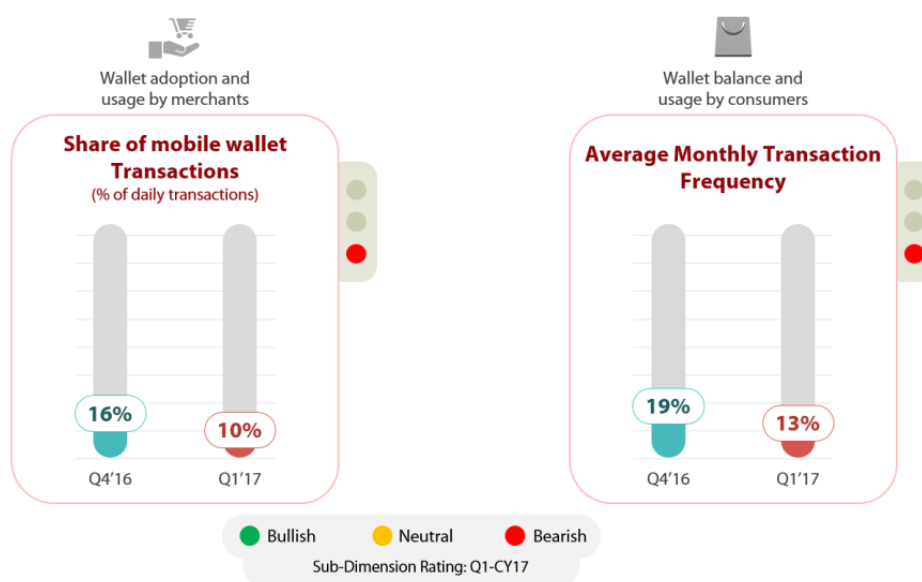




### Mobile Wallets Stories:

**Offline merchants continue to accept wallet payments but consumer preference for wallets has declined post re-monetisation.**

Demonetization had forced huge swathes of consumers to quickly adapt to the digital wallets lifestyle. But post re-monetization, consumers are back to their beloved cash- as indicated by a fall in average wallet balance as well as average # of wallet transactions per month per consumer. Yet, it is not all bad news, as indicated by the continued high willingness of merchants to accept wallet payments.



**Will the children of demonetization stick around?**

**Demonetization in November spurred greater wallet adoption from both customers and merchants:** RedSeer research shows that amongst offline, small-time merchants, only 55% of currently active merchants were actively accepting wallets before demonetization, with the rest joining the bandwagon post-Nov 2016. Amongst customers, 36% of currently active customers reported becoming active only post demonetization.

**However, wallet players need to significantly upgrade user experience to ensure long-term stickiness:** RedSeer research throws up significant user experience gaps with wallet usage, for both customers and merchants. While customers are unhappy with the *poor ease of wallet usage* and the *low cashbacks on offer*, pain areas for merchants include the *high commission rates*, *poor merchant support* and *slow app UIs*. Players need to rapidly resolve these issues to prevent a movement of users to other fast evolving platforms like bank wallets.

## Know more on our methodology

---

Copyright © 2017 RedSeer Consulting.



SHARE

TWEET

FORWARD

### RedSeer Consulting

New York | Dubai | Bengaluru | New Delhi | Mumbai

query@redseerconsulting.com | 080 4648 5908

[www.redseer.com](http://www.redseer.com)

Do not want to hear from us?

[Unsubscribe](#)