

Online to Offline (O2O): The Future

“Amazon & Future Retail” MAHAGATHBANDHAN

Irrespective that the alliances in the political realm are failing left, right and center; the MAHAGATHBADHAN that I was looking forward for since 2015 has arrived to RULE THE ROOST!

Since the emergence of online / e commerce in India, disruption was eminent. We all have seen how this phenomenon literally decimated the Brick and Mortar Retail. Heavy discounting and delivery at doorstep brought a paradigm shift in the way we buy.

Offline retail chains' knee jerk reaction to this rude shock did help them recover slightly. Now in 2018, both models seem to have settled terms with each-other.

While online ecommerce still continues project “Ease of Buy” and “Delivery at Doorstep”, offline showrooms bring the power of “Real Experience”.

4 Reasons Why This Will Fly?

- Access to approx. 800 retail stores takes Amazon to the “Real Customer Touch Points”.
- Online arm generates visibility, orders & collections; offline arm deliver experience, instant delivery (where experience is not sought), process more orders per day, process and deliver in lesser time and of course “Cash on Delivery”.
- O2O aligns the 2 models instead of pitting them against each-other – Constructive use of energy.
- Eventually we may just see the end of “Heavy Discounting” and promote positive economics.

An eternal optimist, I see this as an excellent alliance. I hope that both the groups are able to align “Win-Win” agenda and harness the power of technology and integration to deliver best Buying Experience to the Consumer.

This MAHAGATHBANDHAN should surely last! Happy Ashtami 2018!!!

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Amazon is set to secure 'Future' rights from Biyani
In Talks To Acquire Just Under 10% Stake In Future Retail

LOADING UP THE E-CART

Amazon's investment has strategic underpinnings and could evolve alongside regulatory and business developments. The Seattle-headquartered online retailing behemoth is placing huge bets on an omni-channel play in its pursuit of leadership in Asia's third-largest economy. It is expected to face stiff resistance from Walmart, which acquired local e-commerce leader Flipkart, and Chinese internet giant Alibaba which has investments in Paytm Mall and e-grocer BigBasket.

And that explains Amazon's eagerness to gain exclusivity with India's largest retailer, Future Retail. Incidentally, domestic organised retailing pioneer Biyani has had talks with Amazon-Paytm even as talks with Amazon gathered momentum. TOI reported earlier that Alibaba had approached the country's top conglomerates with interest in retailing to pursue its own omni-channel strategy.

Amazon's India bets*

- > Future Retail
- > More
- > Tapzo
- > BankBazaar

Capital Float

- > Acko Gen Ins
- > ToneTag
- > Shoppers Stop
- > Housejoy

Westland

- > Emvantage
- > Qwikcilver

Out of a \$5bn commitment, Amazon has already pumped over \$4bn into India

- > The deal will help Amazon to expand its user base, something that's a focus for all leading e-tailers
- > It also sets up the stage for a fight against Walmart, which too plans offline investments for Flipkart

Amazon's omni-channel presence after More & Shoppers Stop

Jeff Bezos

Future Retail, which operates Big Bazaar and Easy Day supermarkets, a Rs 25,000-crore market value, though its 52-week record level is significantly higher.

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