

Customized Report

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GPR 2024

9th Edition

THE GLOBAL PAYMENTS REPORT

How consumer choice is changing commerce





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CUSTOMIZED 30 JULY 2024

STEVEN

Welcome to your customized report

Within your report you will find:

- Executive Summary
- Global Payment Methods
- Key Findings
- Your Chosen Key Verticals
- Your Selected Regions
- Payment Terms
- Methodology

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PEOPLE + PAYMENTS

INTRODUCTION

THE ERA OF PEOPLE AND PAYMENTS

The global payments landscape has throughout history been shaped most decisively by the technologies of the day. Cash in all its forms ruled for millennia and through the industrial age. Analog electronics arrived in the 20th century to support the reign of cards. The emergence of the internet and e-commerce ushered in the arrival of alternative payment methods in the late 1990s. Today, digital innovations generate an ever-expanding array of payment types.

Consumers have more payment options than ever.

We're entering an era defined not by technology, but by people. We're entering an era where choice is the main driver of the payment landscape. Consumers and their collective choices are the new center of payments gravity, a living force that's pushing merchants to optimize payment choices. Today's choice era is one of limitless possibilities for consumers, merchants and the payments industry that connects them.

The era where people drive payments sees disruption as the engine of opportunity.

This new era is one where the payment industry is reinventing itself, looking to a future where they must satisfy a tapestry of need crafted by distinctly local intersection of choices. The era when people drive payments is a true synthesis of what came before, with cards and cash taking on new – and still essential – roles both in their traditional and newly reimagined digital forms.

And we're only scratching the surface. Join us as we explore the limitless possibilities in this new era of people driving payments.

EXECUTIVE SUMMARY

In 2024, the Global Payments Report continues its mission to document consumer payment behavior at checkout online and in-store. The following are key insights from our ninth edition of the GPR.

1 Digital wallets are the people's payment choice

In 2023, wallets accounted for 50% of global e-com spend (> \$3.1T) and 30% of global POS spend (> \$10.8T). Still the fastest growing payment method, by 2027 wallets are projected to account for more than \$25 trillion in global transaction value (49%) across e-commerce and POS.

2 Cards show strength inside and outside digital wallets

Consumer attraction to digital wallets isn't a turn away from cards. In card-dominated markets, card spend is simply shifting to digital wallets like Apple Pay, Google Pay and PayPal. Viewed in total, card transaction values are at an all-time high and continue to rise.

3 A2A remains challenged in card-heavy markets

Account-to-account (A2A) payments are becoming dominant from Brazil to India. A2A payments have found less success to date in card-saturated markets such as the UK and USA. Merchants crave A2A's lower cost of payment acceptance. Can consumers be enticed to break their card habits?

4 Consumer demand for BNPL is steady against headwinds

Buy Now Pay Later companies faced well-documented headwinds in 2023 including rising interest rates, looming regulation and souring investor sentiment. Consumers countered those headwinds by choosing BNPL more than ever. Banks, fintechs, big techs and platforms are stepping in to satisfy consumer demand and capture their spend.

5 Global e-com growth outpaces POS by > 2-1

Global e-commerce surpassed \$6.1 trillion in 2023 and is growing at more than twice the rate of global POS value. E-com growth is projected for 9% CAGR (versus 4% for POS) through 2027. E-com as a percentage of all commerce reached 14.4% globally in 2023 and forecast to exceed 17% by 2027.

6 Cash remains relevant amid economic uncertainty

Globally, cash fell -8% in 2023, and is expected to decline at -6% CAGR through 2027. Yet cash remains a vital payments tool for billions of consumers. In 2023, cash accounted for 16% (\$6 trillion) of global transaction value, including double-digit share in thirty of forty markets in this report.

7 Prepaid cards to surpass \$1 trillion in 2024

In 2024, prepaid cards will exceed \$1 trillion in global transaction value. Versatility drives prepaid cards' success: as gift cards, reloadable stored value cards, for payroll, business-to-consumer payments and as government benefits. Prepaid cards support financial inclusion by serving underbanked consumers.

8 Increasing financial inclusion signals sunset of post-pay

Post-pay is a voucher-based payment that allows consumers to shop online and pay at an affiliated store or ATM. Post-pay remains popular in cash-heavy LATAM and Japan, where in each it accounted for 4% and 5% of 2023 e-com transaction value, respectively. While still relevant in these markets, an upturn in financial inclusion and overall shift away from cash is signaling post-pay's sunset.



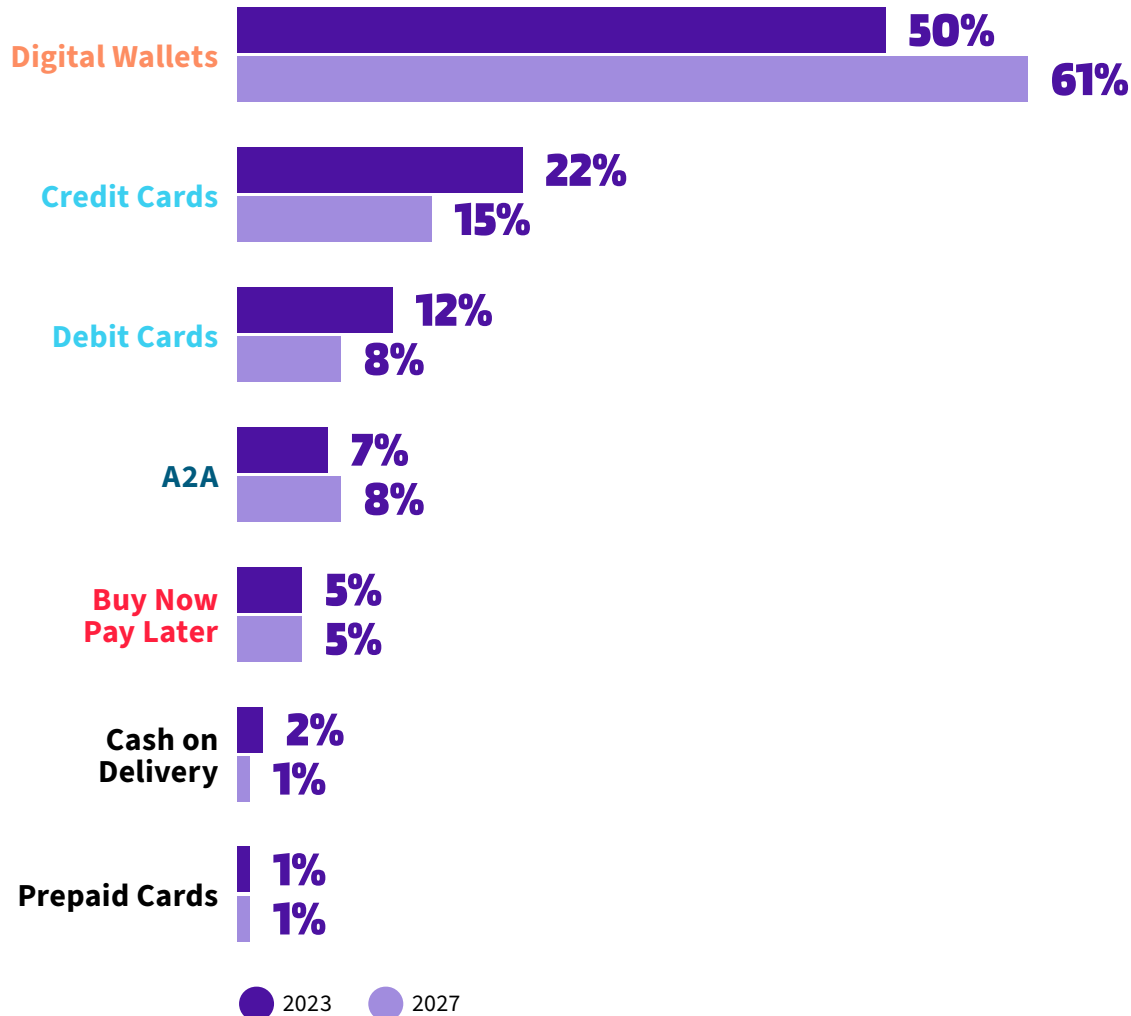
GLOBAL PAYMENT METHODS

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GLOBAL E-COM PAYMENT METHODS

Transaction value % 2023-2027



Digital wallets retain global supremacy in e-commerce, reaching 50% of global transaction value in 2023. Wallets are the fastest growing e-commerce payment method with a projected 15% CAGR through 2027.

Credit and debit cards share of e-commerce transaction value as a direct payment method **are projected to decline slightly** through the forecast period to 2027. However, much of this “decline” is card spend shifting to use within digital wallets.

Account-to-account (A2A) payments continue to flourish in select markets such as Brazil, India and Poland, compensating for slower growth in large card-dominated markets such as the UK and USA. Global A2A transaction values are forecast to rise at 14% CAGR through 2027, gaining 1% global share during that time.

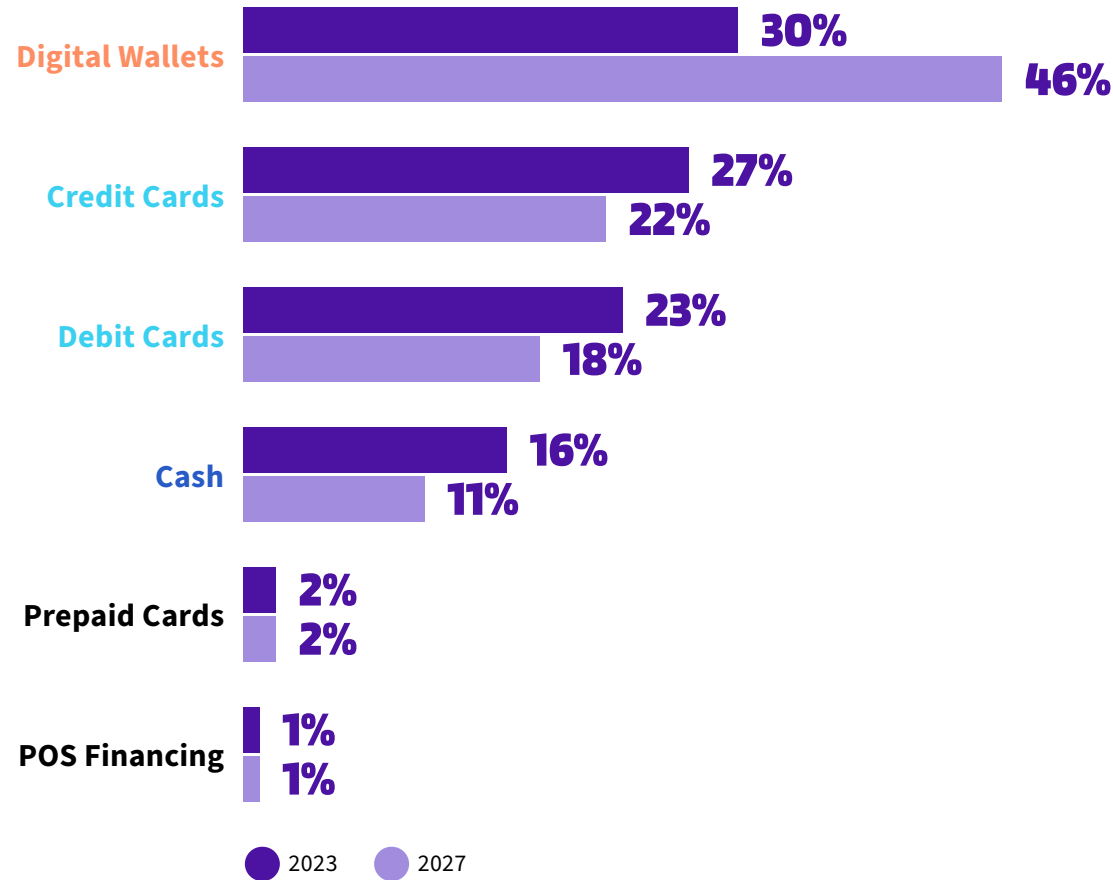
Buy Now Pay Later (BNPL) global transaction values grew 18% in 2022-23 to reach 5% share of global e-com spend, or over \$316 billion. We project growth in the forecast period to 2027 of 9% CAGR, equal to that of global e-com growth as a whole and therefore retaining 5% global share through 2027.

Cryptocurrencies (0.2%, ~\$11 billion), **post-pay** (0.3%, ~\$20 billion) and **pre-pay** (0.3%, ~\$17.5 billion) each registered less than 0.5% of global e-commerce transaction value in 2023.

2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.

GLOBAL POS PAYMENT METHODS

Transaction value % 2023-2027



Digital wallets extended their lead in global POS payments in 2023. Wallets accounted for approximately 30% of global POS transaction value, or more than \$10.8 trillion. Digital wallets are also the fastest growing POS payment method with 16% CAGR forecast to 2027, when wallets are projected to account for approximately \$19.6 trillion in POS spending.

Credit and debit cards continue to do the heavy lifting at the point of sale around the world, combined accounting for approximately half of all POS transaction value. In 2023, credit cards were responsible for 27% of global POS spend (over \$10 trillion), while debit cards accounted for 23% (over \$8.3 trillion).

Cash use continued to drop in 2023, accounting for 16% of global POS spend – approximately \$6 trillion – a transaction value decline of 8% versus 2022. Cash is forecast to fall by -6% CAGR through 2027 when it is projected to account for 11% of global POS spending (over \$4.6 trillion).

2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.

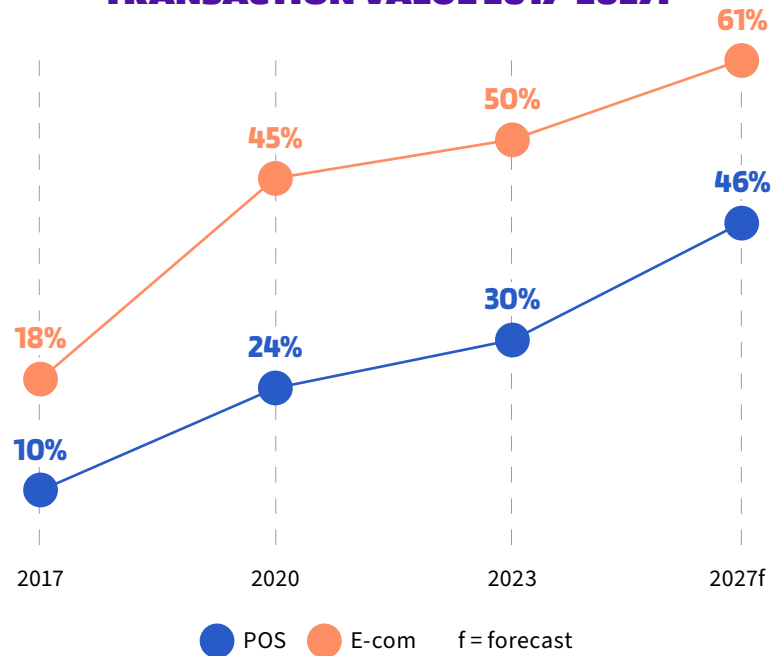
DIGITAL WALLETS ARE THE PEOPLE'S PAYMENT CHOICE

Digital wallets remained the people's choice for payments in 2023, accounting across channels for a combined \$14 trillion in consumer spending.

Wallets are the leading e-com payment method in APAC, Europe and North America today, and are projected to lead e-com payments in all global regions by 2027.

At POS, APAC remains an outlier with wallets representing 50% of spend, highest of any region. Digital wallets are projected to become the leading POS payment method in LATAM and MEA by 2027, markets that haven't had a legacy of card dominance. Wallets are catching up fast in the historically card-dominated markets with projected CAGRs of 24% in Europe and 23% in North America through 2027.

DIGITAL WALLETS SHARE OF GLOBAL TRANSACTION VALUE 2017-2027F



Wallets are the leading e-com payment method in APAC, Europe and North America today, and are projected to lead e-com payments in all global regions by 2027.



KEY GLOBAL DIGITAL WALLET STATS

2023 Transaction Value

E-com: **\$3.1 trillion**
POS: **\$10.8 trillion**
Total: **\$14 trillion**

2023-2027 Growth Forecast

E-com: **15% CAGR**
POS: **16% CAGR**

2027 Transaction Value Forecast

E-com: **\$5.4 trillion**
POS: **\$19.6 trillion**
Total: **\$25 trillion**

Digital wallets are projected to become the leading POS payment method in LATAM and MEA by 2027.

WINNERS IN THE WALLET RACE SPAN MULTIPLE INDUSTRIES

Competition for share of the nearly \$14 trillion global digital wallet market attracts major brands from multiple industries including smartphone manufacturers, e-commerce marketplaces, bank networks and global fintechs.



Smartphone manufacturers and operating system providers have an inside track with consumers by providing preloaded native digital wallet applications on mobile consumer devices. Leading global smartphone manufacturers including **Apple**, **Google** and **Samsung** are also among the world's leading digital wallet providers.





Leading global **e-commerce platforms** have successfully deployed their own wallet solutions for use not just on their own platforms, but on third-party sites as well. **Mercado Pago** from Mercado Libre (LATAM), **Amazon Pay** from Amazon (Global), **Rakuten Pay** from Rakuten (Global), and **ShopeePay** from Shopee (APAC) are all among the leaders in the markets in which they operate.



Fintechs and super apps are among the world's most successful brands in digital wallets. **Alipay** and **WeChat Pay** dominate by far the world's largest and most influential wallet market in China. **Paytm** is among the leaders in India's fast growing digital payment market, while US-based **PayPal** is one of the exceptionally few wallets that has a truly global footprint.



Banks and bank networks seek to retain their influence in consumer payments with their own wallets. **MobilePay** by Danske Bank is a leading wallet in Denmark and Finland; **BKM Express** provides wallets services for a consortium of thirteen Turkish banks; and **MODO** is known as “the wallet of the banks” in Argentina. Following the success of its P2P app, **Zelle**, major US banks are expected to launch the P2C payment app **Paze** in 2024.



QR CODES AND INTEROPERABILITY ARE DRIVING WALLET USE

QR codes see significant use in countries outside of North America and Europe, particularly in Southeast Asia where payment system interoperability is fueling wallet adoption.

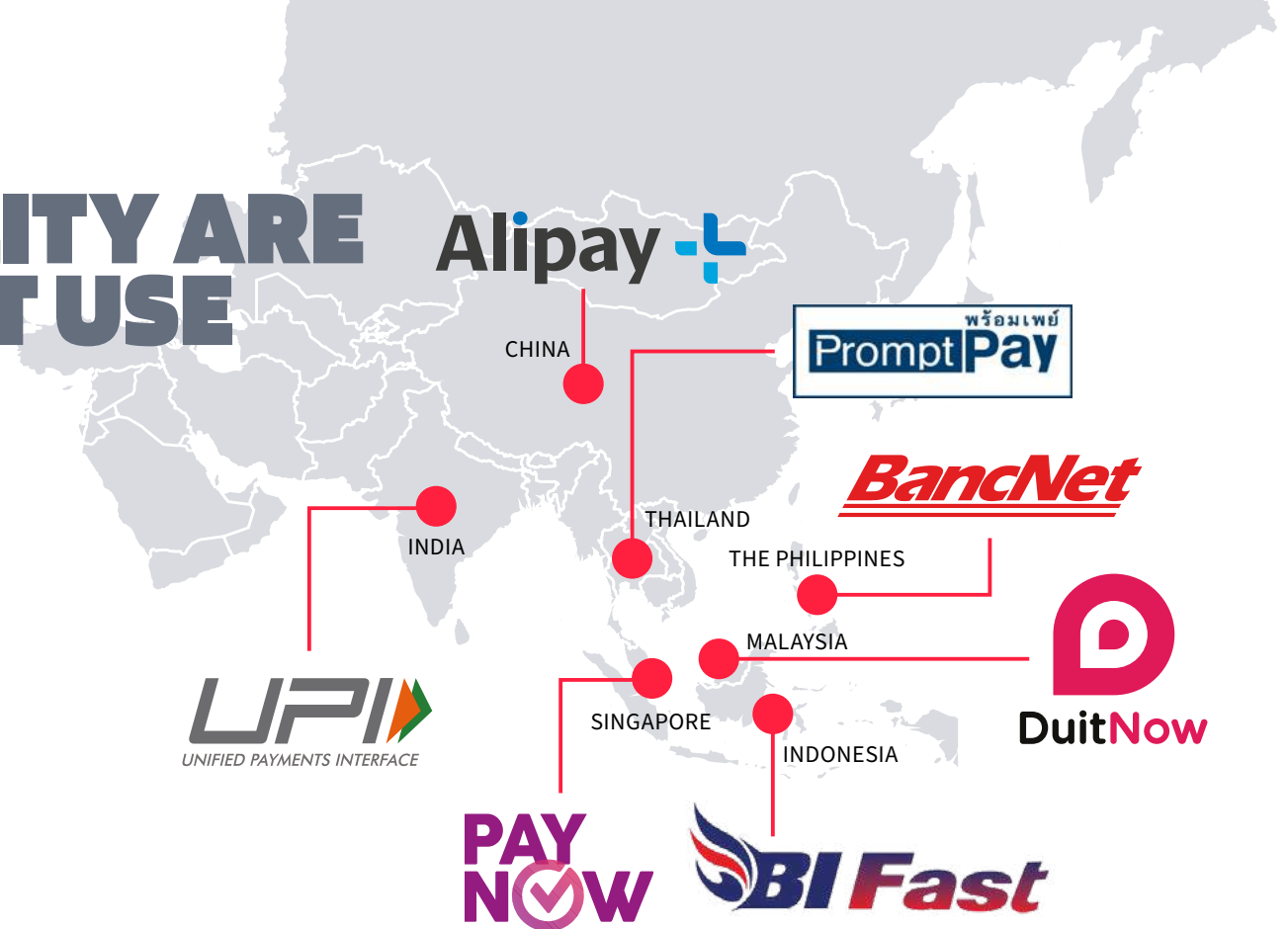
Juniper Research forecast QR code payments to grow over 590% in Southeast Asia Market by 2028.

The success of **Alipay** and **WeChat Pay** in China decisively established that QR codes could drive mass consumer adoption of digital payments. The two payment methods combined process an estimated 90% of more than \$7.5 trillion in 2023 digital wallet transaction value in China.

QR code payments have become ubiquitous across Southeast Asia due to their simplicity, standardization, inexpensive operation for merchants and support for underlying infrastructure from central banks. QR code-based payments are cost-effective for merchants as they require no special equipment such as POS terminals. Standardization of QR codes means merchants only need one QR code to accept payments from multiple wallets.

Real-time payment rails from central banks and bank associations – such as **BI-FAST** in Indonesia, **UPI** in India, **DuitNow** in Malaysia, **BancNet** in The Philippines, **PayNow** in Singapore and **PromptPay** in Thailand – provide the underlying infrastructure for the use of QR codes, helping to modernize payment systems, reduce reliance on cash and boost financial inclusion.

Cooperation among Southeast Asian central banks via the Association of Southeast Asian Nations (ASEAN) is helping to promote cross-border interoperability in an effort to boost regional economic integration and growth. Efforts from the private sector – such as that recently initiated by **Alipay+** – are also boosting regional wallet interoperability.



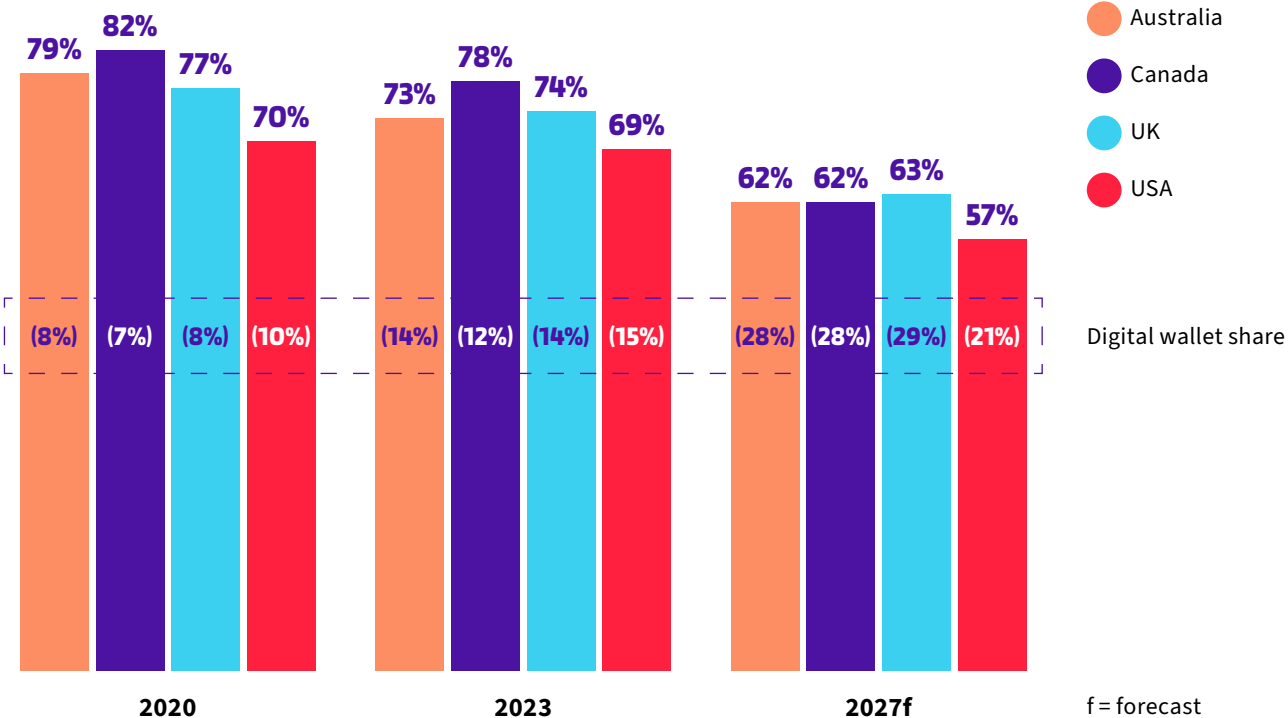
CARDS SHOW STRENGTH AS SHARE SHIFTS TO DIGITAL WALLETS

Credit and debit cards have ceded payment share to digital wallets, but they're far from losing relevance.

Cards as a direct payment tool are indeed losing share globally, even in historically strong card markets. Despite rising absolute transaction values, between 2020 and 2023 credit and debit cards combined lost share of POS payments in Australia, Canada, the UK and the USA.

A reasonable and frequently asked question arises: are cards losing share to digital wallets? The answer is yes, cards are losing share to wallets as the direct payment mechanism at the point of sale. Are cards therefore losing relevance? The answer to that is a decisive “no.”

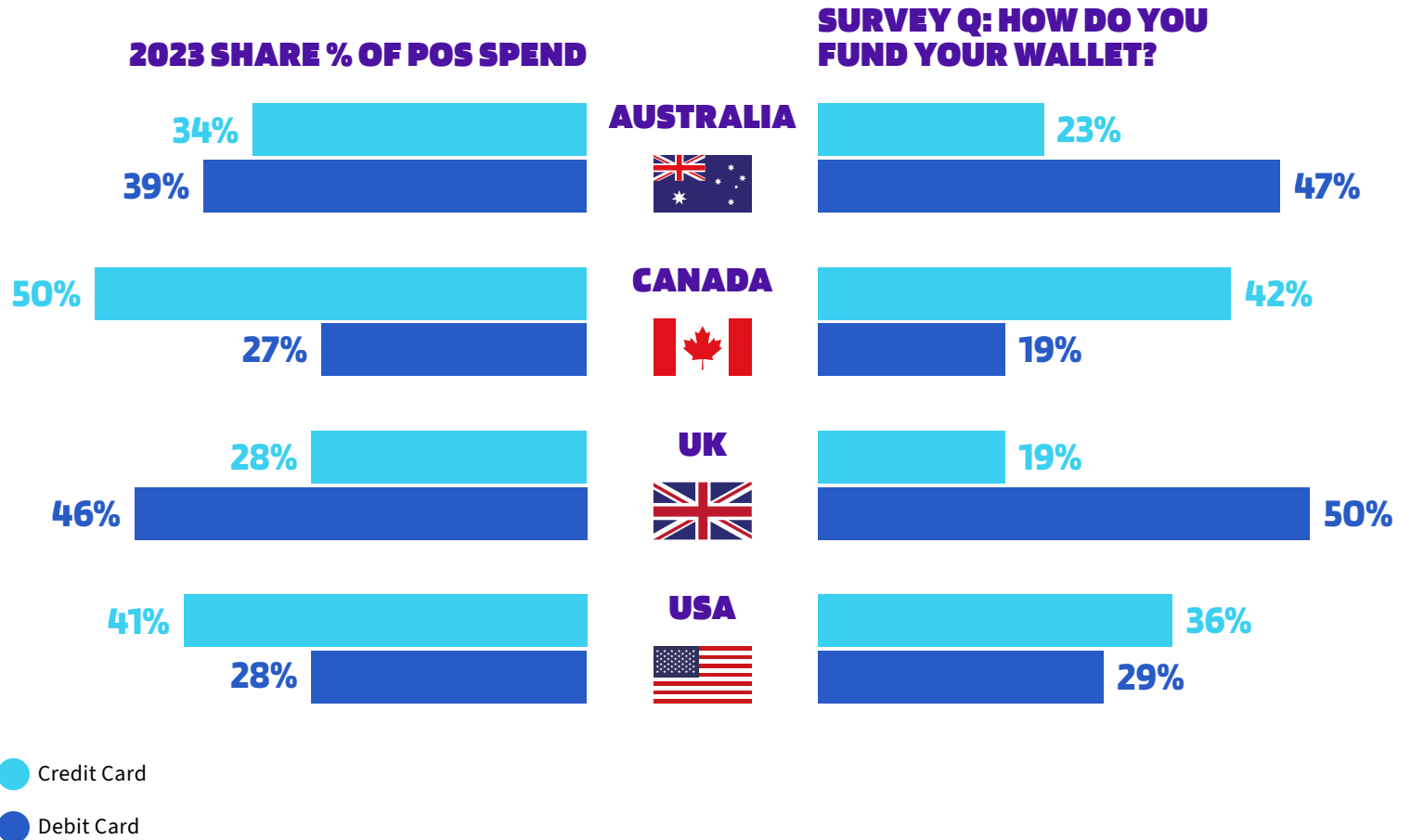
CREDIT & DEBIT CARD COMBINED SHARE OF POS TRANSACTION VALUE 2020-2027f
 (+ Digital wallet share)



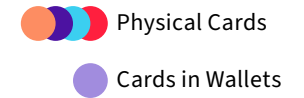
CARD SPEND IN WALLETS REFLECTS CARD SPEND IN EACH MARKET

Especially in historically card-dominated payment markets, the spend being “lost” is simply shifting to being used from within “pass-through” and “staged” digital wallets like **Apple Pay**, **Google Pay/Google Wallet** and **PayPal**.

In our survey we asked consumers “how do you typically fund your mobile wallet?” Their answers consistently approximated the relative mix of credit and debit card spending inside wallets that takes place with physical cards outside wallets.

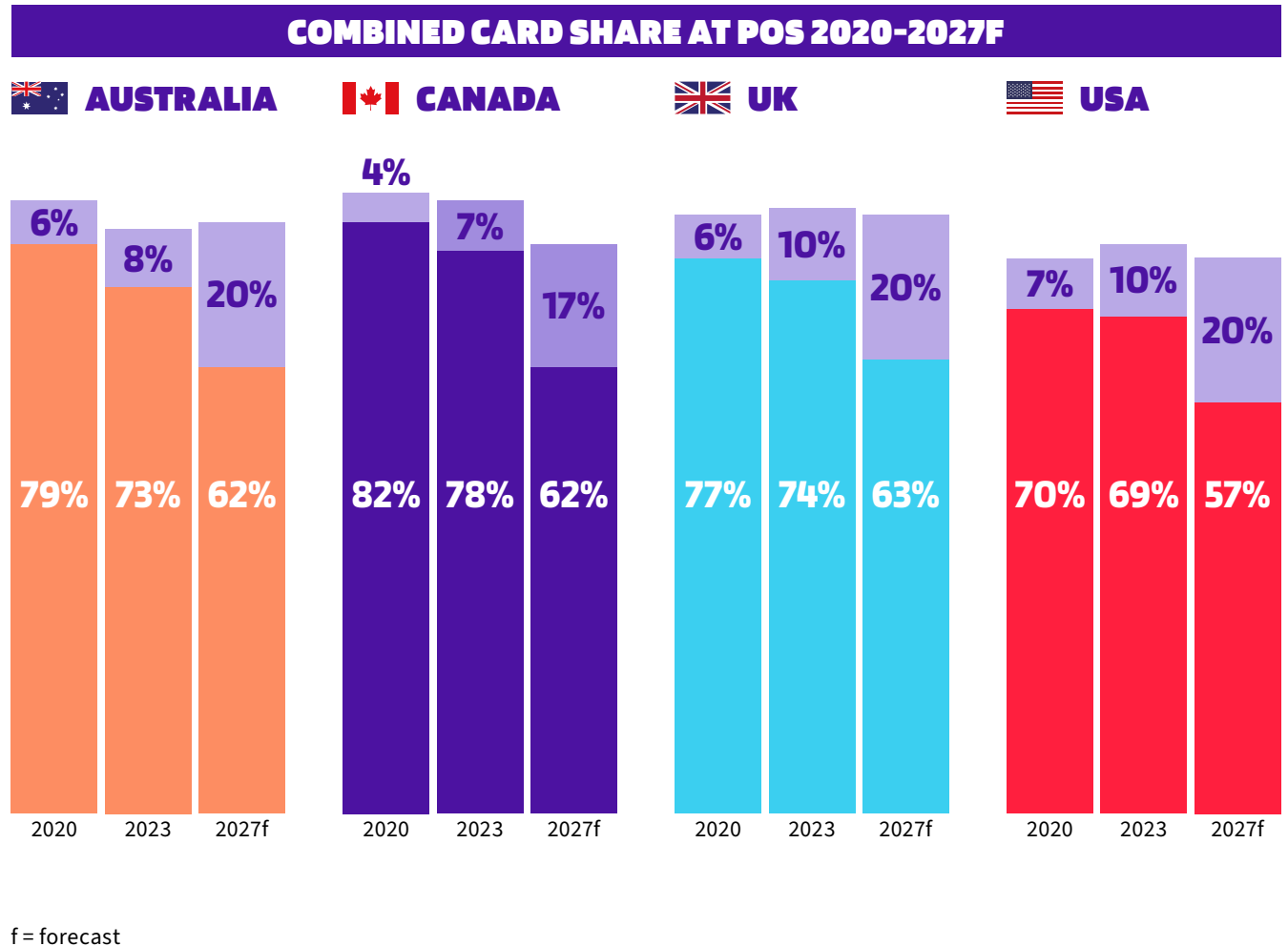


COMBINED, CARDS PROJECT CONTINUED STRENGTH



Including an estimated spend taking place from within wallets based on our survey results, cards project to maintain effectively flat shares through 2027. In these card-dominated markets, that translates to nearly 80% of POS transaction value in 2027.

Wallets are changing the way consumers present cards in card-dominated markets but based on our survey data they're not fundamentally altering the underlying transaction shares. That may well change in the future as methods like A2A and BNPL account for bigger share of wallet funding, but cards look to retain relevance – and in many markets, dominance – for many years to come.



A2A IS THRIVING IN MARKETS WITH STRONG GOVERNMENT AND BANK SUPPORT...

Account-to-account (A2A) payments continue to thrive in markets around the world.

In 2023, A2A was the leading e-commerce payment method in Finland, Malaysia, The Netherlands, Nigeria, Norway, Poland, Sweden and Thailand. A2A payments built on real-time payment rails are revolutionizing payment landscapes in major emerging economies such as Brazil and India.

A2A schemes are succeeding in emerging markets where they receive strong government support as a means to achieve financial inclusion and promote digital payments. In advanced markets, collaborative initiatives between banks promote the use of A2A schemes.



A2A IS THRIVING IN MARKETS WITH STRONG GOVERNMENT AND BANK SUPPORT



- Central bank sponsored, launched in November 2020
- Subsidized consumer discounts to incentivize use
- E-com + POS, seeks to eventually replace cash and cards
- Projected to account for **50% of e-com payment value by 2027**



- Central bank sponsored, launched in 2016
- Works with commercial digital wallets including **Google Pay, Paytm, PhonePe, MobiKwik, and Amazon Pay**
- E-com + POS, seeks to replace cash
- Wallets account for **> 50% POS + e-com value**



- Privately operated, owned by six Polish banks + Mastercard
- Launched in 2015, had over 14 million active users as of Q2 2023
- A2A payments accounted for **68%** of Poland's e-com transaction value in 2023, and is projected to reach **73%** by 2027



- Purchased by European Payments Initiative (EPI) – itself owned by 16 large European banks – in October 2023
- Launched in 2005 by four major banks for use by all Dutch banks
- A2A accounted for **62%** of Dutch e-commerce transaction value in 2023

...YET A2A REMAINS CHALLENGED IN CARD-DOMINATED MARKETS

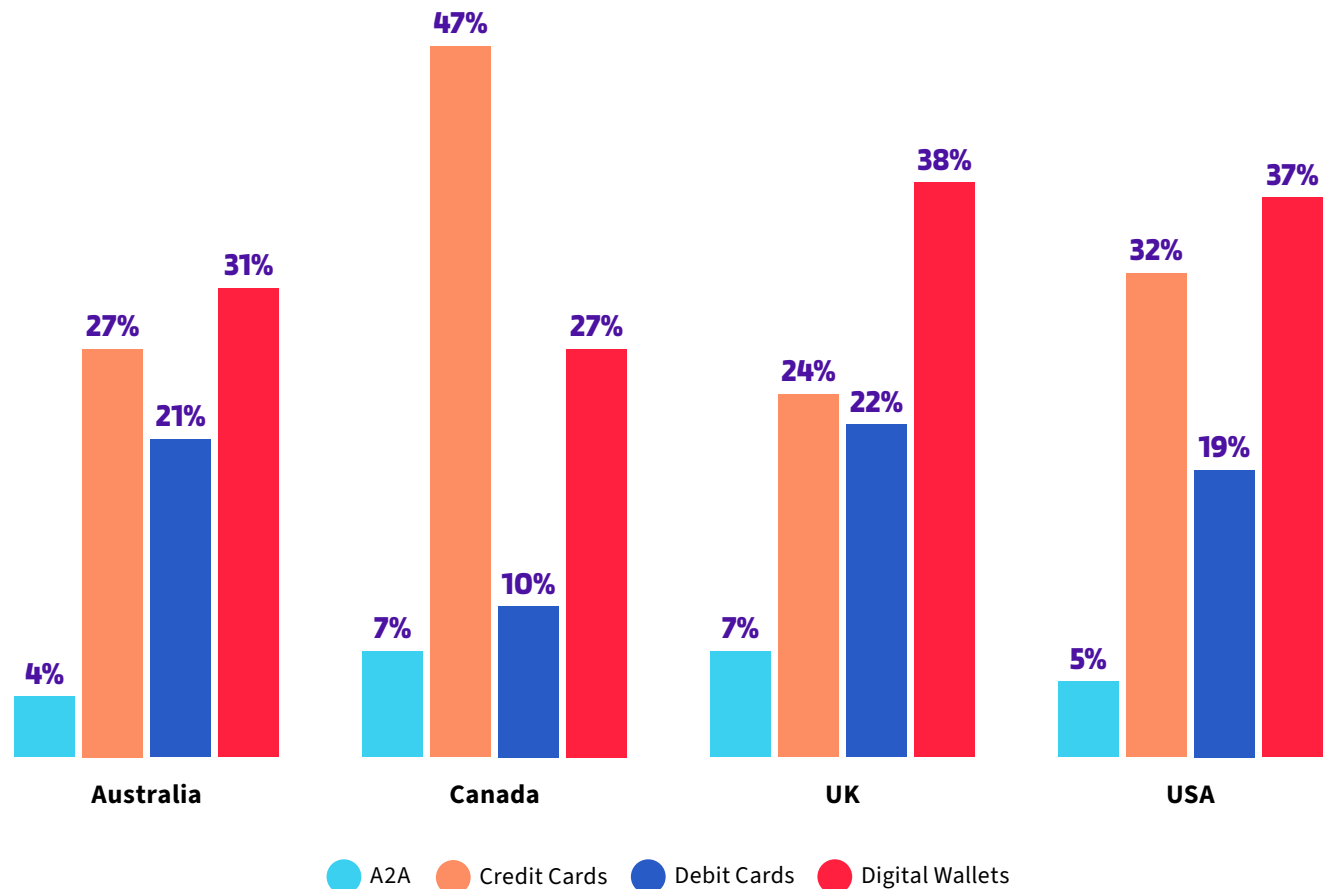
A2A growth has been considerably slower in established card markets such as Australia, Canada, the UK and the USA. Merchant incentives are clear – they crave A2A's lower cost of payment acceptance.

However, incentives for consumers to adopt A2A payments are less obvious. Cards work for consumers, as evidenced by the more than \$20 trillion in global credit card and debit card spending in 2023.

The success of payment cards relies in large part on two factors consumers increasingly demand: purchase protections and loyalty rewards.

A2A payment schemes will need to solve these trust and reward puzzles to meaningfully influence consumer behavior in card-dominated markets. Loyalty and fraud prevention are currently services provided by intermediaries – card networks, financial institutions and payment service providers. These services are ultimately funded from interchange fees paid by

2023 A2A, CARD AND WALLET SHARE OF E-COM TRANSACTION VALUE, SELECT MARKETS



merchants. By design, A2A schemes have few or no intermediaries and thus have no structural chargeback mechanism so central to card schemes. Who, if anyone, will offer consumers fraud protection? Why should consumers give up their rewards?

Regulatory initiatives to promote open banking and new real-time payment systems coming online seek to change that equation in large consumer markets with high card penetration. To date, success has proved elusive.

In Australia, RBA Governor Michele Bullock articulated her frustration with the delays in adoption of the New Payments Platform (NPP) and its push payment service for consumer to business purchases, PayTo. Higher costs and poor user experience have raised concerns among legacy payment system providers about the utility of A2A payments. 2023 estimates reflect a downward revision to 5% of e-com transaction value for A2A while modest 9% CAGR to 2027 projects incremental A2A adoption and is subject to additional revision.

In Canada, implementation of Payment Canada's Real Time Rail (RTR) instant payment system was delayed again in 2023. The year concluded with

no specific timetable for release. While further studies are being pursued. Previous estimates and forecasts for A2A payment values in Canada have been revised downward.

In the US, FedNow adoption has been comparably minimal in its first year of operation. Meanwhile it appears that the presence of FedNow spurred an increase in adoption of RTP services from The Clearing House, FedNow's private competitor. With few compelling consumer to business use case deployments on the horizon, A2A payment estimates and forecasts have been revised downward.

Similarly, the UK government commissioned a 2023 report on how to improve payments in general and Open Banking in particular in the UK. Adoption of A2A in the UK remains low and to date has posed no threat to card dominance. If the UK Government initiative succeeds, share of A2A value in the UK could grow to 8-10% of e-commerce spending by 2027.

In September 2023, The European Payments Initiative (EPI) launched wero, a new pan-European digital wallet aimed at promoting real-time account-to-account payments in Europe. In October 2023 EPI announced the acquisition

of the Dutch payment solution **IDEAL** and the Luxembourg A2A payment provider **Payconiq**. The ambitious Nordic Project P27 was cut short in April 2023 after member countries withdrew their support and declined to go forward with the project.

A2A growth in Europe will in large measure depend on the success of the new proposals by the European Commission, published in October 2023, aimed at unlocking Open Banking. These include a new explicit obligation for banks to provide an API-based open banking interface and payment status information to third-party providers.

CONSUMERS GRAVITATE TO BNPL DESPITE HEADWINDS

Buy Now Pay Later (BNPL) companies continued to be challenged in 2023 by high interest rates, looming regulation, lowered valuations, and an investor mindset shift from growth-at-any-cost to one that demands short-term profitability.

BNPL GLOBAL E-COM TRANSACTION VALUE 2019-2027F (\$ BILLIONS)

\$61
2019

\$159
2021

\$316
2023

\$452
2027f

f = forecast

The challenges BNPL companies face from a business model perspective are not the result of declining popularity of the payment method by consumers. Indeed, in 2023 consumer demand for BNPL reached an all-time high.

While many BNPL firms struggled through these headwinds, banks, fintechs, big techs and e-commerce platforms continue to add BNPL to serve persistent consumer demand.

Banks, big tech, retailers and regulators bring BNPL into the credit mainstream. Global BNPL transaction values grew 18% YoY from 2022-23 despite well-publicized headwinds. Our forecast for BNPL is 9% CAGR in global e-com through 2027, equal to that of e-com growth overall.

HEADWINDS SEPARATING BNPL WINNERS AND LOSERS

Though the plight of pure-play BNPL companies may be challenged in the near term due to high interest rates and a flight from fintech, banks, big techs, e-commerce platforms and super apps continue to add BNPL as part of their overall credit offerings to serve persistent consumer demand for the payment method.

The winners in the BNPL race are increasingly those for whom BNPL is not the primary business model. Major BNPL providers include fintechs (**PayPal Pay in 4**), Big Techs (**Apple Pay Later**), banks (**My Chase Plan, NAB Pay Later**) and card networks (**Visa Installments, Mastercard Installments**). In December 2023, Google announced their intention to partner with **Affirm** and **Zip** to provide BNPL services via its **Google Pay** wallet. Even the largest and best known global BNPL brands have diversified, pivoting from pure-play BNPL to become shopping platforms (**Klarna**) and to offering a wider range of traditional credit services (**Afterpay, Affirm, Zip**).

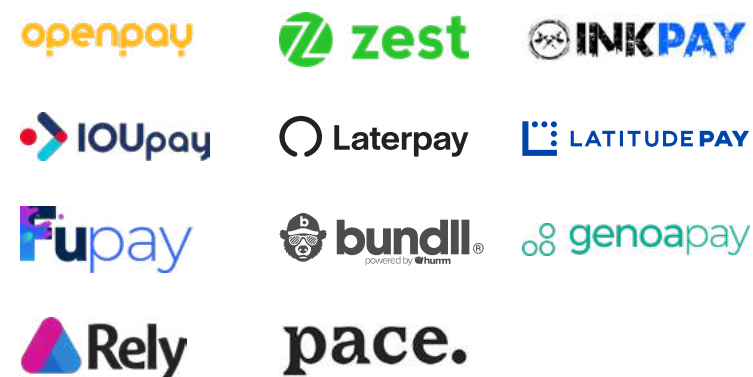
Whether the model of “pure play” BNPL providers will succeed is unclear, even given the most favorable macroeconomic and sector dynamic conditions. Headwinds in 2023 saw at least a dozen BNPL firms discontinue operations entirely, including **Openpay** and **Latitude Pay** in Australia, **Laterpay** in Germany, **myIOU** in Malaysia, **Zest** in India and **Pace** in Singapore.

Although some players, such as **Zip** and **Clearpay** (Afterpay’s European brand), are pulling services from the European market, others, like Klarna, seized the opportunity to expand and grab more market share as demand for BNPL services continue unabated. Klarna offered positive news by reporting a quarterly profit in Q3 2023.

BNPL LEADERS: BIG TECHS, BANKS, FINTECHS



SAMPLE OF BNPL COMPANIES CEASED OPERATIONS IN 2023



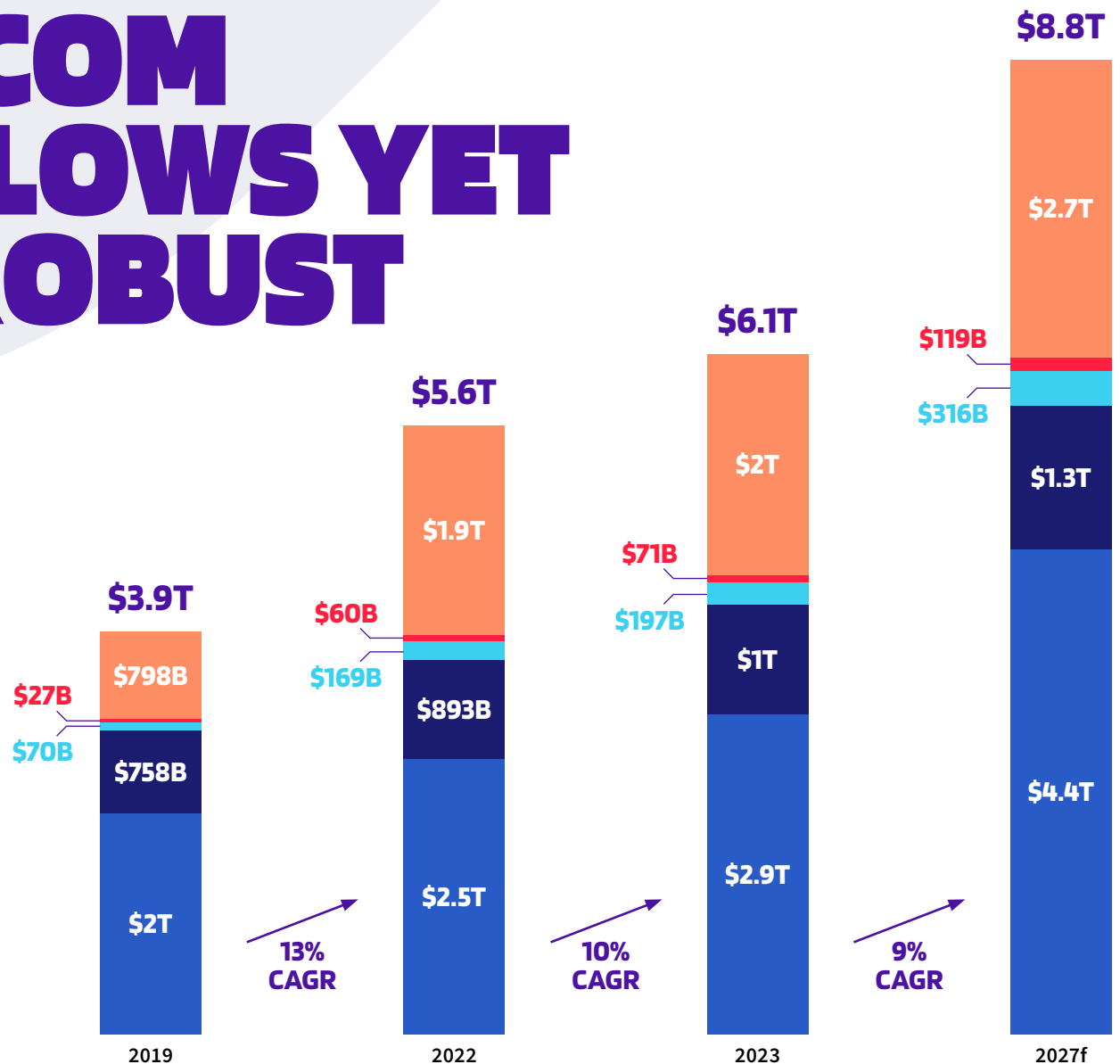
GLOBAL E-COM GROWTH SLOWS YET REMAINS ROBUST

Global e-commerce surpassed \$6.1 trillion in 2023 and is growing at more than twice the rate of global POS.

E-com growth is projected for 9% CAGR (versus 4% for POS) through 2027. E-com as a percentage of all commerce therefore continues to rise, reaching 14.4% globally in 2023 and forecast to exceed 17% by 2027. High single-digit e-commerce growth is forecast for Europe (8%) and North America (7%), with double-digit growth in APAC (11%), LATAM (12%) and MEA (14%).

- North America
- MEA
- LATAM
- Europe
- APAC

f = forecast



GLOBAL E-COM TRANSACTION VALUE 2019 - 2027F, US\$ BILLIONS + GLOBAL CAGR

GLOBAL E-COM GROWTH OUTPACES POS BY > 2-1

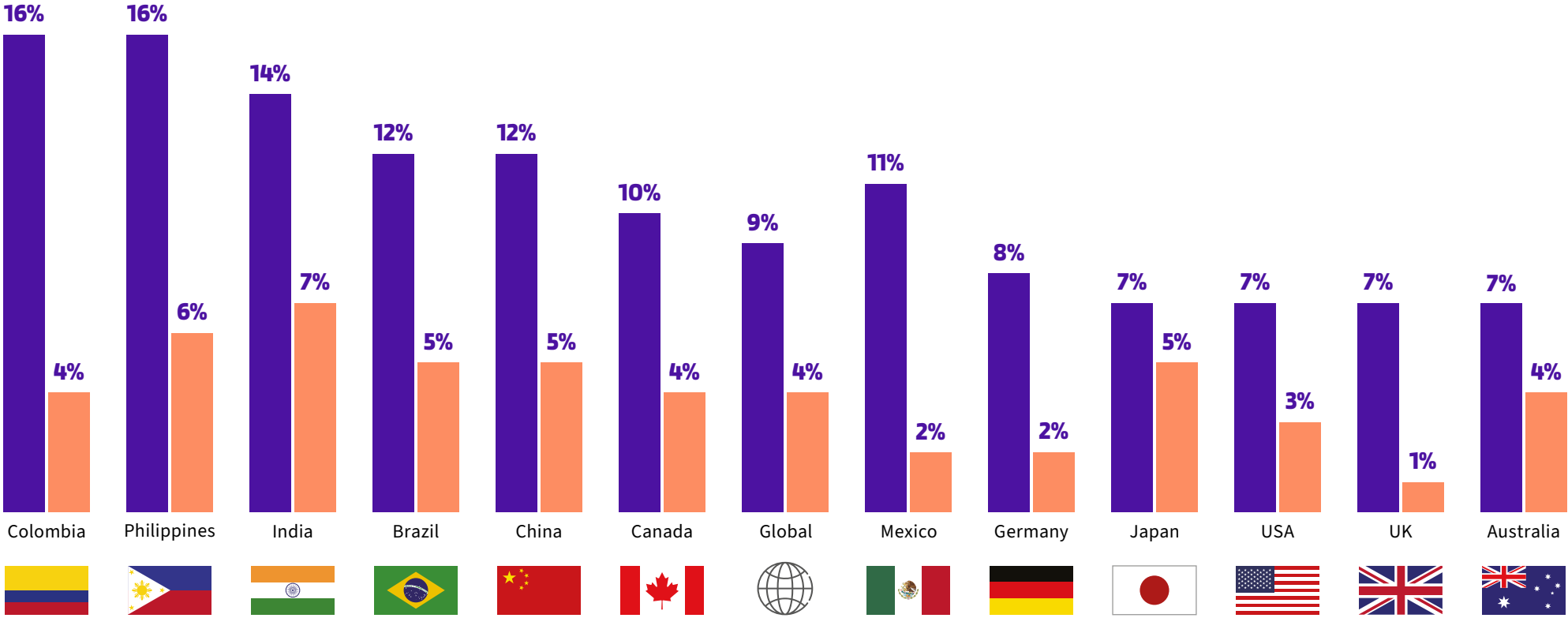
The global e-commerce pie expanded by 10% – a half a trillion US\$ – in 2023 over 2022 to reach \$6.1 trillion in transaction value.

Global e-com growth is forecast at 9% CAGR through 2027 (versus 4% for POS), when e-com transaction value is projected to be nearly \$8.8 trillion.

High single-digit growth is forecast for Europe and North America, with higher growth rates in the teens for APAC, LATAM and MEA.

● E-com ● POS

FORECAST CAGR % 2023-2027, SELECT MARKETS



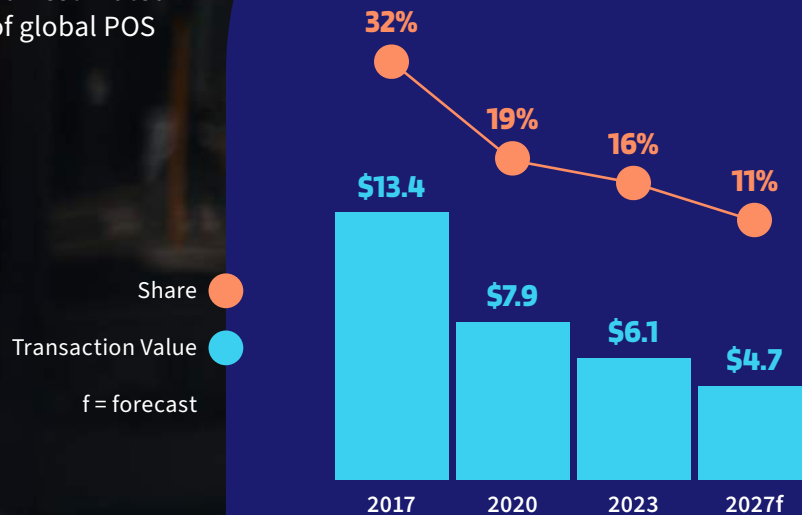
CASH REMAINS RELEVANT AMID ECONOMIC UNCERTAINTY

Globally, cash fell -8% YoY from \$6.7 trillion in 2022 to \$6.1 trillion in 2023.

We project global cash transaction values will see a **continued decline of -6% CAGR** through 2027 when cash will account for an estimated \$4.7 trillion, or 11% of global POS transaction value.

GLOBAL CASH TRANSACTION VALUE 2017 - 2027F

\$US trillions (share % of POS)



CASH'S CHANGING, DIVERSE AND ESSENTIAL ROLE

In 2023, **cash was the leading payment method at POS transaction in 12 of the 40 markets** covered in this report: Argentina, Colombia, Japan, Malaysia, Mexico, Nigeria, the Philippines, Peru, Poland, Spain, Thailand and Vietnam.

By 2027, we project that **cash will remain the leading payment method in just five markets:** Colombia, Mexico, Nigeria, Peru and Spain.

Even in long cash-heavy Germany, in 2023 debit cards (38%) surpassed cash (36%) to become the leading payment method among German

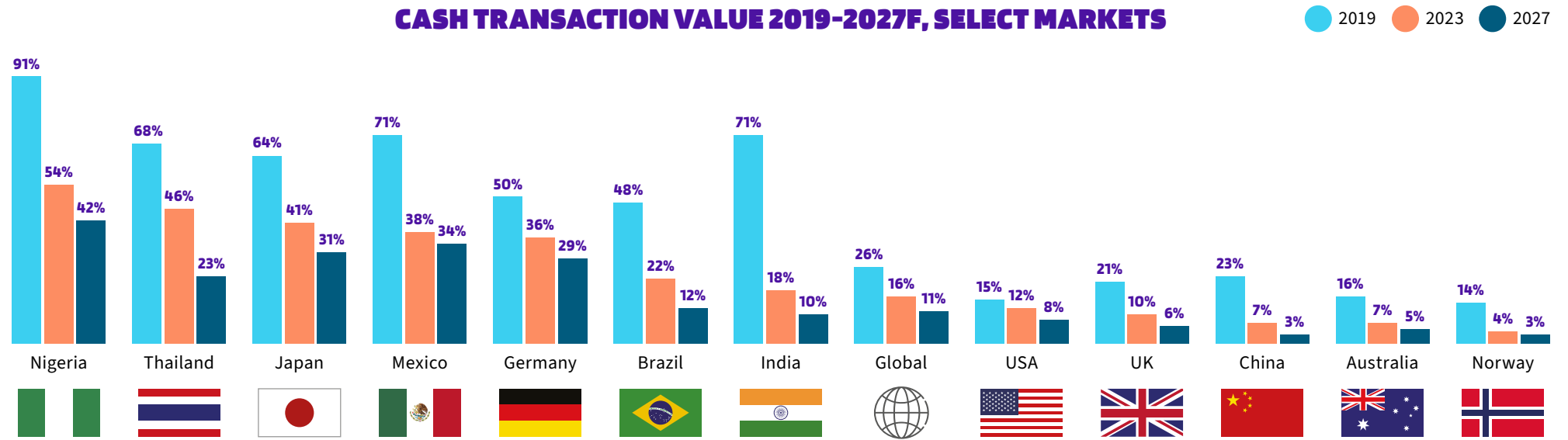
consumers at POS. Cash use ranged from low of 4% of transaction value in Norway to a high of 55% in Nigeria.

Yet cash remains a vital payments tool for billions of consumers worldwide. In many markets cash is used disproportionately by lower income consumers, those that are unbanked and underbanked. Consumers of many income strata turn to cash as a budgetary tool during high inflation and the cost of living crisis. This has led to campaigning and lobbying by consumer groups to protect access to cash.

In 2023, **cash accounted for less than 10% of POS transaction value in one-in-four markets** covered in this report: Australia, Canada, China, Denmark, Finland, Hong Kong, Netherlands, New Zealand, Norway and Sweden.

By 2027, we project **five additional countries will fall below the 10%** transaction value threshold for cash: France, Singapore, South Korea, the UK and the USA.

CASH TRANSACTION VALUE 2019-2027F, SELECT MARKETS



f = forecast

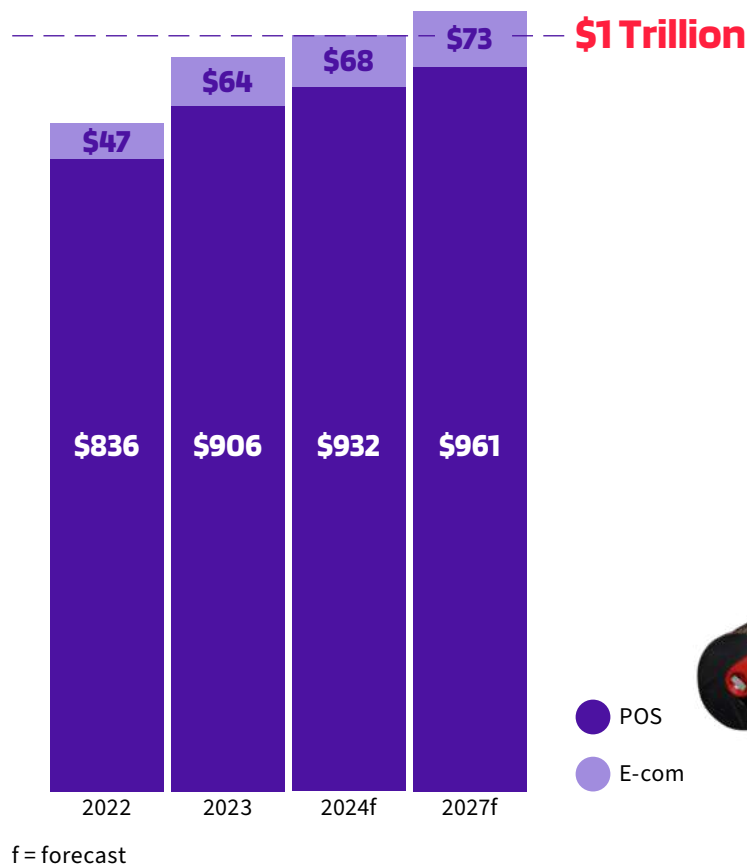
PREPAID CARD VALUE TO EXCEED \$1 TRILLION IN 2024

Prepaid cards serve an important role in the global payment ecosystem and are projected to exceed \$1 trillion in global transaction value across all channels in 2024.

Prepaid cards are thriving today because they offer a wide range of use cases: as private-label gift cards, general purpose reloadable cards, direct deposit payroll and for government benefit distribution. Prepaid cards offer utility to merchants, businesses, fintechs, banks, and card networks.

Above all, prepaid cards are extremely useful to consumers. Prepaid cards support financial inclusion by providing a convenient electronic payment tool to unbanked and underbanked consumers. Prepaid cards offer discretion to privacy-focused consumers and those concerned about personal information being exposed in data leaks. Prepaid cards are useful as gifts, for consumers who want to control their spending, for tourists, those traveling for business and for migrant workers.

PREPAID CARD GLOBAL TRANSACTION VALUE 2022-2027F (\$ BILLIONS)



PREPAID CARDS PLAY CRITICAL ROLES IN DIVERSE MARKETS

Prepaid cards have long been popular among privacy-conscious Italian consumers. Poste Italiane (the Italian post office) offers **Postepay**, a popular reloadable prepaid card co-branded with Visa or Mastercard. Postepay can be used in stores, online and at ATMs both domestically and abroad. Postepay is an anchor in the Italian payment landscape, propelling prepaid cards in Italy to have the highest share of transaction value of any market in our report, both online and in-store.

In the Philippines, **GrabPay** offers **GrabPay Card**: a Mastercard-branded digital prepaid card that can be used to make online purchases and pay for digital subscriptions. Card holders also receive Grab Rewards points for purchases.

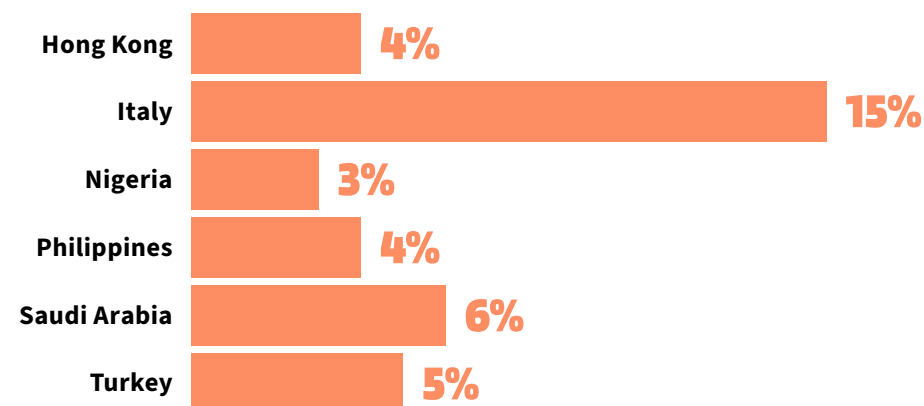
In Hong Kong, **Octopus** collaborated with Mastercard to launch a virtual prepaid card called **Octopus Wallet**. The card is linked to an Octopus digital wallet payment account and enables card holders to shop globally online at any merchants that accept Mastercard.

In Turkey, prepaid cards are growing among the unbanked population. Major banks offer prepaid cards with the aim of providing access to financial services. For instance, **Garanti BBVA's Bonus Piu** card can be used for cash withdrawals as well as in-store and online purchases.

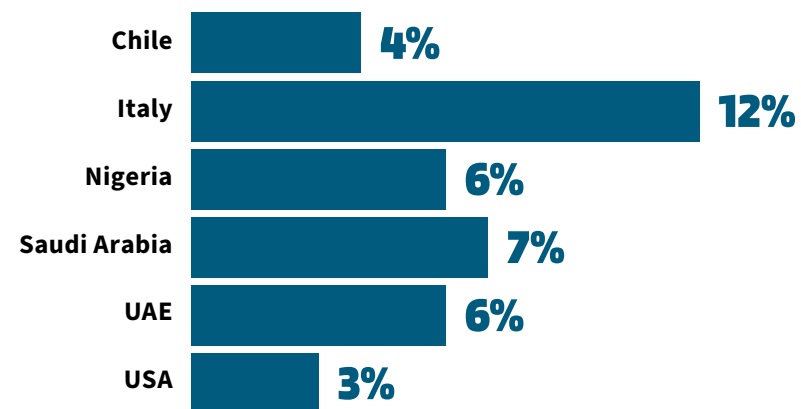
● E-com Prepaid Card Share

● POS Prepaid Card Share

PREPAID CARDS % OF E-COM TRANSACTION VALUE 2023



PREPAID CARDS % OF POS TRANSACTION VALUE 2023



INCREASING FINANCIAL INCLUSION SIGNALS A SUNSET OF POST-PAY



worldpay

For many years, post-pay methods helped consumers shop online and pay for their purchases in full post-order at an affiliated physical store or an ATM using an issued bar code, QR code or unique PIN.

The vast majority of post-pay orders are paid for in cash, although other in-store payment methods can be made available.

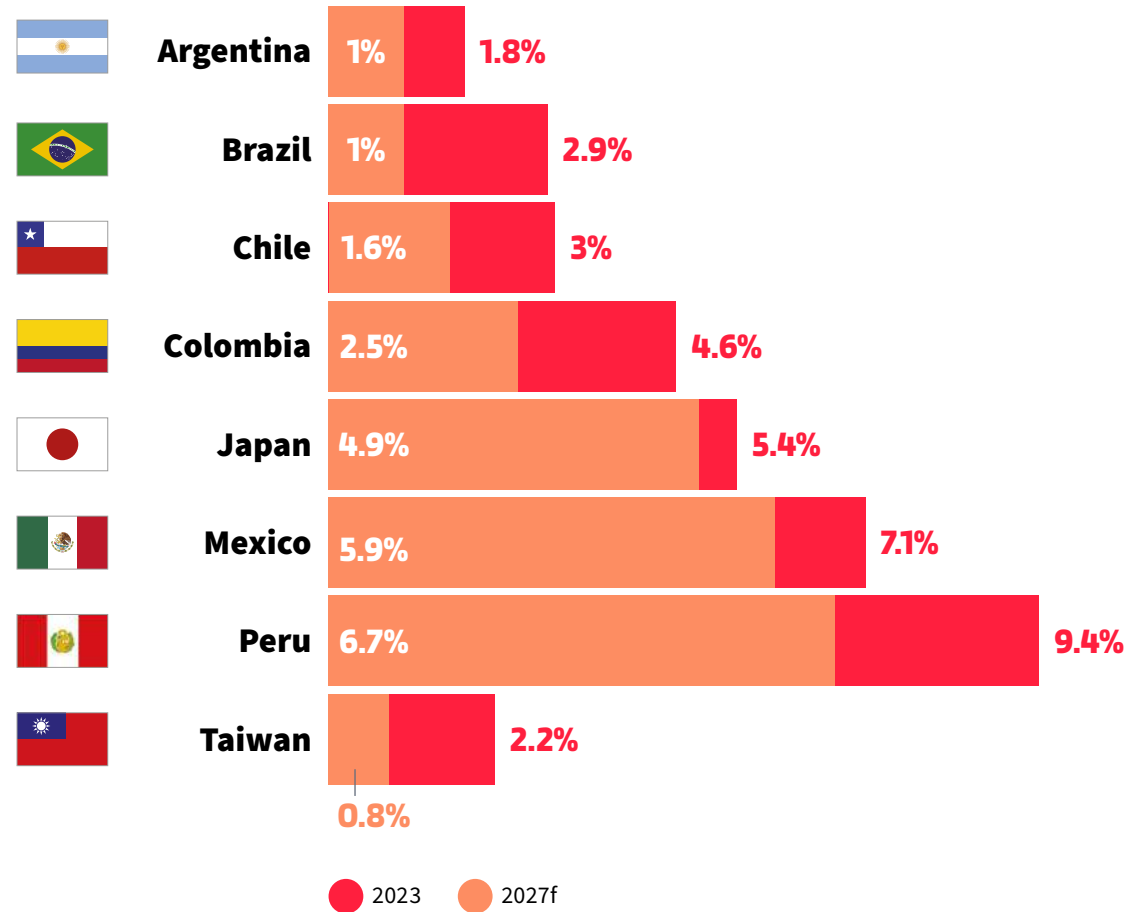
While post-pay accounted for only 0.3% of e-com transaction value globally in 2023, post-pay is still heavily used in Latin America where it accounted for approximately 4% of the region's e-com transaction value in 2023 thanks to popular brands like **PagoEfectivo** in Peru, **OXXO** in Mexico, **Efecty** in Colombia, **Boleto Bancário** in Brazil, and **Pago Facil** and **Rapipago** in Argentina.

However, this trend has reached a plateau and we have seen a gradual decline of post-pay in the last few years, decreasing at -13% CAGR between 2019-2023. The biggest decline was observed in Argentina (CAGR -45% 19-23) and -35% in Brazil. This decline follows the same trajectory as cash, which halved its share of POS transactions in the last five years (down from 58% share in 2019 to 28% share in 2023 at the regional level).

We have seen a gradual decline of post-pay in the last few years, decreasing at -13% CAGR between 2019-2023.



POST-PAY % OF E-COM TRANSACTION VALUE 2023-2027F



The decline in post-pay use coincides with the adoption of digital payment methods, a decreased reliance on cash, and a regional improvement in financial inclusion. Post-pay payment methods traditionally cater to unbanked and underbanked consumers. Efforts to increase access to financial services have significantly improved financial inclusion across LATAM. According to the World Bank, the unbanked population of Argentina was reduced from 67% in 2011 to 28%; in 2021 Brazil was reduced from 44% in 2011 to 16% in 2021; in Colombia, from 70% in 2011 to 40% in 2021. That trend is expected to continue, further lessening demand for post-pay.

Outside of LATAM, post-pay use is negligible except for Japan, where post-pay remains viable due to the continued popularity of cash. Payments are typically made at the over 55,000 Konbini convenience stores in Japan. But post-pay continues to decline. Post-pay in Japan accounted for 5% of e-commerce spend in 2023, down from 16% in 2019. This trend correlates with the fall in cash use in Japan, which dropped from 64% of POS transaction value in 2019 to 41% in 2023.

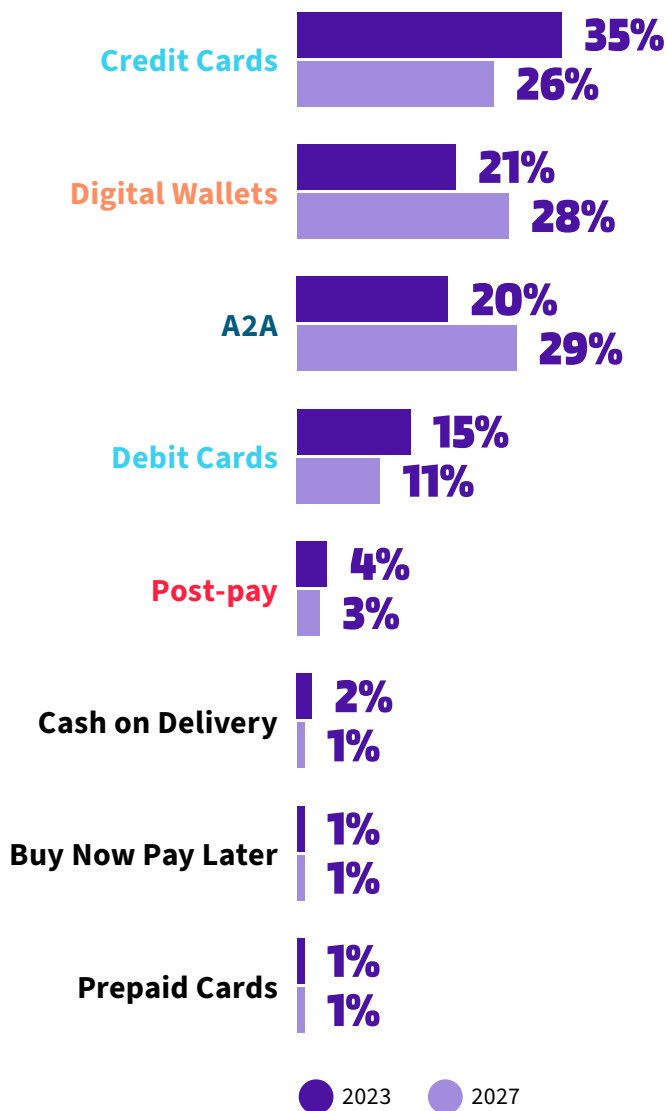
LATIN AMERICA

**PAYMENT METHODS
AND MARKET GUIDES**



LATAM E-COM PAYMENT METHODS

Transaction value % 2023-2027



Credit cards are the leading online payment method across LATAM.

Credit cards accounted for more than a third (35%) of regional e-com transaction value in 2023 and were the leading online payment method in five of the six LATAM markets covered in this report.

LATAM had the highest percentage of A2A payment penetration







of any global region in 2023 with 20% of regional e-com transaction value. The overwhelming success of Brazil's instant payment system, **Pix**, is fueling the rise of online account-to-account (A2A) payments across LATAM. Brazil led regional A2A adoption with 30% of transaction value in 2023 making it Brazil's most popular online payment method. A2A payments are also growing in popularity in Colombia (25% of online spend made possible by A2A service **PSE**) and in Peru, where 20% of online spend is driven by A2A apps **Yape** and **PLIN** as well as directly through local banking apps.

Latin America has by far the highest use of post-pay globally.

Post-pay is where a voucher is produced upon making an online purchase which is then paid by the consumer at a physical store such as a convenience store, most often in cash. Post-pay accounted for 4% of LATAM's e-com transaction value in 2023, an outlier in that in no other global region did post-pay account for 1%. Post-pay continues to be an important link for cash-heavy consumers in Mexico (where **OXXO** and **7-Eleven** offer popular post-pay services), where it accounted for 7% of 2023 e-com value, and in Peru, where **PagoEfectivo** helped post-pay accounted for a global high of 9% of e-com value in 2023.

2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.

LATAM E-COM PAYMENT METHODS

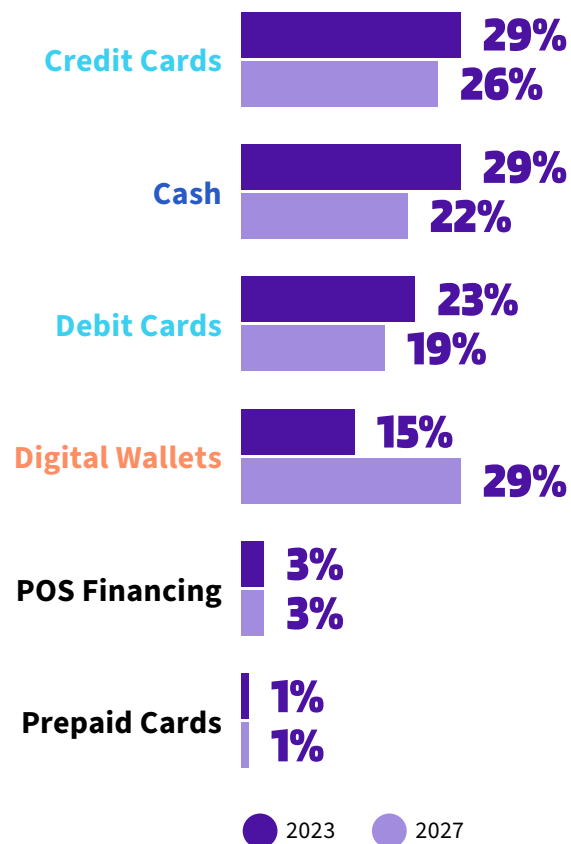
	Digital Wallets	Credit Cards	Debit Cards + Prepaid Cards	Account to Account (A2A)	Buy Now Pay Later	Cash on Delivery	Others
 Argentina	31% ★	35%	19%	10%	1% ★	3%	1%
 Brazil	16%	40% ★	9%	30% ★	<1%	1%	4%
 Chile	20%	26%	32% ★	17%	<1%	2%	4%
 Colombia	18%	27%	18%	25%	1% ★	6% ★	5%
 Mexico	28%	33%	22%	6%	1% ★	2%	8%
 Peru	11%	31%	21%	20%	<1%	6% ★	11% ★

● Country leading payment method ★ Regional high

Totals may not equal 100% due to rounding.

LATAM POS PAYMENT METHODS

Transaction value % 2023-2027









Cash remains LATAM's leading payment method at POS, but that lead is fleeting. For the first time in 2023, cash shared the lead with credit cards with 29% of regional POS transaction value each; credit cards are projected to surpass cash as the leading in-person payment method in 2024. In 2023, cash was the leading POS payment method in Argentina, Colombia, Mexico and Peru.

Credit cards and debit cards combined account for more than half of in-person payment value. Credit cards caught cash in 2023 to co-lead regional POS payments with 29% of transaction value; debit cards were responsible for 23% of regional in-person spending. Credit cards were the leading payment method in Brazil with 36% of POS spend, while debit cards led in Chile with 37% of in-person payment value.

Digital wallets are the fastest growing payment method in LATAM. Wallets accounted for 21% of regional e-com spending in 2023 and are projected to grow at 21% CAGR to 2027, when they'll represent an estimated 28% of regional online spending. At POS, wallets registered an estimated 15% of regional transaction value in 2023; wallets are on pace to grow at 24% CAGR to 2027, nearly doubling by that time to represent an estimated 29% of regional POS spend.

LATAM POS PAYMENT METHODS

		Cash	Credit Cards	Debit Cards	Prepaid Cards	Digital Wallets	POS Financing
	Argentina	27%	25%	25%	2%	18% ★	3% ★
	Brazil	22%	36% ★	20%	1%	18% ★	3% ★
	Chile	22%	26%	37% ★	4% ★	10%	2%
	Colombia	34%	26%	24%	2%	11%	2%
	Mexico	38% ★	24%	24%	1%	11%	2%
	Peru	35%	26%	21%	2%	14%	2%

● Country leading payment method
 ★ Regional high

Totals may not equal 100% due to rounding.

HIGHLIGHTS & PROJECTIONS

- In 2023, **inflation in Argentina ran at rates estimated as high as 185%** annually. The current economic situation is contributing to changing consumer payment behavior, including gravitating more to credit-based payment solutions. The inflationary environment is also driving adoption of instant payments such as **MODO** by merchants eager to receive funds immediately.
- Runaway inflation **helped drive adoption of Buy Now Pay Later (BNPL)** solutions, allowing consumers to lock in price with low or no interest credit. BNPL accounted for \$282 million in e-com transaction value in 2023, reaching 1% share of online value for the first time.
- **Debit cards have been boosted by government initiatives** to disperse social benefits via debit cards to promote electronic payments. However studies show the campaign had only limited

success in driving broader debit card adoption. Debit cards accounted for 18% of e-com and a quarter of POS transaction value in 2023.

- **Digital wallets continue to gain share**, accounting for 31% of e-com value and 18% of POS spend in 2023. Digital wallets are on pace to become Argentina's leading payment method in e-commerce during 2024 and at POS by 2027.
- **Argentina's digital wallet market is dominated by Mercado Pago**, the payment arm of Mercado Libre, Latin America's leading e-commerce marketplace. 63% of Argentine consumers surveyed indicated Mercado Pago was their main digital wallet. Argentina features several domestic wallets from banks (**Cuenta DNI** from Banco Provincia and **BNA+** from Banco de la Nación Argentina), neobanks (**Ualá**) and **MODO**, a private corporation owned by Argentina's public and private banks.

ARGENTINA

worldpay

KEY STATS & RANKINGS

Population

21st

46,234,000

GDP Per Capita

26th

\$13,686

POS Size

19th

\$240 billion

E-com Size

21st

\$28 billion

Rankings are out of 40 GPR markets

ARGENTINA

PAYMENT METHODS Transaction value % 2023-2027

E-COM

● 2023 ● 2027

Credit cards



Digital wallets



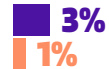
Debit cards



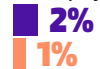
A2A



Cash on delivery



Post-pay



BNPL



Prepaid cards



POS

● 2023 ● 2027

Cash



Credit cards



Debit cards



Digital wallets



POS financing



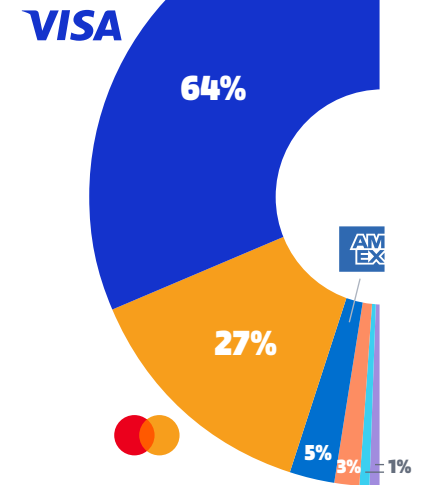
Prepaid cards



CARD SCHEME SHARE

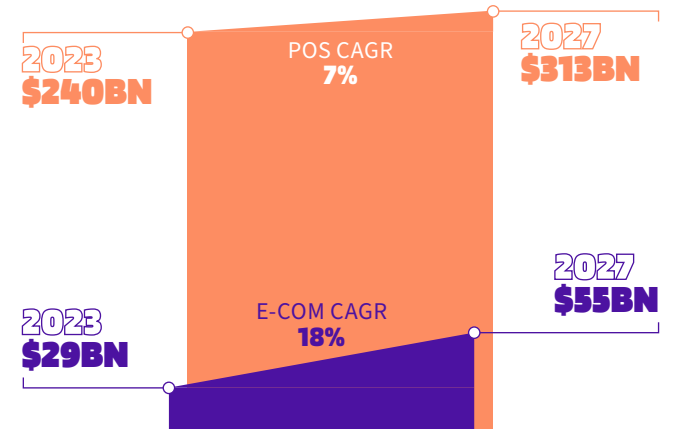
E-com and POS

- Visa
- Mastercard
- Amex
- Tarjeta Naranja
- Cabal
- Others



MARKET SIZE PROJECTIONS

- POS
- E-com



POPULAR PAYMENT METHODS



2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.
*Card scheme shares are for the most recently available data (2022).

HIGHLIGHTS & PROJECTIONS

- Launched in November 2020, **Pix quickly grew to become Brazil's most popular payment method** by number of transactions. Merchants are drawn to the lower costs of payment acceptance and instant settlement that boosts cashflow. Many merchants encourage Pix use by offering consumers discounts ranging from 5% to 20%.
- Driven by Pix, **A2A payments online grew a remarkable 49% YoY** in 2022-23 to account for 30% of e-com transaction value. Exceptional growth of 27% CAGR is forecast from 2023-27, setting A2A to see 50% share of e-com spend by 2027. Person to business are the fastest growing Pix transaction type and as of September 2023 accounted for 34% of all Pix transactions.
- **Growth of Pix at the point of sale via QR codes is forecast to be even stronger than online**, with 30% CAGR projected from 2023-27, five times that of the 6% CAGR for POS overall. Digital wallets accounted for 18% of POS transaction value in 2023 and is forecast to reach 41% to lead in-person payments in transaction value by 2027.
- **Post-pay methods – led by the Boletto voucher system – continue to cede share** to the rising popularity of Pix and the use of other electronic payment methods. Earning double-digit share as recently as 2021, post-pay registered just 3% of e-com spend in 2023; this increasingly niche market that we project will account just 1% in e-com spend by 2027.

BRAZIL



KEY STATS & RANKINGS

Population
6th
215,313,000

GDP Per Capita
31st
\$8,917

POS Size
9th
\$790 billion

E-com Size
10th
\$95 billion

Rankings are out of 40 GPR markets

BRAZIL

PAYMENT METHODS

Transaction value % 2023-2027

E-COM

● 2023 ● 2027

Credit cards



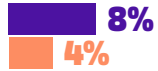
A2A



Digital wallets



Debit cards



Post-pay



Prepaid cards



BNPL



Others



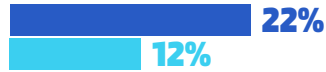
POS

● 2023 ● 2027

Credit cards



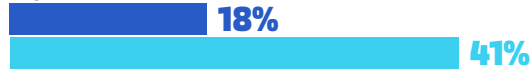
Cash



Debit cards



Digital wallets



POS financing



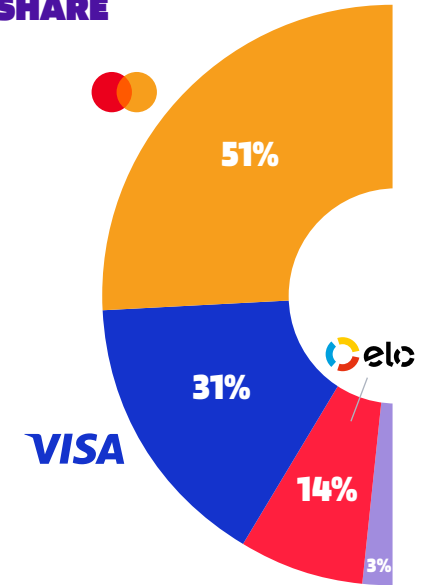
Prepaid cards



CARD SCHEME SHARE

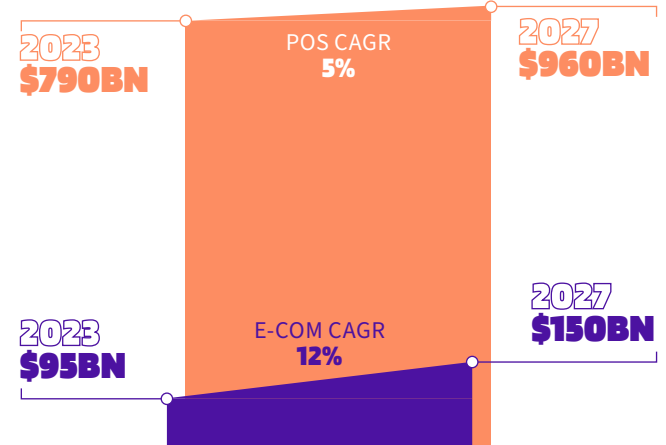
E-com and POS

- Mastercard
- Visa
- Elo
- Others



MARKET SIZE PROJECTIONS

- POS
- E-com



POPULAR PAYMENT METHODS



2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.
*Card scheme shares are for the most recently available data (2022).

HIGHLIGHTS & PROJECTIONS

- **Chilean consumers are gravitating to digital wallets** across channels and at increasing rates. Wallet use online grew 16% YoY from 2022-23 to account for 20% of e-com transaction value. After a two-year delay, in August 2023 **Apple Pay** finally launched in Chile, joining **Fpay**, **Google Wallet**, **Mercado Pago** and others in an increasingly competitive and fast-growing segment.
- **Wallets are on pace to surpass cards as the leading payment method online** by 2025 and to represent 34% of e-com spend by 2027. The **rising popularity of QR code payments is driving wallet growth at POS**. Estimated at 10% in 2023, digital wallet transaction value is projected to grow at 30% CAGR to 2027, more than doubling share of in-person payments to 23%.

- **A new fintech law was implemented in 2023** aimed to **promote financial innovation and interoperability** through open finance. The law regulates a set of new financial services via the **Financial Market Commission (CMF)**. The new law may spur a **wave of regulation** across the region, inspiring innovation through enhanced regulatory certainty.
- Chile has among the smallest share of unbanked consumers in LATAM with the **World Bank reporting 87%** of Chilean consumers surveyed in 2021 having some type of financial account. That **strong financial inclusion helps set Chile apart in debit card use**. Debit cards are Chile's leading payment method online (31%) and at POS (37%), both regional highs.

CHILE

worldpay

KEY STATS & RANKINGS

Population

29th
19,603,000

GDP Per Capita

25th
\$15,355

POS Size

33rd
\$135 billion

E-com Size

36th
\$11 billion

Rankings are out of 40 GPR markets

CHILE

PAYMENT METHODS Transaction value % 2023-2027

E-COM

● 2023 ● 2027

Debit cards



Credit cards



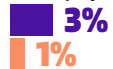
Digital wallets



A2A



Post-pay



Cash on delivery



Prepaid cards



POS

● 2023 ● 2027

Debit cards



Credit cards



Cash



Digital wallets



Prepaid cards



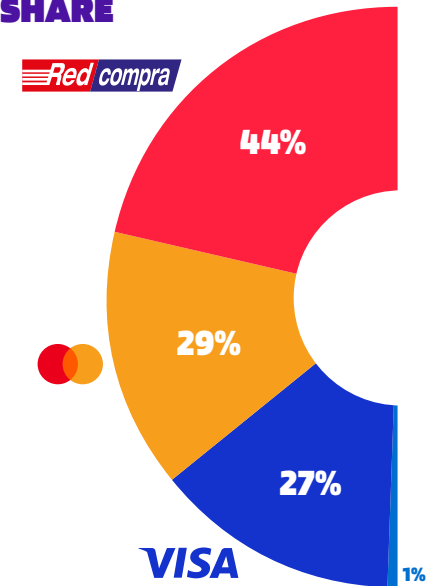
POS financing



CARD SCHEME SHARE

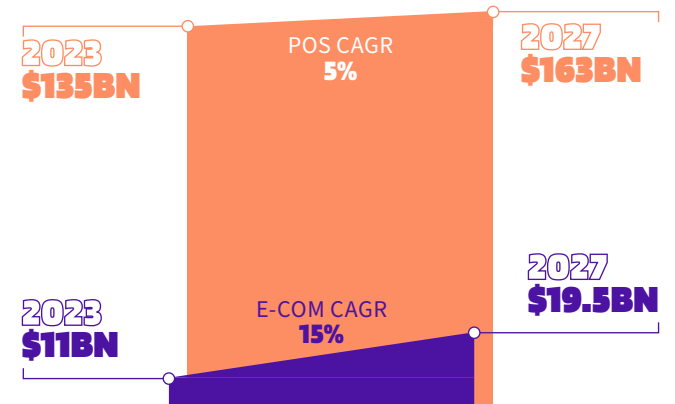
E-com and POS

- Redcompra
- Mastercard
- Visa
- Amex



MARKET SIZE PROJECTIONS

- POS
- E-com



POPULAR PAYMENT METHODS



2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.
*Card scheme shares are for the most recently available data (2022).

HIGHLIGHTS & PROJECTIONS

- In late 2023, Colombia's central bank issued **regulations to mandate interoperability between the country's three low-value payment systems** (Credibanco, Redeban and ACH Colombia). This effort looks to replicate the success of Brazil's account-to-account payment phenomenon Pix and hopes to go live in late 2024.
- **A2A payments accounted for 25% of e-commerce value in 2023** and are projected to grow at 20% CAGR from 2023-2027. That forecast is subject to significant upward revision should the project achieve anything approaching the scale achieved by Pix.
- **Colombian consumers remain among the world's biggest users of cash.** Persistent demand by a consumer base that was estimated in 2021 to be 40% unbanked elevated cash use to an estimated 34% of POS transaction value in 2023. Projections are for effectively flat growth, with cash gradually ceding share to 29% by 2027.
- **Digital wallets are experiencing landscape-altering growth online and in store.** In 2023 wallets accounted for 18% of e-com and 11% of POS transaction value. Wallets are projected to grow at 34% CAGR online to 2027 when they'll account for an estimated 31% of spend. In-store growth is pegged at 27% CAGR 2023-27, when wallets share of POS spend is expected to reach 26%.
- **Colombia's most popular wallet is Nequi.** A spinoff from Bancolombia, Nequi was cited as their main digital wallet by nearly two-thirds (66%) of Colombian consumers. Challengers include domestic wallets DaviPlata and Movii, regional giant **Mercado Pago** and international heavyweights **Apple Pay** and **PayPal**. **Google Wallet** expanded to Colombia in 2023 via a partnership with neobank Nu.



WORLDWIDE COLOMBIA

worldpay

KEY STATS & RANKINGS

Population

18th
51,874,000

GDP Per Capita

35th
\$6,630

POS Size

26th
\$184 billion

E-com Size

34th
\$14 billion

Rankings are out of 40 GPR markets

COLOMBIA

PAYMENT METHODS Transaction value % 2023-2027

E-COM

● 2023 ● 2027

Credit cards



A2A



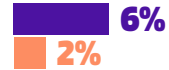
Digital wallets



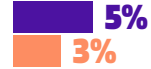
Debit cards



Cash on delivery



Post-pay



BNPL



Prepaid cards



POS

● 2023 ● 2027

Cash



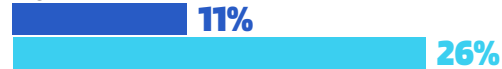
Credit cards



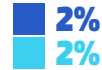
Debit cards



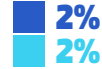
Digital wallets



POS financing



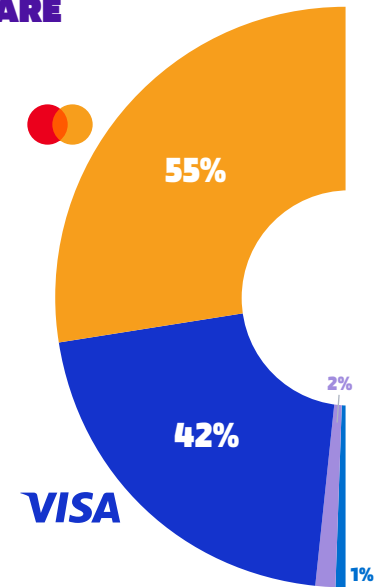
Prepaid cards



CARD SCHEME SHARE

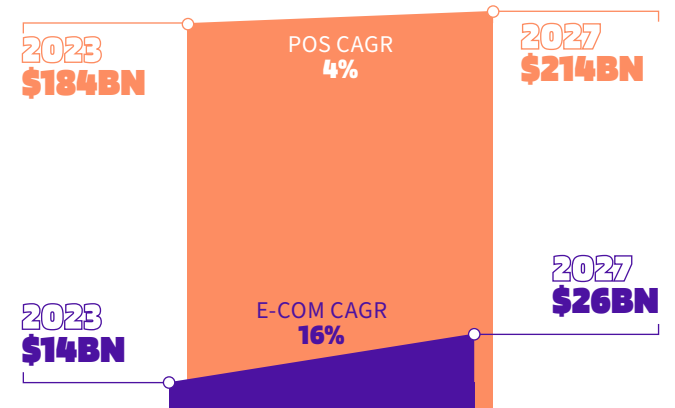
E-com and POS

- Mastercard
- Visa
- Others
- Amex



MARKET SIZE PROJECTIONS

- POS
- E-com



POPULAR PAYMENT METHODS



2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.
*Card scheme shares are for the most recently available data (2022).

HIGHLIGHTS & PROJECTIONS

- Mexico's Central Bank, **Banxico**, is making a **second attempt to create a successful consumer-facing real time payment system**. In March 2023, Banxico launched DiMo (Dinero Móvil), an account-to-account service that runs on SPEI, Mexico's real-time gross settlement system. DiMo has an improved UX and although not mandatory for banks to participate, the country's major banks and financial service providers seem enthusiastic about the new scheme. While CoDi used QR codes, DiMo is based on phone numbers.
- **Merchants are enthusiastic about DiMo in hopes it will reduce the costs of payment acceptance**. A2A's growth forecast of 19% CAGR from 2023-27 would see A2A share rise from 6% to 8% of online spend will depend on consumer adoption in a historically very stable market.

- **Cash is still king in Mexico**, accounting for an estimated 38% of POS transaction value in 2023. Estimates of cash's share of number of transactions run higher given their typical lower value. An estimated 82% of Mexican consumers use cash for payments. Cash is an economic necessity for Mexico's comparably large unbanked population (51% as of 2022 according to the World Bank).
- **Mexican consumers' love of cash drives use of post-pay**. Post-pay allows consumers to make e-commerce purchases at participating stores, making payment in cash at convenience stores like XXO and 7-Eleven with a printed voucher or QR code. Accounting for 7% of e-com spend in 2023, Mexico had the second highest use of post-pay (to Peru with 9%).

MEXICO

KEY STATS & RANKINGS

Population

7th

127,504,000

GDP Per Capita

29th

\$11,091

POS Size

13th

\$618 billion

E-com Size

12th

\$58 billion

Rankings are out of 40 GPR markets

MEXICO

PAYMENT METHODS Transaction value % 2023-2027

E-COM

● 2023 ● 2027

Credit cards



Digital wallets



Debit cards



Post-pay



A2A



Cash on delivery



BNPL



Prepaid cards



POS

● 2023 ● 2027

Cash



Credit cards



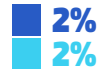
Debit cards



Digital wallets



POS financing



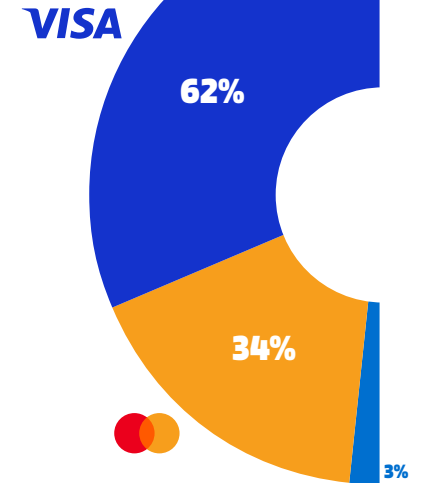
Prepaid cards



CARD SCHEME SHARE

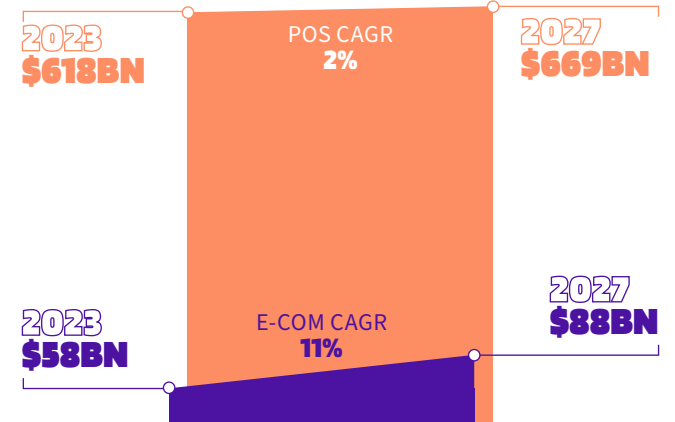
E-com and POS

- Visa
- Mastercard
- Amex



MARKET SIZE PROJECTIONS

- POS
- E-com



POPULAR PAYMENT METHODS



2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.
*Card scheme shares are for the most recently available data (2022).

HIGHLIGHTS & PROJECTIONS

- In October 2022, **Peru's Central Bank (CRBP) mandated payment interoperability**. The first phase was implemented in April 2023 with interoperability between the country's two largest payment apps – bank-owned A2A apps **Yape** and **PLIN**. The second phase went live in July to ensure interoperable account-to-account payment connectivity between all Peruvians.
- The popularity of Yape and PLIN **propelled A2A to be the fastest growing payment method in Peru**. A2A grew 34% YoY to account for 20% of online spend in 2023. Projected CAGR of 24% sets A2A on a path to 31% share and leading payment method online by 2027.
- Growing adoption of **QR code payments in-store** helped propel digital wallets' share of POS payment value to 14% in 2023. Wallets are projected to grow at POS at 24% CAGR 2023-27, on pace to double share to 28% of in-store spend by 2027.
- **Peru's Central Bank (CRBP) took steps forward** in the potential development of a **Central Bank Digital Currency (CBDC)** in 2023. The effort's objectives are to increase financial inclusion among Peru's estimated **43% of unbanked consumers** and to lower transaction costs. The initiative remains in study stage with no proposals or firm timeline for implementation.
- **Peruvian consumers continue to find cash essential**, still the leading payment method with 35% of POS spend in 2023. That attachment to cash remains in e-commerce where cash-based post-pay methods such as **PagoEfectivo** commanded 9% of e-com spend in 2023, the highest in our survey.

PERU

worldpay

KEY STATS & RANKINGS

Population

25th

34,049,000

GDP Per Capita

32nd

\$7,125

POS Size

35th

\$117 billion

E-com Size

38th

\$10 billion

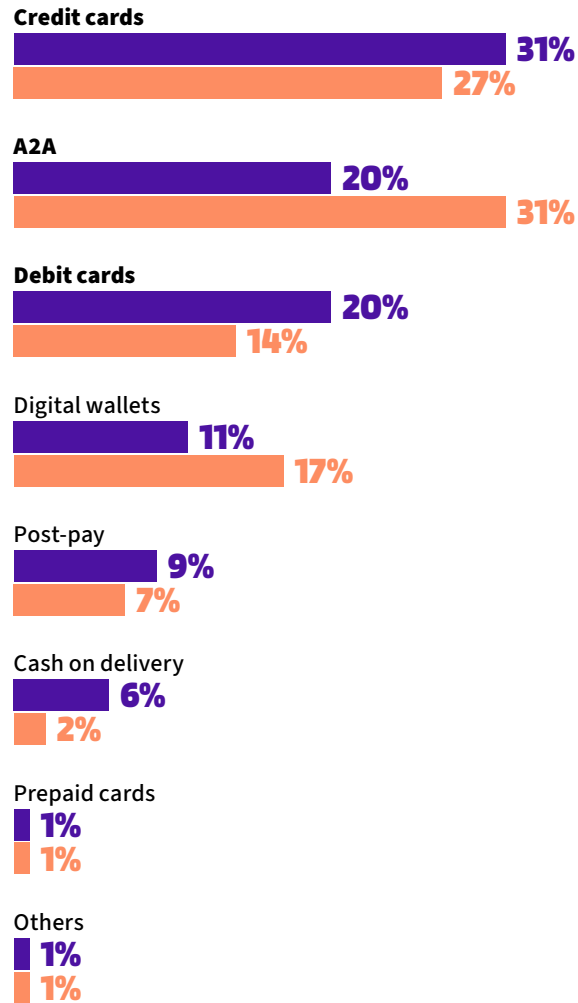
Rankings are out of 40 GPR markets

PERU

PAYMENT METHODS Transaction value % 2023-2027

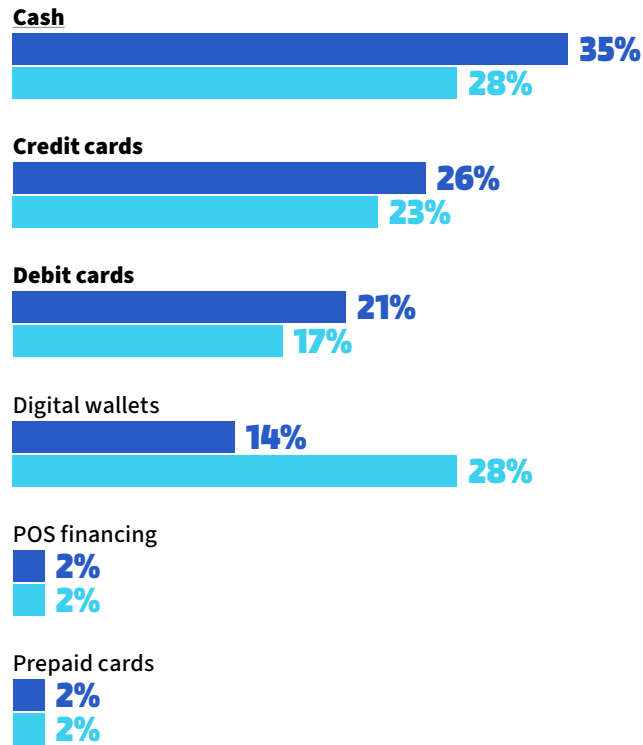
E-COM

● 2023 ● 2027



POS

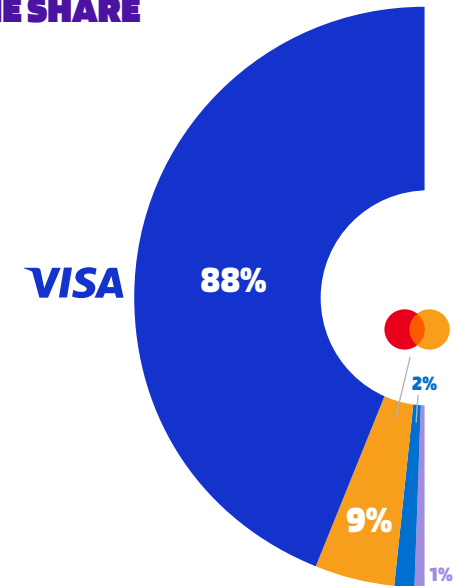
● 2023 ● 2027



CARD SCHEME SHARE

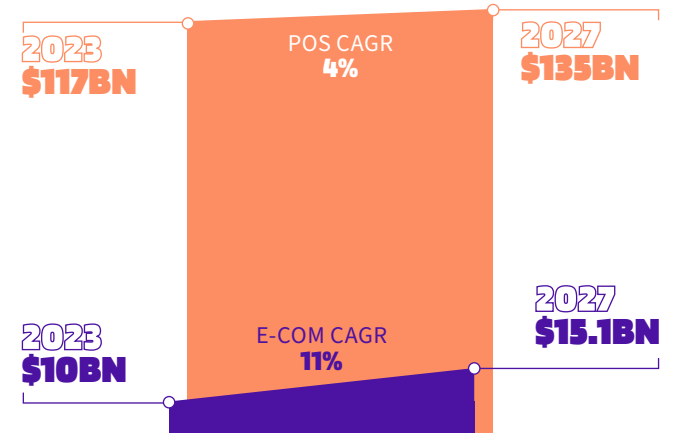
E-com and POS

- Visa
- Mastercard
- Amex
- Diners Club



MARKET SIZE PROJECTIONS

- POS
- E-com



POPULAR PAYMENT METHODS



2023 = estimate; 2027 = forecast. Totals may not equal 100% due to rounding.
*Card scheme shares are for the most recently available data (2022).

PAYMENT TERMS



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General definitions

Alternative payment methods (APMs) –

Payment methods other than the traditional payment methods of cash and cards. Alternative payment methods include account-to-account (A2A), buy now pay later (BNPL), cryptocurrencies, digital wallets, pre-pay, post-pay and POS financing. APMs are now ascendant in e-com and will soon achieve parity with traditional payment methods at POS.

Therefore, we've effectively dropped "alternative" in regard to industry leading payment methods, while acknowledging its continued use in the payments industry. Globally in 2023, APMs accounted for approximately 65% of e-com and 31% of POS and transaction value.

Compound annual growth rate (CAGR) –

Compound annual growth rate for a given period of years. CAGR projections are offered in this report for e-com and POS transaction values at the global, regional and individual market level projected 2023 through 2027. CAGRs offered for specific payment methods refer to the projected growth rates of absolute transaction value, not of the share of transaction value.

e-commerce (e-com) – Consumer purchases of goods and services made online by consumers from businesses via the internet, regardless of device or application. Our analysis is confined to person-to-business payments and excludes consumer payments to governments and purchases or installment payments of motor vehicles, real estate, rent, investments, utility and other bill or loan payments.

Global e-com transaction value for the 40 markets covered in GPR 2024 was over \$6.1 trillion in 2023. Our projection of 9% CAGR for e-com growth projects to a total global e-com market size of approximately \$8.8 trillion in 2027.

e-com as % of all commerce – E-commerce transaction value as a percentage of all commerce including e-com and POS sales. Global e-com sales represented approximately 14% of all commerce in 2023. Higher estimated growth rates for e-com relative to POS will see e-com as a percentage of all commerce rise to a projected 17% globally by 2027.

GPR – The Global Payments Report, Worldpay's industry-leading account of how consumers pay at checkout online and in-store in 40 leading global markets. This 2024 version is the GPR's ninth edition.

Point of sale (POS) – All person-to-business transactions that occur at the physical point of sale. Our analysis includes traditional in-store transactions as well as all face-to-face transactions, regardless of where they take place.

Global POS transaction value for the 40 markets covered in this report was nearly \$36.5 trillion in 2023. Our projection of 4% CAGR for POS growth projects to a total global POS market size of approximately \$42.3 trillion in 2027

Real-time payment – An electronic payment where funds are irrevocably transferred from one account to another, confirmation of the payment is available to the originator and receiver, and the initiation, clearance and settlement of funds occur simultaneously and effectively in real time.

Transaction value – The total sum of U.S. dollars estimated to have been paid by consumers to businesses in e-commerce and at POS. Our analysis of payment method share is based on transaction value, not the number of transactions. The share of each payment method is based on the dollar value of transactions at the country, regional and global levels.

Payment methods

Account-to-account (A2A) – Electronic payments made directly from one party to another while bypassing card network rails. A2A payments are embedded in apps and online services such as Pix in Brazil, iDEAL in The Netherlands and BLIK in Poland. A2A includes bank transfers (for push payments) and direct debits (for pull payments). A2A is classed separately in the report’s e-com payment method share analysis. At POS, A2A transactions are classed within digital wallets; we expect to break them out separately in GPR 2025. In 2023, A2A payments accounted for an estimated 7% of global e-com transaction value, or approximately \$449 billion.

Buy now pay later (BNPL) – BNPL service providers settle a payment with the merchant at the time of purchase while allowing consumers to pay for goods and services at a later date, typically in a finite set of installments and without interest if repaid within the agreed time. BNPL accounted for approximately 5% of global e-com transaction value in 2023, an estimated \$316 billion.

Cash – Our analysis of cash is limited to physical cash or checks and excludes central bank digital currencies (CBDCs). Once the undisputed leader in POS commerce, physical cash accounted for approximately 16% of global POS transaction value in 2023, or \$6 trillion. Cash is projected to continue to decline to approximately 11% of global POS spend by 2027, roughly \$4.7 trillion.

Cash on delivery (COD) – Goods ordered online and paid for with cash at the time of delivery. COD accounted for 2% of global e-com transaction value in 2023, or \$101 billion. We project COD will fall to 1% of global e-com spend by 2027, when it will account for approximately \$51 billion of e-com spend.

Credit card – An essential anchor of person-to-business payments for over half a century, credit cards are issued by financial institutions affiliated with a global card brand network such as **Mastercard**, **Visa** and **UnionPay**. Credit cards allow consumers to make purchases with credit from a financial institution. Our analysis of credit cards includes charge cards and deferred debit cards. In 2023, direct credit card use represented 21% of global e-com transaction value (over \$1.3 trillion) and 27% of global POS transaction value (nearly \$10 trillion).

Cryptocurrencies – Cryptocurrencies include private coins such as Bitcoin and Ethereum, stablecoins such as Tether and USD Coin. Central Bank Digital Currencies (CBDCs) are not in scope and are currently classified within “Other.” Cryptocurrencies accounted for approximately 0.2% of global e-com transaction value in 2023 and did not reach 0.5% in any of the 40 markets in our report.

Debit card – Cards that facilitate purchases with funds directly debited from consumer accounts held at a financial institution. Debit cards are issued by financial institutions in affiliation with a global card brand network such as **Mastercard**, **JCB** or **UnionPay**. In 2023, debit cards accounted for 12% of global e-com transaction value (over \$750 billion) and 23% of global POS transaction value (nearly \$8.3 trillion).

Digital wallet – Apps that securely store payment credentials, allowing consumers to pay for goods and services in e-commerce and at the point of sale. Our classification is broadly inclusive of pass-through wallets that facilitate card transactions, stored value wallets and mobile money wallets and includes global brands such as **Alipay**, **Apple Pay**, **Google Pay**, **M-Pesa** and **PayPal** as well as local and regional wallets. In 2023, digital wallets accounted for an estimated 50% of e-com (\$3.1 trillion) and 30% (\$10.8 trillion) of POS transaction value.

POS financing – Credit extended to consumers at the point of sale. This includes credit offered by retailers such as layaway financing, by financial institutions, and by third-party BNPL services such as **Klarna**, **Afterpay** and **Affirm**. POS financing accounted for approximately 1% of global POS transaction value in 2023, or nearly \$520 billion.

Post-pay – Consumers order products online and pay for them in full later at an affiliated physical store or ATM. Although post-pay services represent only 0.3% of e-com transaction value globally, post-pay accounts for approximately 4% of LATAM e-com transaction value. Post-pay also thrives in Japan, where payments are typically made at Konbini (convenience) stores.

Prepaid card – Cards issued by financial institutions that run scheme networks such as **Visa** and **Mastercard** that are funded in advance. Prepaid cards can be funded once or be reloaded, and they can be used to make purchases as easily as debit or credit cards. Our scope is inclusive of prepaid cards issued as payroll and as government benefits. In 2023, prepaid cards accounted for 1% of e-com (over \$64 billion) and approximately 2% of global POS transaction value (approximately \$906 billion).

Pre-pay – Services that allow consumers to make e-commerce purchases without a card account and without providing personal data. Services such as Paysafecard and Neosurf offer flexible payments via vouchers redeemable at participating merchants. Pre-pay accounted for approximately 0.3% of global e-com transaction value in 2023.

Others – We continue to track other emerging and otherwise uncategorized e-com payment methods, like central bank digital currencies and direct carrier billing. In 2023, uncategorized payment methods combined to account for approximately 0.2% of global e-com spend.



METHODOLOGY

This ninth edition of The Global Payments Report (GPR 2024) offers a snapshot of today's consumer to business payments landscape: globally, by region and in 40 select markets that account for 88% of global GDP.

The report documents consumer payment methods when shopping online and at the physical point of sale highlighted by our payment method share analysis for the past year, 2023. The data is complemented by a series of insights highlighting the most relevant themes in the world of payments.

GPR 2024 provides our view of the market, based on internal expertise, our own research and third-party vendor data. GlobalData's 2023 Financial Services Consumer Survey provides the foundational consumer feedback and was conducted online in H1 2023 among 48,000 consumers in 40 markets.

The Worldpay Market Insights team develops the GPR based on GlobalData survey results which are further supplemented by Worldpay internal data, public data sources from central banks, NGOs, payment associations, company filings, news accounts and third party published reports. References to external sources are noted by a hyperlink to the original source. This data is processed through Worldpay's proprietary model & categorization scheme, and the resulting data

is validated with industry experts inside and outside of Worldpay. Share of payment methods in a market are estimated using aforementioned data model. Additionally, Worldpay's model is based on total transaction value, not the number of transactions.

The Global Payments Report continues to evolve to reflect market changes, evolving standards and reader feedback. In this 2024 edition, we've supplemented our payment share analysis with projections for the evolution of each market through 2027 at the global, regional and individual market levels. Prior to this edition, we only published payment method forecast globally and by region. Payment method share forecasts consider historical growth trends, microeconomic conditions, regulatory environments, technological innovations, landscape of market actors and other factors.

E-commerce market size and forecast data is sourced primarily from GlobalData's E-Commerce Analytics database based on data retrieved in July 2023. 2022 figures were updated in line with new revisions by GlobalData; 2023 data cited in

the report are therefore estimates for the year. GlobalData collected this information using consumer surveys, B2B surveys and desk research. Our e-commerce market size estimates include retail, food and drink, travel, gaming, gambling, and digital content streaming.

GlobalData's proprietary e-commerce market size growth model provides the foundation for our growth analysis. E-commerce market size growth estimates for Argentina, India, Indonesia, Peru, Spain, Taiwan, and Thailand are based on our own analysis that include blended estimates from local government statistical authorities, NGOs and third-party research firms. The Worldpay Market Insights team determines the final published market size estimates and projections.

2023-2027 POS market sizes were calculated using macroeconomic data from McKinsey & Company, which continuously maintains its payments database from over 200 global sources, including public data, consumer surveys and local research team inputs. Total POS market size through 2027 was forecasted based on available macroeconomic projections at the time of writing. All projections are subject to changes in world events, market dynamics and other forces over the period concerned (to 2027). Any indicative predictions based on the data we have used should be treated as such.

We augmented several POS market size calculations with additional insights from government sources, third-party vendors and other publicly available datasets. We also revised our published 2022 market size estimates in line with more recently available data for Argentina, Australia, Brazil, Chile, China, Taiwan, Thailand, and the UAE. These changes have affected regional and global estimates for payment method share, most notably due to the weight of the revised China data.

All market size data relate to the industry, not from direct Worldpay business. POS market size estimates include retail, entertainment, hospitality, grocery, food and drink. All estimates analyze consumer to business payments in the specified verticals only. Bill payments, person-to-person (P2P) and business-to-business (B2B) payments fall out of scope.

Card scheme figures were sourced from Euromonitor and GlobalData with further internal analysis, and these are representative of all consumer-to-business payments including via e-commerce and at POS.

Additional secondary sources for this report include data from local card, banking and payments associations; card scheme and payment provider published data; e-commerce industry reports and studies; news articles; and international organizations including The World Bank and International Monetary Fund.

Certain information set forth in this report contains forward-looking statements including projections as to possible scenarios for market sizes and the consumer to business payment method landscape. All projections are inherently speculative and subject to infinitely variable changes in market dynamics over the period concerned (to 2027). All estimates in this report are thus offered on an "as is" basis as our best faith estimates at the time of writing.



Worldpay is an industry leading payments technology and solutions company with unique capabilities to power omni-commerce across the globe. Our processing solutions allow businesses of all sizes to take, make and manage payments in-person and online from anywhere in the world. Annually, we process over 50 billion transactions across 146 countries and 135 currencies. We help our customers become more efficient, more secure and more successful.

To learn more, visit worldpay.com or follow us on [LinkedIn](#), [X](#), and on [Facebook](#).

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