

PhonePe cements position as leading payments app, WhatsApp falls behind



[PhonePe](#) processed the most transactions in the last three months to continue as India's top Unified Payments Interface (UPI) app and WhatsApp, the messaging platform used by millions in India, failed to live up to expectations that it will grow rapidly, data showed.

In February, WhatsApp processed 0.55 million transactions amounting to Rs 32.41 crore. Transactions have gone down since December when it processed 0.81 million transactions amounting to Rs 29.72 crore. Since its limited launch in November last year, WhatsApp, which is owned by Facebook, has processed 2.23 million transactions of 9.04 billion transactions on the UPI platform. Reports had suggested that it is a

conscious effort on the part of WhatsApp to go slow because they want to enhance customer experience before going for scale.

PhonePe, which is backed by Walmart, processed 975.53 million transactions amounting to Rs 1.89 trillion in February. In January, it had processed 968.72 million transactions worth Rs 1.91 trillion. Google Pay, on the other hand, has seen a fall in transaction volume since November last year. From processing 960 million transactions in November, Google Pay's transaction volume has come down to 827.86 million in February worth Rs 1.74 trillion.

Together, these two players controlled a little over 78 per cent of the UPI market in terms of volume of transactions and 85 per cent in terms of the value of transactions in February.

UPI, the flagship payments platform of the National Payments Corporation of India (NPCI), recorded 2.29 billion transactions worth Rs 4.25 trillion in February. Sequentially, the transactions dipped 0.42 per cent by volume and 1.39 per cent by value over January because of the fewer number of days in February. However, year-on-year, the transactions were up 73 per cent by volume and more than 90 per cent by value.

Paytm Payments Bank recorded good growth month-on-month. In February, Paytm processed 290 million transactions worth Rs 34,405.44 crore. And, Amazon Pay, backed by global e-commerce giant Amazon, processed 44.22 million transactions worth Rs 3,831.99 crore. Recently, Amazon invested Rs 225 crore in its Indian digital payments business, buttressing its competition with Walmart-owned PhonePe, Alibaba-backed Paytm, and Google's mobile payment service Google Pay. Last October, ahead of the festive season, Amazon had invested Rs 700 crore in Amazon Pay.

When we segregate transactions into peer-to-peer (P2P) and peer-to-merchant (P2M), we find, in February, almost 56 of the transactions on the UPI platform were P2P and the rest P2M. In value terms, more than 83 per cent accounted for P2P transactions and the rest P2M.

Recent performance of UPI apps

Volume (in millions)

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10001002003004005006007008009001000DecemberJanuaryFebruary902.03968.72975.53854.49853.53827.86
256.36281.18290.0340.5346.344.220.560.55

PhonePe
Google Pay
Paytm Payments Bank App
Amazon Pay
BHIM
WhatsApp

Value of transactions (in Rs cr)

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20000020000400006000080000100000120000140000160000180000200000DecemberJanuaryFebruary182126.
88191973.77189517.82177791.47174455.3331291.3333909.5034405.447748.2936.4432.41

PhonePe
Google Pay
Paytm Payments Bank App
Amazon Pay
BHIM
WhatsApp

Phone Pe