Google Pay

Google's mission is to "organise the world's information and make it universally accessible and useful" and its vision is to create a strong suite of products which enriches lives.

Google Pay perfectly aligns with its vision & mission as it makes our financial information useful and accessible.

What Problem is it solving for the users:
1. Convenience: No need to carry hard cash now. Send or pay money anytime anywhere to anyone.
2. Flexibility: Users can pay for a wide variety of services: rent, shopping, etc
3. Speed & Security: Transactions are speedy and secured

It brought the revolution of digital payments in India. It contributed in bringing the paradigm shift in the user behaviour and as a result most of the people have stopped carrying hard cash today at all. Even in the remotest of the areas, google pay does the work and has significantly made life easier by making digital payments available.

Favourite aspects of using GPay

1. **Sleek UX for online payments**
   a. Lesser cognitive load: there is less clutter of action items on Google Pay which makes it easier to understand with minimum confusion.
   b. Minimalism: Only the most important and useful action items available like mobile recharge, electricity, cable recharge etc. unlike other payment apps where the screen is loaded with multiple ads & actions.
   c. Ease of Using: It feels very intuitive to use with the right set of prompts to nudge users in the right direction in the least number of steps.
2. **Milestone-based games during events**
   a. During the World Cup or Summer season, Google Pay engages its users in playing small milestone-based games.
   b. These games are highly engaging not only on an individual basis but also your contacts can lend you some points
   c. This solves for higher recall & retention for the business & a sense of achievement among customers
3. **Wide financial ecosystem integration**
   a. Users can link all the bank accounts, debit cards, Rupay credit cards to the app making it a wide ecosystem of all financial needs.

b. Security: It provides 2-factor authentication to access sensitive financial data and it utilises soft warnings when large amount of money is involved **in** a transaction

How can we improve Google Pay?

What is the goal of improvement?

Product Goal: Make Google Pay a one-stop solution for all basic financial needs, which are to save, spend, invest, and take credit.
Business Goal: Improve Engagement and open new opportunities for revenue.

Who are the users of Google Pay?

1. Young professionals (Age 18-30)
2. Business owners (Mom & pop stores)
3. Freelancers

We will be prioritising Young professionals here as:
   a. They form 30% of Google Pay's user base (source)
   b. Frequency of usage is also high
   c. They are the segment which needs the personal finance help the most.

Needs & pain-points of Young professionals

Needs

All-in-one solution: They want a product which solves for all their financial needs(saving, budgeting, investing) at one place
To begin with the most basic needs are:
   ➢ Set Monthly budget per category and track expenses. (P0)
   ➢ Save a certain amount every month (P0)
   ➢ Loan money to and reclaim the loaned money to a friend (Next stages of product)

Pain-points & un-met needs

Lack of personal finance management:

a. *Limited insights on transactions:*

While GooglePay provides a transaction history, it lacks deeper insights into spending patterns, income, or budget management

b. *No budgeting/savings options:*

Young professionals are becoming increasingly aware of personal finance hence they want to limit their spends on particular categories & save their money to invest

c. *No investment avenues:*

Financial-users want to invest their saved money which they can't do currently on Google Pay
They need to find other budgeting apps and switch between applications to manage money.

Solutions

Money Lens: Insights on your transactions

"Hate switching to money tracking apps every time you make a transaction ? Now track your transactions category wise & become financially aware"

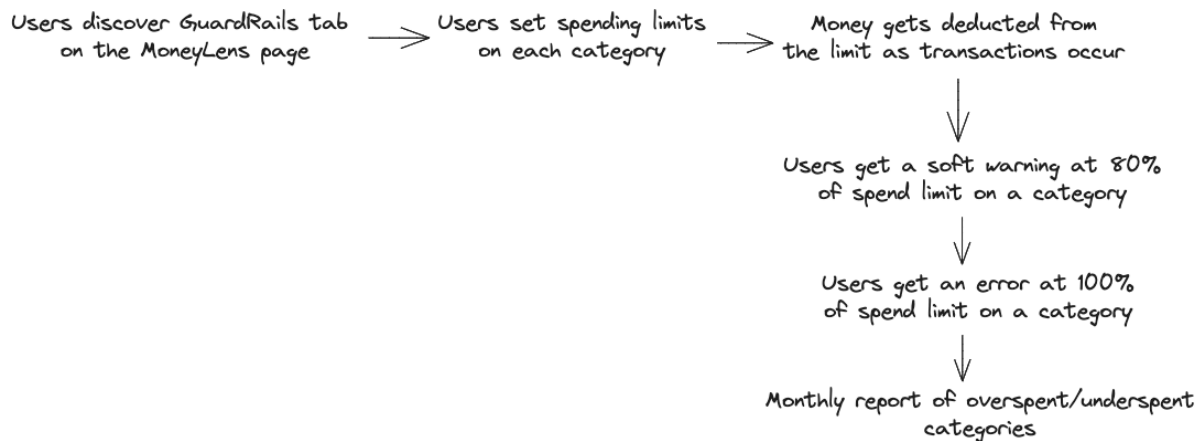User Journey
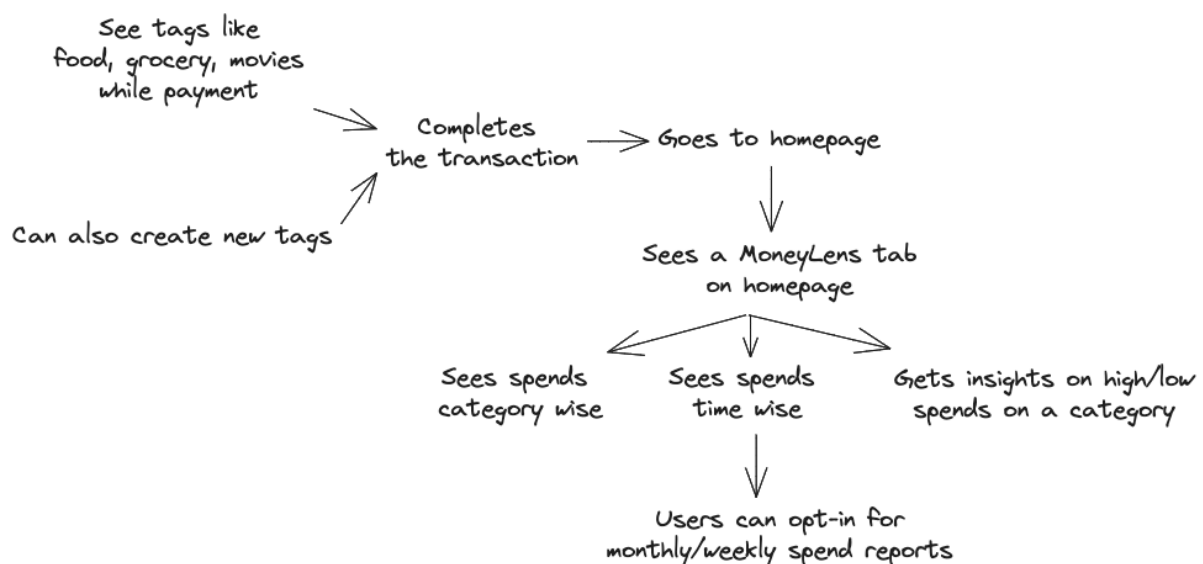
Outcome expected

1. Users can now get deeper insights on their spends, thus making them more financially aware
2. Increased engagement on the app

3. Increased user retention on the app

Guard Rails: Smart Budgeting tool

"Set, monitor, and manage your monthly spending limits by category, and never overspend unintentionally again"
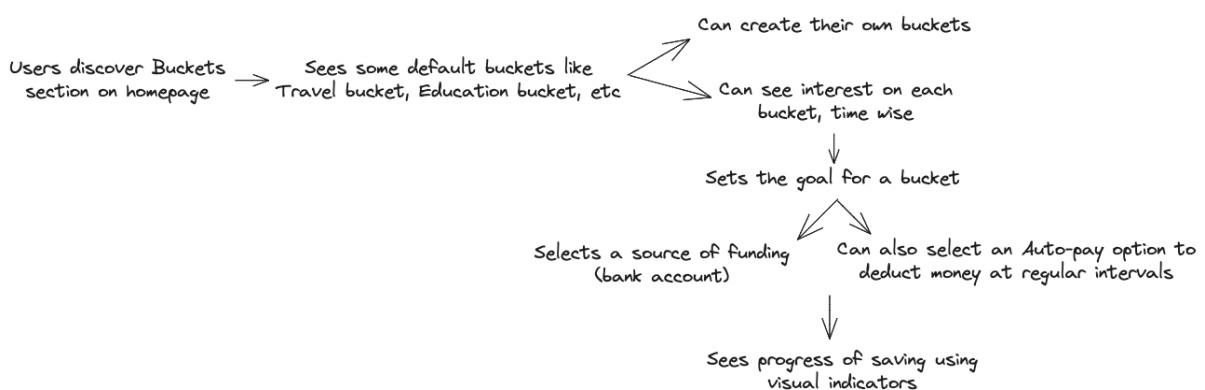
User Journey

Users discover GuardRails tab on the MoneyLens page → Users set spending limits on each category → Money gets deducted from the limit as transactions occur

↓

Users get a soft warning at 80% of spend limit on a category

↓

Users get an error at 100% of spend limit on a category

↓

Monthly report of overspent/underspent categories

Outcome expected

1. Increased engagement on the app
2. Increased NPS as this feature starts to instil good financial habits in our users

Money Buckets: Goal-based money saving tool

"Turn your financial dreams into achievable goals with Buckets which provides easy setup, auto-saving options, and real-time progress tracking"

User Journey

Users discover Buckets section on homepage → Sees some default buckets like Travel bucket, Education bucket, etc → Can create their own buckets / Can see interest on each bucket, time wise

↓

Sets the goal for a bucket

↓

Selects a source of funding (bank account) / Can also select an Auto-pay option to deduct money at regular intervals

↓

Sees progress of saving using visual indicators

Outcome expected
1. Increased engagement
2. Upselling opportunities: Users who save some money here are the potential users of any future investment products

Success Metrics

Acquisition
Tells us how we are doing at the top of the funnel - #users aware of these features
1. #users selecting tags(food, grocery) at the time of transaction
2. #users visiting the Money Lens tab
3. #users visiting the Guard Rails tab
4. #users visiting the Buckets tab
5. Customer Acquisition Cost to make customers aware of these features

Activation
Tells us if users are understanding the value proposition of these features
1. #users interacting with the transactional insights
2. #users downloading the weekly/monthly spends reports
3. #users setting spend limits on Guard Rails tab
4. #users creating & saving money in at least 1 Bucket

Engagement & Retention
Tells us if users are engaging with the features week-on-week
1. Time spent on the app
2. #users interacting with Money Lens week on week
3. #users coming back to the app to set their monthly limits
4. #users coming back to the app to complete their goal in each Bucket

Revenue
Tells us if these features are leading to any monetary benefits for Google Pay
1. % increase/decrease in monthly/weekly transactions
2. % contribution of commissions on Buckets to overall revenue

Risks & Mitigations

No.	Risk	Mitigation
1	Multiple payment applications in market, they can also offer personal finance management	Google pay will have to stand out in terms of its offering & play on it's strength of sleek UX

2	Automatic grouping of transactions can be inaccurate, leading to user drop-offs	1. Take better inputs from users by improving the UX 2. Improve the payment type classification model
3	Budgeting & Saving sentiment can decrease the number of transactions & total transaction value	1. Nudge users to spend on useful things and instil a sense of financial awareness in them