

PRESS RELEASE : NON-CASH ECONOMY AND THE ROLE OF E-WALLETS



IPSOS MALAYSIA

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GAME CHANGERS



CONTINUED INCREASE IN E-WALLET USAGE

55% ▲2%

...of Malaysians have used noncash payments in the past 3 months



Online banking

36% ▲2%



Debit card

32% ▲2%



E-wallet

27% ▲4%



Credit card

8% =



Indicating change from May 2021

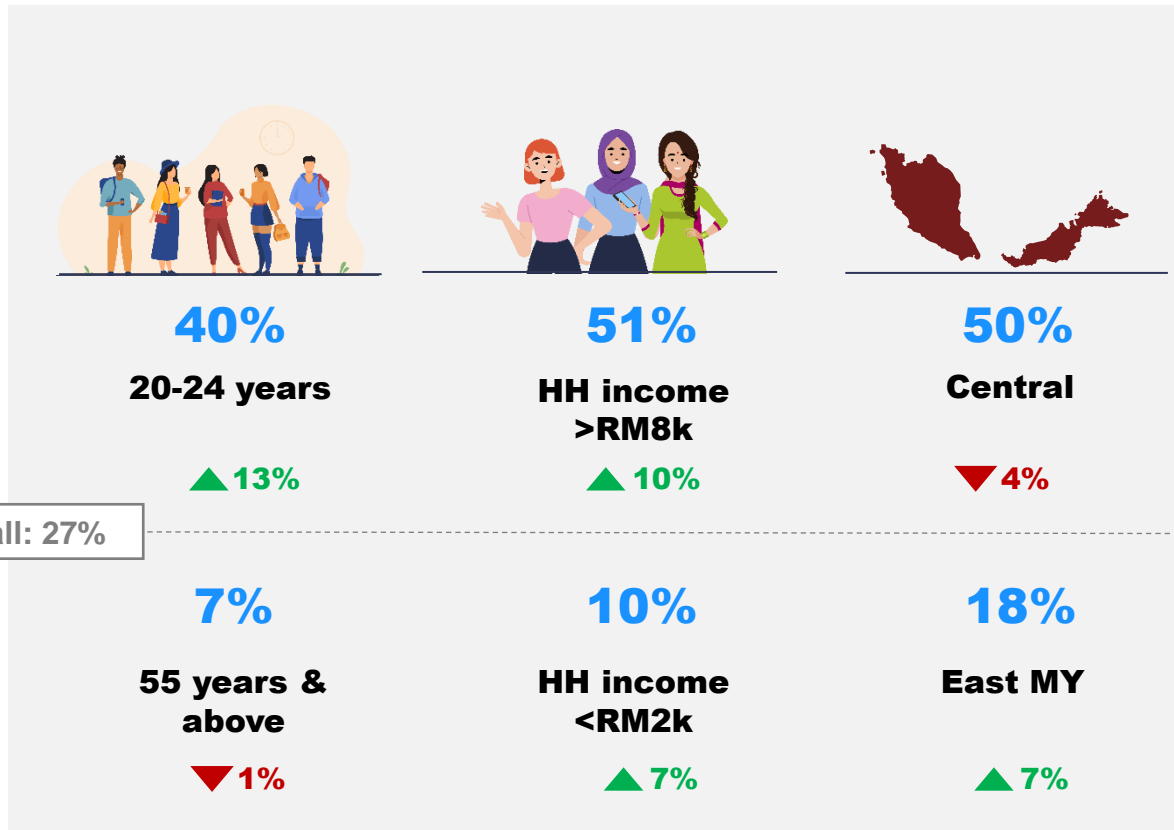
Adoption of non-cash payments continues, with more than half of Malaysians making a recent purchase with a cashless option.

The growth is led by a further pick up in e-wallet usage, increasing more than any other non-cash method from 2021 to 2022.

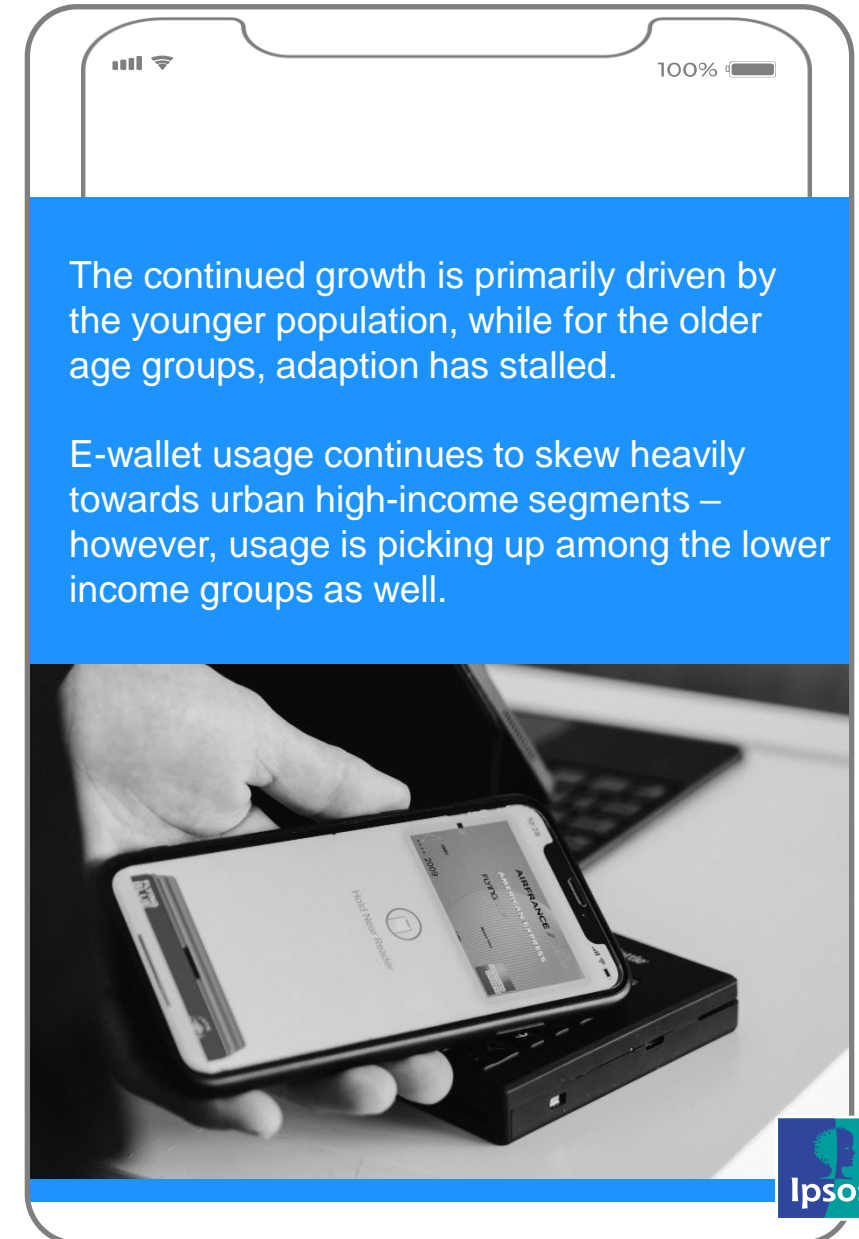


YOUTH ARE DRIVING E-WALLET GROWTH

% Used e-wallets for a transaction in the past 3 months



  Indicating change from May 2021



The continued growth is primarily driven by the younger population, while for the older age groups, adaption has stalled.

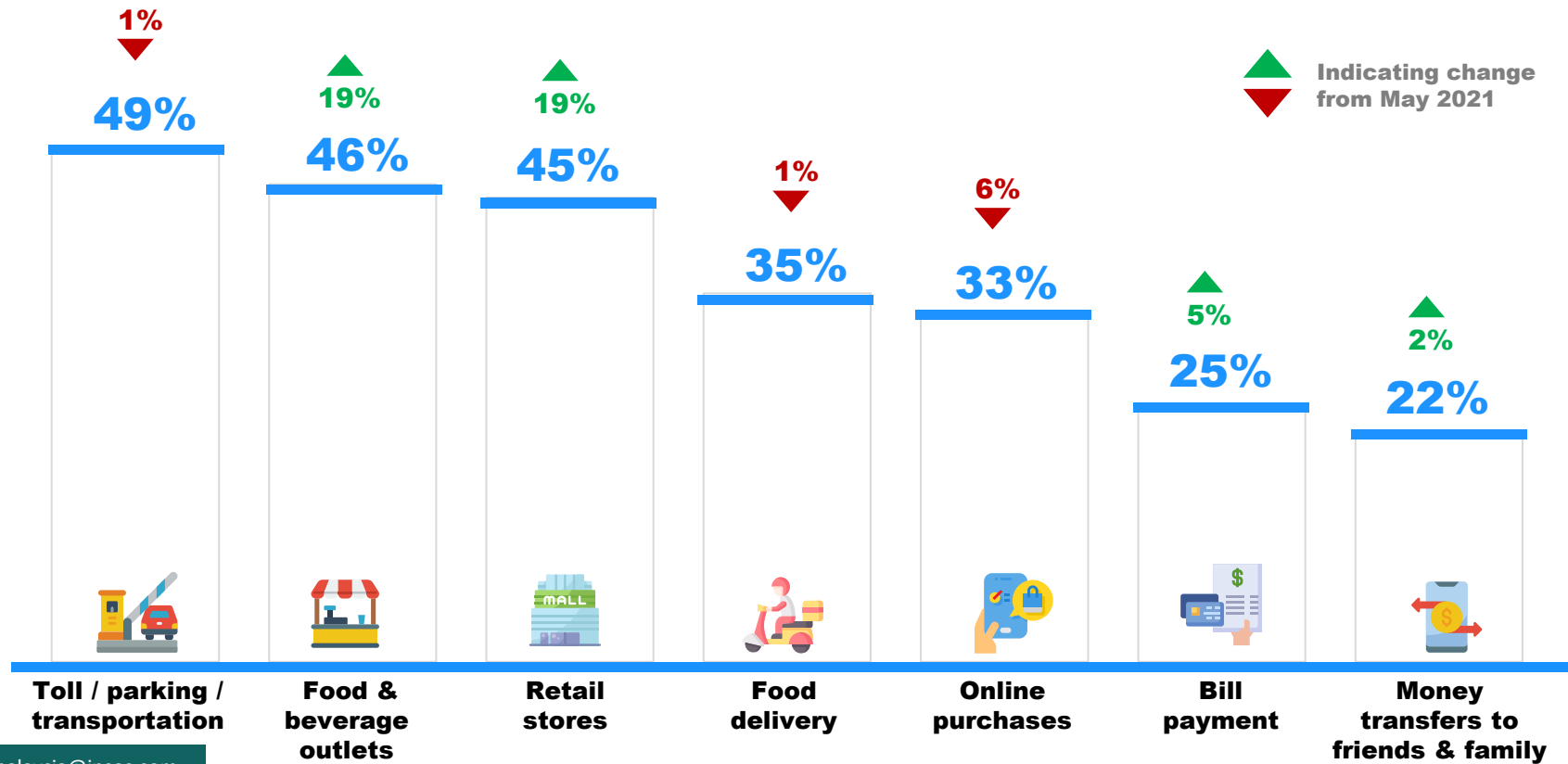
E-wallet usage continues to skew heavily towards urban high-income segments – however, usage is picking up among the lower income groups as well.

E-WALLETS MAKE MAJOR INROADS INTO F&B AND RETAIL

As consumers have returned to physical retail, e-wallet usage have seen major expansion into over-the-counter purchases, with almost half of all e-wallet users making regular payments at F&B outlets and retail stores.



Where did Malaysians use e-wallets (past 3 months)?
% Among e-wallet users

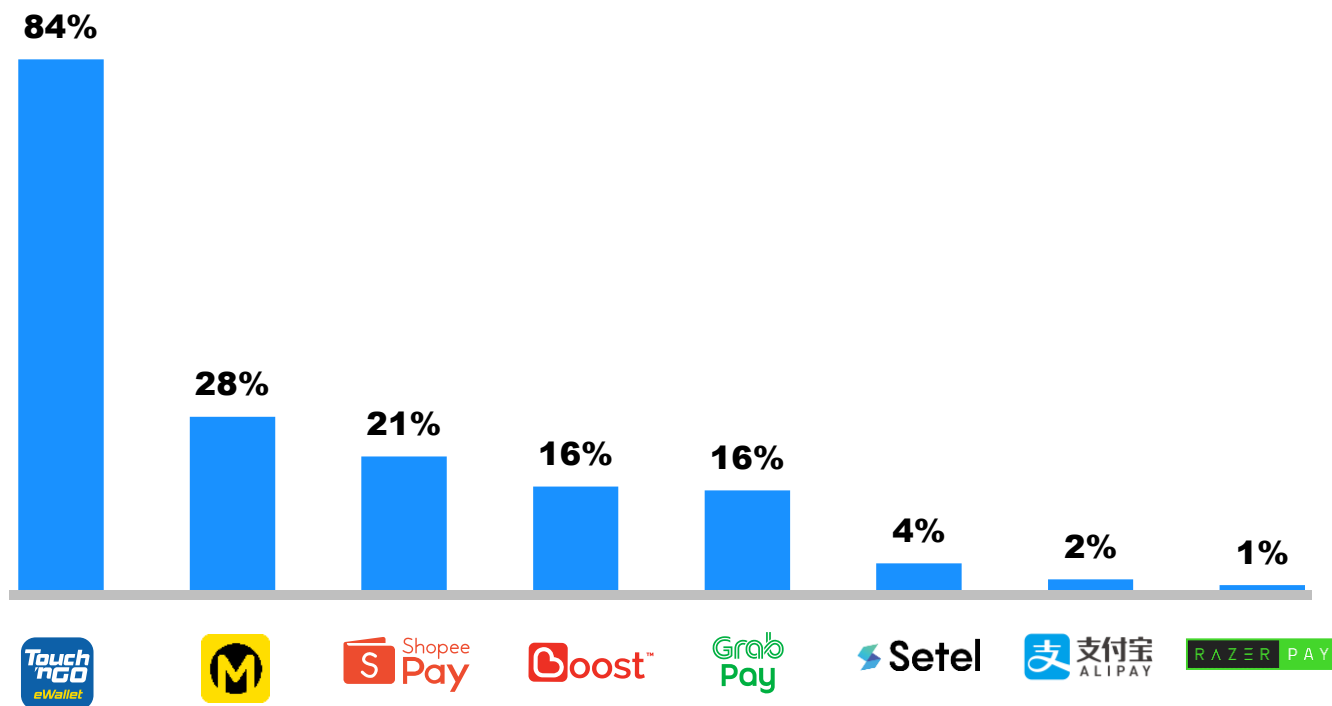


TOUCH & GO RETAINS DOMINANT POSITION

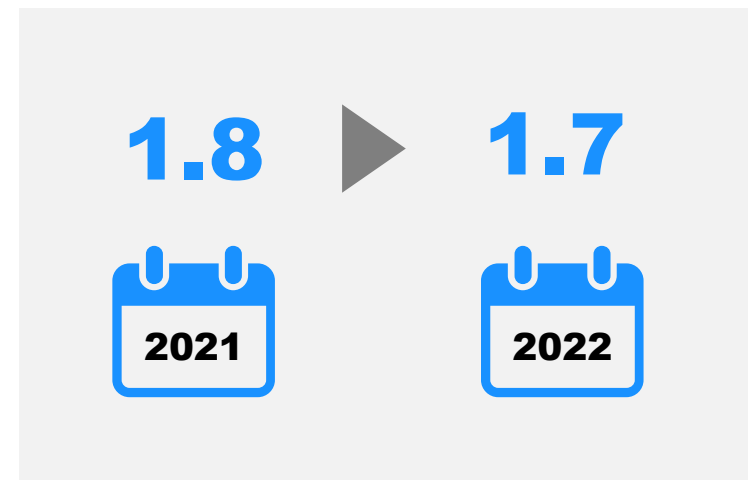
As e-wallets are increasing their presence across more channels, there's indication that wallets are moving towards general-purpose – the average number of wallets per user has declined.



E-wallets used in past 3 months? % Among E-wallet users



Average number of wallets used



Nationally representative sample of N=1,020 Malaysian aged 18-74 years, May 2022.

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Non-cash economy and the role of e-wallets

Although non-cash payment was not entirely new before Covid, the pandemic has been a great accelerator. As 'touchless' interaction became an integral part of social distancing, more than half of Malaysians now have an average of two non-cash payment modes at their disposal.

E-Wallets, a relatively new entrant over the last two years, has successfully reached more than a quarter of Malaysians. E-wallets are quickly becoming all-purpose payment methods – over the past year, there's been significant growth in e-wallet usage for over-the-counter purchases. In 2022, the continued growth in usage is driven by physical F&B and Retail as Malaysians are out and about again.

Adoption of e-wallets continues among the youth, while for the older population, the growth appears to have topped out. Furthermore, e-wallets continue to be more common in the more urban and affluent segments. As e-wallet payment becomes viable across channels, there's an indication that consumers are finding their favorite and sticking with it.



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Game Changers

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