

60 Percent of Indian Shoppers Use Digital Payments Multiple Times Each Week for Festive Season Spending, Reports ACI Worldwide Study

October 27, 2021

One third (33%) of respondents consider digital payments the most secure way to pay, up from 24 percent last year, and closing the gap on cash-on-delivery (35%)

MIAMI & MUMBAI, India--(BUSINESS WIRE)--Oct. 27, 2021-- Digital payments continue to grow as India's economy emerges from the worst of the pandemic, with 60 percent of consumers having used digital payments (including eWallets and UPI) multiple times per week for festive season purchases, according to a new study conducted by YouGov and [ACI Worldwide](#) (NASDAQ: ACIW), a leading global provider of [real-time digital payment software and solutions](#). Frequent usage (2-3 times per week) has grown from 57 percent last year, while only 6 percent of respondents have no intention of using digital payments this festive season, dropping from 9 percent a year ago.

The latest research by ACI and YouGov finds that digital payments continue to be the payment method of choice for festive season spending, with 41 percent of consumers choosing it as their preferred payment method, comfortably ahead of cash (26%) and debit and credit card payments (23%). Concerns over digital payments fraud have decreased, with 24 percent identifying it as a concern compared to 30 percent last year. In line with this trend, digital payments are considered the most secure way to pay for one third (33%) of respondents, up from one quarter (24%) in 2020, and just behind cash-on-delivery (35%).

"It is encouraging to see the heightened trust in digital payments by Indian consumers, which is also corroborated by the month-on-month growth in transaction volumes, increased frequency of usage among consumers and use of digital payments for higher value payments. This reinforces the fact that digital payments are becoming an even more integral part of our daily lives, as India continues to shine as a global leader in real-time, digital payments," said Ankur Saxena, country leader, South Asia, ACI Worldwide.

According to latest data from [The National Payments Corporation of India \(NPCI\)](#), Unified Payments Interface (UPI) generated 3.65 billion transactions worth Rs 6.54 trillion in September, breaking all previous records both in transaction volume and value. Monthly transactions on the UPI platform have doubled since a year ago when there were 1.8 billion transactions worth Rs. 3.29 trillion monthly.

70 percent of respondents said that with the greater dependence on online shopping that developed during pandemic-related restrictions, they now prefer online to in-store shopping. However, 60 percent also said they look forward to in-person shopping if adequate precautions – including social distancing – are in place.

"While our research suggests that consumers will continue to seek the convenience of online shopping, they're also looking forward to complementing it with in-store shopping experiences as pandemic restrictions ease," continued Saxena. "This highlights how merchants and payment providers will have to account for many different customer journeys, which cross over traditional channels. Omni-channel payments will emerge as a major focus for retailers."

Additional key findings and trends:

Payment behaviors and spending patterns

- Digital payments were the preferred payment method for 41 percent of respondents overall, rising to 50 percent in the 25-34 age group. The over-45 age group continued to divide their payment preferences between card payments and digital payments almost equally (35% and 33%, respectively).
- Roughly one-fifth (19%) used digital payments for purchases of Rs.10,000 to Rs. 50,000 (USD \$135-675) this festive season, in line with 21 percent last year. Only 4 percent made purchases exceeding Rs. 50,000 (\$675), the same as last year.
- 57 percent continue to use digital payments for groceries and essentials, which remains the most common category for digital payment purchases. Nearly half of those surveyed used digital payments for apparel (48%) and electronics (47%), with other popular categories including household appliances (43%) and homewares (41%).

Consumer concerns and industry opportunities for digital payments

- While concerns have dropped across the board, failed transactions continue to remain a top concern for 41 percent of respondents, followed by data privacy (34%) and poor internet connectivity (30%). 14 percent have no concerns with digital payments whatsoever.
- 69 percent feel digital payments offer greater financial transparency (better insights into how, when and what money is spent on) compared to other payment methods. Similarly, 69 percent think digital payments offer better promotions, incentives, or cashbacks than other payment methods.

Survey Methodology:

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,001 adults. Fieldwork was undertaken October 12-15, 2021. The survey was carried out online. The figures have been weighted and are representative of all Indian adults (aged 18+) in the following Tier 1 metro

areas: Mumbai, Delhi NCR, Chennai, Kolkata, Bangalore, Hyderabad.

About ACI Worldwide

[ACI Worldwide](#) is a global software company that provides mission-critical [real-time payment solutions](#) to corporations. Customers use our proven, scalable and secure solutions to process and manage [digital payments](#), enable [omni-commerce payments](#), present and process [bill payments](#), and manage [fraud and risk](#). We combine our global footprint with local presence to drive the real-time digital transformation of payments and commerce.

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Source: ACI Worldwide