

Mobile Payment Usage Is Growing, but Cash and Cards Still Have Their Place

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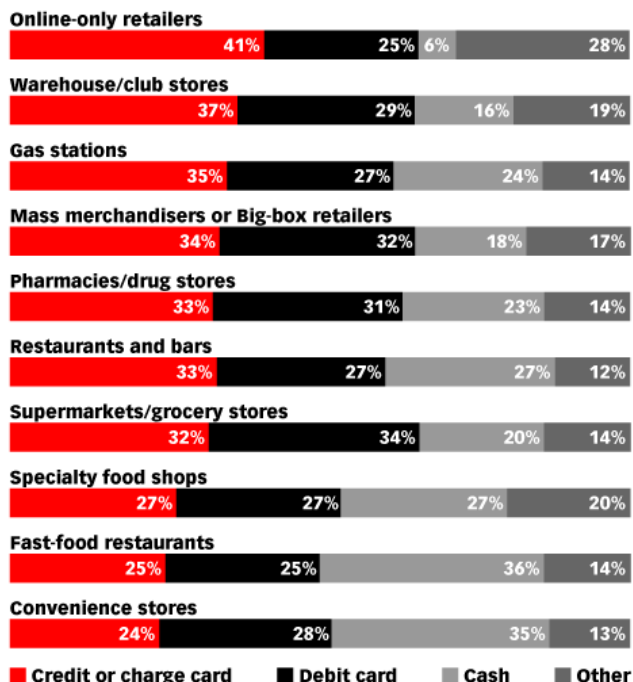
Consumers today have more payment options than ever. Mobile payment platforms like Apple Pay, Google Pay and Samsung Pay are increasingly gaining traction, but the trinity of cash, debit and credit still dominate—especially with smaller, in-store transactions.

In a March 2019 survey conducted by [Mercator Advisory Group](#), consumers didn't favor one payment over the other. Instead, certain payment methods were more prominent with specific retailers and depended on whether the transaction was made online or in person. For example, 41% of US internet users said they used credit cards most often when buying from online-only retailers, but fewer (24%) used that payment option at convenience stores, where cash still rules.

Meanwhile, roughly one in three respondents preferred to pay with a debit card at big-box retailers, pharmacies and supermarkets.

Method of Payment Most Often Used by US Internet Users, by Retailer Type, March 2019

% of respondents



Note: numbers may not add up to 100% due to rounding
 Source: Mercator Advisory Group, "Payments, ATMs, and Prepaid: Cash Still Has Its Place" as cited in company website, Aug 12, 2019

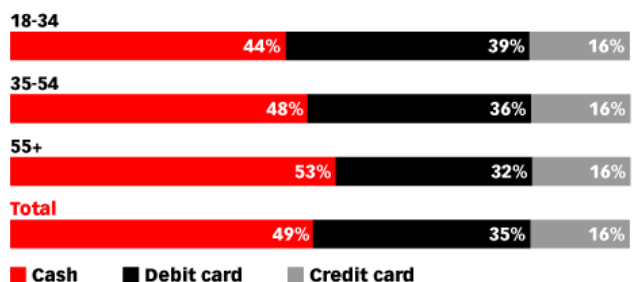
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Cash, however, was still king for more minuscule payments, such as buying at fast-food restaurants, per Mercator. And according to an August 2019 study conducted by [CreditCards.com](https://www.creditcards.com) and [YouGov](https://www.yougov.com), nearly half of US internet users polled said they typically used cash when buying something in-person for less than \$10.

What Method of Payment Do US Internet Users Typically Use When Buying Something In-Person for Under \$10?

% of respondents, by age, July 2019

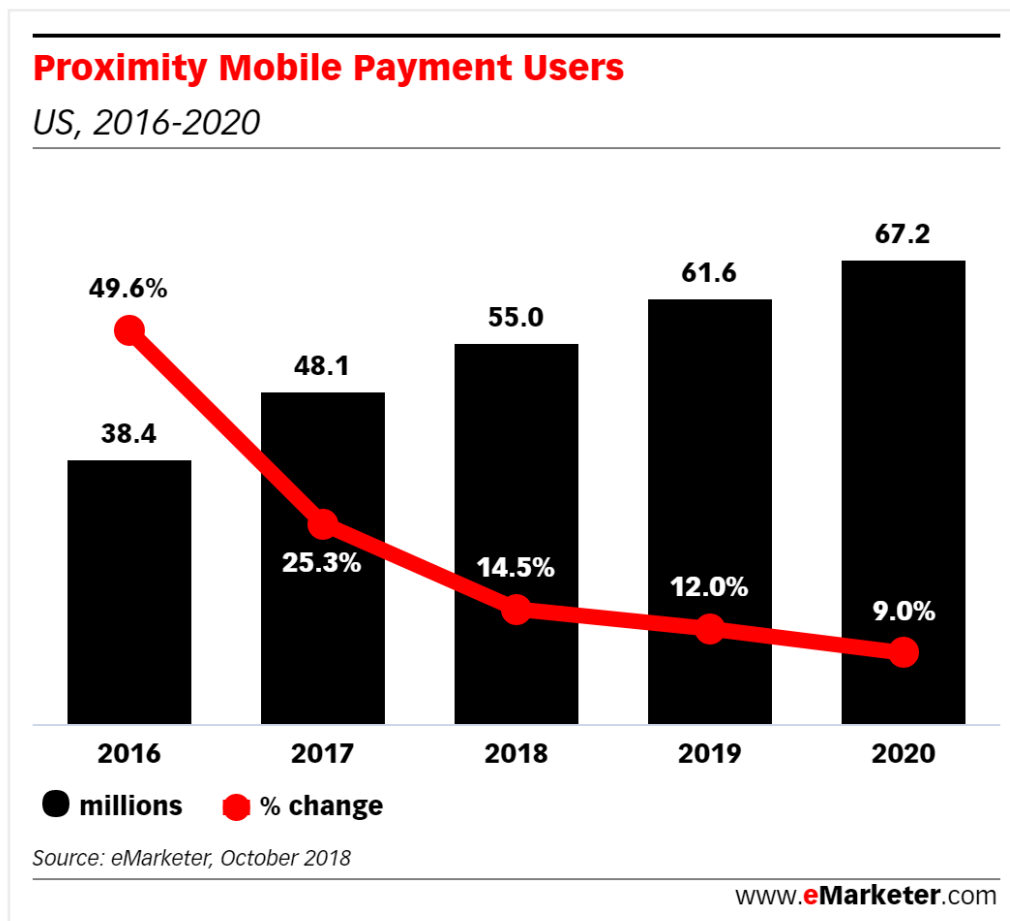


Note: numbers may not add up to 100% due to rounding
 Source: CreditCards.com, "Rewards Cards" conducted by YouGov, Aug 15, 2019

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While neither surveys broke out mobile payments, adoption is steadily growing. We forecast that the number of proximity mobile payment users in the US will exceed 61 million in 2019, up 12.0% over the prior year.

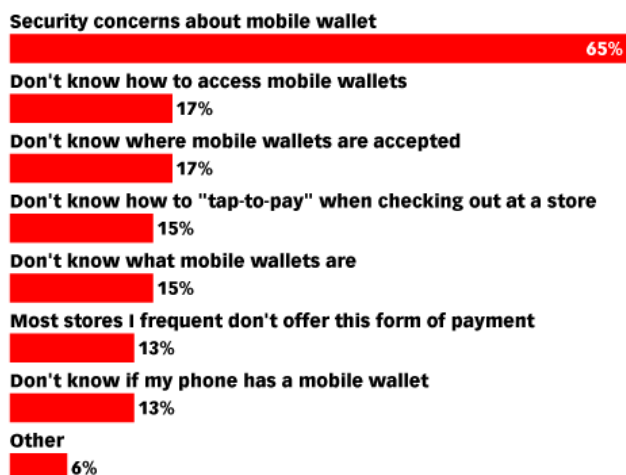


According to May 2019 data from [Vibes](#), a customer loyalty platform for mobile wallets, 28% of smartphone owners said they were already using a mobile wallet, up from 22% in 2018. Additionally, 20% of non-users expressed an interest in mobile wallets.

When asked what may be holding them back from using their device to pay for items, a large proportion of respondents cited security concerns (65%), while others gave less consequential reasons: not knowing how to access mobile wallets (17%), where they're accepted (17%) or simply not knowing about them at all (15%).

What Do US Smartphone Owners See as Barriers to Trying a Mobile Wallet?

% of respondents, May 2019



Source: Vibes, "2019 US Mobile Consumer Report," July 24, 2019

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An April 2019 study from ad agency Hill Holliday cited similar barriers to mobile payment adoption. Many of the US smartphone users polled said they didn't see a reason to use mobile payment options. Nearly a quarter of respondents said they had no idea how to use mobile payments, while nearly as many said they weren't sure which stores accepted mobile payments.

Not surprisingly, more than half respondents said they "hate the idea of life without cash."