

# The Mobile Payments Series: India

## ARTICLE |

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*This week, we're diving into the mobile payments landscape, and seeing what adoption looks like across various countries like China, the US and Germany. First up: India.*

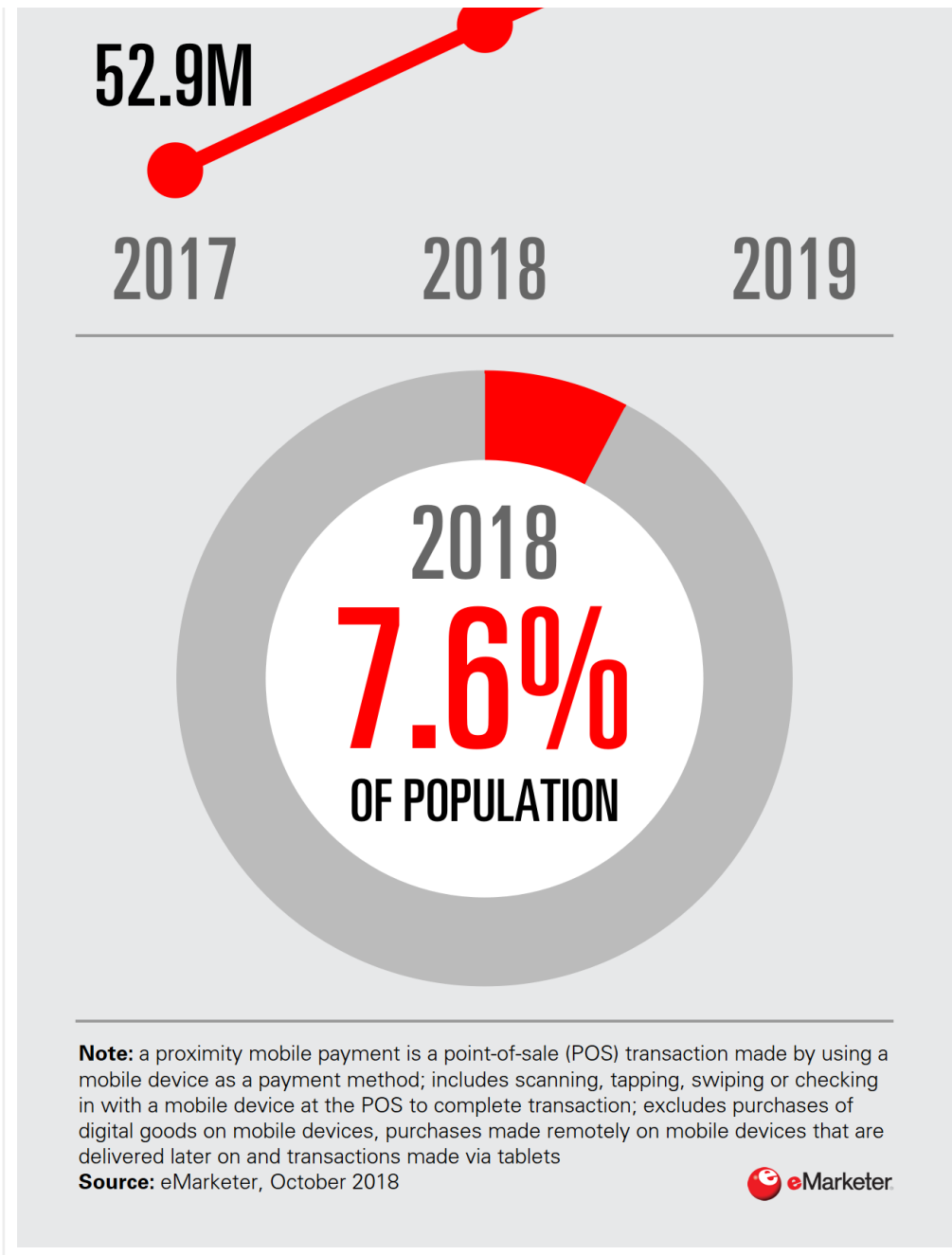
India is home to the world's fastest growing proximity payment market.

This year, 73.9 million people in the region—or 7.6% of the population—will use mobile payments. That's an increase, of 39.7% from 2017, according to eMarketer estimates.

# How Many People in India Use Mobile Payments

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There are a couple factors driving mobile payment adoption in India. Perhaps the biggest was the demonetization of high-denomination cash notes in November 2016, which took a lot of cash out of circulation and gave both consumers and merchants a pressing reason to adopt digital payments.

"Because India is largely skipping over PC adoption in favor of smartphones, the majority of these payments are taking place on mobile devices," said Rahul Chadha, senior analyst at eMarketer.

"India's smartphone penetration is only at 26% of the population for 2018, but the number of smartphone users is expected to balloon to almost 500 million by 2022. As the country becomes more and more connected, one of the main apps smartphone users in India are adding is one with these payment capabilities," added Showmik Podder, junior forecasting analyst at eMarketer.

Demonetization is not the only thing influencing this growth. There's also the influence of firms in China like Alibaba, which owns about a third of homegrown mobile payment service Paytm. The company is applying lessons already learned there, such as the adoption of QR codes to complete transactions, to hasten and ease the adoption of mobile payments for consumers.

"Paytm is the market leader with an estimated user base of 320 million (not all proximity users), and Google got into the market with Tez—now rebranded as Google Pay—in late 2017. The popular app has seen great growth since," Podder said.

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