

PayDash.com

Money, let's go Digital!

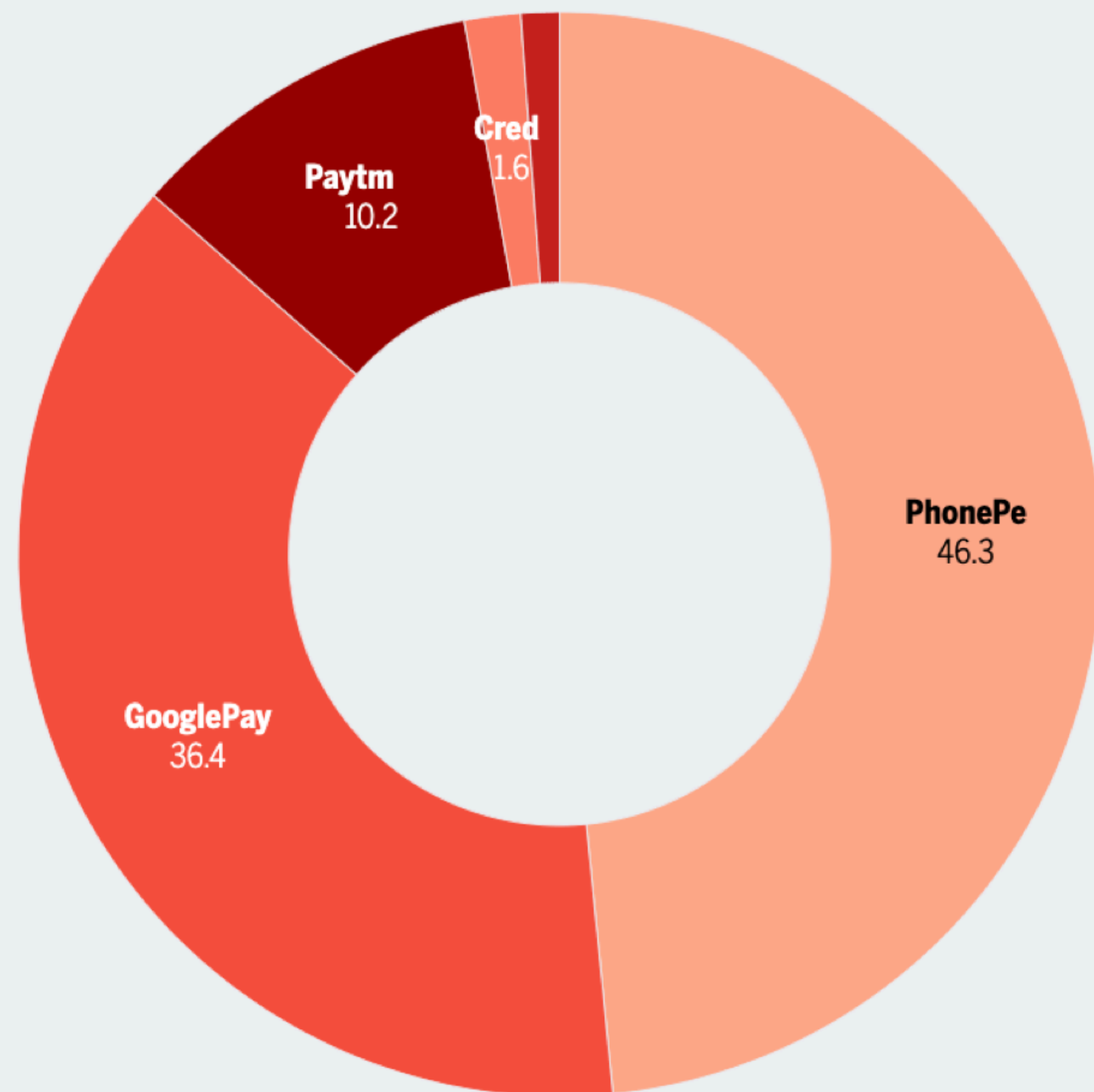
Shashwat

Industry Insights

App wise market share of UPI transactions for Oct 2021

PhonePe and Google Pay have the largest share

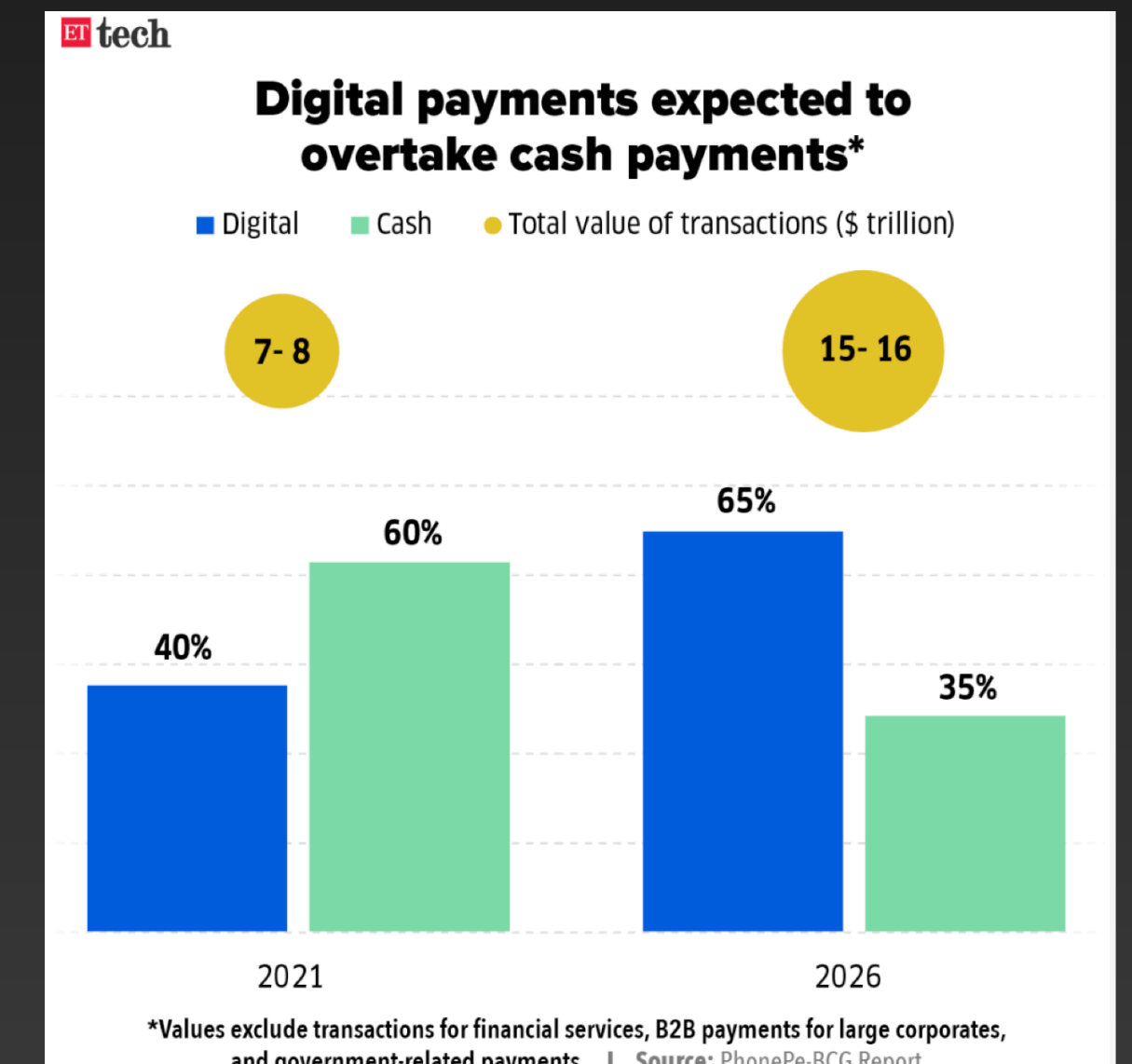
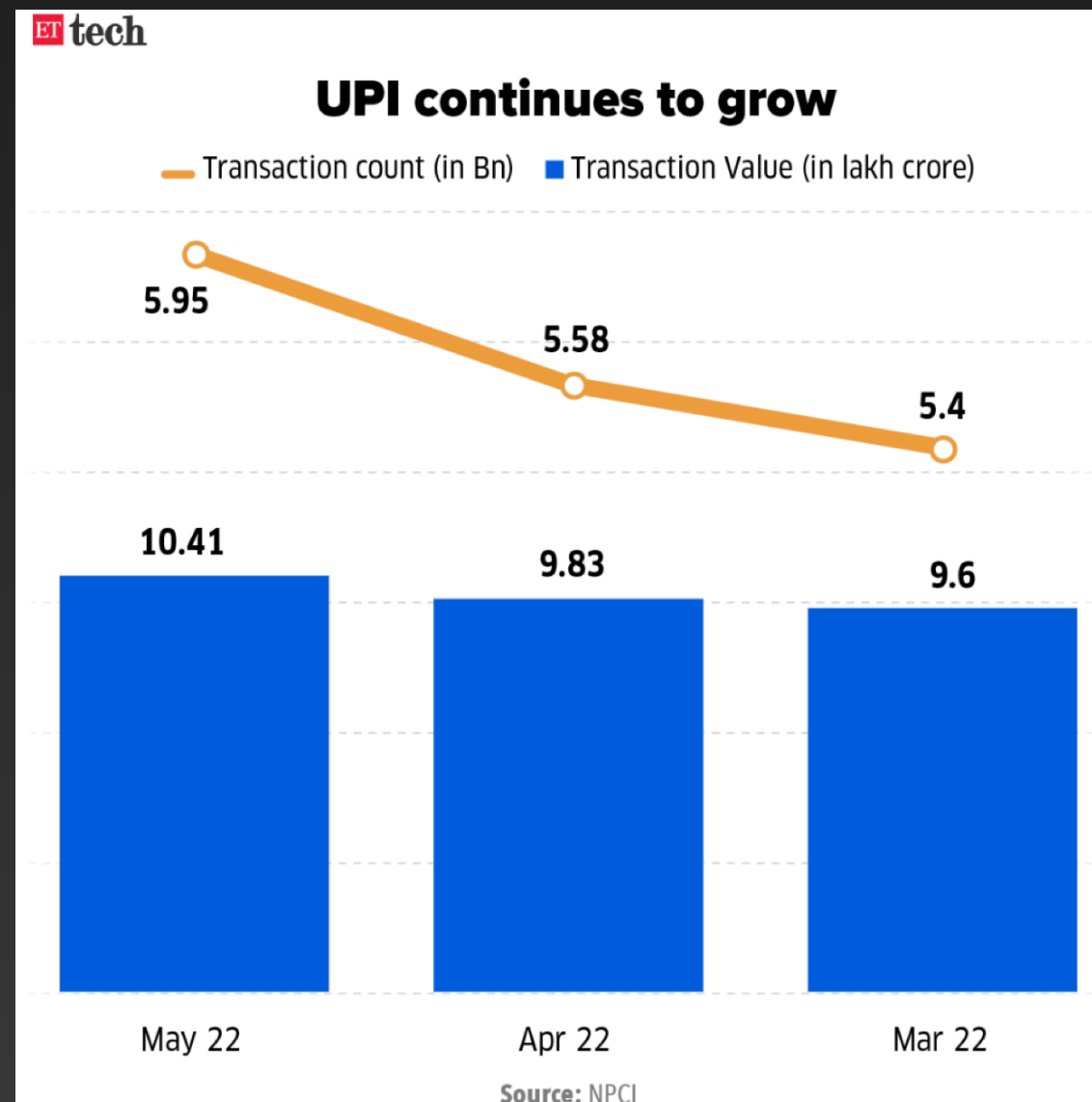
PhonePe GooglePay Paytm Cred Bhim



TOI Source: ICICI Securities

Features per mobile payment provider, India

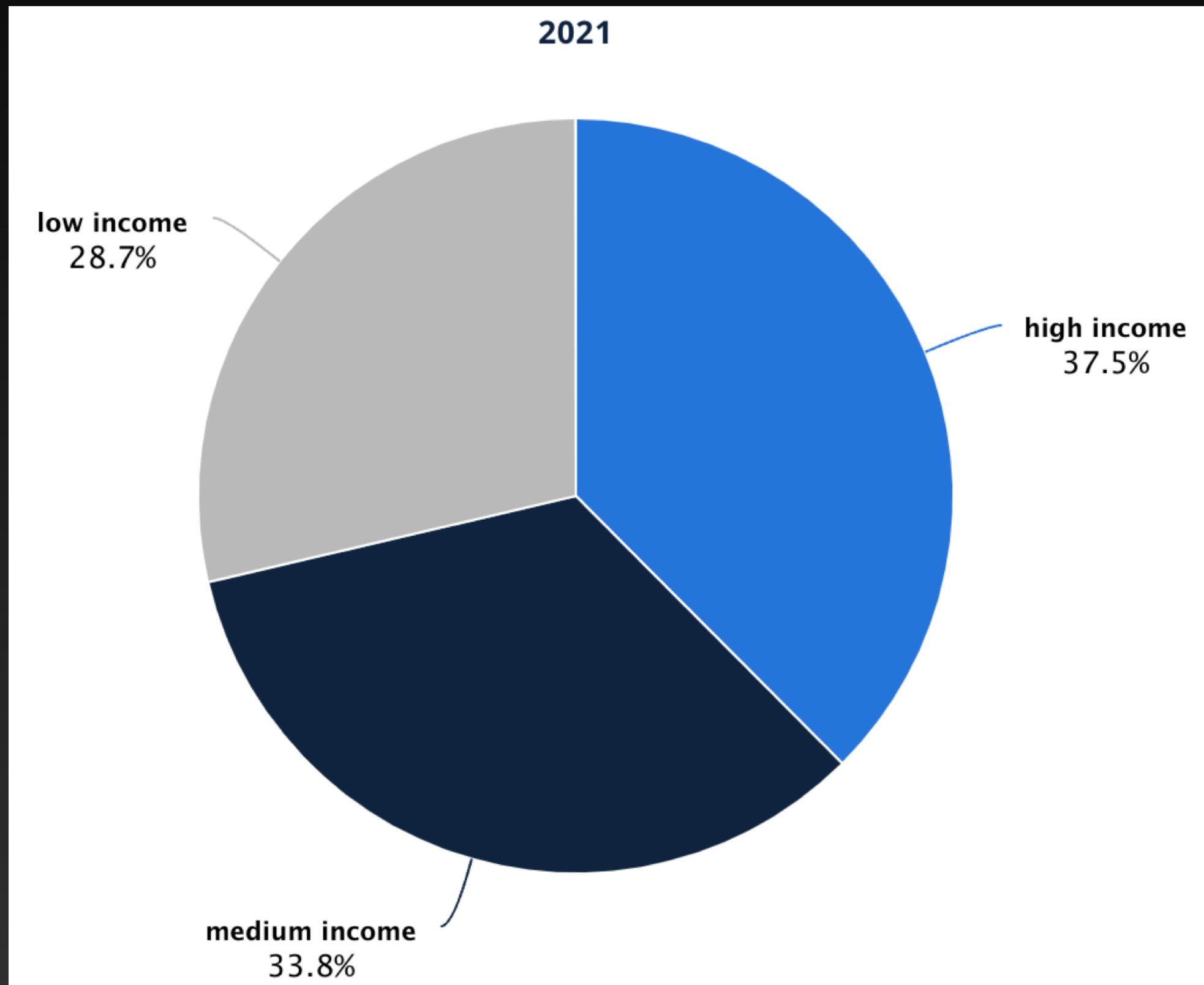
Features		Paytm	Amazon Pay in Amazon.in app	Google Pay	PhonePe	PayPal
Funding options	Pay with wallet (stored-value account)					
	Pay with debit card					
	Pay from bank account using UPI					
Payment features	Send money to friends					
	Pay for online purchases					
	Pay in-store using QR-codes					
	Pay utility bills, credit card bills					
Other in-app features	Recharge prepaid mobile					
	Make flight, train, bus or hotel bookings					
	Book Ola, Uber car rides					



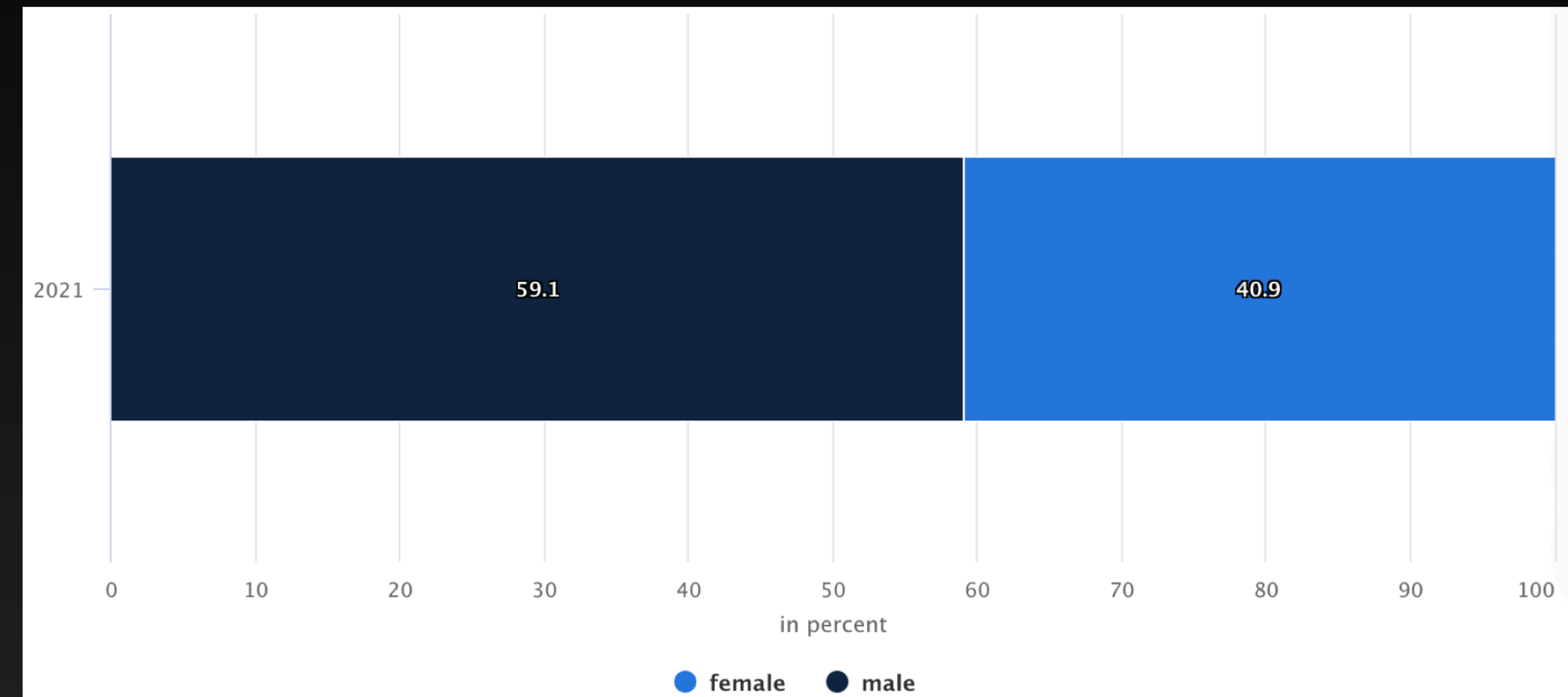
Industry Insight

- The Digital Payments market segment is led by consumer transactions and includes payments for products and services which are made over the Internet as well as mobile payments at point of sale (POS) via smartphone applications and cross-border money transfers made over the internet (digital remittances).
- India's digital payment market is expected to more than triple to \$10 trillion by 2026, according to the latest study by digital payments firm PhonePe and Boston Consulting Group (BCG).
- At present, 40% of all transactions in India are digital, and payments worth \$3 trillion were processed by digital instruments in 2021. This does not include payments made for financial services, corporate business payments, and government payments.
- India's Unified Payments Interface (UPI) continues to grow, clocking 5.95 billion transactions worth Rs 10.41 lakh crore last month.
- Total transaction value is expected to show an annual growth rate (CAGR 2022-2026) of 14.24% resulting in a projected total amount of US\$ 227.20bn by 2026.
- The market's largest segment is Digital Commerce with a projected total transaction value of US\$ 109.80bn in 2022.
- In the year 2021 a share of 59.1% of users is male.
- In the year 2021 a share of 37.5% of users is in the high income group.
- In the year 2021 a share of 38.3% of users is 25-34 years old.

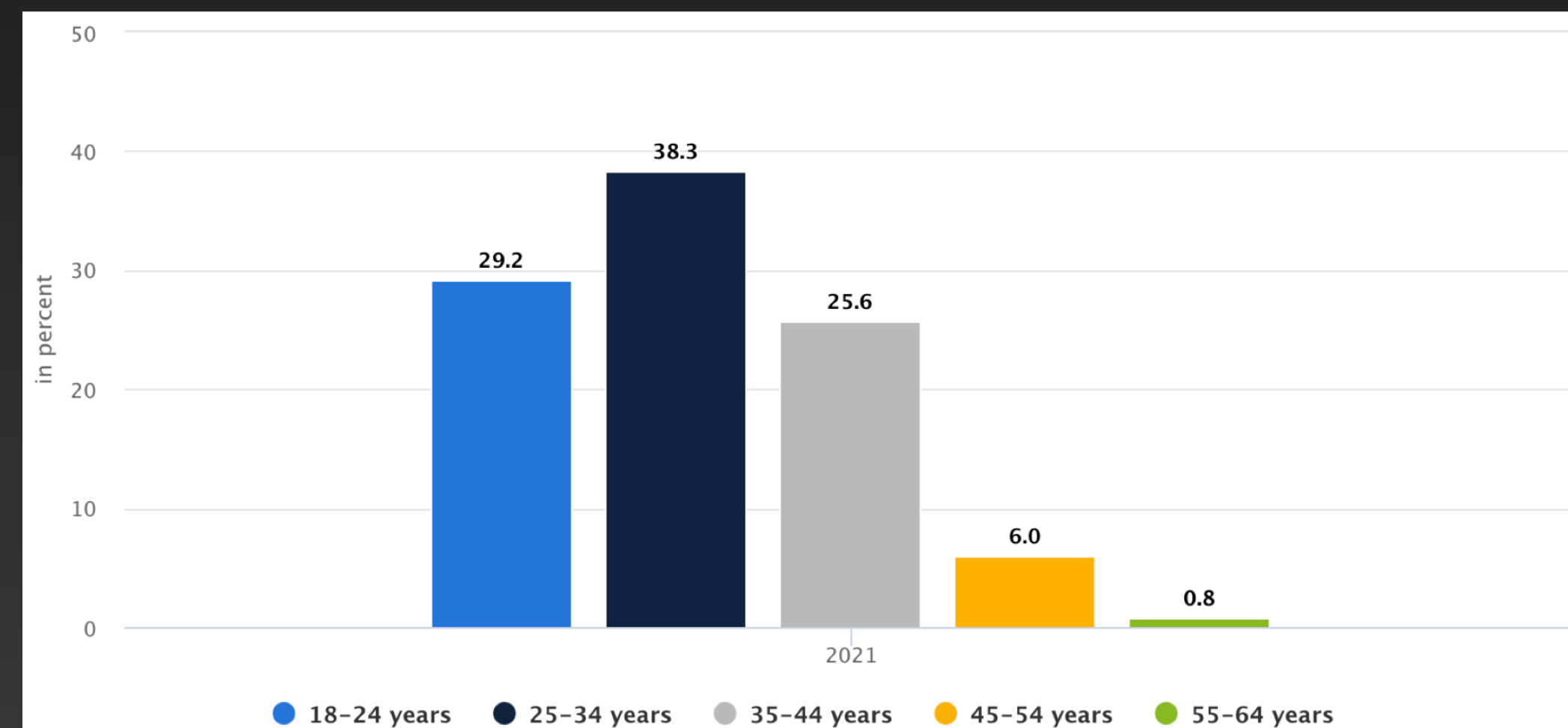
Demographic Insight



Income

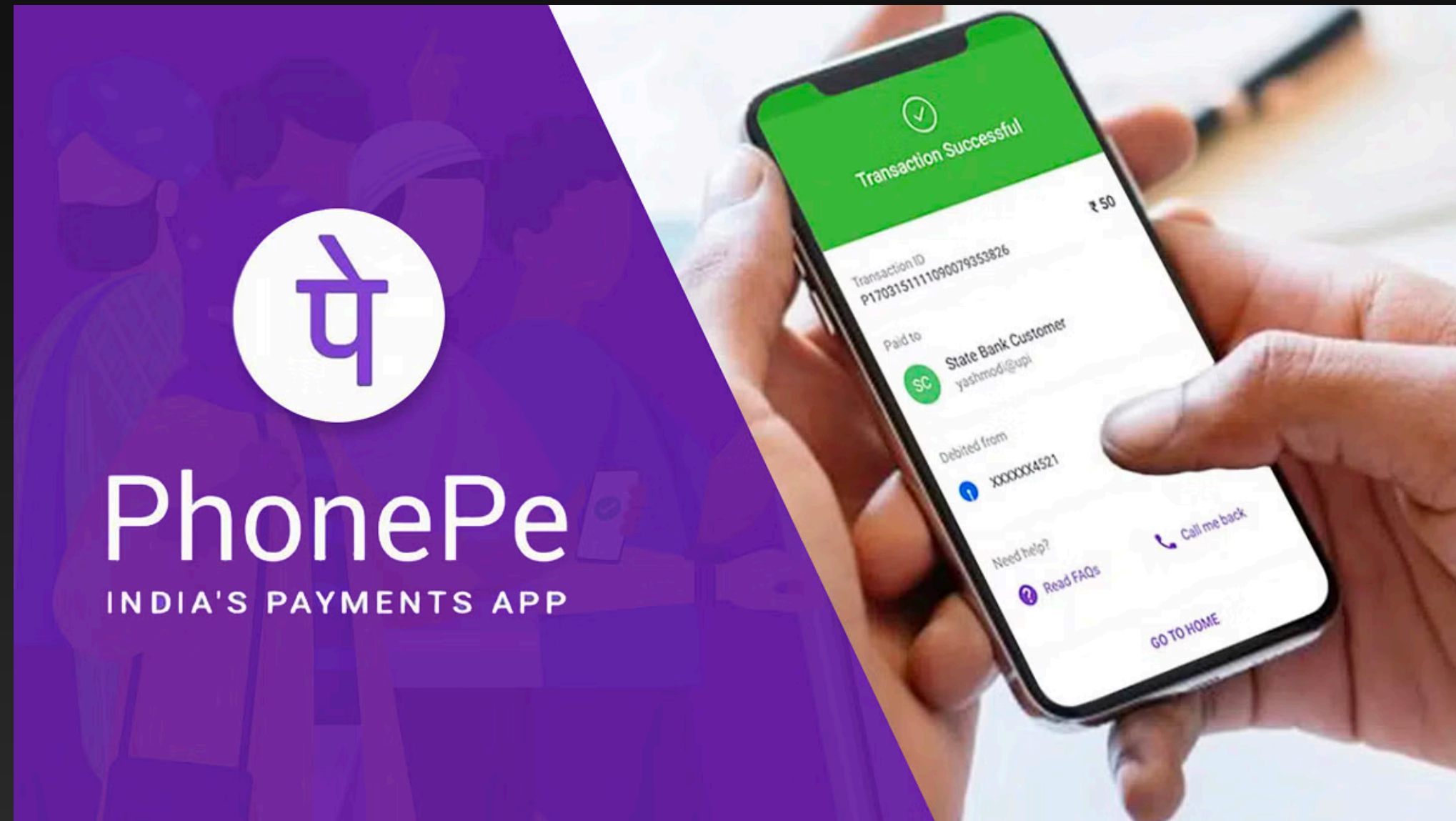


Gender



Age

Competitor Analysis



PhonePe

Product Strategy/Vision:

- Universal, seamless, and safe mobile payments ecosystem.
- Fast and secured online transaction.
- Build a large, scalable & open transaction ecosystem that creates the maximum positive impact for all stakeholders.

Target Customer Segment:

- Businesses- Retail outlet, Online shopping platforms.
- Individuals (18-60 years).

Key differentiator:

- Simple and easy to use UI.
- Seamless transaction, less transaction failures.
- Lifetime zero transaction charges for wallet.
- Incentivisation in form of coupons.

Competitor Analysis

Product Strategy/Vision:

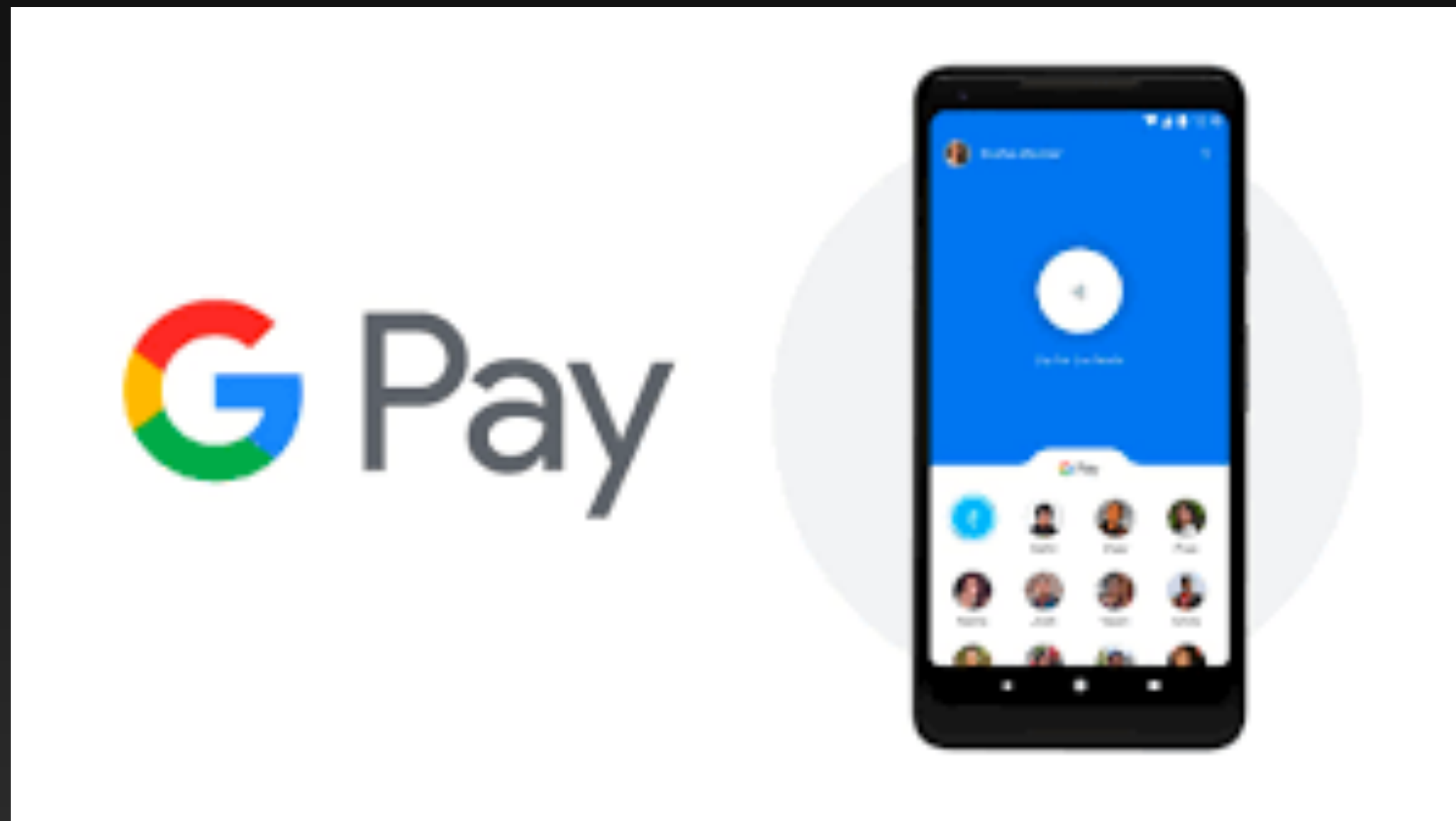
- Safe, simple, and helpful way to manage your money, giving you a clearer picture of your spending and savings.
- Turn customer's shopping intents into actions simply and easily.
- Remove all the friction that one encounters in the shopping experience on payments.

Target Customer Segment:

- Businesses- Retail outlet, Online shopping platforms.
- Individuals (18-60 years).

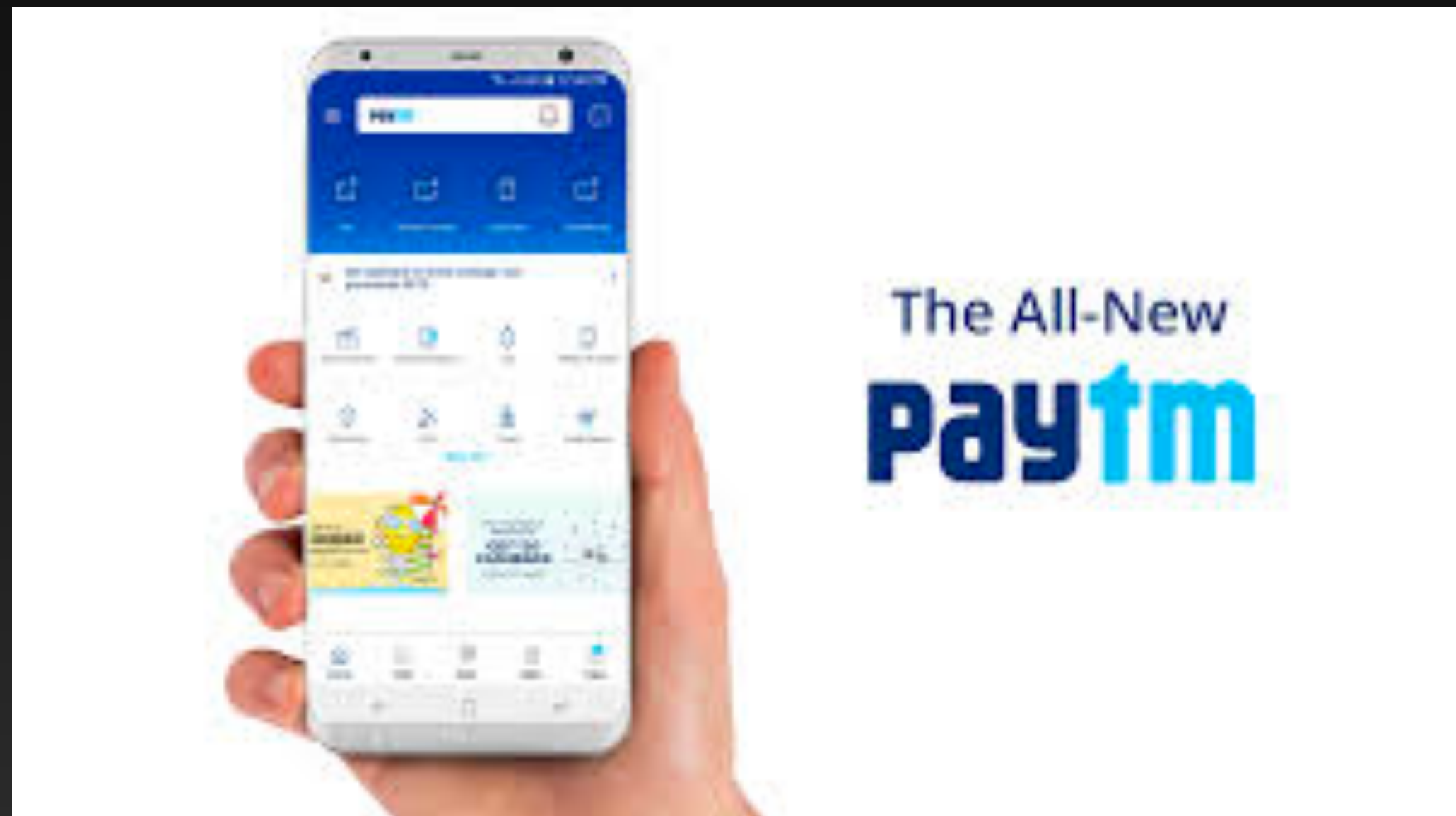
Key differentiator:

- User can request for payments.
- Split bill and share expenses.
- Cashback rewards for payments.
- Multi-lingual support for users



Google Pay

Competitor Analysis



Paytm

Product Strategy/Vision:

- Operator of a mobile payment and e-commerce platform designed to provide bill payment services.
- Offers services to pay bills online and book tickets of movies and buses, enabling users to make cashless transactions.
- Enhance digital excellence, increase earning growth and cross-selling opportunities.

Target Customer Segment:

- Businesses- Retail outlet, Online shopping platforms.
- Individuals (18-60 years).

Key differentiator:

- E-commerce platform and wide variety of services.
- Payments bank option provided by Paytm.
- Option to invest and trade in stocks.
- Paytm postpaid credit cards and loans.

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Product Strategy/Vision:

- Democratize digital payments application.
- Decentralize payments.
- Seamless payments experience.
- Higher transaction completion rate.

Target Customer Segment:

- Businesses- Retail outlet, Online shopping platforms.
- Individuals (18-60 years).
- Users with cognitive and mobility impairments.

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USPs of the product:

Keeping in mind the existing technology around the digital payments industry, there are still some scope of improvement for an enhanced and enriching user experience, some of which are:

- Providing an option for user to switch to in-app lite mode which would help the user make payment seamlessly in spite of having a lower internet bandwidth.
- Simplifying the payment process for people with cognitive and mobility impairments who often face a complexity in the checkout process.
- Decentralisation of payments which would allow for immediate payment and decision-making beyond the POS. Some use cases can be restaurants with readers at each table or movie theatres with one at each chair.

Key metrics to measure:

- DAU, WAU and MAU.
- Merchant transactions.
- Number of returning users.
- App installs and App opens.

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Revenue Estimation:

Assumptions:

Population of India	1380000000
Population in age 18-60 (~ 63 %)	870000000
Urban population in age 18-60 (~ 35 %)	480000000

Daily transactions per customer segment	
Active users	10 transactions
Neutral users	5 transactions
Passive users	1 transaction

Assuming a user (averaging for all customer segments) on an average makes 5 transactions through the application, which for a years would be around $(365*5)$ 1825 transactions per year for a single user.

Considering above assumptions, the number of transactions for the target customer segment would be $(480000000*1825)$ 876000000000 transactions.

Considering a transaction amount per transaction to be 0.1 % of the transaction value.

Then the transaction value would be $(876000000000*0.001)$ 876000000.

The revenue estimated for 1 year for PayDash.com would roughly be around INR 876000000.

Data Sources

1. <https://www.spglobal.com/marketintelligence/en/news-insights/research/paypal-playing-in-the-big-leagues-of-india-s-digital-payments#:~:text=at%2040%25.,accept%20payments%20from%20domestic%20consumers.>
2. <https://timesofindia.indiatimes.com/business/india-business/upi-emerges-king-of-digital-payments-phonepe-google-pay-biggest-players/articleshow/88136978.cms>
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5. <https://www.forbes.com/sites/forbestechcouncil/2022/01/05/13-effective-ways-to-improve-and-expand-digital-payment-methods/?sh=35fd47b95ef2>
6. <https://www.businessworld.in/article/Challenges-To-India-s-Digital-Payment-Revolution/03-05-2021-388437/>