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Europeans spend €4 trillion per year on payment cards

Expenditure on European payment cards has grown by a third since 2014 to reach €3.9 trillion, as cards are used increasingly for everyday purchases

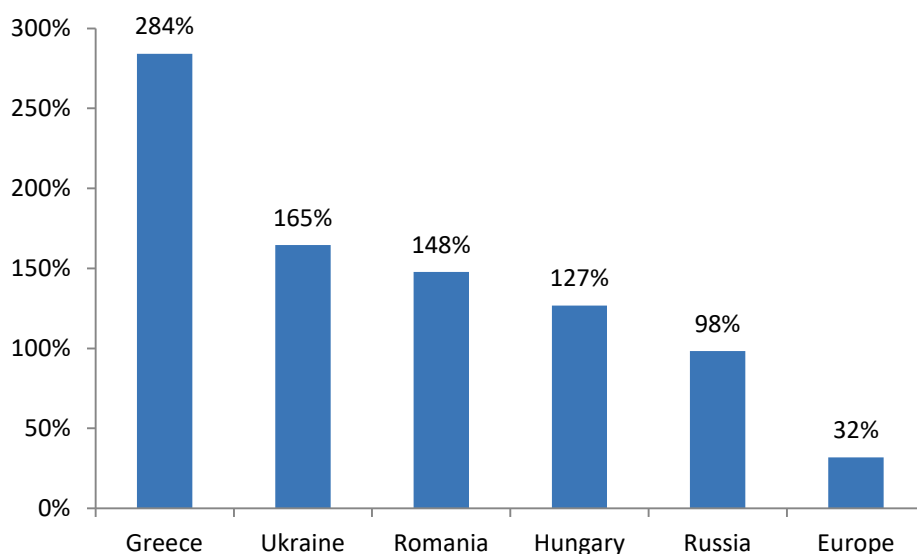
Rapidly rising usage spurs card spending

RBR's latest research, *Payment Cards Issuing and Acquiring Europe 2020*, shows that in 2018 cardholders in the UK, France and Germany spent the most, with the total increasing by 26%, 19% and 22% respectively since 2014. The fourth largest market, Russia, saw spending double over the same period.

The RBR report showed that growth in spending is inextricably linked to the ramp up of card usage. Greece stands out in particular, as card usage grew sevenfold, following widespread state-mandated card acceptance at many merchants. Unsurprisingly, the country also saw the fastest growth in spend, which almost quadrupled over the four-year period.

Eastern European markets tended to be the fastest growing in terms of expenditure, notably Ukraine, Romania and Hungary where spending more than doubled. Recent surges in card spending across Europe can in large part be attributed to the growing adoption and acceptance of contactless payments, as well as increased online shopping.

Fastest growing European markets by card expenditure, 2014-2018



Source: *Payment Cards Issuing and Acquiring Europe 2020* (RBR)

Behavioural shift sees cards used for everyday transactions

RBR's report showed that, for Europe as a whole, the number of transactions grew nearly three times as fast as the rise in expenditure, with the result that the average value of each transaction continues to fall – from €46 in 2014 to just €34 in 2018. The reason for this is that cards are increasingly being used for everyday, low-value purchases, as customers rapidly adopt contactless and mobile payments. As a result, growth in the total number of card payments made by Europeans is accelerating year-on-year.

Russian cards see the lowest average ticket in Europe, at €12, while the number of payments in the country nearly quadrupled over four years. Whilst this echoes the general pattern seen elsewhere in Europe, in Russia in particular this has been driven by initiatives such as contactless ticketing on the Moscow and St. Petersburg metro systems, and lucrative cashback reward schemes, offered by a number of banks, incentivising use of cards ahead of cash.



PRESS RELEASE

Increased debit card spending drives overall growth

RBR's research shows that the vast majority of markets in Europe have seen an increase in the proportion of spend made with debit cards. There has been a widespread consumer shift from pay-later credit cards to pay-now debit cards, as a result of economic uncertainty and increasing consumer frugality. RBR found that this shift is most stark in Greece, with debit growing from 26% of the country's card expenditure in 2014 to 68% in 2018.

Thomas Madden, who led RBR's *Payment Cards Issuing and Acquiring Europe 2020* research, commented: *"The increasing customer adoption of payment cards, as well as expanding acceptance networks across Europe, is helping drive the sustained growth seen in card expenditure. The rising use of debit cards, in particular, as the default payment method for many Europeans, has significantly boosted the amount they have spent on their cards in recent years"*.

Notes to editors

These figures and insights are based on RBR's study, *Payment Cards Issuing and Acquiring Europe 2020*. For more information about this report or to discuss the findings in more detail please email Thomas Madden (thomas.madden@rbrlondon.com) or call +44 20 8831 7324.

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