



## Digital Wallets Eclipse Cash Globally at Point of Sale for First Time During Pandemic, FIS Study Finds

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### Key findings

- **Digital Wallets Reach Maturity:** Contactless payments made using a digital wallet at the point of sale globally are growing faster than those made with physical cards.
- **Covid's Toll on Cash:** Cash payments dropped below mobile wallet payments for in-store payments for the first time.
- **eCommerce Expands Exponentially:** The Global eCommerce market grew 19 percent to \$4.6 trillion and is expected to grow nearly 60 percent by 2024, driven by mobile commerce.

JACKSONVILLE, Fla.--(BUSINESS WIRE)--Feb. 24, 2021-- In 2020, eCommerce spending grew at the fastest rate in five years, while usage of cash for in-store payments fell sharply, as global consumers made increasing use of mobile wallets and other alternative payment methods in 2020 during the pandemic, according to new report released today from financial technology leader [FIS](#)<sup>®</sup> (NYSE: FIS).

The annual Global Payments Report by Worldpay from FIS examines current and future payment trends across 41 countries. Findings from the 2021 report show that lockdowns, shelter-in-place orders and personal safety measures during the global health crisis accelerated the shift toward digital payment methods in every area of consumer spending.

### In-Store Payment Trends

The FIS report found:

- Globally, use of mobile wallets exceeded cash for the first time for in-store payments. Cash usage dropped 10 percentage points in 2020 to account for just one-fifth of all face-to-face payments worldwide.
- Use of cash for in-store payments fell by half or more in Canada, the U.K., France, Norway, Sweden, and Australia.
- Cash payments in the U.S. made up \$1 trillion of in store payments in 2020, down from \$1.4 trillion in 2019.
- The Asia-Pacific region continues to lead in the use of mobile wallets at point-of-sale, with about 40 percent of in-store payments in that region now being done through contactless payments. However, use of mobile wallets accelerated across all regions in 2020 and now accounts for about 10 percent of payment methods in North America, 8 percent in Middle-East-Africa, 7 percent in Europe, and 6 percent in Latin America.

The report projects that by 2024, cash will account for less than 10 percent of in-store payments in the U.S. and just 13 percent of payments worldwide. Over that same time period, the report projects digital wallet payments to account for more than a third (33 percent) of all in-store payments (16 percent in the U.S.).

### eCommerce Trends

eCommerce spending accelerated in 2020 during the pandemic. The FIS report found:

- Total eCommerce spending grew globally 19 percent last year to \$4.6 trillion in value. That growth was the highest in the past five years and represented two-to-three years of typical acceleration in a single year. Analysis shows global eCommerce spending could grow to \$7.3 trillion by 2024.
- Globally, usage of digital wallet-based transactions in 2020 grew 7 percent. By 2024, the report projects that digital wallets will account for more than half of all eCommerce payments worldwide.
- The reports shows that the adoption of buy-now-pay-later transaction methods continues to rise rapidly in Europe and North America and is expected to double by 2024.
- Conversely, usage of traditional payment methods such as cards and cash-on-delivery are quickly losing share and expected to account for less than 40 percent of eCommerce transaction payment methods by 2024.

"Our new research shows that the world is entering a new phase of adoption of digital payment methods," said Jim Johnson, Head of Merchant Solutions at FIS. "The global pandemic has brought a cashless future closer on the horizon. The implications for merchants are profound. They must be building technology-centric strategies to meet the diverse preferences of consumers' rapidly changing habits and do so in a way that drives financial inclusion for underserved communities around the world.

"For those businesses that are savvy enough to embrace smarter commerce and invest, the growth opportunities will be huge and potentially game-changing."

To download the complete copy of the report, including the methodology, please visit <https://worldpay.globalpaymentsreport.com/>

### **About The Global Payments Report**

Figures quoted are taken from data published in The 2021 Global Payments Report by Worldpay from FIS unless otherwise stated or referenced. This data was collected using consumer surveys, B2B surveys and input from local research teams. 46,000 consumers were surveyed globally. For research methodology, please refer to page 135 of the report. Digital wallets are comprised of mobile wallets such as Apple Pay, Google Pay and Samsung Pay that work only within a specific mobile operating system as well as digital wallets such as Alipay, WeChat Pay, Paytm and Amazon Pay that are operating system-agnostic.

### **About FIS**

FIS is a leading provider of technology solutions for merchants, banks and capital markets firms globally. Our employees are dedicated to advancing the way the world pays, banks and invests by applying our scale, deep expertise and data-driven insights. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers. Headquartered in Jacksonville, Florida, FIS is a Fortune 500® company and is a member of Standard & Poor's 500® Index. To learn more, visit [www.fisglobal.com](http://www.fisglobal.com). Follow FIS on [Facebook](#), [LinkedIn](#) and Twitter ([@FISGlobal](#)).

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