

COVID brings cashless revolution five years closer as digital payments surge during pandemic

The COVID-19 pandemic has accelerated Australia's shift to become a cashless society by up to 5 years, as record numbers of Australians turned to online shopping according to PayPal Australia.

- *PayPal customer sign-ups are triple pre-pandemic levels in Australia*
- *65% more 'Silver Tech' Australians (50 years +) sign up for PayPal during the pandemic*
- *54% lift in payment volume to Australian small businesses via PayPal during lockdown*
- *Strongest monthly results in PayPal Australia history during pandemic in April*

**SYDNEY, 1 June 2020:** The COVID-19 pandemic has accelerated Australia's shift to become a cashless society by up to 5 years, as record numbers of Australians turned to online shopping according to PayPal Australia.

PayPal customer sign-ups in Australia almost tripled during COVID-19 restrictions in April compared to pre-pandemic levels. This surge of new users included a 65% year-on-year increase in sign-ups among 'silver tech' Australians who are 50 or older. There are now over 8 million active PayPal accounts in Australia, accounting for a third of the population.

PayPal Australia CEO Paul Ryan said, "PayPal has always been here to serve and I'm proud that during the COVID-19 pandemic we were able to help Australian consumers buy the essentials they needed online quickly and securely as well supporting our business customers in these challenging times."

*" We've reached a tipping point where digital payments are now an essential service, rather than just a nice to have. "*

During the COVID-19 pandemic, PayPal Australia recorded the strongest monthly result in the company's history with the highest number of transactions and highest total value of payments ever processed in April. Australian small businesses also saw a 54% rise in sales processed on the PayPal platform during COVID-19 restrictions in April.

"The social distancing required to fight COVID-19 has accelerated the move to digital payments by up to five years in the space of a couple of months. There are clear signs that this shift to digital services will be lasting. Even though some consumers may revert to their old shopping habits, increased use of ecommerce will be the new normal in Australia."

"We've reached a tipping point where digital payments are now an essential service, rather than just a nice to have. PayPal has been there to help customers and merchants since day one and we'll be there throughout the recovery process as well," said Paul Ryan.

A recent PayPal study found that one in three people who began online grocery shopping during the pandemic would continue to do so after restrictions are lifted<sup>[\[i\]](#)</sup>. Additionally, PayPal research has also shown a 66% lift in Australian consumer willingness to buy when PayPal is an available payment option at checkout<sup>[\[ii\]](#)</sup>.

### **What did Australians buy during lockdown?**

During the pandemic PayPal Australia saw categories that represented everyday essentials perform strongly including groceries, meal deliveries, alcohol, subscription services, education, entertainment and home improvement. Online marketplaces also experienced an increase in consumer demand, as well as food delivery platforms such as Mr Yum and Uber Eats.

### **Tackling Online Crime**

While enabling the digital economy in Australia, PayPal has also stepped up its efforts to tackle opportunistic

online criminals during the pandemic. Common scams that have risen during the pandemic include charity scams, fake debt collection notices, bogus medical treatments, and superannuation scams.

The Australian Competition and Consumer Commission recently revealed that the number of scams since the pandemic began is now over 2,000, resulting in \$700,000 reported in losses.<sup>[iii]</sup>

“PayPal has acted to protect online consumer safety during the pandemic, including taking action against websites that fraudulently claim to offer home test kits and immunity tablets to Australians, and online businesses that have artificially inflated prices on essential goods including hand sanitizer, surgical masks, gloves, and even bottled water. We’ve also taken steps to support small businesses struggling through economic uncertainty by waiving certain fees, deferring repayments on select business loans, and providing information to help navigate these times,” said Paul Ryan.

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<sup>[i]</sup> PayPal Reports First Quarter 2020 Results webcast. <https://investor.paypal-corp.com/news-events/events>

<sup>[ii]</sup> IPSOS. 2018 Online Payment Experiences Study. The IPSOS study was commissioned by PayPal and conducted in July 2018. Study of 10,500 people, including 6,930 PayPal users, across the US, UK, Germany, Australia, Italy, Spain and Brazil (1,500 people per market).

<sup>[iii]</sup> ACCC’s Scamwatch: <https://www.scamwatch.gov.au/types-of-scams/current-covid-19-coronavirus-scams>

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<https://newsroom.au.paypal-corp.com/cashlessrevolutionfiveyearsclouser>