



# How the World Pays:

Our Most Popular Research is Back with New Data

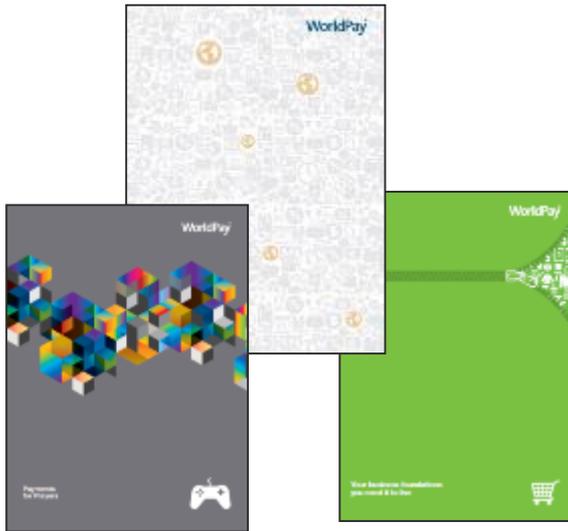


John O'Brien, VP Business Development, Worldpay

# Raising the bar on what we call 'insight'

2010

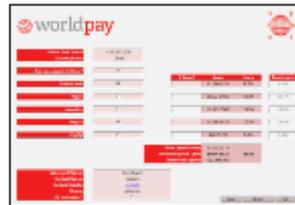
2016



QBRs



Uplift calculators



worldpay.com/global/insights

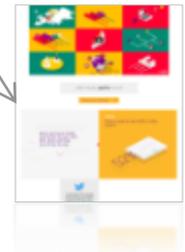
Case studies



Blogs / Whitepapers

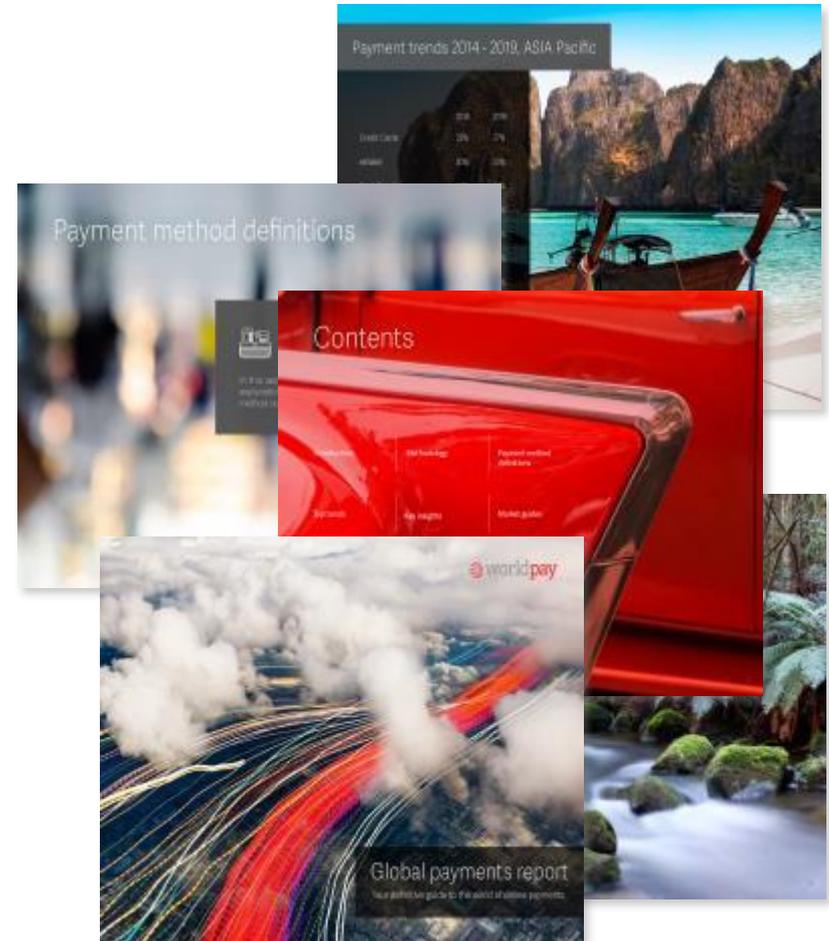


Interactive infographics



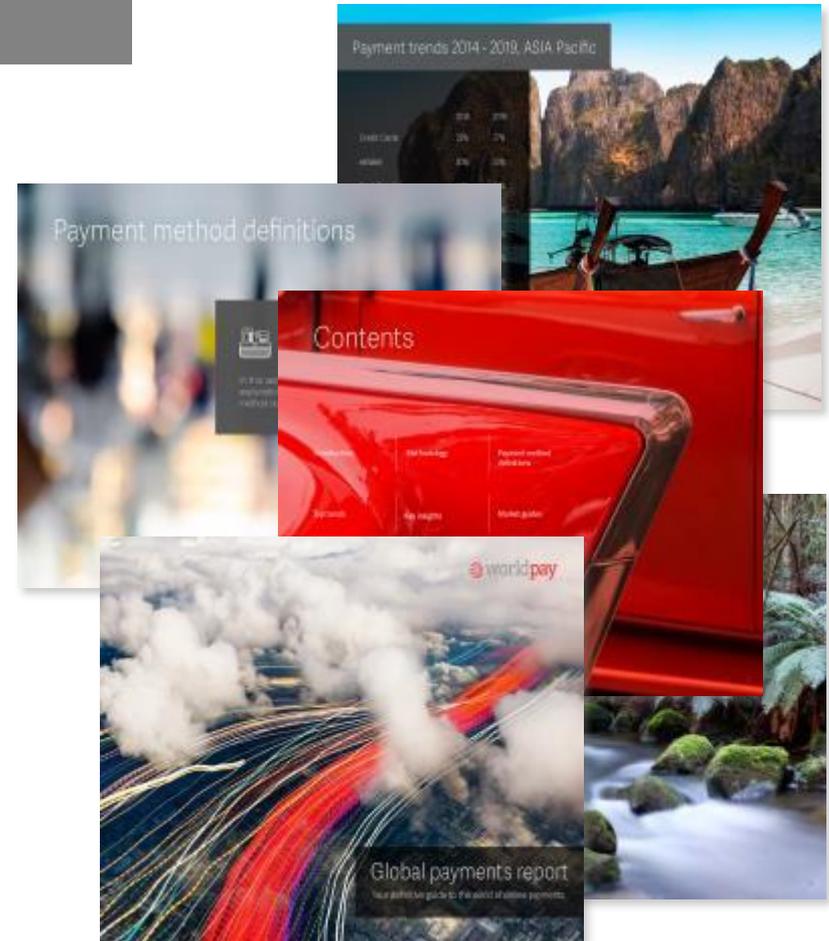
## What is the Global Payments Report?

- Most comprehensive payments report available
- Global landscape: insights and trends
- Transaction mix: Cards vs. Alternative
- Market profiles for top 30 eCommerce markets
  - Key facts
  - Alternative payments
  - Card schemes breakdown



## Why do we publish the Global Payments Report?

- Informs a **key strategic question for merchants** where we are often asked to help advise
- Past editions were our **most popular downloads**
- Keeps us current and **externally focused** in a changing world



# First, let's agree some definitions

## CARDS

Credit      Debit      Charge      Pre-Paid

**VISA**



## APMs

eWallet

eInvoice

Bank Transfer

PrePay



PostPay

Cash on Delivery

Direct Debit

Other



What are our key findings?



eCommerce continues to be the place to be



2015

the Global eCommerce market  
is expected to be worth

US \$1.9tn

2019

Global eCommerce is  
expected to hit

US \$2.4tn

# Healthy growth even in 'mature' markets

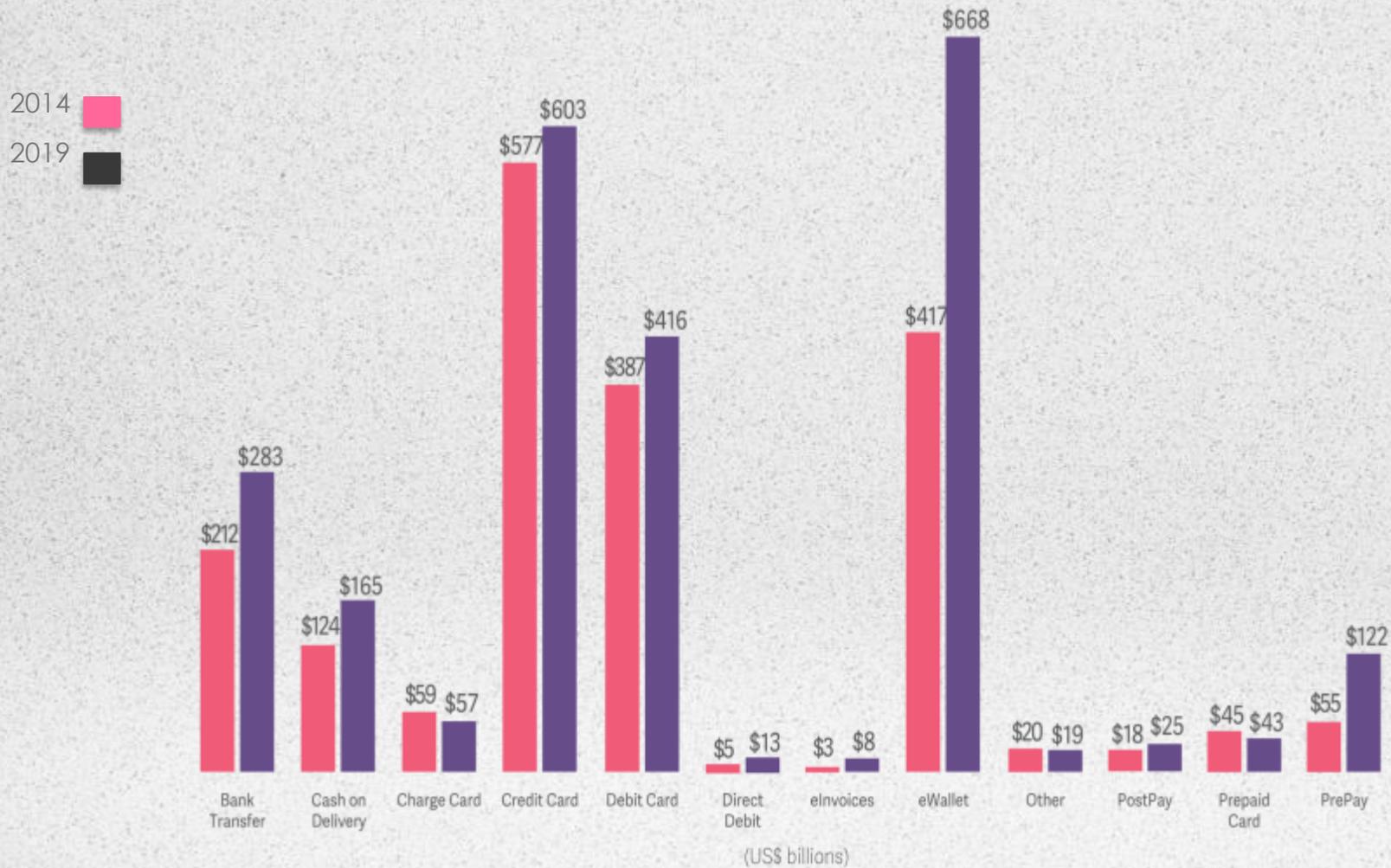
	2015 total sales (\$bn)	2019 total sales (\$bn)	CAGR
 United States of America	311	536	14%
 United Kingdom	156	210	8%
 Japan	118	175	10%
 Germany	80	109	8%
 France	80	107	7%

...and emerging markets continue to soar (at least online!)

	2015 total sales (\$bn)	2019 total sales (\$bn)	CAGR
 China	310	573	17%
 India	13	61	30%
 Russia	23	55	18%
 Brazil	23	51	17%
 Mexico	8	27	22%



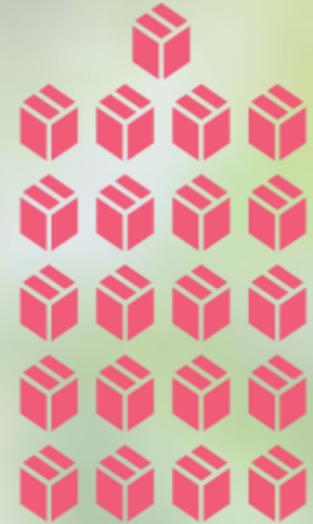
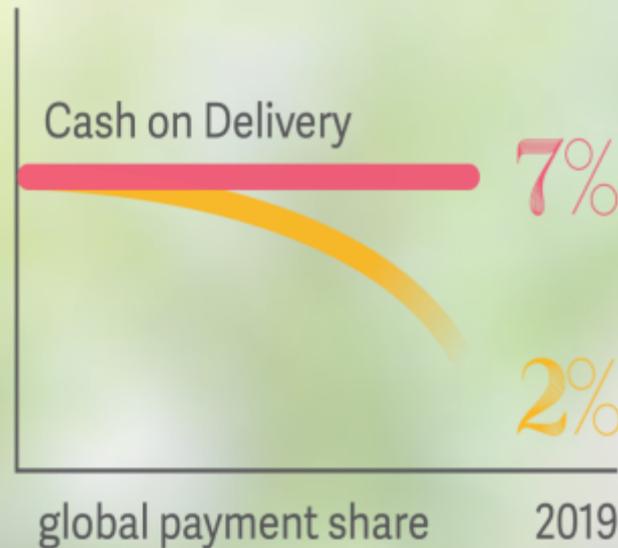
# In a rising market, still space for most payment methods to grow



# Cash on delivery is still relevant, and will remain to be

In our report of 2013, we predicted that Cash on Delivery would fall from 5% to just 2% of all global payments

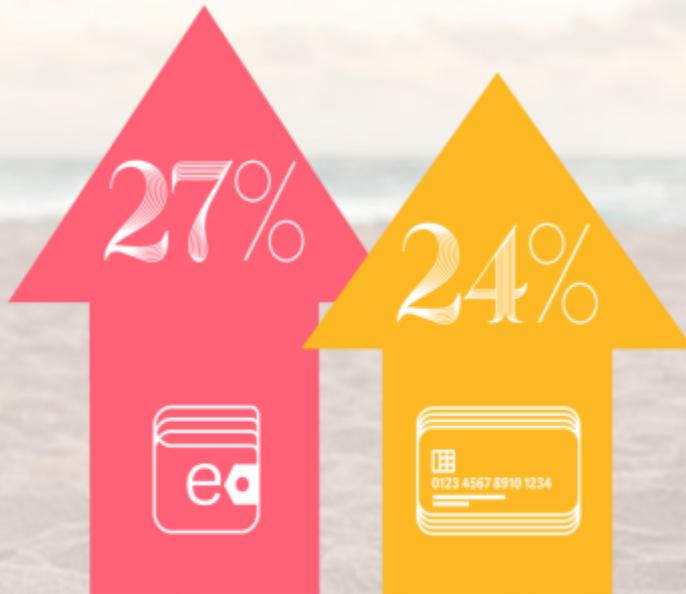
However...



In Taiwan, 19% of eCommerce payments are cash on delivery



The big winners are eWallets



eWallets will overtake credit cards for share of global eCommerce spend by 2019

# Mobile commerce growth continuing to outstrip desktop

Global mobile penetration up

37%

Since 2009

2014 – 2019 CAGR



8%



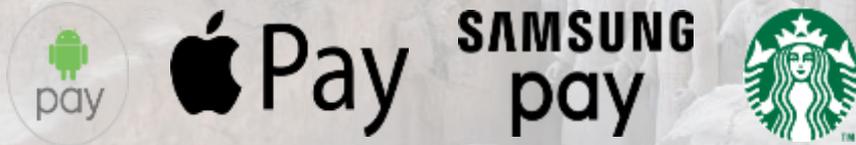
22%



(Figures in USD bn)

# We have entered the next iteration of wallets - eCommerce to Mobile

## New entrants



- Technology heritage
- Consumer engagement play

## Adaptors



- eCommerce heritage
- Innovation to remain relevant

# Who will win? 5 key factors

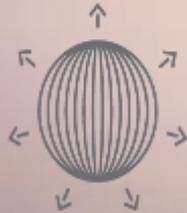
1

Convenience



2

Reach / Scale



3

Omni-channel



4

Security



5

Personalisation

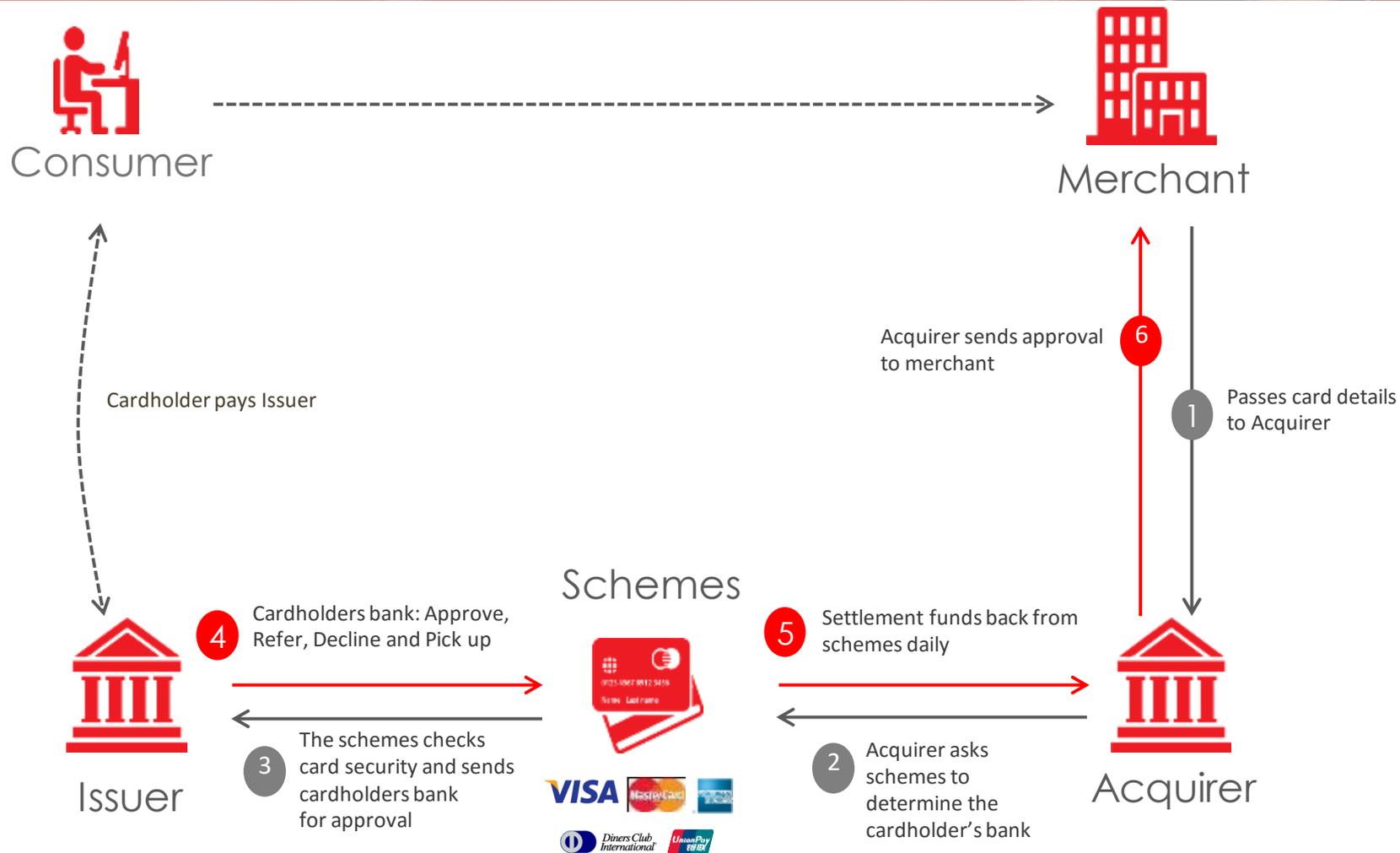




However...  
cards are not dead!

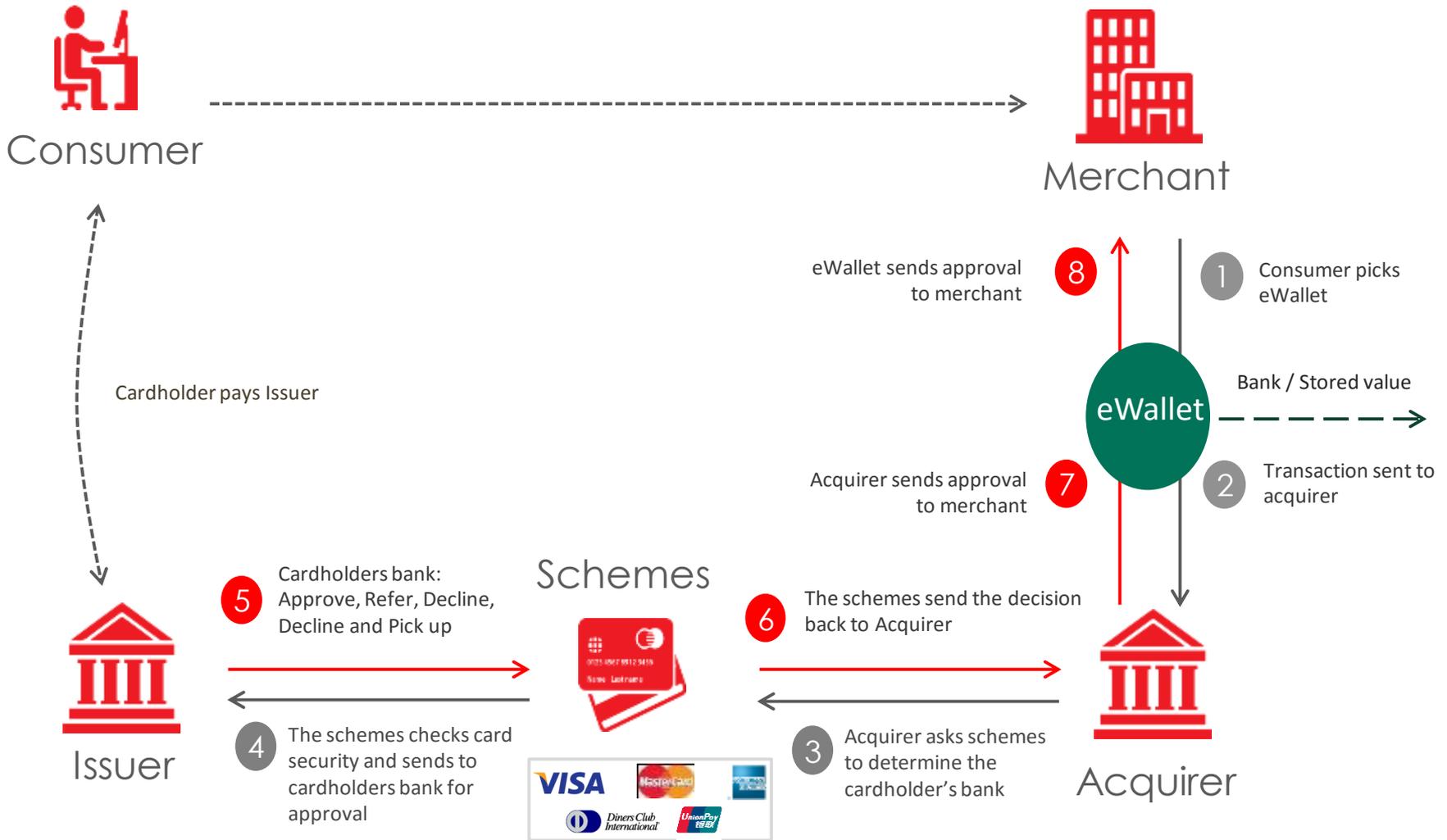


# Classic card flow





# The most common eWallet flow



How consumers engage with a payment is changing

53%

of consumers would like to pay  
with an eWallet in the future

## 3 key drivers for eWallet adoption

1

Perceived security



2

Convenience



3

Increased trust



So what does it mean for a merchant?



Do you have the right payment mix today (and will you tomorrow)?



Markets



Channels



Shoppers

## How much choice is too much? And where should I place my bets?

- Wallets are everywhere - some will fail
- Consumers don't want more than 2 payment apps on their phone
- Accepting everything gets complicated for you and confusing for your shopper

✖ The picture can't be displayed.

### ONLINE SHOP

#### ORDER PURCHASE

Goods bought \$17.20

Tax \$8.20

TOTAL \$25.40

Credit card exp 02/19

\*\*\*\* 1234 5678 9012

PURCHASE NOW

CANCEL

## What's the business case for a new payment method?

- Additional payment methods drive incremental revenue, but at a cost
- Some are no brainers but others are more situation dependent
- Need to consider value uplift vs. cost



Global Payments Report is available at:  
[worldpay.com/global/insights](http://worldpay.com/global/insights)