

Google brings back Wallet and boosts security with virtual card solution

Article

The news: Google relaunched its Wallet app across most markets and introduced virtual cards for online shopping, per a press release.

- In Singapore and the US, Google launched the Wallet app on Android and WearOS to complement the Google Pay app. In all other markets (except India) the Google Pay app will become the Wallet app.
- Google Autofill—a Chrome feature that autopopulates users’ stored payment credentials on online payment forms—will give users the option to convert their cards to virtual cards.

In markets where Google Pay is becoming Google Wallet, users will still be able to store their payment cards and other digital documents and make payments anywhere Google Pay is accepted. In the US and Singapore, however, the standalone Google Pay app will focus on financial management and payment features, including peer-to-peer (P2P) payments.

What this means: Google is adapting to serve an increasingly digital world.

Items that would’ve once been stored in a physical wallet—like driver’s licenses and hotel keys—already or will soon have digital versions that can be stored in mobile wallets. Digitization ramped up during the pandemic as brands tried to address consumers’ preference for touchless experiences. Google may have chosen to rebrand the Pay app to Wallet in select markets to position itself as an app that stores an array of digital tools beyond payment cards.

Meanwhile, the uptick in card fraud during the pandemic may have informed Google’s decision to introduce its new virtual card feature, which protects users’ payment card credentials. **US card payments fraud losses hit \$12.56 billion** last year, [per](#) Insider Intelligence forecasts.

The big takeaway: In the US and Singapore, the Google Wallet launch can help the tech giant clarify the services it offers—and opens up new use cases for Google that can bring it closer to becoming a one-stop shop for consumers.

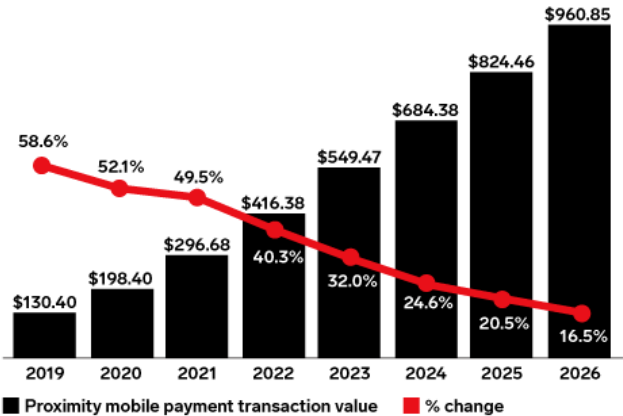
The Wallet app may also help Google minimize fragmentation challenges. Android’s open NFC system means retail brands can launch their own wallets, but Wallet can let Google work with brands to develop digital loyalty and payment cards that can be stored in the app. This would help Google rake in more volume and let brands save on app development costs without losing out on customer loyalty. **US proximity mobile payment transaction volume is expected to hit \$416.38 billion in 2022**, [per](#) Insider Intelligence forecasts.

And Google’s virtual card service lets it offer more security and convenience to fraud-conscious consumers, which can help increase online engagement.

Quotable: “Users want a wow moment, but partners and integrators need a level playing field for them to connect with their consumers in a way that is uniquely theirs. Google actually is that. We level the playing field so you, as a smaller company trying to connect with your consumers, get the power of the entire ecosystem to get their unique experience that you as a company are equipped to offer,” Google payments vice president Arnold Goldberg told Insider Intelligence.

US Proximity Mobile Payment Transaction Value, 2019-2026

billions and % change



Note: point-of-sale (POS) transactions made by using a mobile phone as a payment method
 Source: Insider Intelligence, March 2022

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