

PAYSEND White Paper / 05

Digital Money In A Post-Covid World

A new dawn of FinTech opportunity



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Introduction:

A new dawn of FinTech opportunity

The Coronavirus Pandemic shook the world in 2020, causing us all to take stock. Its aftermath is undoubted to be felt for many years to come.



Covid-19: A 21st-century disaster

Very few have been left unaffected by the spread of Covid-19, the social and economic transformations that have taken place will shape how we choose to step back out into a post-covid world.

There have been so many uplifting examples of communities banding together to help safeguard humanity all over the world. Action plans were quickly instated by governments fighting to combat the effects of Covid-19. Restrictions were enforced on society to help stop the spread of the virus, sacrificing our independence to protect those most vulnerable.



Remarkably in Wuhan, where the disease first took hold, reports indicate that everyday life has almost completely restored. Office and public transport goes have reconvened as mixing and socialising is back in full flow as if nothing had changed, that is aside from the noticeable rise in face masks worn as fashion accessories!

The three key responses which have worked to force the virus into submission have been:



1. Travel bans



2. Lockdowns



3. Social distancing

In the face of these restrictions, humankind has been nothing short of adaptable. We have found new and exciting ways to communicate, socialise and shop online, take staycations where permitted and make the most of our immediate surroundings and downtime indoors. So how was this made possible?

We have relied heavily on technology during this period. As a result, digital platforms have helped develop solutions to manage everyday matters! Amid so much economic uncertainty, managing our money and finances smartly became a priority.

1. <https://www.smithsonianmag.com/innovation/meet-product-designer-who-made-mid-century-america-look-clean-and-stylish-180972270/>
2. <https://apnews.com/article/pandemics-coronavirus-pandemic-wuhan-china-asia-pacific-bdd16f430688dd33fe696f0fa468e9d>

A global Fintech solution

We have witnessed the adoption of strategic financial technology by consumers to assist with:



Financial planning



Access to financial products online



The movement of money



For years the continued advancement in digital money has been forecast, but the industry's growth has accelerated rapidly due to the constraints of the pandemic. The conditions have been pressurised and forced the FinTech industry to evolve quickly. Its growth and innovation have led to more financial freedom for consumers and businesses alike.

We want to dive deeper into the role that digitised money has played during the pandemic and how, as a result, our relationship with it will never be the same.



Digital money in a pandemic

Technology has allowed us to communicate effectively and keep up with the state of affairs around the world. It has provided valuable short-cuts to much-needed resources such as track and trace!

Whilst the shops were closed we took to browsing stores online. Since we could no longer enjoy a trip to the cinema, streaming platforms became a newfound favourite escape. Necessities soon became luxuries with no room for excess!

All of us need to know that we have access to our finances at all hours of the day and night, the Fintech industry providing accessible solutions to help cut through once complex tasks from the comfort of our own home.

Here's is what we have seen from digital money during the pandemic:

72% Rise in the use of FinTech apps in Europe³

40% Growth in Mastercard contactless transactions globally⁴

US e-commerce grew by **44%** to **\$861 billion** in **2020** compared with **2019**

71% of consumers globally now use digital banking channels weekly⁵

3. <https://www.forbes.com/sites/simonchandler/2020/03/30/coronavirus-drives-72-rise-in-use-of-fintech-apps/?sh=7d9136b666ed>

4. <https://newsroom.mastercard.com/asia-pacific/press-releases/mastercard-study-shows-consumers-moving-to-contactless-payments-for-every-day-purchases-as-they-seek-cleaner-touch-free-options/>

5. <https://www.rfigroup.com/rfi-group/news/rfi-latest-research-rfi-group-global-digital-banking-report-2020>



How have consumer habits **changed?**

The Covid pandemic has sparked a huge upheaval of our consumer habits. Almost overnight many of our options to buy, sell and invest became extremely limited and we were all forced to make difficult choices to limit our expenditure, weighing up cost vs comfort.



FinTech solutions have been a revelation when supporting new and improved spending habits! It is hard to imagine the vast majority of us choosing to purchase goods in cash or making regular visits to the bank again.

We are now equipped with digital money solutions that make it that much easier to save, spend and send money both domestically and internationally.

6. <https://c212.net/c/link/?t=0&l=en&o=3003554-1&h=2067731913&u=https%3A%2F%2Fwww.accenture.com%2Fca-en%2Finsights%2Fbanking%2Fconsumer-study-making-digital-banking-more-human%3Fsrc%3DSOMS&a=2020+Global+Banking+Consumer+Study>

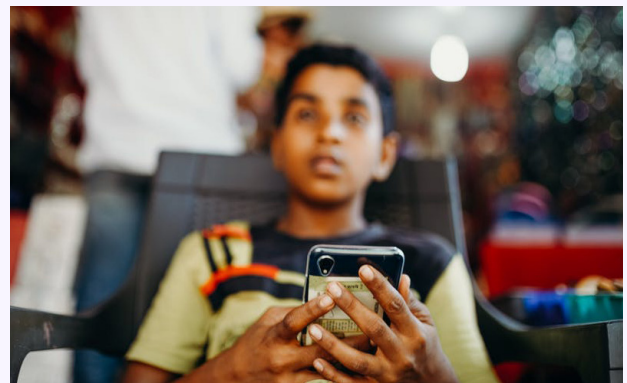
Digital dive into 4 global markets

Let's take a look at how Covid-19 affected the digital money landscape in four separate markets around the world.

India



Covid-19 has further accelerated the usage of digital money in India, to an even greater extent than the country's demonetisation push in 2016. The use of digital money became even more popular among the masses during 2020, encouraging people in India to make payments using contactless cards and app solutions.



The use of mobile wallets, payment gateway transactions and online bill instalments through the central bank-mandated Bharat Bill Pay system are set to increase. QR code-based processing has become a popular alternative to POS machines, consumers able to scan and complete an order or transaction without personal assistance.

Canada



Businesses in Canada are steadily shifting to tech-driven transaction methods, with a notable spike in digital transactions through online and mobile channels during the pandemic. In 2020, 41% of Canadians ranked value for money as one of the top three factors for service providers, financial technology providing an affordable, hassle-free and more secure method of managing money.

The UAE 🇦🇪



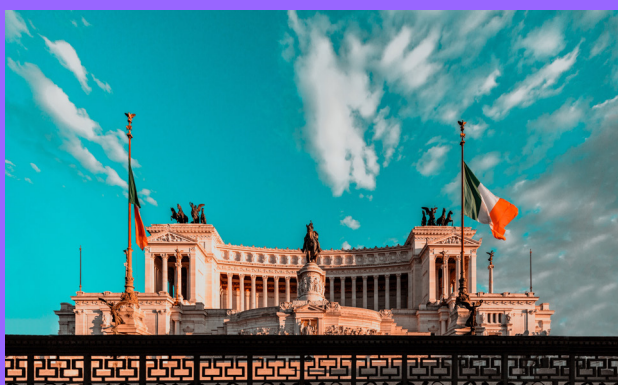
The pandemic has helped companies in the UAE understand that money is now being handled primarily digitally.

Digital money transfers have accelerated as more foreign workers have brought over their business, practising app payments and operating through online banking channels.



To give an example of how businesses have coped during the pandemic, Varri Consultancy, a boutique consulting firm, surveyed more than 100 FinTech professional workers in the UAE. They estimated the market to be worth upwards of \$2.5 billion and growing.

Italy 🇮🇹



Italian bank branches saw a decline in their manual function. The country was severely hit by the virus, potentially attributed to Italy registering the oldest population in Europe, with 22.8% of its people over 65 in 2019.

Customers were unable to carry out exchanges in person. As a result, the government offered state support to help small businesses (SME's) keep afloat.

However, with the FinTech market in Italy accelerating due to the availability of remote services, intelligent payments and money transfers have given Insurtech and e-commerce a leg-up.

7. <https://www.weforum.org/agenda/2020/12/italy-death-toll-pandemic-covid-coronavirus-health-population-europe/>



Responding to a pandemic: A digital money case study

Pandemic related problems

One of the most commonly used methods of moving money from one country to another is still simply by carrying cash when travelling. However, this often serves as impractical and risky.

Transferring funds via high street banks, post offices or money transfer agents is safer but usually very expensive.

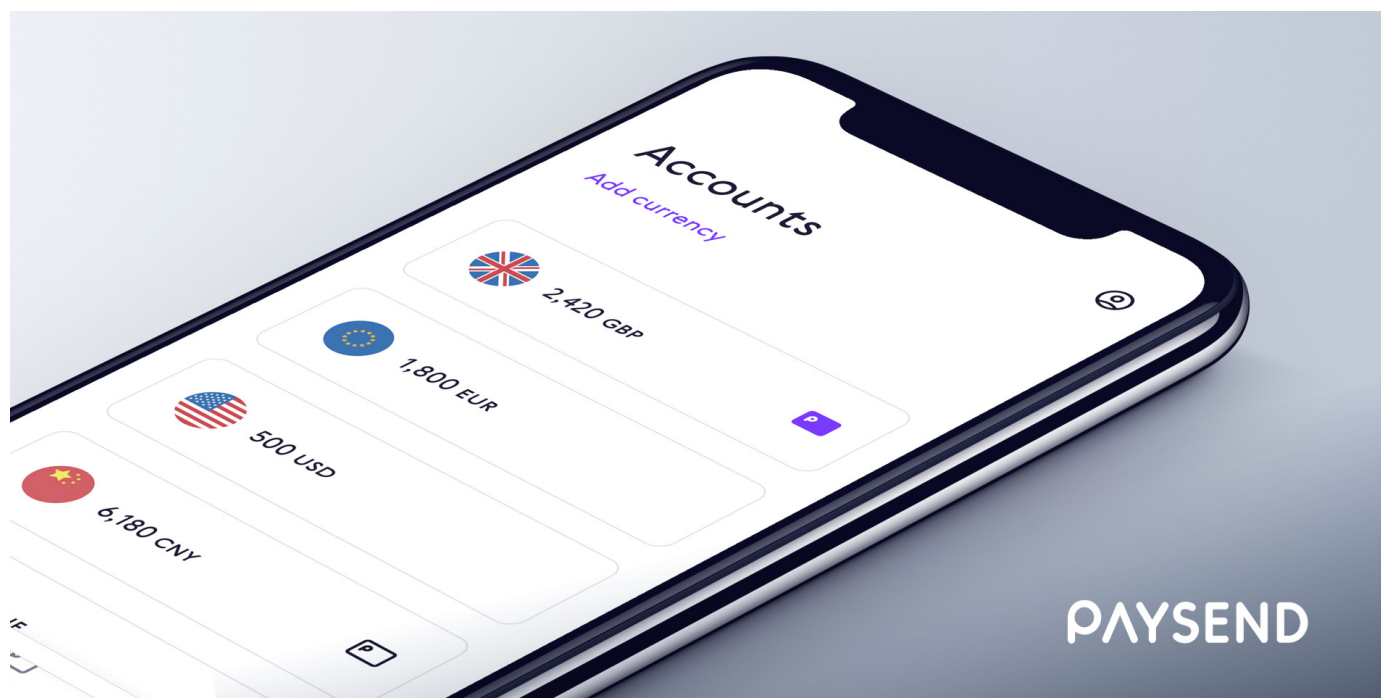
The need for money to be moved safely and securely to family and loved ones overseas was a priority for many during the pandemic. Through trial and error, the Fintech industry has created viable alternative methods of transferring funds through the use of digitised money platforms and their unique solutions.

Paysend providing the answers

Paysend is a digital money transfer platform that allows users to send money all around the world online or via the app.

The team at Paysend were on hand to extend their support in February 2020 to countries severely affected in the early stages of the pandemic (i.e. China and Italy) offering unlimited commission-free money transfers to users sending funds to family and loved ones in need!

As the number of cases continued to rise and lockdown restrictions were put in place, Paysend focused on providing customers with means to connect and manage their finances using expert and simple solutions.



PAYSEND

Customers benefiting from the results

As a result of Paysend's prolific expansion, our customer base more than doubled between March 2020 and January 2021, from 1.5 million to 3.7 million in less than a year!

Paysend has worked tirelessly to help speed up transfers for users, calculating that 90% of requests that are made are completed within 15 seconds or less!

Paysend's customer support also expanded to help deal with the growing demands and high volume of new customers, reporting 97% of customer queries to be resolved within 24 hours.

The future of money is bright

Paysend's mission is to connect consumers and businesses all around the world. With new app updates, solutions and features on the horizon, the future for Paysend continues to look bright. Supporting money for the future with simple, swift and affordable financial tools.

Key considerations for the future of digital money

Education & Accessibility



The digitised money revolution is only made possible if users understand how to access Fintech platforms and use them productively.

FinTech companies strive to educate users by providing simple step by step solutions and readily available customer support services. Digitised platforms need to appeal to a wide range of demographics, bringing those less confident and tech-savvy up to scratch.



FinTech has a fantastic opportunity to shape the future of finance through the engagement of younger generations.

By developing a key financial understanding early, users will be able to manage their finances simply and smartly throughout their life, staying up to date with the latest trends and developments of digital money.

The accessibility and influence of smartphone technology throughout the world will allow digital money services universal visibility.

Expectations for digital money platforms



Safe for all customers to use and put their trust in



Convenient, solving complex financial issues for users



Affordable, ensuring consumers get more for their money



Accessible for all people



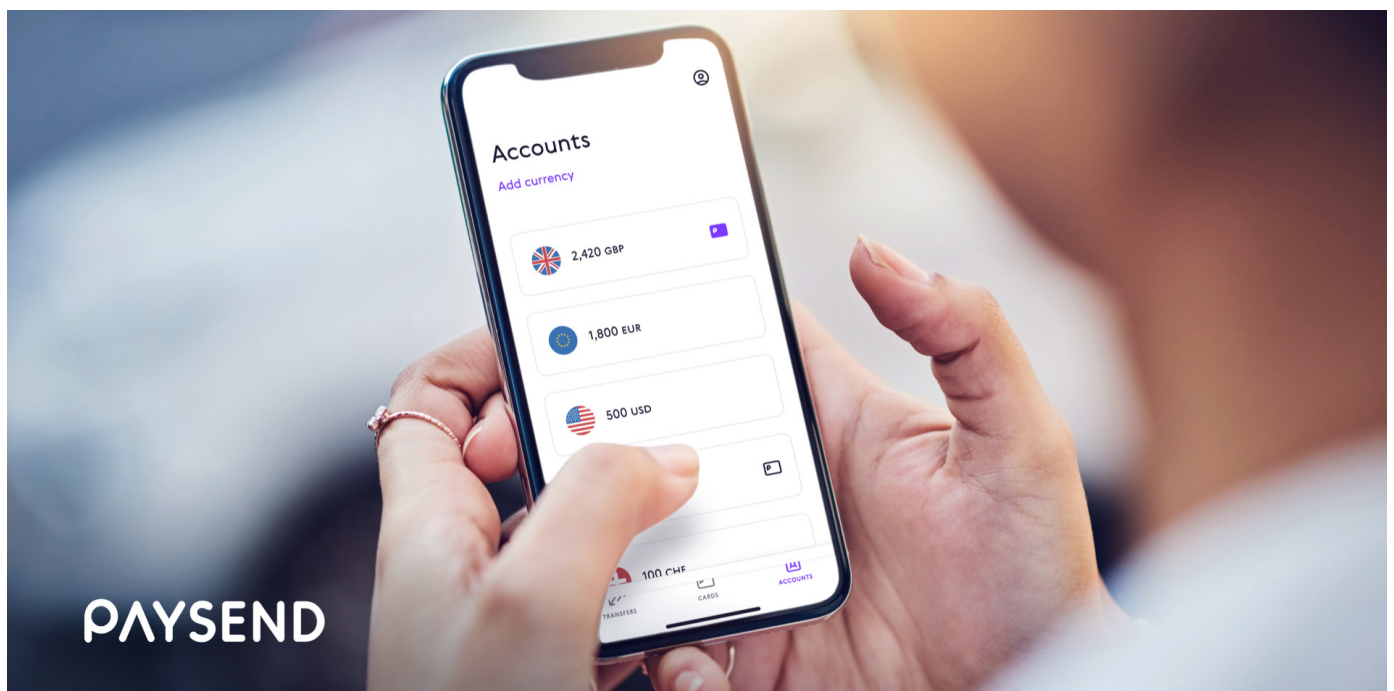
Easy-to-understand, allowing growth in financial confidence

Paysend's global mission

Paysend plans to be at the forefront of the digital money revolution.

Our close-knit team of experts are working hard for our ever-growing customer base, collaborating on and creating innovative and simple-to-use money transfer solutions that enable our users to connect all over the globe!

We want to help our world rebuild, facilitating our customers in their new and exciting ventures, managing their money and freeing them up to spend time with the people that matter the most!



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