

Mobile payment providers push for adoption across markets

Article



A global rise in mobile payments holds true in the mature UK, Canadian, and Chinese markets, where near-universal smartphone and banking penetration make mobile payments accessible to large swaths of consumers. However, growth rates vary in each market, which is pushing providers to get creative in attracting new users and increasing engagement. At the

same time, they must contend with shifting consumer habits, changing regulations, and mounting competition.

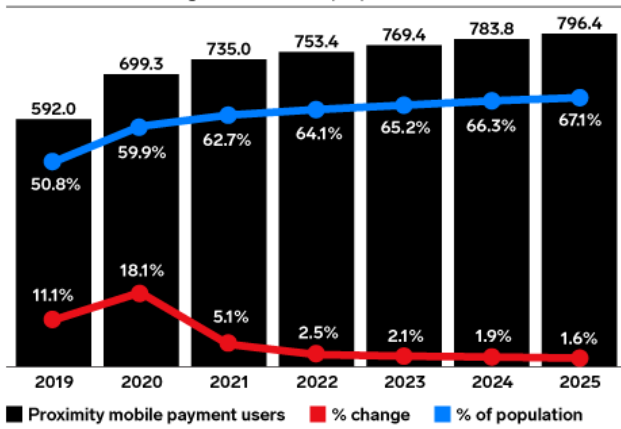
In the UK, we forecast mobile proximity payment adoption will rise from around **one-fifth** this year to nearly **a quarter** in 2025. And adoption of mobile peer-to-peer (P2P) payments (which are typically housed in banking apps) will increase from about **one-third** to just under **40%** in the same period as the sector saturates smartphone banking users. Wallet providers are working to pull UK consumers from contactless physical card payments and cement users who moved away from cash during the pandemic.

In Canada, mobile proximity payment adoption will tick up from **25.1%** this year to **28.1%** through 2025. Mobile P2P adoption—also often bank-based—will grow from just under a **third** of Canadian consumers this year to **36.0%** in 2025. In a market where customers love existing payment methods, including contactless physical cards and dominant Interac e-Transfer, mobile wallet operators are attempting to lure customers with fresh use cases.

And in China, mobile proximity and mobile P2P adoption are on near-identical trajectories, inching up from just over **6 in 10** users this year to around **two-thirds** in 2025. An Alipay-WeChat Pay duopoly has made mobile payments the country’s top payment method, especially in urban areas.

Proximity Mobile Payment Users in China, 2019-2025

millions, % change, and % of population



Note: ages 14+; mobile phone users who have made at least one proximity mobile payment transaction in the past six months; includes point-of-sale transactions made by using mobile phones as a payment method; excludes transactions made via tablet
Source: Insider Intelligence, June 2021

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China Mobile Payments Forecast 2021

