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FINANCIAL INNOVATIONS ROLE IN CONSUMER BEHAVIOR AT RUSSIAN RETAIL PAYMENTS MARKET

Abstract:

This study estimates the effect of contactless payment and various financial innovations on the frequency of payments in terms of number of transactions for different individuals at the Russian retail payments market. Using the representative nation-wide survey of 1500 individuals, it was found that various types of financial innovations promote activity of consumers at the retail payments market. This paper contributes to the existing literature in payment economics by empirically analyzing the effects of emerging and existing retail financial innovations on the consumers' behavior at Russian retail payments market. The results of the paper provide important implications for both consumers and merchants, as well as help to overcome barriers that prevent spread and use various financial innovations in the future.

Keywords:

Retail payments; payment cards; customers' behavior; financial services; benefits; financial innovation.

JEL Classification: G21, D53, E42