

# Google Wallet expands non-payment utility, driving user growth

## Article

**The news:** Google introduced five Wallet features, per a company blog post.

1. **Save passes from an image.** Customers can take a photo and create a digital version of any pass that contains a barcode or QR code, including gym memberships, transit tickets, and parking passes.

2. **Save private documents.** Google will let customers label cards as private, which require additional verification to add, view, or use. The service is beginning with a partnership with **Humana** and the UK's **National Health Service (NHS)** to digitize insurance information.
3. **Save IDs.** Users in Maryland can save their ID cards and use them at TSA checkpoints, with support for Arizona, Colorado, and Georgia IDs to follow.
4. **Save from messages.** Travel check-ins, dining reservations, and other notifications in the messaging app can be sent directly to Wallet, starting with partnerships with **Vietnam Airlines**, Spain-based **Renfe**, and reservation service **TagMe**.
5. **Save company IDs.** Google will add support for corporate IDs later this year.

**Google's opportunity:** These features can resolve pain points and meet consumer demands.

- Android's open ecosystem lets any provider develop a digital wallet, creating fragmentation: Customers could have bank-based and retailer-based wallets in addition to **Google Pay**.
- **Google Wallet** helps reduce this fragmentation by consolidating payments and passes into one product—a push that these features build on. This can help Google create a daily app rather than a destination, GM Jenny Cheng told Insider Intelligence.
- The new offerings can also move customers away from physical wallets by letting them digitize more documents.

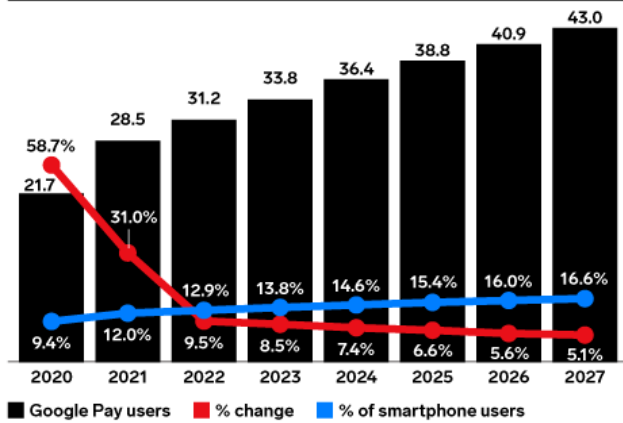
**Why it matters:** In-demand offerings can boost Google Pay's growth tear. Customers' top-valued features in digital wallets are store loyalty and payments consolidation and ease of use, per McKinsey. Offering them enhances the Google Wallet experience, making it more valuable and convenient.

- This could attract new users who might not have adopted Wallet for payments, but then become proximity payment users. That would help drive Google Pay user growth, which **we expect will increase by 8.5% this year to hit 33.8 million users** in the US alone—expanding its lead over rival **Samsung Pay**.
- It can also tighten relationships with users by giving them reasons to come back to Wallet more often, encouraging habit formation that translates into spending as US mobile proximity payment per-user volume increases by **nearly \$1,000 annually**, per our forecast.

**Dig deeper:** Check out our [US Mobile Proximity Payments Forecast 2023](#) to learn more about Google's role in the mobile wallet ecosystem.

### US Google Pay Users, 2020-2027

millions, % change, and % of smartphone users



Note: ages 14+; mobile phone users who make a proximity mobile payment transaction using Google Pay via mobile phone at least once per month  
Source: Insider Intelligence, April 2023

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