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Increase in co-branding driving growth in international schemes

Despite government backing of domestic schemes in some markets, cards are increasingly being co-branded with international schemes due to customer desire for maximum acceptance, rewards and other benefits

Global shift from cash and return to normalcy drives card spending

RBR's *Global Payment Cards Data and Forecasts to 2027* research shows that spending on payment cards continues to grow strongly as the impact of the COVID-19 pandemic begins to wane. Every region is growing strongly. Financial inclusion programmes are encouraging large numbers of unbanked people to enter the financial system for the first time, while the continuing rise of contactless and e-commerce purchases are boosting card spending, particularly for international schemes where contactless functionality is more common.

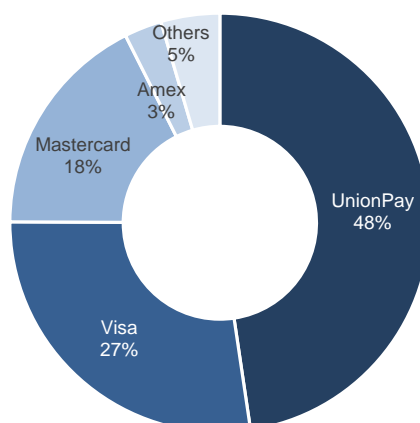
UnionPay, Visa and Mastercard account for 93% of global card expenditure

UnionPay has the largest share of global card expenditure, with 48% in 2021, one percentage point higher than the previous year. This is mostly driven by spending in China, the world's largest market, where UnionPay accounts for 95% of the total. RBR's report shows that spending on Chinese cards has continued to grow as debit cards are increasingly used for purchases rather than cash withdrawals.

Visa is the second largest scheme with 27% of global spending, while Mastercard accounts for 18%. Visa lost share in debit and prepaid in 2021, but the scheme retained the largest share of global credit expenditure, and Visa brands account for the largest share of spending in all regions except Asia-Pacific.

Travel and entertainment credit spending was hit during the pandemic as a result of lockdowns and suspended travel, but has bounced back strongly. Mastercard increased its share in the sector, driven by growth in the Americas. American Express also gained share, accounting for 9% of credit expenditure in 2021.

Share of Purchase Volume Worldwide by Scheme, 2021



Source: *Global Payment Cards Data and Forecasts to 2027* (RBR)



PRESS RELEASE

Domestic schemes are increasingly being co-branded with international schemes

RBR's analysis shows that if China is excluded, Visa is the largest global scheme with 52% of card spending, while Mastercard accounts for 33%. Around the world there is an increasing trend of co-branding or converting domestic schemes with global players Mastercard and Visa. Governments in countries like Turkey and India have attempted to promote their domestic schemes over international ones; however consumers continue to prefer the latter, due to their widespread acceptance and reward incentives.

Daniel Dawson, who led RBR's *Global Payment Cards Data and Forecasts to 2027* research, remarked: *"The trend of international scheme co-branding is set to continue despite government backing of domestic schemes in some markets, with domestic schemes accounting for a gradually declining share of global spending. We would not expect to see seismic shifts, but gradually this will have a positive impact on Visa and Mastercard's global businesses"*.

Notes to editors

These figures and insights are based on RBR's study, *Global Payment Cards Data and Forecasts to 2027*. For more information about this report or to discuss the findings in more detail please email Daniel Dawson (daniel.dawson@rbrlondon.com) or call +44 20 8831 7305.

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