

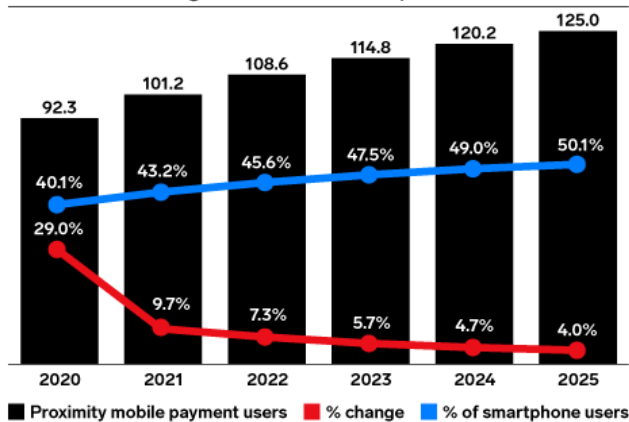
# US payment users will surpass 100 million this year

Article

**T**he pandemic accelerated the adoption of mobile payment platforms (used at point-of-sale), as Americans sought out retailers offering contactless services. As a result, user and transaction value growth have accelerated.

## US Proximity Mobile Payment Users, 2020-2025

millions, % change, and % of smartphone users



Note: ages 14+; mobile phone users who have made at least one proximity mobile payment transaction in the past 6 months; includes point-of-sale transactions made by using mobile phones as a payment method; excludes transactions made via tablet  
Source: eMarketer, March 2021

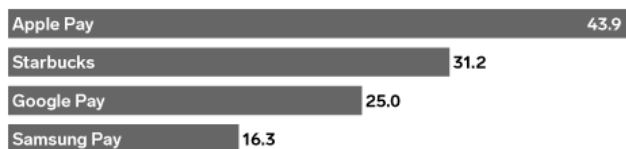
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In-store mobile payment app use will hit a milestone in 2021, reaching 101.2 million among Americans ages 14 and older. This comes after 29.0% year-over-year (YoY) growth in 2020. Usage is now on track to surpass half of all smartphone users by 2025.

“Many consumers tried mobile wallets at point-of-sale for the first time last year to avoid using paper currency and credit and debit cards,” said eMarketer forecasting analyst Oscar Orozco at Insider Intelligence. “The largest amounts of new users were Gen Z and millennials. We project that there will be around 6.5 million new mobile wallet users per year from 2021 to 2025, of which more than 4 million will be Gen Zers. Millennials will continue accounting for around four in 10 mobile wallet users, although that share will shrink.”

## US Proximity Mobile Payment Users, by Platform, 2021

millions



Note: ages 14+; mobile phone users who have made at least one proximity mobile payment transaction in the past 6 months; includes point-of-sale transactions made by using mobile phones as a payment method; excludes transactions made via tablet  
Source: eMarketer, March 2021

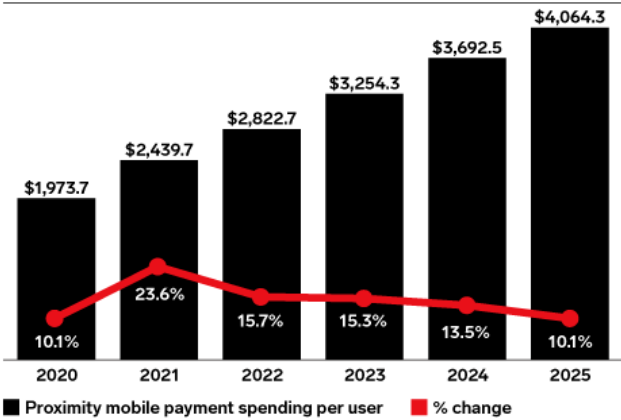
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Apple Pay remains the dominant player with 43.9 million users in 2021. Between 2020 and 2025, it will add 14.4 million users, far more than its competitors. That will increase its lead over No. 2 Starbucks. In third place, Google Pay will add 10.2 million users by the end of the forecast period. Samsung Pay’s growth is stagnant, adding just 2 million users between 2020 and 2025.

Not only has mobile wallet usage increased, but the average annual spend per user will grow 23.6% in 2021 to \$2,439.68. It’s now on pace to surpass \$3,000 by 2023.

**US Proximity Mobile Payment Spending per User, 2020-2025**

average annual spend per user and % change



Note: average payment spend per user, per year; point-of-sale (POS) transactions made by using a mobile phone as a payment method; also known as POS mobile wallet payments and POS mobile contactless payments; includes scanning, tapping, or swiping a mobile phone at the POS to complete a transaction; excludes purchases of digital goods on mobile phones, purchases made remotely on mobile phones that are delivered later on and transactions made via tablets

Source: eMarketer, March 2021

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“As retailers switched to contactless systems, customers could increase how often they paid with wallet apps and form habits around the technology,” said Insider Intelligence senior analyst Jaime Toplin. “These shifts grew spend per user, since consumers could more easily incorporate mobile wallets into their daily routines and became more comfortable buying a wider variety of items with the technology.”

Despite rapid adoption of mobile payments during the pandemic, there are two key issues preventing more pronounced growth. First, many consumers, especially older ones, can find it difficult to set up and use a mobile wallet app. Those who do often don’t use it consistently. Second, some small businesses still can’t accept mobile payments. The hardware and software needed can be expensive for some small and medium-sized businesses (SMBs).