Product Teardown

PhonePe referral program

About

Journey Mapping

Metrics

Referral Psychology

What is PhonePe?

PhonePe is an Indian digital payments and financial services company.

Services you ask? I couldn't even count on my fingers

B2C

- Money Transfer
- **Popular** Recharge &Bill Payment
- Travel Bookings
- Transit & Food
- Other Purchases

Other Verticals (In-App)

- Loan
- Insurance
- Wealth

B2B

- Payment Links
- Advertising
- PhonePe Switch
- POS Device
- Express Checkout
- Guardian
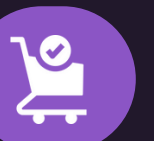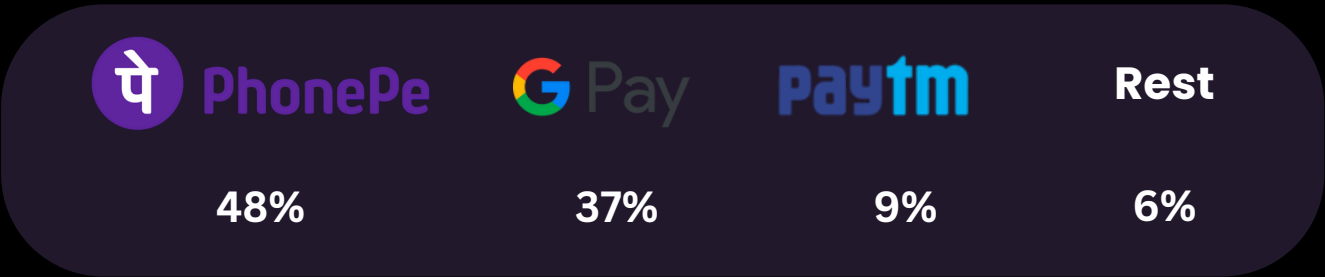
Other Apps by PhonePe

- Share Market
- Business
- Pincode
- Indus Appstore
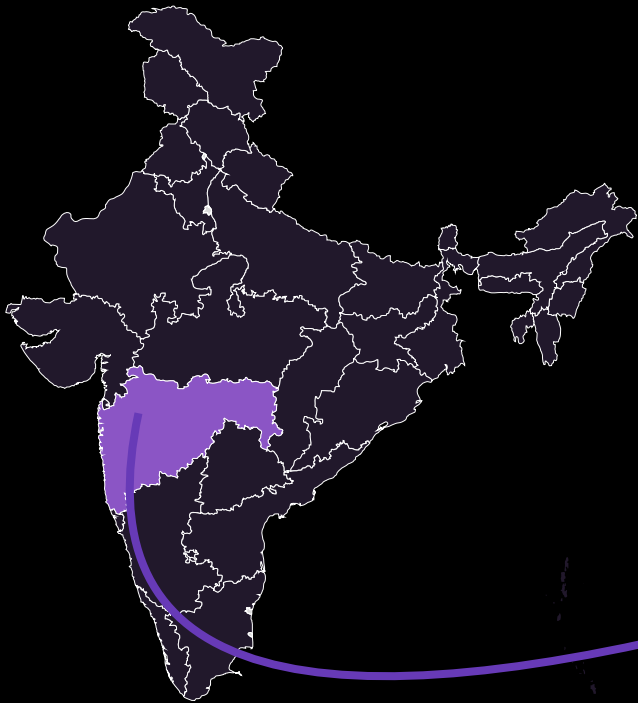
All PhonePe transactions (UPI + Cards + Wallets)

= 2402.62 Cr

Total payment value =31,82,052 Cr

Avg. transaction value = ₹1,324

Maharashtra recorded highest no. of transactions in Q2 of 2024 =306.35 Cr

Market Share (UPI)

PhonePe	G Pay	Paytm	Rest
48%	37%	9%	6%
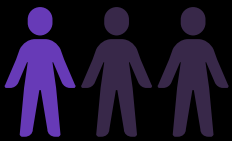
1 in 3 Indians are on PhonePe

About

Understanding PhonePe Referral programs

Peer To Peer Refer & Earn
Allows users to earn rewards by referring friends and family to use the PhonePe app.

For Businesses PG Partner Program
Lets businesses earn commissions by referring others to use its payment system, with benefits like competitive rates and support

Attraction: *Industry-best commission on every transaction*

Refer Apps to Friends & earn money

- MPL
- Taj Rummy
- RummyCircle
- Goibibo

B2C Revenue Streams

- Recharge and Bill Payments:
  1. Convenience Fees
  2. Merchant Commission
- Insurance (Car, Bike, Health):
  1. Insurance Premiums
- Travel:
  1. Booking Commissions
- Transit and Food:
  1. Service Fees
- Other Purchases (e.g.Google Play):
  1. Affiliate Commissions

Revenue from other Vertical Services (In-App)

- Loan:
 1. Interest and Fees
- Insurance:
  1. Commission from Policies
- Wealth (Investment Ideas, SIP, Mutual Funds):
  1. Management Fees

B2B Revenue Streams

- PhonePe PG Payment Links:
  1. Payment Gateway Fees
- Advertising:
  1. Ad Revenue
- PhonePe Switch:
  1. Partnership Fees
- Offline Business Solutions:
  1. POS Device Sales/Leases
- Guardian (Risk Operating System):
  1. Service Fees

About

Biographic Information

Name: Rohan Mehta
Age: 28
Location: Mumbai, Maharashtra, India
Marital Status: Single

"I love getting the most out of the apps I use, especially when it means earning something extra by helping my friends discover them too."

Psychographic Profile

Rohan is a tech-savvy, social, and financially conscious individual who loves using digital payment solutions to simplify daily tasks. An early adopter of new technologies, he values convenience, rewards, and sharing useful tools with his network.

Webographic Profile

Rohan is active on Instagram, Twitter, and LinkedIn, and follows tech and fintech influencers. He regularly reads blogs and watches YouTube videos on digital tools.

Relationship with Product

Rohan uses PhonePe for UPI payments, bill payments, and transfers, valuing its ease, security, and bonuses. He's a loyal user who frequently recommends it to others.

Pain Point

- Complicated referral programs.
- Unrecognized referrals and tech issues.
- Minimal rewards and difficult claim process.

Goals/Needs

- Straightforward and transparent.
- Simple process with quick benefits.
- Feels valued and can easily share rewards.
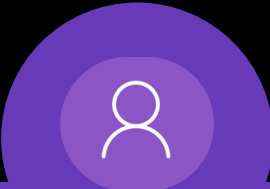
User Persona

Existing user

User Flow

Phonepe Homepage	Refer and Get Rs.100	Refer apps to friends and earn	Refer Phonepeto friends to earn Rs.50	Select a channel to send the invite through	Choose the invitees and tap Send	Invitee signs up using your link and completes 1st transaction	User receives Cashback from Phonepe

Emotions

Pain Points

		After tapping "Refer and Earn," the user is directed to the referral page, where the cashback amount is updated from ₹100 to ₹50.	Interestingly, while there's no limit on the number of people you can invite to use the app, there is a cap on the cashback you can earn.			

User Journey Mapping

Biographic Information

Name: Priya Sharma
Age: 34
Location: Bengaluru, Karnataka, India
Marital Status: Married

Psychographic Profile

Priya is a proactive, community-oriented individual passionate about supporting small and medium-sized businesses, driven by a desire to see them succeed and motivated by opportunities that benefit both her and the businesses she supports.

Webographic Profile

Priya engages with business content on LinkedIn, reads articles on trends, attends digital marketing webinars, and participates in local business communities online.

Relationship with Product

Priya uses PhonePe for personal finances and explores its B2B solutions for small business owners, valuing its seamless integration and ease of use for both personal and professional transactions.

"Helping small businesses thrive in the digital world is my way of giving back to the community. If I can earn a bit while doing that, it's a win-win!"

Pain Point

- Finds it hard to get trusted, efficient digital payment solutions.
- Platforms often lack support and transparency.

Goals/Needs

- Wants competitive commissions with support for referred businesses.
- Aims to help local businesses grow with PhonePe.
- Needs a simple, transparent referral process with clear support.

User Persona

Businesses

User Flow

| Onboarding Page | Sign up | Upload Documents & verify account | Tap Refer Link | Sen refer link to new merchants | referred merchant activated | Earn commission on every transaction merchants make | Automated Monthly Payouts |

Emotions

Pain Points

| | Technical Glitch while signing up | Document verification takes time | | | | | |

User Journey Mapping
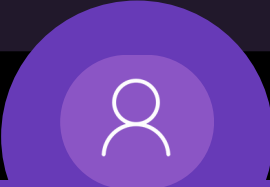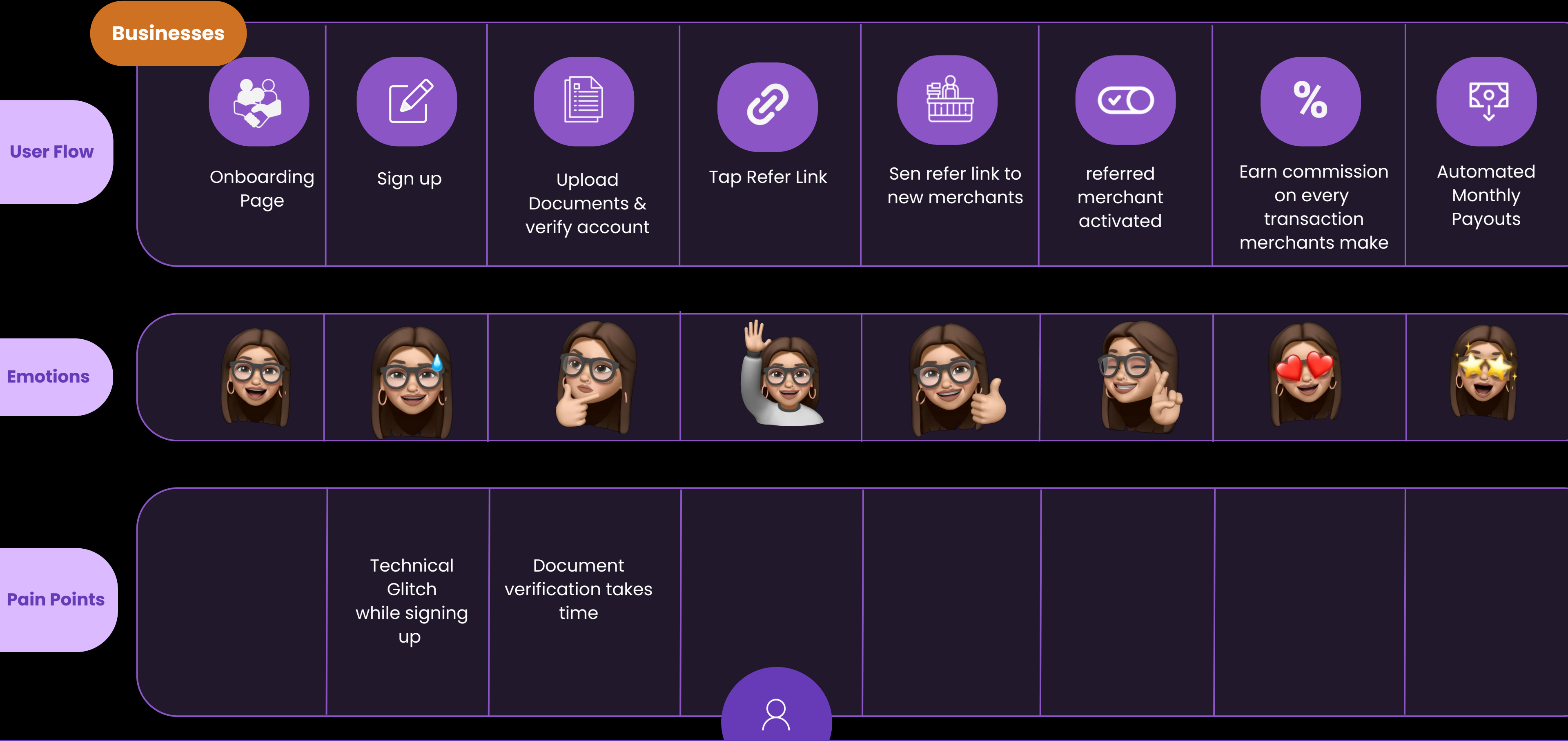
Product Metric

Referral Conversion Rate

# of downloads

# of active users

Time spent on referrals

Customer Satisfaction

# of user transacting 1st time

Business Metric

Total Volume of Transaction

Increase in new user transaction

increase in New Users

Revenue

Market Share

Metric

Understanding Referral Design Psychology(Rating Phonepe Referral)

Social Proof

Xyz people from your contacts are on PhonePe.

Helps users feel part of a community.

★★★★★

Trust and authenticity

Your most trusted friend is invinting you to use phonePe

A trustworthy individual can enhance the credibility of your brand

★★★★★

Timing For demanding actions

Referrals are most effective after users complete a task and feel accomplished

★★☆☆☆

Skeuomorphism

We use 'skeuomorphism' to describe design elements that mimic real-world objects in appearance or interaction.

PhonePe can improve its use of skeuomorphism

★★☆☆☆

Understanding Referral Design Psychology(Rating Phonepe Referral)

People don't buy products; they buy a better version of themselves

PhonePe focuses on how it enhances users' lives rather than just promoting its features.

⭐⭐⭐⭐⭐

aha!' moment

If the cashback is split between both the inviter and invitee, it will reduce friction for new referrals

⭐⭐☆☆☆

Hidden limits

PhonePe keeps users motivated with a sense of unlimited opportunity, while managing rewards with hidden limits

⭐⭐⭐☆☆

Overall, PhonePe has a smart, seamless referral system that addresses most customer pain points

Psychology

Referrals work as feedback

As humans, we're hungry for feedback, and I'd love to hear yours on this Product Teardown