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As promised I am now posting details on #RIL #JIO stack. I shall discuss some advantage that #JIO stack has over peers. Pl do not take this as reco to buy stock. This is purely for information purpose

Unfortunately, majority of market participants only see the deal value #RIL has managed to clock & there is entire segment of investors who hate #RIL stock.
Those who understand the technical/business depth of #RIL #JIO #RelianceRetail know the scale and future ahead

Talking first about #JIO stack from telecom PoV, it has tons of advantages over likes of Airtel/Idea-Vodafone that #JIO is pure 4G VoLTE network.

Airtel/Idea-Vodafone are forced to maintain 2G/3G network as more than 50% of their customer base is on old network that is cost intensive & burns into profits

Because #JIO is pure 4G VoLTE, they do not have to maintain separate networks, no need to maintain switching function for calls, reducing costs, giving pricing power

Telecom companies are bundling host of services for a reason - to make up for the lost money on maintaining old network/infra.

These bundle of services are typically music streaming, payments/wallets, OTT content etc. What is lost on one side is attempted to be made back via such services

So the application ecosystem is even more important & is a key to understand #JIO stack well. #JIO is an ecosystem, not just telecom play

JioTV, JioCenima, Saavn, Jio Fiber, Jio Holoboard, and soon to be launched gaming set top box are part of this ecosystem along with JioMoney, JioMart, JioCloud, JioCalls, JioSecurity are other apps in the same ecosystem

So while Airtel/Idea-Vodafone trying hard to push content & apps, #RIL has real businesses behind the apps to support. So the business levers are extremely strong compared to anyone else in the domain

Let us focus back on #JIO stack. The entire #JIO ecosystem is much deeper than most know.

#JIO Stack is made up of hardware layer where Jio Smartphone exist, then comes the #JIO network layer, again #RIL owns this too, then comes identification layer, Payments, Account Aggregations and finally comes application layer

Application layer is where most of the #SuperApps are competing at. Payments apps or even apps like PhonePe, PayTM etc are only competing at application layer, while #RIL is present at all layers except identification

That is the biggest advantage of #RIL & #JIO ecosystem. Even TATA is trying to build #SuperApp, SBI YONO is another attempt, but they just don't have any presence on other layers of the tech stack

Aggregation Layer is even more important because it controls the data transmission on a cross app ecosystem

#RIL has account aggregator license since early 2020 and is authorized by RBI already. Seeing the advantages?

#JIO stack controls entry point into Digital Ecosystem for nearly 100 million Jio Phone users. And WhatsApp can provide another 400 million customers an entry point into #JIO ecosystem

Who else control such huge use base + owns entire ecosystem + controls 90% of the tech stack + has pricing power? Nobody!

Embedded Insurance + Embedded Finance is next scale of opportunity for #RIL #JIO via same ecosystem.

Airtel already provides 2L worth term cover on a recharge of 179. That is embedded insurance.

WeChat launched WeSure and TenCent go access to 50 million+ more users. Amazon/Flipkart have bundled insurance very innovatively into their checkout process.

Insuring package is soon becoming norm in E-Commerce domain. Logistic companies work with insurance companies & e-commerce players to provide such bundled services

If #RIL bring insurance into their ecosystem it will be a very big as the customer base is already large enough.

Because apps such as PayTM, PhonePe etc. do not have account aggregator license, they cannot push the insurance products at easy across their stack. They can sell only at application level

Insurance on #JIO can be offered on multiple levels - On recharge/SIM purchases, on wallet transactions, on e-commerce purchasing, and it can be pushed easily via WhatsApp.

WhatsApp can be used single source to push products at easy to large number of customers across different business segments

This is where Facebook comes in as a platform advisor & can help complete the circle of this entire value chain.

With #RIL PoS adoption, micro-finance can reach wider reach! Small ticket insurance can be offered via PoS systems in brick & mortar stores

#RIL acquisition of NetMeds pushes this whole game on a very different level. Opens up entire healthcare domain via NetMed

#RIL also owns NowFloats that boasts of connecting 54mn businesses with over 526mn users in India. Understand the reach?

The potential of #RIL #JIO platform is humongous. If there is someone who really has a chance to be India's TenCent, it is #RIL

However, with such larger than life expectation come many execution risks. Failure of JioChat is one example. WhatsApp pay hasn't pickup steam either.

Is #RIL trying to do too much too soon? The question is at only execution level and not on capability level

I strongly believe FB, Google are in for a reason. They will help build the ecosystem & help it reach wider audience eventually. Until then it is wait & watch game

Many have doubted #RIL's capabilities where doubt should not be on capability, but speed of offerings & reach

Another risk seem to be of succession plan of #RIL as Mukesh Ambani is not in his 40s anymore!

#JIO will mostly list in 2021 on NASDAQ and #RelianceRetail will go for similar listing in India eventually

No matter whoever else tries to build a SuperApp, it is not so easy to become one. It needs whole ecosystem of applications that are backed by real businesses. In my view, if someone has any realistic chance to be one then it is only #RIL