

China and India Lead in Proximity Mobile Payment Usage for 2019

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eMarketer Editors

China and India lead the world in the number of proximity mobile payment users, and that's primarily due to an explosion of newly minted middle-class consumers eschewing credit cards in favor of easier to use mobile options.

More than two-thirds of proximity mobile payment users reside in China and India. In fact, when excluding those countries, the percentage of smartphone users worldwide using payment apps falls from 36.0% to 16.6%*.

Across most markets, the mobile payment landscape is fragmented with a number of competing services, as evidenced in our recent report "Global Proximity Mobile Payment Users." Players like Apple, Google and Samsung have struggled to gain widespread acceptance from consumers and retailers in Western countries.

Proximity Mobile Payment Users and Penetration in Asia-Pacific, by Country, 2017-2022

millions and % of smartphone users

	2017	2018	2019	2020	2021	2022
Proximity mobile payment users						
China*	464.0	525.1	577.4	624.4	655.7	684.2
India	52.9	73.9	93.3	115.2	135.8	155.1
Japan	13.5	15.7	17.4	19.1	20.4	21.6
South Korea	10.1	12.8	14.6	16.1	17.4	18.4
Indonesia	9.5	12.3	15.3	18.2	21.1	23.9
Australia	2.0	2.6	3.0	3.4	3.7	4.0
Other	16.4	20.8	26.0	32.3	38.7	45.6
Asia-Pacific	568.4	663.0	747.1	828.7	892.8	952.8

	2017	2018	2019	2020	2021	2022
Proximity mobile payment user penetration (% of smartphone users)						
China*	75.9%	79.4%	81.4%	82.4%	82.1%	82.5%
South Korea	27.1%	32.8%	36.7%	39.7%	42.5%	44.6%
India	24.4%	29.6%	32.9%	36.1%	38.8%	40.9%
Japan	20.6%	23.2%	25.2%	27.0%	28.4%	29.7%
Indonesia	15.7%	17.7%	19.6%	21.6%	23.2%	24.7%
Australia	13.3%	16.1%	18.7%	20.8%	22.3%	23.4%
Other	6.9%	8.1%	9.5%	11.2%	12.7%	14.2%
Asia-Pacific	45.7%	48.7%	50.8%	52.5%	53.4%	54.2%

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 devices as a payment method; excludes transactions made via tablet; *excludes Hong Kong
Source: eMarketer, Oct 2018

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The success of proximity mobile payment adoption in China can be credited to the country's mobile-first culture, as well as a booming middle class opening bank accounts at high rates. These newly banked individuals choose to open mobile payment accounts rather than signing up for traditional credit cards. These mobile services are the primary in-store payment alternative to cash and credit cards. In 2019, nearly half of China's population is expected to use mobile payments.

While China is the largest market for these apps, India has the fastest growing user base, which will rise 26.4% in 2019. Consumers in India initially adopted Paytm Wallet after the government's demonetization of the rupee in November 2016. Similar to China's Alipay and WeChat Pay features, Paytm Wallet's use of QR codes resulted in wide retailer support. Between 2016 and 2019, usage among smartphone users will nearly double from 16.5% to 32.9%. Smartphone adoption and the arrival of competitors like Google Pay (formerly known as Tez) that support QR codes will drive further growth over the next few years.

* **Editor's Note**

We have amended our calculation for the percentage of smartphone users worldwide using payment apps excluding India and China, which was written as 9.4%. However, that calculation was based on figures for all users, not from the base of users 14+, which should have been used. The correct percentage of smartphone users worldwide using payment apps excluding China and India is 16.6%. We regret the error.