many more brands brought the brand a significant amount of new customers in cities and continuous loyalty to the Paytm Wallet.

Scope

Founded in 2010, Paytm started as a prepaid mobile recharge website. Currently its business is not only limited to recharge but has expanded as online payment platform including mobile recharges, utility bill payment, wallet payment and wallet to wallet and wallet to bank transfers for many leading internet based companies like Bookmyshow, Makemytrip, FoodPanda, IRCTC and many others.

It was founded under the implemented idea of Vijay Shekhar Sharma and has got the first mover advantage in the mobile industry. The company has been backed up by Alibaba group and Ratan Tata. The firm raised \$575 million from Alibaba group for a share of 25% in the company.

Paytm is growing faster and they have over 20 million registered users as per their current data. Their website and mobile app has been transformed into a fully-fledged e-commerce marketplace offering

categories from electronics, mobile phones, sports & health, home & kitchen, books, baby & toys and many more categories.

The app downloaded on various platforms has touched the mark of 7 million. The additional features added like Bargain power which is not currently available at any other marketplace and unified dashboard has made the selling and buying more interesting. Monthly order of over 15 million is completed over here.

Significance

With over 100 million users a year ago, PayTM was already ahead of its digital payment competitors before the Nov. 2016 demonetization of high value currency notes in India. On the back of the push for **#CashlessIndia** consequent to [#CurrencySwitch](#), the Alibaba-backed mobile wallet has increased its lead over its other mobile wallets (e.g. MobiKwik, PayZapp) and account-to-account money transfer apps (e.g. UPI). Today, PayTM boasts 150M users (Source: [Wikipedia](#)).

Based on my personal experience and anecdotal evidence, I advance five reasons to explain why PayTM is miles ahead of its rivals.

#1. Ease of Onboarding Merchants

Merchants can sign up for PayTM without a bank account. They can receive money into their PayTM wallets without a bank account. They can even spend their wallet balance by shopping at other merchants that accept PayTM payments. It's only when they want to cash out their money from their PayTM account that they need a bank account.

As a result, PayTM was / is able to sign up hundreds of thousands of merchants that don't have bank accounts. These merchants could sign up for PayTM as soon as they had a compelling need to accept cashless payments i.e. immediately after the demonetization announcement, start accepting payments and visit banks later to open their accounts after their PayTM account balances started growing.

Contrast this with competing e-wallets, which insist that merchants link their bank accounts (or debit cards or credit cards) to their apps right at the time of installing them. As a result, financially-excluded merchants couldn't sign up for them when they had a compelling need. PayTM's rivals lost this market to PayTM.

#2. Viral Distribution

When PayPal launched in the late 1990s, it incited existing users to send money to non users. When users sent money to their friends and family members (that were not on PayPal), PayPal sent them an email saying "Collect \$\$ by signing up for PayPal". This give non-users a far more compelling reason to join PayPal than any direct advertising or PR efforts could have and generated a massive amount of viral distribution for PayPal.

PayTM has copied this approach. And has probably reaped the rich rewards à la PayPal.

Surprisingly, PayTM's competitors haven't followed this approach. They insist that payments can be made only to people that have already signed up to their e-wallets. They probably think sending money to a non-user would be tantamount to putting the cart before the horse. Indeed, it would. But, as I've said time and again, **Putting Cart Before Horse Does Work** (hyperlink removed to comply with Finextra Community Rules but this post will appear on top of Google Search results when searched by the title). PayTM and PayPal get it. Their competitors don't. Instead, they put their prospective users at the mercy of their respective banks to gain signups.

To take UPI as an example, to receive payments, you need to have a Virtual Payment Address (VPA) from your bank. Assuming that you're thoroughly sold on UPI and decide to create your VPN, you'll need to contend with your bank's systems to actually generate one. This adds a big moving part, which doesn't always work. Just today, I got an SMS from my bank saying they can't issue new MMIDs - an integral part of IMPS, the payment rails on which UPI works - for the next five days. There's no guarantee that you'd still be interested in UPI five days later.

#3. Feet On Street Approach

In the weeks following #CurrencySwitch, PayTM salespersons made daily rounds in retail hotspots asking storekeepers if they wanted PayTM.

I've seen this personally in my building storefront that's dotted with tea shops, fruit stores, cigarette sellers and other micromerchants.

I've also heard more about PayTM's aggressive merchant acquisition drive from a couple of Uber drivers. According to this cabbie who accepts PayTM on his personal name – PayTM is also Uber's official digital payments partner - PayTM sales reps ride on their motorbikes up and down a street near Pune Airport where hundreds of Uber and Ola taxis are parked, asking drivers if they want to sign up for PayTM. When a driver says yes, the rep connects the driver's smartphone on his own 4G network using tethered WiFi hotspot, downloads the app, installs and onboards the driver on PayTM. All this in 5-10 minutes. Without being judgmental about whether the driver is tech savvy or not. And at no data charges to the cabbie. This Uber driver is so conversant with PayTM's merchant acquisition program that he actually knows the PayTM rep's sales quota (10 merchants a day)!

In sharp contrast, most competitors of PayTM haven't harnessed the power of feet-on-street to recruit merchants. Instead, they seem to expect merchants to sign up in self-service mode. An investor in one of these PayTM competitors actually said this in a MEDIUM article:

"Merchants should be able to go to an Amazon or Flipkart site or a Croma store and just buy a terminal at their own cost and link their bank account and start accepting payments."

Well tried. Even if they're tech-savvy, crazy busy merchants simply don't have the time to shop for terminals and learn how to make them work - especially when they're getting pampered by the nation's #1 mobile wallet company!

As a result, most micromerchants I've quizzed are not even aware of UPI, BHIM and other competing e-wallets.

#4. Frictionless Payments

By design or default, the **Sign Out** link in PayTM's mobile app is buried deep inside the app. As a result, many users have never seen it and stay logged into their app all the time. This means they're able to make a payment without a password or PIN.

This creates a significant security vulnerability in PayTM. But it also makes PayTM's CX that much more frictionless, which makes a lot of difference when people use it many times a day.

Security is a hygiene factor. Convenience trumps security. Everytime. Even in India.

PayTM has understood and capitalized on this element of consumer behavior. Its competitors have totally missed it.

#5. Miscellaneous

PayTM is very well funded and is able to spend big bucks on advertising as also absorb losses on virtually every transaction.

PayTM makes every effort to enhance UX. For example, as I'd highlighted in **Hiding Your Secret Sauce**, PayTM preloads its wallet on the fly without user intervention. As a result, users wary of having to topup prepaid mobile wallets before initiating payments find the PayTM experience superior to that of other mobile wallets, which bump them off with a message asking them to load enough money into their wallets first and then reattempt the payment.

CHAPTER - 4

REVIEW OF LITERATURE

- Rajesh Krishna Balan, Narayan Ramasubbu, Giri Kumar Tayi studied in their paper

“**Digital Wallet: Requirements and Challenges**” (2006) that the requirements and challenges of deploying a nationwide digital wallet solution in Singapore. Further they discussed why Singapore is ready for a digital wallet and identify the key challenges in building and deploying a digital wallet. Then discussed one of the key challenges, supporting peer -to-peer cash transactions between individuals using a digital wallet, in more detail and end the paper with their proposed solution.

- Prof Trilok Nath Shukla in his paper “**Mobile Wallet: Present and the Future**” (June 2016) has discussed about mobile wallet, working, types and its advantages and disadvantages. His analysis included perception of consumers and retailers about mobile wallets. He concluded that mobile wallets will be used to engage with the customer by the marketers and digital businesses. Irrespective of the market status of these mobile wallets, marketers should take advantage of the emerging opportunities.
- Dr. Poonam Painuly, Shalu Rathi in their paper “**Mobile Wallet: An upcoming mode of business transactions**” (May 2016) has explained about mobile wallet, types and trends. Then discussed about Role of mobile wallet in various sectors like Banks, Retail and Hospitality. The paper explains the importance of mobile wallet for Banks, Customers and Companies. In future scope it talks of mobile wallets becoming a latest marketing channel in near future. And contribute highly in a seamless shopping experience for the customers that increase their tendency for frequent and more repurchases with delightful experiences. To conclude they speak the importance and growth of mobile money in business, social and economic prospective. The presence of mobile wallet spreading from urban to rural areas on a large scale. Hence, wallet money sees a high bright future in near time.

- ThaeMin Lee in his paper “**The impact of perceptions of interactivity on customer trust and transaction intentions in mobile commerce**” (2005) investigated the impact of perceptions of interactivity on consumer trust and transactions in mobile commerce and concluded that trust does in fact play a significant role in determining consumer transaction intentions. Hsin-Hui Lin and Yi-Shun Wang in their paper “An examination of the determinants of customer loyalty in mobile commerce contexts”

(2005) examined the factors that contributed to customer loyalty in mobile commerce; perceived value and trust were found to be directly related to customer satisfaction and customer loyalty; customer satisfaction was also suggested to positively affect customer loyalty; and habit was proposed to determine customer loyalty. They also found that customer loyalty was directly affected by perceived value, trust, habit, and customer satisfaction. Customer loyalty was evaluated to be a strong determining factor in acceptance of mobile commerce.

- Key Pousttchi and Dietmar G. Wiedemann in their paper “What Influences Consumers’ Intention to Use Mobile Payments?” (2008) studied the adoption of mobile payments and evaluated what key influences affected consumers to use mobile payments and found that subjective security was not a primary driver of mobile payment acceptance. They found that perceived confidentiality of payment details and perceived trustworthiness were strongly correlated. Four key variables were found to directly impacting consumer intention and usage behavior: performance expectancy, effort expectancy, social influence, and facilitating conditions

The Strategic marketing is to identifying competitor is based on the differences in firms strategic for competing in an industry. This study shows company should not take only competitive marketing strategy to survive in downturn economic condition but firms also aware about the shrinkage of the company which reduces the liquidity, so they can make profit in the recession economy. Now the question is how firm utilizing their competitive marketing strategy to increase the profit in recession economy and how do firm stop their shrinkage to achieve the goal.

How do competitors react to each other.s price-promotion and advertising attacks? What are the reasons for the observed reaction behavior? Steenkamp et al. (2003) answer these questions by

performing a large-scale empirical study on the short-run and long-run reactions to promotion and advertising attacks in over 400 consumer product categories, over a four-year time span.

The main finding of the study is that competitive reaction is predominantly passive. When it is present, it is usually retaliatory in the same instrument, i.e., promotion attacks are countered with promotions, and advertising attacks are countered with advertising. There are very few long-run consequences of any type of reaction behavior. The authors are able to draw these inferences because their models examine the chain reaction of consumer and competitor response following the initial advertising or promotion campaign.

The study also reports on a number of moderating effects, such as power asymmetry, promotional intensity and perishability of the product category, that support the presence of a certain amount of rationality in competitive reaction behavior. Finally, by linking reaction behavior to both cross and own marketing effectiveness, they demonstrate that passive behavior is often a sound strategy. On the other hand, firms that opt to retaliate often use ineffective instruments, resulting in spoiled arms. Accommodating behavior is observed in only a minority of cases, and often results in a missed sales opportunity when promotional support is reduced.

The authors' overall conclusion is that the ultimate impact of most promotion and advertising campaigns depends primarily on the nature of consumer response, not the vigilance of competitors. In other words, the strong link in the chain reaction is the consumer. This is an important finding for marketing strategy, especially as it counters a prevailing belief in the management strategy literature that the ultimate effectiveness of an action depends largely on the defender's response. While marketing scientists are understandably focused on consumer and competitor response to marketing actions, it is equally important to study how these actions influence investor behavior. In particular, do investors place a premium value on firms that advertise heavily? Do they value new-product activity and/or promotional campaigns? The finance discipline has long established that stock prices follow random walks, i.e. new information that is profit relevant is incorporated immediately and fully in valuation. As a result, stock prices are always evolving, and persistence models may be used to uncover how marketing actions influence that evolution, above and beyond their sales- and profit impact. This principle has been used in two contexts to date. First, Pauwels, Silva-Risso, Srinivasan and Anssens (2004) contrasted investor reactions to auto companies' new-

product introductions vs. rice promotions over a five-year period. They found that new-product introductions have a gradually increasing influence on stock price.

Competitive Marketing Strategy: Porter (1985) examined that low cost, differentiation and focuses these three type competitive strategies. Low cost strategy, a firm set out to become the low cost player in the industry. It can achieve by pursuing of economic scale, preferential accessing to raw materials, proprietary technology and other factor. Firm try to provide unique products or service that call differentiation strategy. By using this strategy firm can able to set premium price for their unique product and service. Cost focus and differentiation focus comes under focus strategy that firm can set their target segment. In recession economy requires to change the marketing strategy and action by marketing manager which can be profitable and responsive from the customer. Shama (1978) described that customer change their buying patterns under economic hardship and stress.

This study purpose is to identify how competitive marketing strategies can help firms to succeed in the market and also to analyze the scope and importance of marketing strategies for successful firms. The Strategic marketing is to identifying competitor is based on the differences in firms strategic for competing in an industry. Like the business definition approach, the concept is intuitively appealing and understandable. However, academics are understandably surprised at reported empirical results that 85% of all promotions are losing money to the promoters, and that only half of the advertising expenditures generate economic benefits to the advertisers (Abraham and Lodish 1990). Economic downturn is the most important fact for the present world. Realizing this, it is necessary to extract the fact in this present situation. This paper seeks to investigate the current debate regarding the threats and vulnerabilities of the recession economic condition and to study some possible remedial action to defend the threats of economic situation. This research revealed a lot of risk and way to save the company in this recession economy. In economic crisis firm need to change their marketing policy to makes the profit. Marketing mix strategy, product strategy, pricing strategy, promotion strategy and distribution strategy can make successful in economic crisis. In marketing mix strategy firms withdraw their product and service from the weak market. Avoid introducing new product in product strategy. Pricing strategy firm improve the product or service quality and promotion strategy they maintain their advertising budget and open new wholesale centers under distribution strategy. By changing their marketing strategy firm can be successful in the recession economy. This research also showed how company can survive by using

competitive marketing strategy and also by controlling the shrinkage in the recession economy. For example, a hypothetical industry may be composed of three strategic groups:

A set of large firms pursuing a strategy of low-cost production of a full line of standardized products through mass-market outlets

Another set of firms whose strategy emphasized high-quality, differentiated and products sold through speciality shops

A group of smaller firms which have gained strategic advantage by specializing in serving either specific customer group or producing a very narrow range of products.

CHAPTER -5

RESEARCH METHODOLOGY

OBJECTIVES OF THE STUDY

- To know about the marketing strategy adopted by Paytm
- To study the growth and strategy for growth of Paytm.
- To study the role of Paytm in Digital Payment revolution in India.
- To know the strength, weakness, opportunities, threats of Paytm in present scenario.
- To study the satisfaction level of PayTm users based on different parameters.

SCOPE OF THE STUDY

Completion of the project could help marketing team to know about the marketing strategies change of paytm as per the market condition and demand. Also it will help to understand the current market scenario and essence of marketing in stiff competition and this present scenario of customer satisfaction. Being a student of management we will draw the relevant conclusions from the market survey and give the appropriate suggestion to the organization.

METHODOLOGY

Survey Method of research was adopted. The required data was collected from the primary and secondary sources. A structured questionnaire was used to collect the data from consumers. The secondary sources of data like, internet, company's published data, magazines, journals were referred.

A research design is the arrangement of condition for collection and analysis of data in a manner which may result in an economy in procedure. It stands for advance planning for collection of the relevant data and the techniques to be used in analysis, keeping in view the objective of the research availability of time.

There are three types of research designs. They are,

- Exploratory research design.

- Conclusive research design.
 1. Descriptive research design.
 2. Causal research design.
- Performance monitoring research.

The Research design used in this study was descriptive research design. It includes surveys and fact-finding enquiries of different kinds. The main characteristic of this method is that the researcher has no control over the variables; he can report only what has happened or what is happening.

DATA COLLECTION METHOD:

The data collection method for the study the researcher should keep in the mind the two sources of data.

- Primary data
- Secondary data.

Primary data collection:

Source of primary data:

1. Experimentation
2. Observation
3. Questionnaire schedule

Primary data has been collected through structured questioner. The questionnaire consisted of a variety of questions that lay consistent with the objective of the research.

➤ Questionnaire

The questionnaire was prepared keeping in view the objectives of study. Different questions were so arranged to know satisfaction level of customers towards services provided by company. The questionnaire not only focused gathering information on the above-mentioned areas but also about the service suggestions to be envisaged under support, update and engage.

STUDY CONDUCTED

The primary data was gathered through personal interaction. The information was gathered from the structured questionnaire.

Secondary data:

Secondary data has been collected from the Company Website, Internet etc.

Simplex percentage analysis:

Percentage analysis is the method to represent raw streams of data as a percentage (a part in 100-percent) for better understanding of collected data.

Graphs:

Graphical representations are used to show the results in simple form. The graphs are prepared on the basis of data that is received from the percentage analysis

Simple random sampling

Simple random sampling was used in selecting respondents from the sample frame. The researcher used this technique to ensure that each members of the target population has an equal and independent chance of being included in the sample of this study.

Data presentation

Data was presented using tables, frequency table and percentages these presentations helped in the interpretation to come up with interpretation basing on the table.

Sample size

151

Hypothesis of study:

H1: There is significant impact of various marketing strategy on decision of consumer.

H2: There is no significant impact of various marketing strategy on decision of consumer.

H3: There is no significant relationship between marketing strategy and demographic variables.

LIMITATION OF THE STUDY:

1. The study is confined to only limit area so that the results cannot be generalized.
2. Respondents may give biased answer to the Questions.
3. The study was conducted in few span of time.
4. This study is restricted to customers only.
5. Quality of information is based on the degree of brand awareness among customer

CHAPTER-6

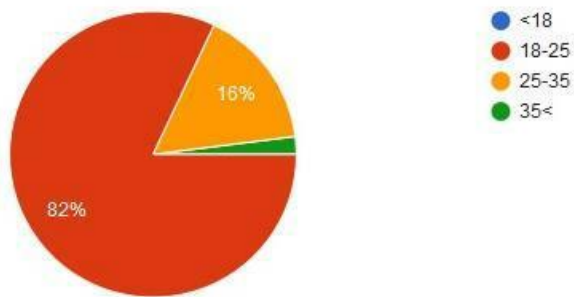
DATA ANALYSIS AND INTERPRETATION

The research was conducted to analyze the usage of PayTm by users and to study the satisfaction level of PayTm users based on different parameters.

The analysis of the collected data is done based upon the parameters as shown below
[Sample size = 151]

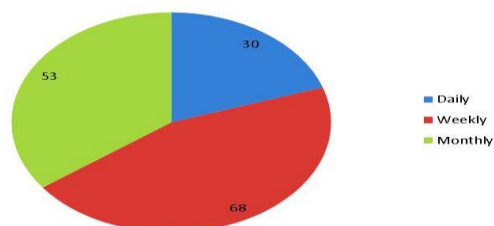
❖ Age

Majority of the sample population i.e. 124 respondents were from the age group of 18 – 25 and contributed 82% of the total sample size. 16% of the population was between the age group of 25-35 and 2% of population i.e. 3 respondents were above the age group of 35.



❖ Frequency of PayTm usage

Out of total 151 respondents, 30 respondents (20%) use PayTm daily for various reasons such as recharge, bill payment and shopping while 68 (45%) use weekly and 53 (35%) use monthly or rarely.

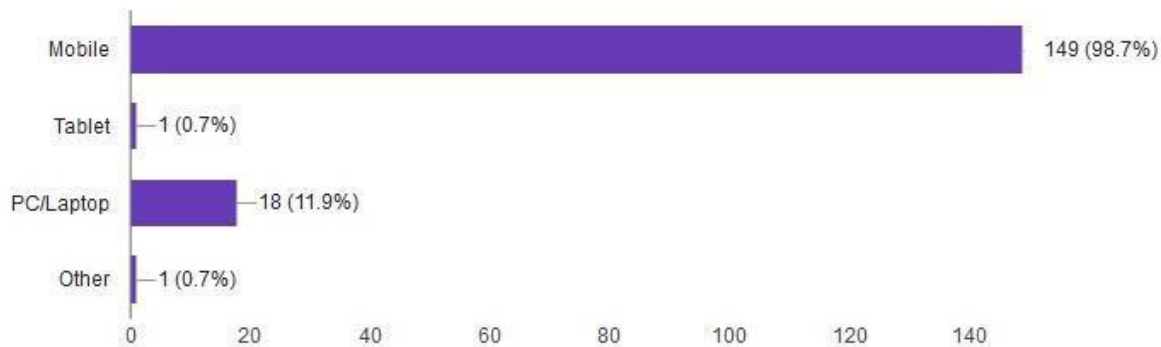


❖ Purpose of using PayTm

Majority of the respondents (nearly 80%) use PayTm for recharge since it is very convenient to recharge your phone anytime anywhere without being dependent on the recharge shops. Nearly 50 % of the respondents pay their bills through PayTm as it prevents time and also it prevents the respondents from standing in long queues. Mainly people use PayTm for Recharge, Ticket booking, Bill payment and Shopping.

❖ Devices on which PayTm is used

Since the world is shifting towards mobile applications because everything can be done just using a click and also people want services to be available in all the conditions and at all times so almost all of the respondents use PayTm mobile app.

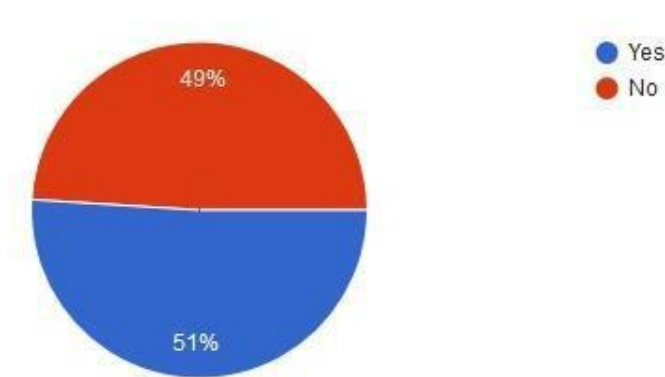


❖ Average monthly Spending on PayTm

Since people are using PayTm for various purpose such as Recharge, Ticket booking and Payment of bills so majority of respondents (around 87.5%) spend an amount above 100 on PayTm monthly. 35.8 % people spend an amount between 500 to 1000 monthly and 12.6 % people spend an amount greater than 1000.

❖ Failure in PayTm transaction

Around 51% people claimed that they faced some problem during their PayTm transaction. This failure could be due to various reasons such as Payment gateway failure, Problem with acceptance of Debit/Credit card, Failure of PayTm App, etc.



Major problems faced during PayTm transactions

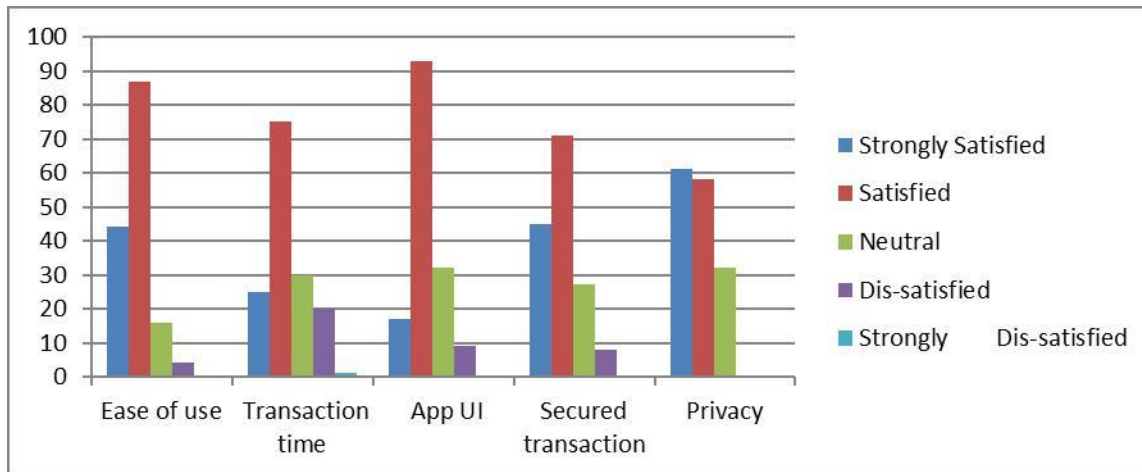
Out of 77 respondents who face problem during PayTm transaction, nearly 69% i.e. majority of respondents faced problem due to the Payment gateway failure. And around 30% respondents faced problem due to delay in confirmation of order.

Some other problems which were seen are-

- PayTm was not accepting Debit cards from some of the banks (State Bank of India) for some days.

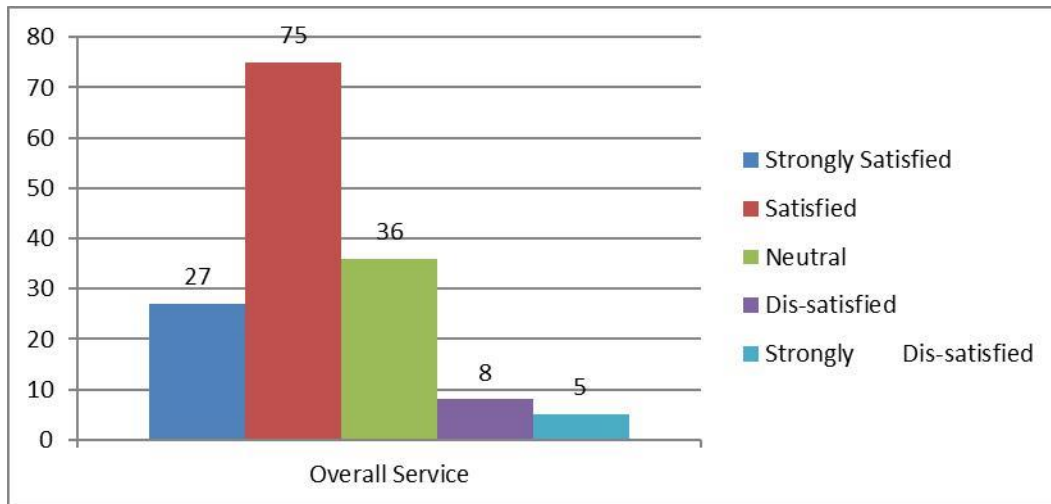
❖ **Average ratings based on different parameters**

Looking at the average ratings given by respondents it can be claimed that people are strongly satisfied with the privacy which PayTm gives to its users because the customer data is not shared with other firms. People are satisfied the most by the App user interface because of the user friendly PayTm App. Around 13% respondents are dissatisfied by the transaction time taken by PayTm and believe that a lot of time is wasted during the transactions which could be reduced.



❖ Overall rating

Around 50% of respondents are satisfied with the overall service of PayTm but claim that there is some room for improvement in the customer service and innovation. 18% respondents are strongly satisfied with current services by PayTm. Still some people are dissatisfied with the PayTm service due to failure at various points during, before or after the transaction. Some of these problems are Payment gateway failure, Customer care service failure, lack of discounts and offers, lengthy transaction time, etc.



CHAPTER-7

SWOT ANALYSIS

SWOT analysis of Paytm analyses the brand/company with its strengths, weaknesses, opportunities & threats. In Paytm SWOT Analysis, the strengths and weaknesses are the internal factors whereas opportunities and threats are the external factors.

SWOT Analysis is a proven management framework which enables a brand like Paytm to benchmark its business & performance as compared to the competitors and industry. As of 2020, Paytm is one of the leading brands in the IT & Technology sector.



The table below lists the SWOT (Strengths, Weaknesses, Opportunities, Threats), top Paytm competitors and includes Paytm target market, segmentation, positioning & Unique Selling Proposition (USP).

Paytm,SWOT,Analysis

Paytm Strengths

Below are the Strengths in the SWOT Analysis of Paytm:

1. Paytm has got extremely high brand awareness across India
2. Paytm was able to scale up its business quickly after demonetization
3. Offers multiple cashback options to customers
4. Paytm is largely accepted by merchants across India, which has helped the brand grow
5. Strong marketing campaigns have helped spread brand awareness
6. Word of mouth of cashless transactions and ease of use has been accepted well by the people
7. Strong investments from Ratan Tata, Alibaba group etc have strengthened Paytm's position

Paytm Weaknesses

Here are the weaknesses in the Paytm SWOT Analysis:

1. Audience in India is less the savvy as majority consider cash as primary currency
2. Paytm has diversified too much

Paytm Opportunities

Following are the Opportunities in Paytm SWOT Analysis:

1. Paytm can cater to a larger audience with some offline presence as well
2. Paytm can educate customers on accepting cashless transactions and online payments which would in turn boost their customer base
3. Offer more banking services along with online payment options.
4. Capture more UPI market share.

Paytm Threats

The threats in the SWOT Analysis of Paytm are as mentioned:

1. Banks offering ewallets on their saving accounts
2. Security and privacy of user is a concern for Paytm

Paytm,Competition

Competitors

Below are the top 4 Paytm competitors:

1. Google Pay
2. Mobikwik
3. PhonePay
4. JioMoney

CHAPTER-8

FINDINGS, SUGGESTIONS AND CONCLUSION

Findings:

- Paytm is still the leading market share in total mobile payment usage.
- With the increase usage of UPI, there is a decline in the the market share of paytm.
- Paytm is the main factor behind the digital payment revolution in India.
- The marketing strategies of paytm has been highly successful in gaining consumer.
- Being the first digital payment platform in India has been the major success factor for paytm.
- The overall customer satisfaction is very high.
- Has high market penetration in India.

Suggestions:

1. User Experience - Information Architecture needs improvement

Paytm tries to help us with many options and features, you name any payment or reservations, PAYTM has it. Because of too many distinct options, **information overloaded** on the landing page, and it is challenging to find when we look for something. There is a significant opportunity to improve the Information *Architecture*; It should be easy to use for a returning customer and a new customer.

2. Inhance and promote UPI payment

One tap UPI gateway on app. As more people are moving toward UPI transaction nowadays and with Google Pay and other competitor in the market.

3. Customer Response

Increase their customer reponse time and transaction efficiency.

4. Order Info – Use PULL system instead of PUSH method

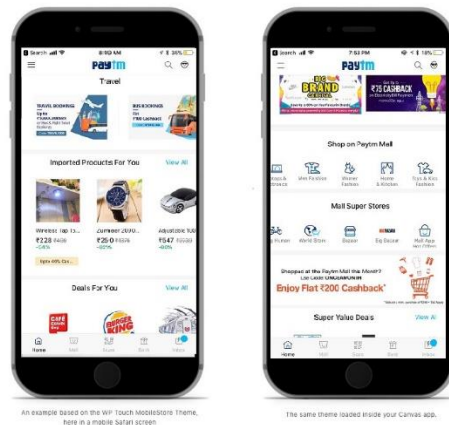
After successful completion of any transactions – ticket booking or shopping, where to find the order info once I booked bus tickets no clue where to find tickets, and I had to search online to check where to find order info, but I realized within seconds

When there is no customer care phone number which is handy for a user to ring, then there should be other options to retrieve the information what the user needs.

If you are unable to push to customer mobile and preload, then give an option to search and download what customer needs - **PULL system**

5. Paytm Mall - Better Search Indexing is required

Paytm mall is not looking for profitability as customer service is the motive. There is plenty of product lines added and tried to display right on the landing page itself. Are you serving the customer need? or trying to push as many as products to the customer. If it was just "Shopping Mall" then it was okay to add all products information right in front of the app. When the user filters, it does not happen the way we expect. Price is being just par with Amazon or Flipkart or more.



It does not need to list out all the products in the front user interface itself, it can have placeholders for each feature.

Conclusion:

“E-commerce has been a major game-changer in the Indian economy and its evolution seems infinite as newer technologies sprout. Due to this, various basic elements of business have evolved over the years and Paytm seems to be the one, which has an authentic blend of the conventional business values with modern techniques. Paytm has been leading the torch of innovation by introducing new methods and functions for payment and shopping in this advancing Indian economy. The motive of the company was to serve as an alternative during cash crunch in the economy.” The analysis conducted in this report indicates that the company treats its employee’s like family because of which people at Paytm work selflessly because they feel it’s their organization. “Besides the company’s strategic moves and innovative HR policies, Paytm is also a wonderful marketer their marketing strategies are innovative, creative and have captured the highest market share in the E-wallet segment.” Paytm has played an instrumental role, while the economy was facing issues with hard crunch and has successfully created its stand in the market. “Today the makers of India’s biggest e-commerce player continue to innovate and provide an enriching experience to its users. Paytm brought with itself a revolution a “start-up revolution” and now it continues its journey towards going global.

PayTm supports their customers to transfer their payments with the usage of their mobile phones in the easiest way. PayTm is a good app to download due to its wide network of partners which makes it convenient whether you're taking a cab ride with Uber, ordering a meal via Swiggy or Zomato, paying bills, recharging phone or dth, or just to buy product on paytm mall.

PayTm has to work upon the Payment gateway to improve the transaction efficiency as 70% people faced problem with payment gateway. Only 5% people claim to have got assistance every time they had a failure so the service could be improved to cater the needs of maximum customers. PayTm is currently performing well in terms of privacy but it has to work upon discounts/offers, transaction time and bring about innovation to increase customer satisfaction and focus more on their UPI transaction.

Paytm is the best case of an organization which used online business advertises better.

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