Introduction to Paytm Onboarding

Overview:

- Paytm is one of India's leading digital payment platforms offering services like UPI payments, wallet, bills payment, shopping, etc.

- The onboarding process is crucial for retaining users by ensuring a smooth and quick setup.

Goal of Teardown:

- Analyze key onboarding steps.
- Identify pain points and opportunities for improvement.

Statistics

1+ Bn
UPI trans/Month

15-20%
market share

500+ Mn
Registered Users

100+ Mn
KYC verified users

300+ Mn
MAUs

30+ Mn
BNPL/Paytm Postpaid users

User Personas

Persona: Arjun – The Digital First Millennial
- **Age**: 29
- **Location**: Mumbai
- **Occupation**: Software Developer
- **Tech-Savviness**: High
- **Device**: Smartphone (Android)

Goals:
- Quick and seamless setup for digital payments.
- Use Paytm for daily transactions like bill payments, shopping, and food delivery.
- Access instant mobile recharges and pay utility bills on time.

Motivations:
- Prefers cashless payments and enjoys the convenience of UPI.
- Interested in using Paytm's wallet for small everyday purchases.
- Wants to explore rewards and cashback offers available through Paytm.

Challenges/Pain Points:
- Needs to be guided through the **KYC process** quickly, as he doesn't like delays.
- Might find **security PIN setup** to be time-consuming or unnecessary.

Onboarding Needs:
- A quick **OTP-based verification** and seamless linking of UPI or bank account.
- Clear instructions about wallet usage, transaction limits, and KYC requirements.
- Option to skip the **wallet funding step** if he plans to use UPI only.

2. Persona: Priya – The Cautious New User
- **Age**: 37
- **Location: Pune**
- **Occupation**: Teacher
- **Tech-Savviness**: Moderate
- **Device**: Smartphone (iPhone)

Goals:
- Use Paytm for safe and secure online payments, especially for groceries and school-related purchases.
- Send money to family members via UPI or wallet.

Motivations:
- Looking for a **trustworthy digital payment app** due to the increasing fraud concerns.
- Wants to avoid the hassle of cash and prefer quick mobile recharges and utility payments.
- Interested in managing finances better by using digital payment methods.

Challenges/Pain Points:
- Concerned about **security** and **privacy** during KYC and payment PIN setup.
- Might hesitate to complete KYC and link a bank account due to unfamiliarity with digital payments.

Onboarding Needs:
- Need **clear, simplified guidance** for KYC, explaining why it is necessary and how long it will take.
- **Security reassurances** during PIN setup and linking bank accounts.
- A **progress bar** or visual indicator for KYC and account setup would be helpful to track progress.

Key Steps in Paytm Onboarding

- App Download & Installation
- Sign-Up / Login
- Mobile Number Verification (OTP)
- Profile Setup
- Link Bank Account or UPI
- KYC Verification
- Set Payment PIN
- Add Money to Wallet (Optional)
- Explore Features
- Start Using Paytm

User Journey of Paytm Onboarding

App Download & Installation. → Sign-Up / Login → Authentication Mobile Number Verification (OTP) → Profile Setup → Link Bank Account or UPI

Start Using Paytm ← Explore Features ← Add Money to Wallet (Optional) ← Set Payment PIN ← KYC Verification
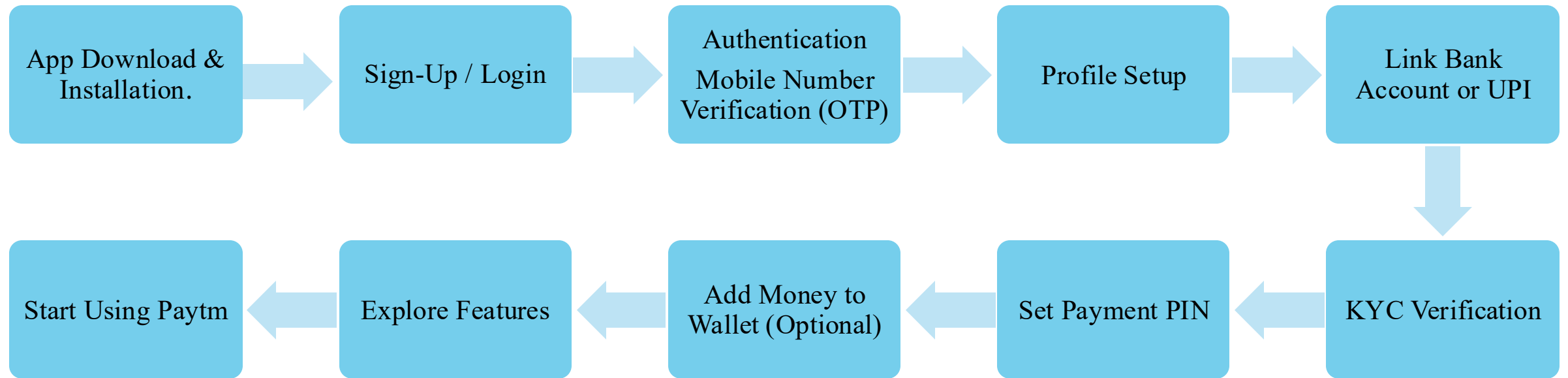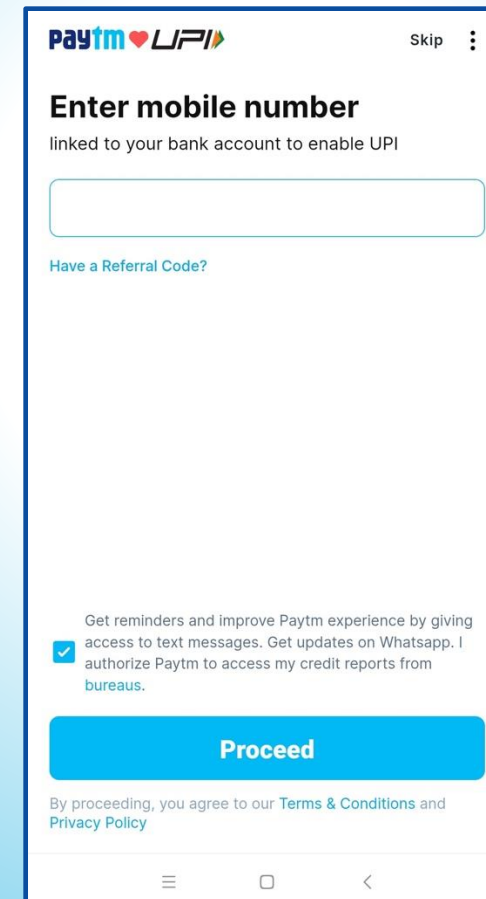
Step 1 -

App Download & Installation

- The first interaction users have with Paytm is downloading the app from the **Google Play Store** or **Apple App Store**.
- **No friction** at this stage, as it's just a simple installation.
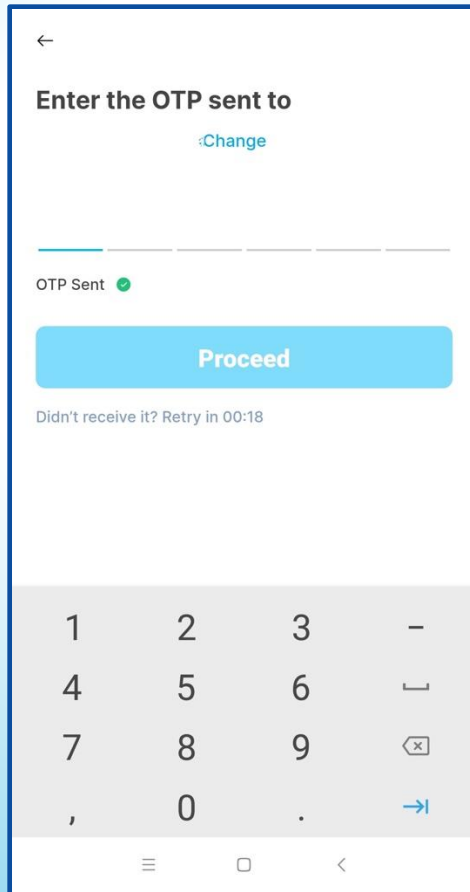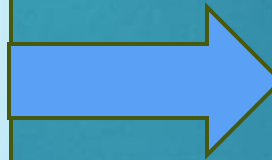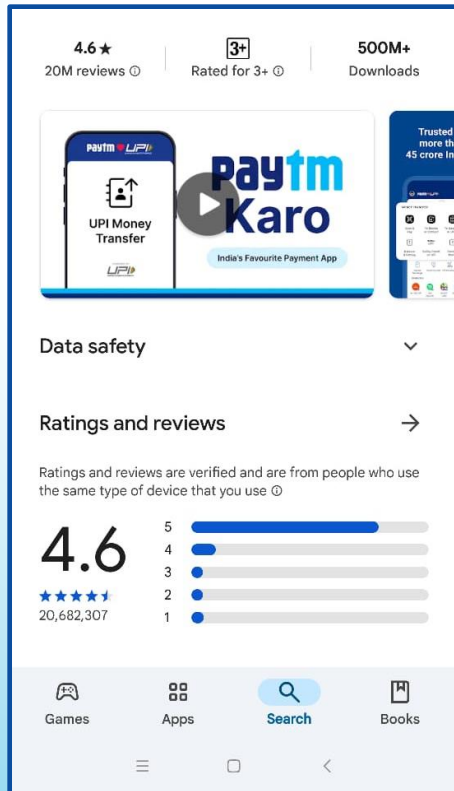

Step 2 -

Sign Up / Login

- New users sign up using **mobile numbers**, while existing users simply log in.
- **Simple flow** but may include **SMS verification**.

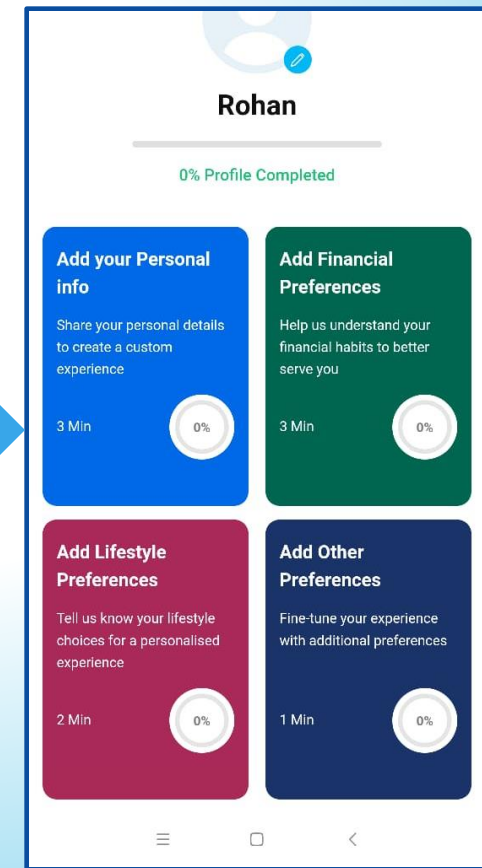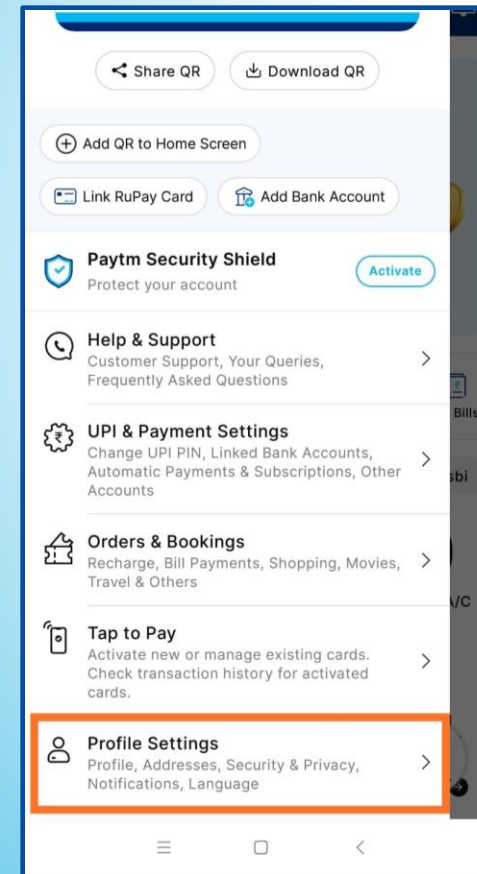# Step 3

OTP Mobile Number Verification

- Paytm sends an **OTP** to the registered mobile number to verify its authenticity.
- **Security feature** to ensure account integrity.
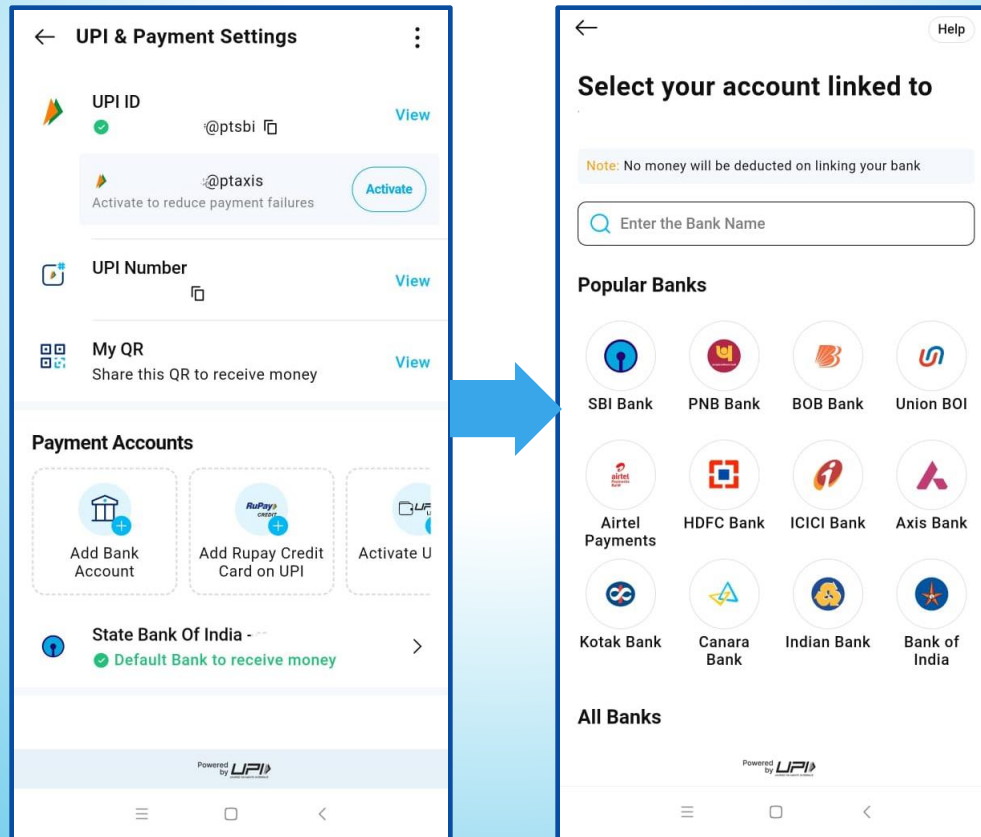
Step 4

Profile Setup

- After OTP verification, users are asked for basic **profile details** (name, email).
- **Optional but recommended**.
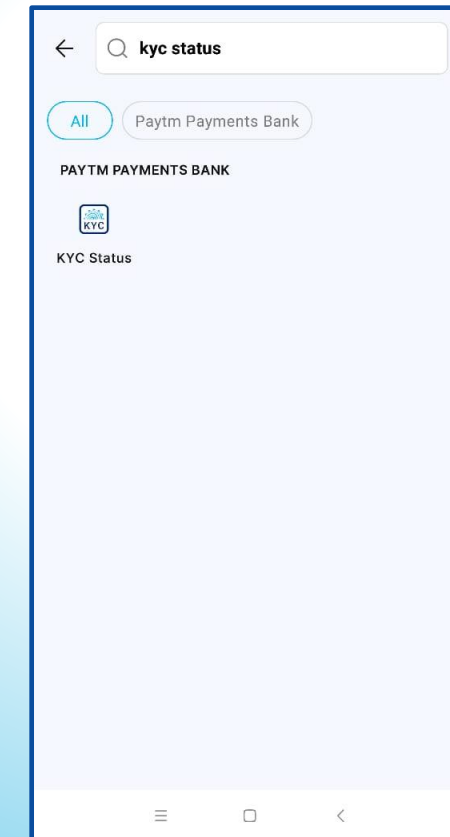
Step 5

Linking Bank Account or UPI

- Users link their **bank account** (for UPI) to start making payments.
- **Bank account linking** is crucial for UPI transactions.

Step 6

KYC Verification

- Paytm requires **KYC verification** for users who want to access higher wallet limits, **Paytm Postpaid**, and other services.
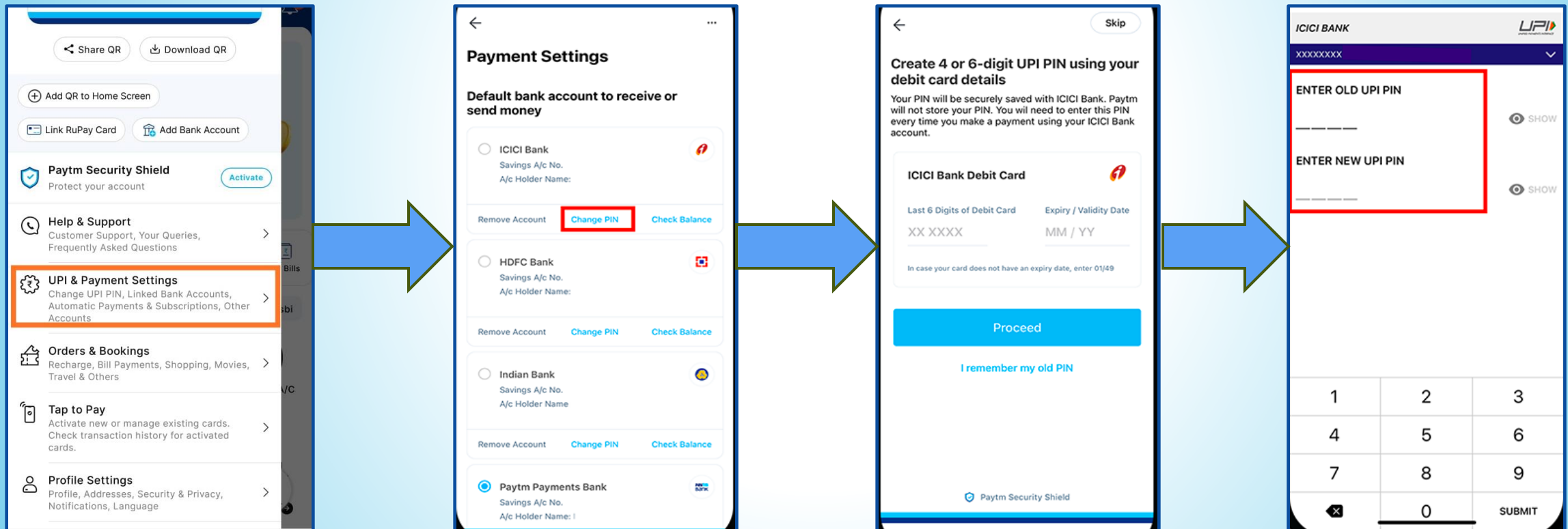- Can be done via **Aadhaar** or other documents.
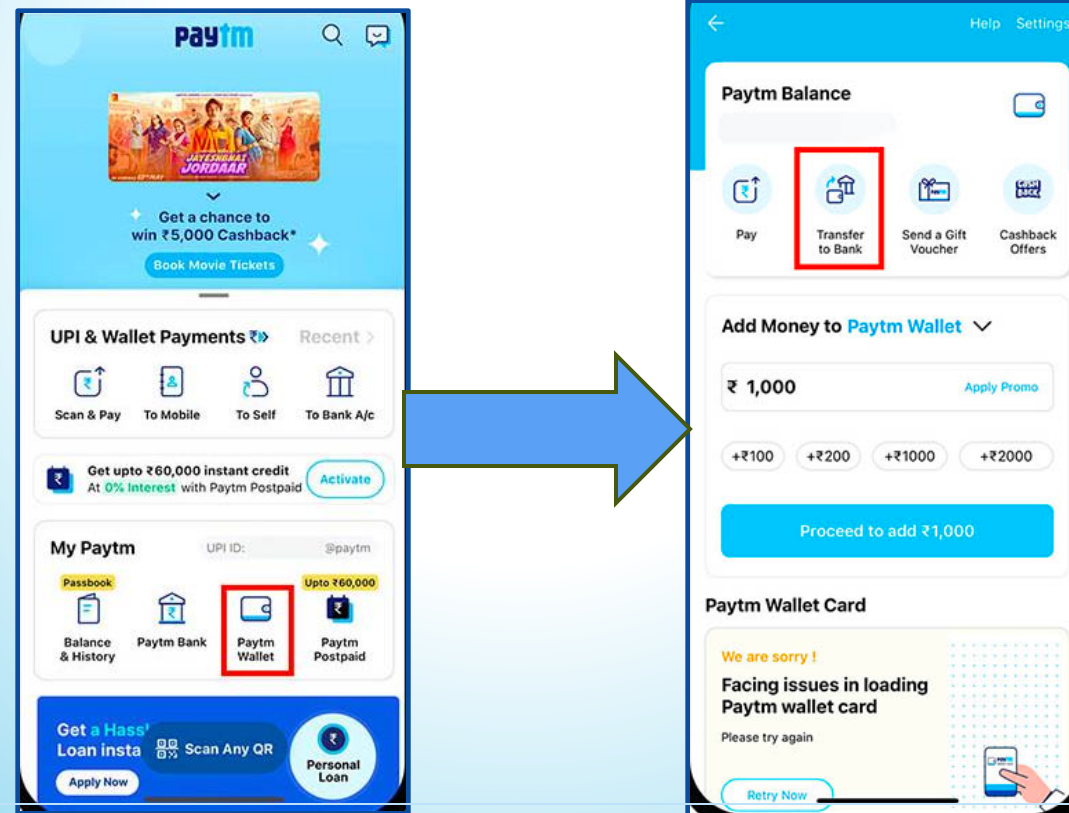
Step 7

Set/Change UPI PIN

- Users must create a **4-6 digit PIN** for **security** purposes.
- This PIN is required for **transactions** and **money transfers**.

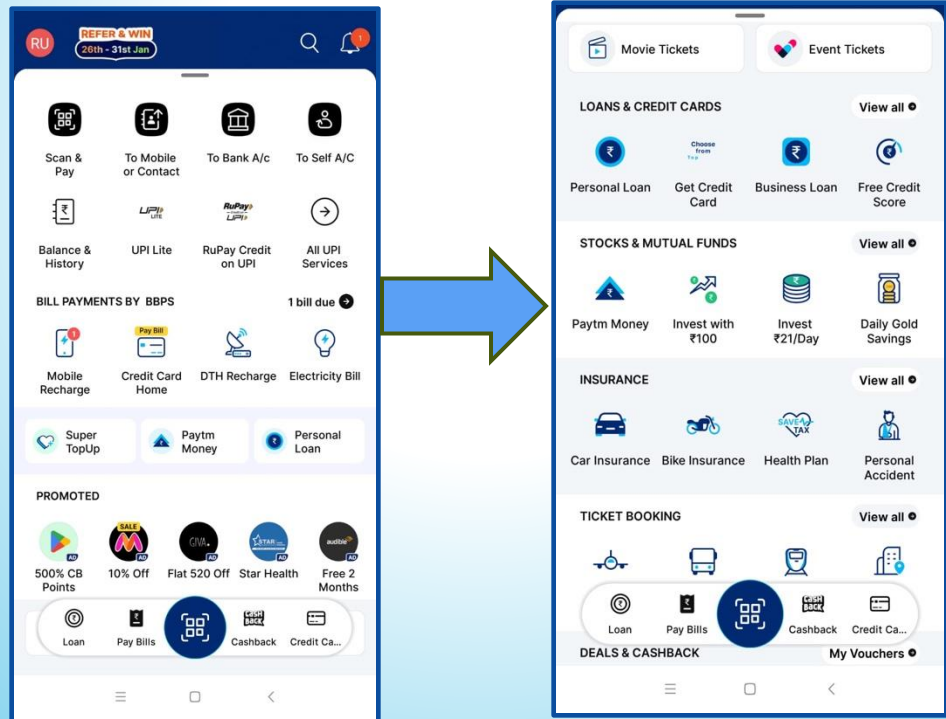# Step 8

Add Money to Wallet (Optional)

- Users can **add money to their wallet** for easier transactions.
- This is optional if the user prefers using **UPI-linked bank accounts**..
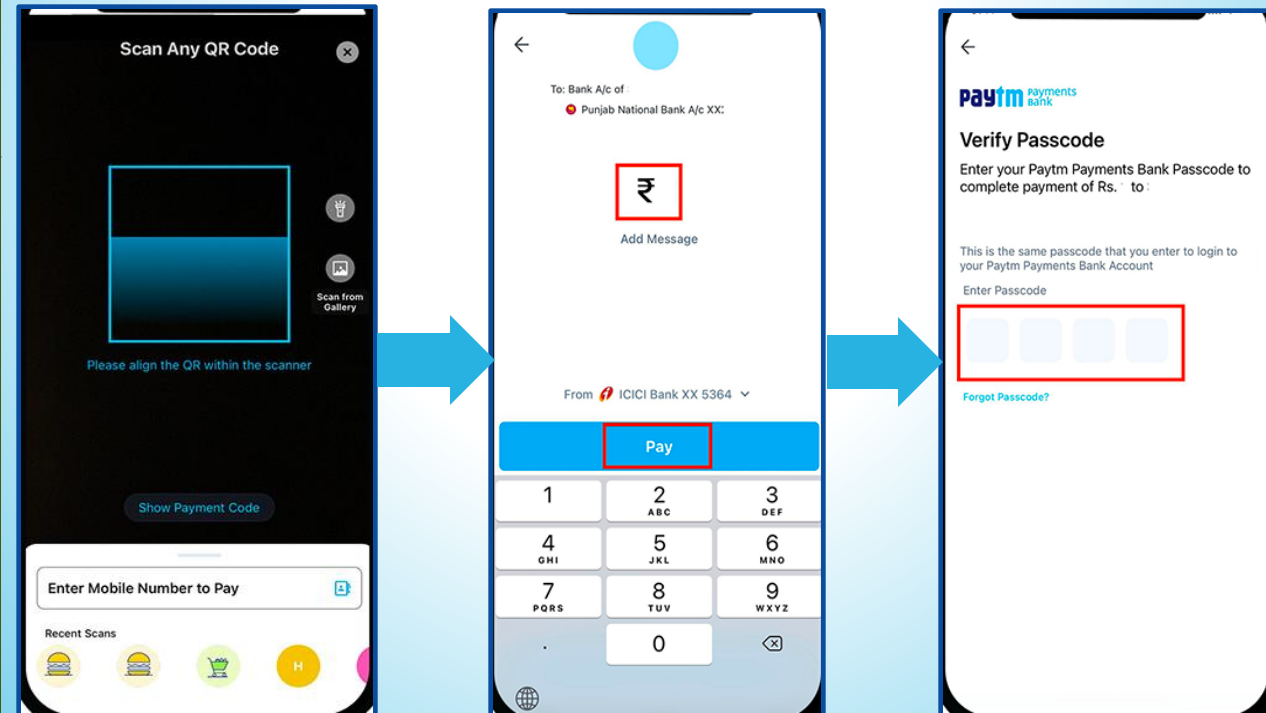
Step 9

Explore Features

- Once the user is onboarded, Paytm introduces them to the **core features** like: Bill Payments, Shopping, Ticket Booking, Money Transfers.

Step 10

Start Using Paytm

- After onboarding, users can begin using Paytm for **payments**, **shopping**, and more.
- **Notifications** keep users engaged with new offers and updates.

Pain Points

Potential delays due to SMS/OTP delivery can lead to user frustration.

Manual entry of bank details may cause errors.

Page loading time is longer.

Slow processing for certain banks.

KYC process can be time consuming and users may drop off at this step.

Additional documents may be required for some users.

Security concerns during PIN setup.

KYC requirement for adding large amounts (₹10,000/month).

Overwhelming if too many options/features are presented at once.

Opportunities & Recommendations

Opportunities for Improvement:	1. Allow email login or Google/Facebook sign-up for faster access. 2. Highlight why the mobile number is required for security. 3. Alternative verification methods (e.g., Aadhaar-based or email OTP). 4. Auto-fill options (from social media or Google) could speed this up. 5. Auto-linking through Aadhaar number for UPI. 6. Clear step-by-step guide for users unfamiliar with KYC. 7. Allow users to use fingerprint/face ID for faster authentication. 8. Provide clear security benefits of setting a PIN upfront. 9. Clear transaction limits and benefits of wallet usage. 10. Quick walkthroughs for new users to familiarize them with features. 11. Onboarding reminders via push notifications. 12. Use gamification to encourage users to explore more features.
Conclusion:	• The Paytm onboarding process is functional but has room for improvement in terms of speed, engagement, and user education. • Implementing these changes could lead to higher conversion rates and lower drop-off rates during onboarding.

Key Metrics

Registration Rate
- The percentage of users who complete the registration process (creating an account) after installing the app.
- **Goal:** A high registration rate signifies that users find the **initial signup process** straight forward and easy.

- Registration Rate=
(Users who completed registration /
Users who installed the app)×100

Drop-off Rate
- The percentage of users who abandon the onboarding process at various steps (registration, KYC, bank linking, etc.).
- **Goal:** A **low drop-off rate** suggests that users are able to progress smoothly through onboarding.

- Drop-off Rate =
- (Users who abandoned the process/
Total users who started the process) ×100

KYC Completion Rate
- The percentage of new users who successfully complete the **Know Your Customer (KYC)** process during onboarding.
- **Goal:** Should aim for a **high KYC completion rate**, which signifies users are not abandoning the process.

- KYC Completion Rate = (Users who completed KYC / Users who started KYC) ×100

Time to Complete Onboarding
- The average time taken by a new user to complete the entire onboarding process, from app installation to first transaction or KYC completion.
- **Goal**: **Minimizing the time** to complete onboarding, while still collecting necessary information and ensuring security, is crucial for user retention.

- Time to Complete Onboarding =
$\sum$Time to Complete Onboarding for Each User / Total Number of Users

Thank You…