



## PRESS RELEASE

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### **Government initiatives to promote cashless payments drive increase in card acceptance**

*Latest research predicts that the global number of outlets accepting cards will near 100 million by the end of 2025. The COVID-19 pandemic has accelerated the move to contactless payments, which will boost card acceptance*

### **Nearly a million new card-accepting outlets in India in 2019**

RBR's new report *Global Payment Cards Data and Forecasts to 2025* reveals the number of merchant outlets accepting card payments worldwide grew by 4% in 2019 to reach 74.5 million. Much of the growth was driven by government initiatives, with some markets seeing considerable increases in card acceptance. Of these, India stands out, where the number of outlets accepting cards rose by 959,000, an expansion of 40%, largely as a result of the government putting pressure on banks to recruit more merchants.

### **Acceptance of UnionPay increases in Europe and Asia-Pacific**

The study reveals that UnionPay has overtaken Discover to become the most widely accepted card scheme. At the end of 2019, UnionPay cards could be used at 59.3 million merchant outlets, representing 80% of the global total. Europe saw the greatest increase in the proportion of merchants accepting UnionPay, with particularly strong growth in Russia. The scheme was also accepted in India for the first time.

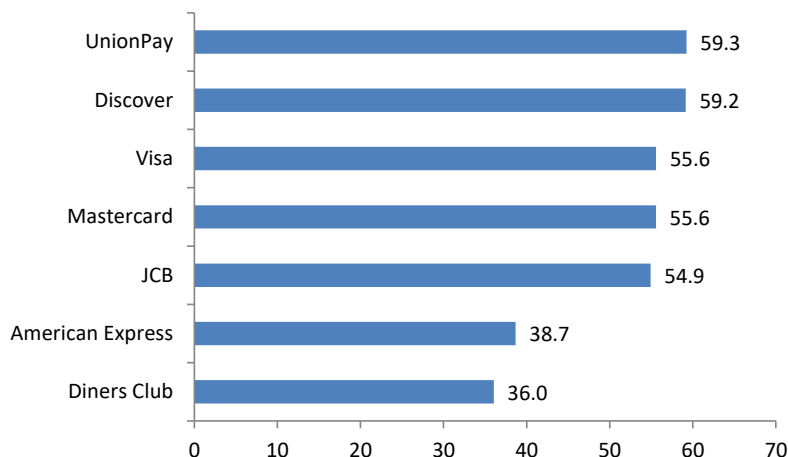
Discover is the second most commonly accepted card scheme. This scheme benefits from reciprocal network-to-network agreements with UnionPay in China, JCB in Japan and BC Card in South Korea, meaning that Discover can be used at all outlets in each of these markets. Visa cards are accepted at marginally more outlets than Mastercard, making Visa the third most commonly accepted card scheme worldwide.

### **Visa and Mastercard are the most widely accepted schemes outside of China**

The high proportion of merchants which accept UnionPay can be attributed to the size of the Chinese market, which accounts for almost a third of merchant outlets worldwide. RBR's analysis shows that if China is removed, acceptance of UnionPay falls to 70% of the remaining outlets.

With China excluded, Visa and Mastercard are the most widely accepted card schemes, each accounting for 48.5 million outlets or 95% of the total. The schemes' sub-brands Visa Electron and Maestro are accepted at a similar number of merchants as Visa and Mastercard in the majority of markets. China and the USA stand out as exceptions, with neither sub-brand being accepted in China, and only Maestro accepted in the USA, at just under a half of outlets.

**Number of Merchant Outlets by Scheme Worldwide, 2019 (million)**



Source: *Global Payment Cards Data and Forecasts to 2025* (RBR)



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### **Acceptance of three-party schemes extends beyond traditional outlets into retail locations**

American Express is accepted at 52% of outlets worldwide and Diners Club at 48%. Whilst their use is often focused on traditional travel and entertainment outlets such as hotels, restaurants and airlines, there has been a shift, as the schemes expand into everyday locations. In the majority of markets, Diners Club can be used at the same outlets as Discover. China is a notable exception as the agreement with UnionPay does not cover Diners Club, contributing to the scheme's lower overall acceptance compared to Discover.

JCB is accepted at 74% of outlets worldwide, higher than other three-party schemes owing to its universal acceptance in China.

### **Cashless payments driving growth in acceptance**

RBR forecasts continued growth in the number of card-accepting merchant outlets worldwide, rising from 74.5 million at end-2019 to 95.9 million at end-2025, largely driven by government initiatives to promote cashless payments. The COVID-19 pandemic is encouraging use of contactless payments over cash, which will in turn boost the number of EFTPOS terminals.

Daniel Dawson, who led RBR's *Global Payment Cards Data and Forecasts to 2025* research, remarked: "COVID-19 has made contactless technology more appealing and encouraged some merchants that were previously reluctant to accept cards to start doing so".

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### **Notes to editors**

These figures and insights are based on RBR's study, *Global Payment Cards Data and Forecasts to 2025*. For more information about this report or to discuss the findings in more detail please email Daniel Dawson ([daniel.dawson@rbrlondon.com](mailto:daniel.dawson@rbrlondon.com)) or call +44 20 8831 7310.

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