



7 DIGITAL PAYMENT TRENDS OF INDIAN CONSUMERS

The preamble of the evolution

The recent few years have been an exciting phase for Indian digital payments. Can you rewind to that phase when you had to carry enough cash to ensure that you didn't fall short? From buying vegetables to movie tickets, the most common payment method was cash. Not to forget the long queues that made you wait for your turn while the person in front of you counted his change. That phase will also remind you how hesitant you were to initiate any online transaction, concerned about exposing your sensitive bank data. Everyone preferred cash payments even though they were painstaking and cumbersome.

Fast forward to today. Buy tea from a local teashop and pay via GooglePay, shop using PayZapp, or at any online merchant site. Want to book a flight to Paris? Open the travel app and be done with the transaction in just few clicks and taps. Easy as breeze, isn't it? Keeping consumer experience and security as the focus and at the heart of every digital transaction, products and solutions are being innovated and built to address their pain points. This leads to enablement of seamless, simple and secure digital transactions. Digital is definitely the future, and, with this report one can understand current trends and future possibilities.

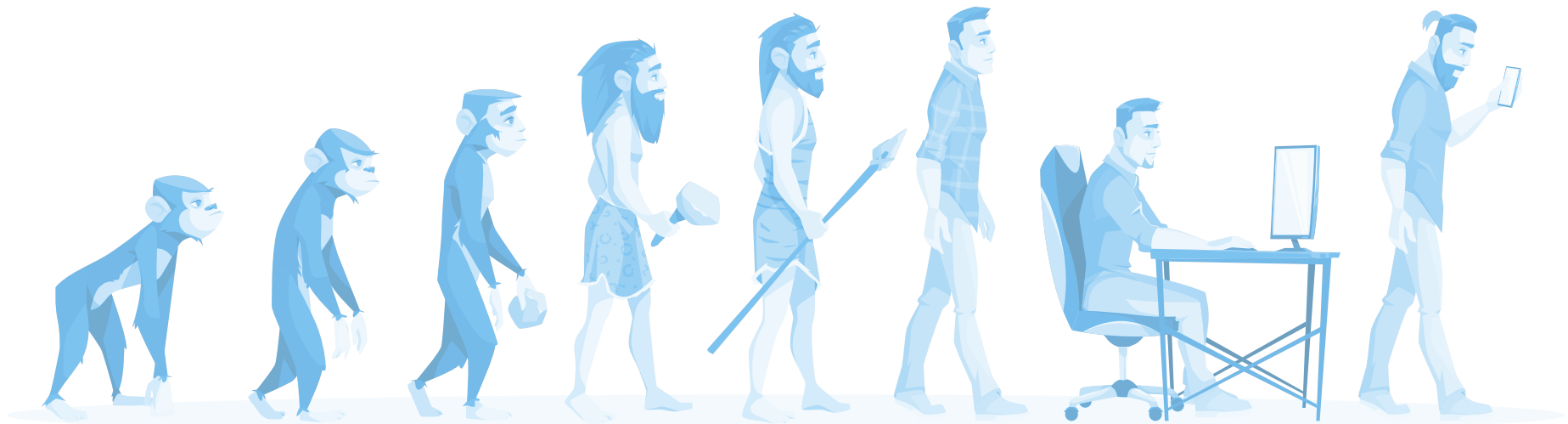
Setting the premise

As a leading provider of payment security and mobile payments in India, Wibmo has gained significant insight into digital payments some of which are shared in this report. Wibmo processes over 2 billion transactions annually and is considered the frontrunner in eCommerce and mCommerce transaction security in the country. This report was created based on studying digital payment trends over years, across thousands of merchants and hundreds of banks.



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UNDERSTANDING THE EVOLUTION **ONE TREND AT A TIME**



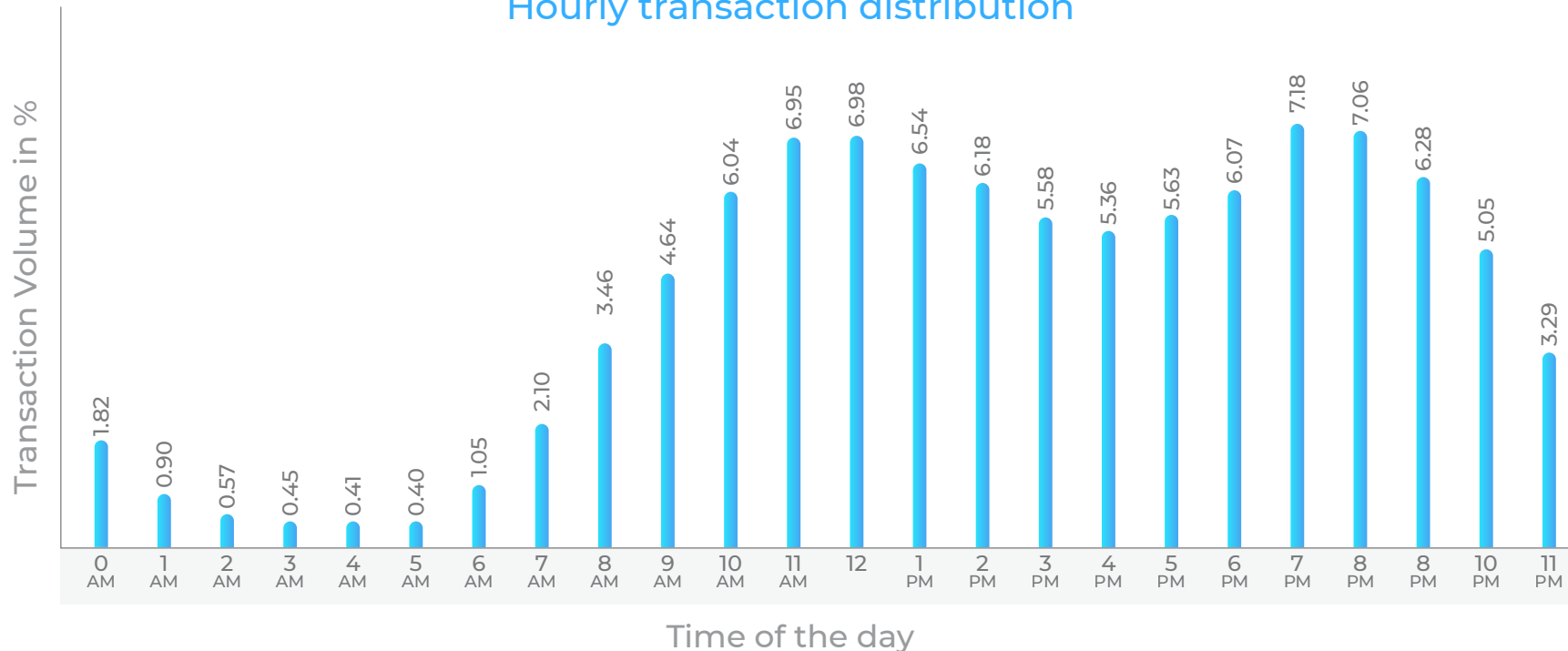
Happy hour is also shopping hour

With multiple apps and shopping choices, buying is almost done in a blink. The data shows that maximum number of transactions are done during **7:00PM to 8:00PM**. This contributes to **7.2%** of the total digital payments.

INSIGHT

Apart from the 7:00PM to 8:00PM, consumers also transact the most between **11:00AM to 12:00PM**.

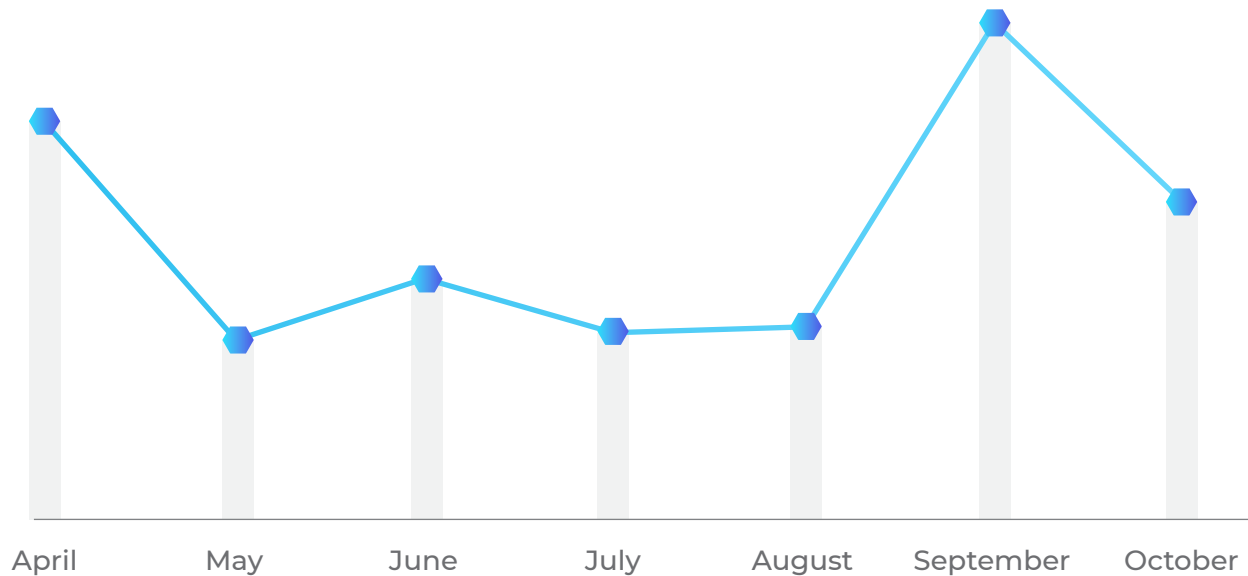
Hourly transaction distribution



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Flash sales drive shopping

Yes, you heard it right. Spends are no longer festival driven. As anticipated, sales didn't rise to the peak around Diwali, even though this festival is associated with a lot of purchasing and gifting. Digital transactions hit an all-time high in the month of September. This month witnessed big online annual sale festivals by Amazon and Flipkart in India. As compared to August, there was an **increase of 8%** in the number of transactions.



INSIGHT

There was a boost of **8%** in the number of transactions as compared to August. This implies that shopping is not limited to festive season anymore.

Total transaction month over month

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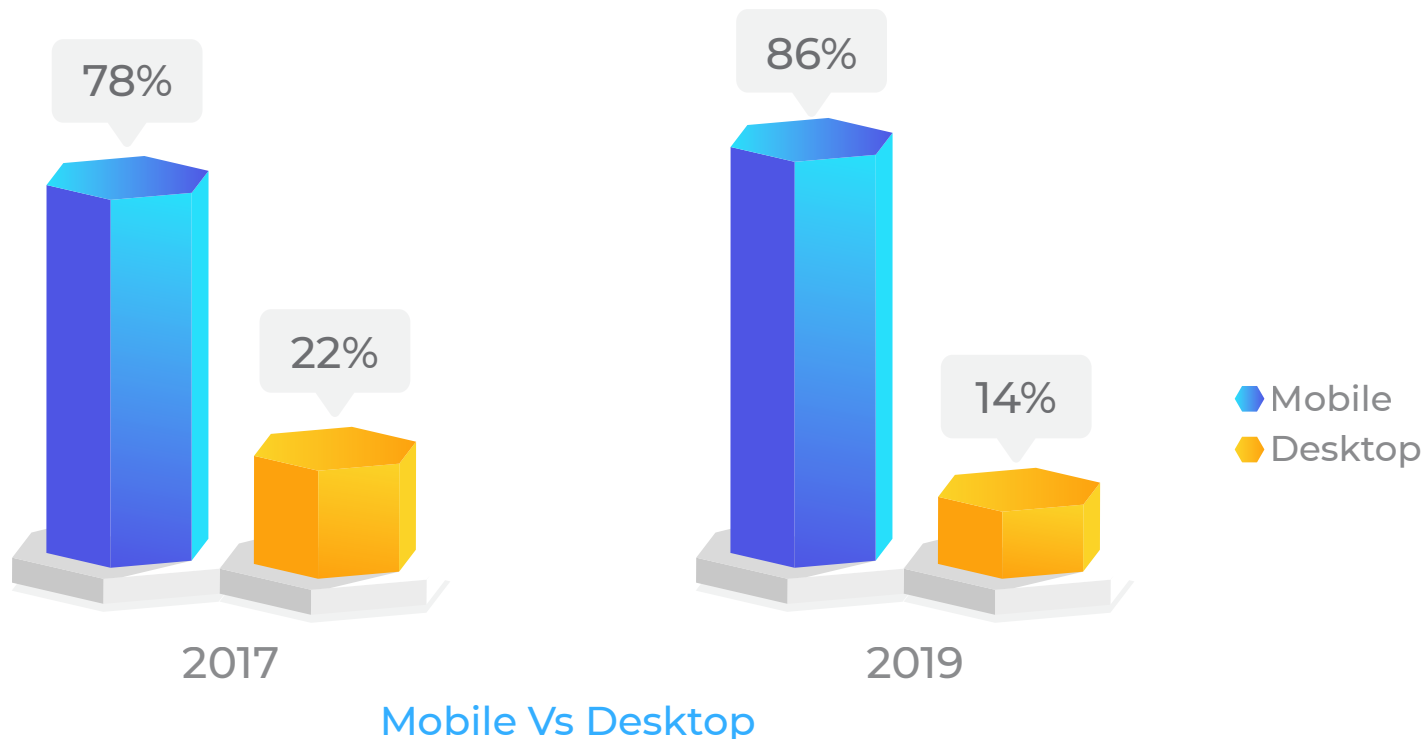
Mobile leads all the way

Mobile transactions account for **86%** while traditional desktops and laptops account for only 14% making mCommerce take a bigger share of the digital payments pie. Technology improvements and convenience to be able to shop anytime, anywhere have fueled this trend.



INSIGHT

As compared to the data in 2017, there has been **8% increase** in usage of mobiles to carry out online transactions.

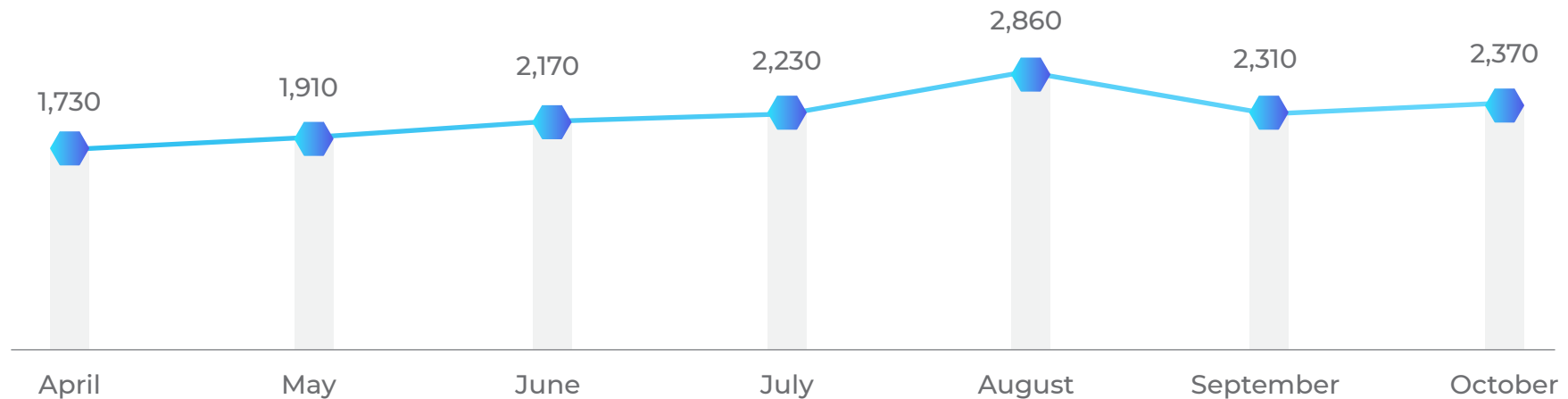


4 Understanding the average ticket size

While transaction frequency is driven by flash sales, ticket size isn't. On an average the highest ticket size for one month was around **Rs. 2,860 in August** and lowest was around Rs. 1,730 in the month of April.

INSIGHT

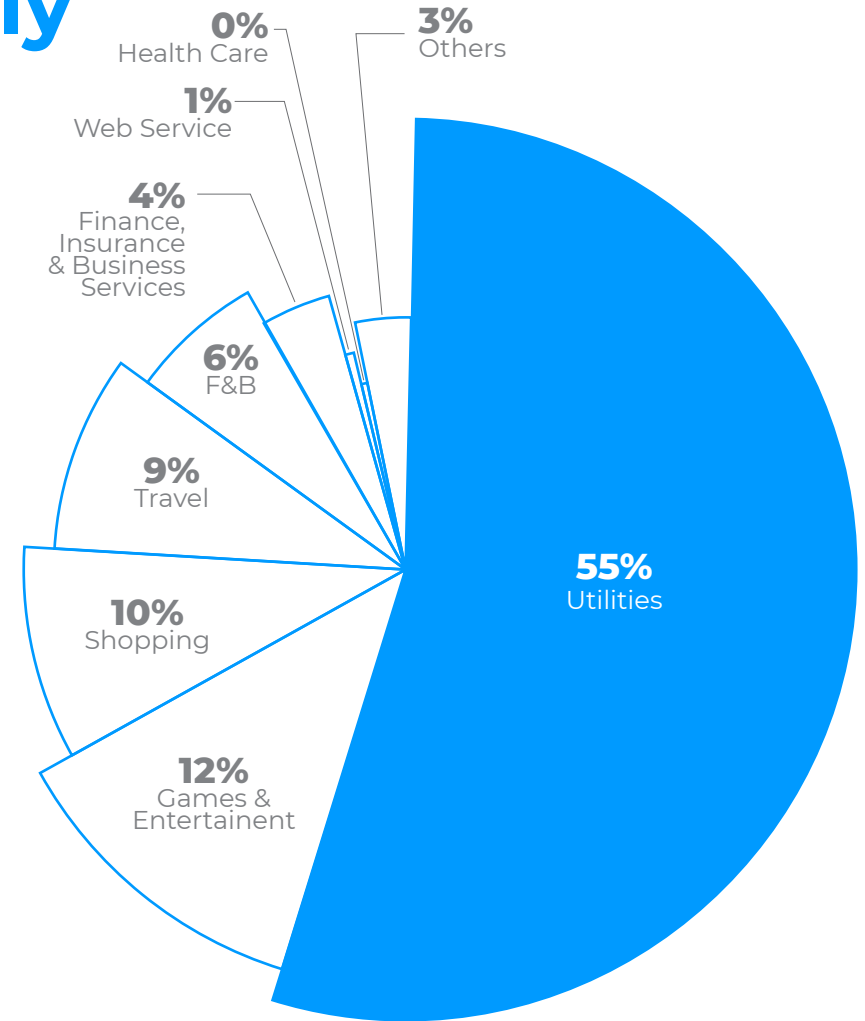
Though the average ticket size fluctuates month over month, in entirety there is an **uptick of 37.3%** from April-October.



5

Bill payments is surely on everyone's mind

Once upon a time, consumers stood in long queues waiting for their turn to pay electricity bills, phone bills or even getting their mobiles recharged at counters. In today's payment scenario this is initiated through apps based on best offers and cashbacks. Having done a deep dive into various spend categories, we have categorized spend in various industries as per consumers spend patterns. While bill payments topping the list is no surprise, Indian consumers love their entertainment.



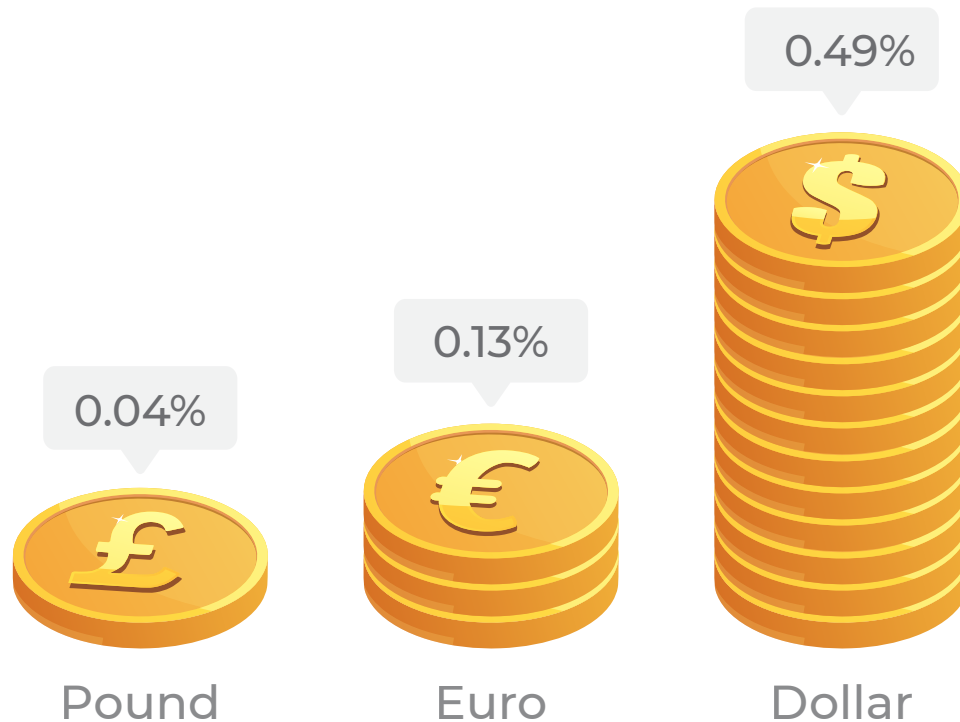
INSIGHT

Topping the list is the **bill payments** and **utilities** followed by games and entertainment.

6

What about other currencies

Indian consumers are also doing a lot of international payments. In over **90 currencies** that were studied, apart from INR, the top three currencies in which Indians are transacting include **Pound Sterling, Euro, and USD.**



INSIGHT

International transactions are on a steady rise. From **0.46%** in 2017 the figure stands at **to 1.57%** in 2019.

Trends based on currencies of choice

7

Understanding credit versus debit dilemma

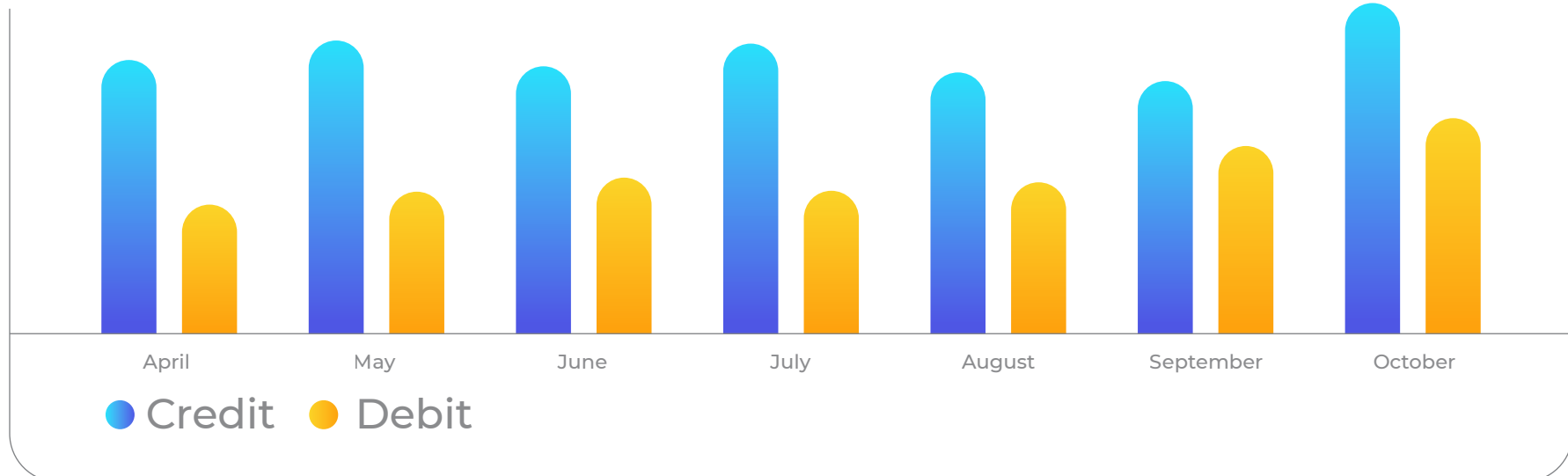
Evident from the trend below, credit card spend continues to be on the high as compared to that of debit cards. Average spends on credit card is almost **95%** more than the average spends on debit card. Credit cards run umpteen offers on usage and come with the convenience of EMIs. That inspires this behavior and consumers flock toward add-on benefits offered by credit cards.



INSIGHT

Credit spends attract high value transactions and are about **2X** the debit spends.

Average ticket size



Final thoughts

In summary, when studying digital payment trends in India, ease of payments on the mobile handset has fueled online payments. One clear consistent trend that stands out is that Indian consumers are inclined to shop more when there are good offers. They look for **value for money** and choices with **easy payment options**. It also means that consumers are acutely aware and wait for offers that work for them.



About Wibmo

Wibmo Inc a Cupertino, California company is a leading provider of payment security and mobile payments services in emerging markets with a strong market presence in India, one of the world's leading digital payment markets.

The Wibmo Advantage

- 20+ years of experience
- EMVCo Certified
- Partner for 100+ banks
- Cutting-edge payment solutions
- State-of-art infrastructure
- Over 2 billion transaction processed annually



To get in touch with our team, mail us at sales@wibmo.com or visit <https://www.wibmo.com>