

New Research Finds Consumers Demand Payment Choice, Worry About Cash Access, and Remain Optimistic About Their Financial Future

Paysafe's annual *Inside the Wallet* report polled the spending and saving habits of 14,500 people across age groups from around the world

LONDON--(BUSINESS WIRE)-- Over half of consumers worldwide (56%) have changed their spending habits from a year ago, not only becoming more price conscious but demanding payment choice, from debit cards and bank transfers to digital wallets and cash, according to new research from Paysafe (NYSE: PSFE), a global payment processor and digital wallet provider.

According to Paysafe's report, '*Inside the Wallet: How consumers are spending and saving in 2024*', 43% of consumers have abandoned their online shopping cart if a business didn't offer their payment method of choice. With retailers increasingly adopting cashless policies, an overwhelming number of consumers (63%) expressed concern about losing cash as a payment option, with another 44% of people indicating that they want to be able to buy goods or services online and pay for them in cash at a local store.

Security in payments was also top of mind for respondents. More than half of people (54%) said that security in a business's payment process is an important factor when deciding how to purchase online. While two-thirds of consumers reported feeling better buying from a business if they know there are security steps in place to protect their data or if they see a payment option they recognize.

Payment Options for Diverse Consumer Needs

Spending preferences are growing increasingly diverse. Debit cards (53%) are the top payment method being used more frequently this year vs last year, but bank transfers (39%), credit cards (33%), and digital wallets (32%) have also increased in popularity, with new payment methods and platforms beginning to emerge. Over half (58%) of consumers have made an online purchase through social media, with 38% doing so multiple times a year. Another one-third (32%) of people are now using a wearable device, such as a smartwatch, to pay.

Attitudes to developing technologies vary by generation, with younger people more likely to embrace innovative payment options, such as AI-powered payments. Over a third (36%) of 18-43-year-olds are fully comfortable with AI being used to improve payments. This compares to 33% of those aged 60 and over who are not comfortable at all with the idea of AI in payments.

Bob Legters, Paysafe's SVP Product, commented: "Consumers are comparison shopping more than ever, not only to find the best deal but the best payment experience that delivers choices, security, and speed, and keeps them coming back. As consumers' financial situations and priorities shift, businesses need payment partners that have a track record of offering innovative payment options that attract a wide pool of consumers—from younger to older and every age in between."

Financial Health

Diving deeper into the data behind these changing payment habits, the research reveals the financial challenges faced by many global consumers. Over half (56%) of respondents say that they are earning just enough to cover their monthly expenses and a quarter (25%) say they are not earning enough money to cover their monthly expenses, with the figure rising to 33% for Gen Z.

While most respondents anticipate an increase in their income over the next 5 to 10 years – around half (49%) believe their income will rise by 10% or less, and 12% say they don't expect any increase. Despite having limited disposable income early in their careers, Gen Z and Millennials were hopeful about their future earning potential, anticipating increases of 20% and 18% respectively.

But with many consumers living pay cheque to pay cheque, the opportunity to save has decreased, with 39% saving less than 6% of their income each month and 14% not saving at all (down from 18% in Paysafe's 2023 research). The inability to save can be attributed to an increase in the cost-of-living, with respondents reporting that they're spending more on everyday necessities like groceries (66%), utilities (57%) and essential consumer goods (51%).

Optimistic Outlook

Paysafe's data indicates a sense of optimism among consumers, with 60% of respondents – and 78% of Gen Z – expressing confidence about their financial future, and planning towards this.

Over a quarter (27%) of respondents are saving to buy their first home. This rises to nearly half (48%) of Gen Z respondents, who expect to purchase their first home before the age of 32. Gen Z's positive outlook extends to the belief that they can achieve another major milestone early in life – nearly half (49%) expect to retire before the age of 61.

For additional takeaways from the research, as well as further guidance on how businesses should respond, download the full report here: <https://www.paysafe.com/en/inside-the-wallet/>

About Paysafe

Paysafe Limited ("Paysafe") (NYSE: PSFE) (PSFE.WS) is a leading payments platform with an extensive track record of serving merchants and consumers in the global entertainment sectors. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With over 25 years of online payment experience, an annualized transactional volume of \$140 billion in 2023, and approximately 3,200 employees located in

12+ countries, Paysafe connects businesses and consumers across 260 payment types in over 40 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared toward mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments. Further information is available at www.paysafe.com.

About the Research

The research was conducted on behalf of Paysafe by Sapio Research between May and June 2024. It surveyed 14,500 respondents over 18 years old from UK, USA, Canada, Mexico, Germany, Austria, Bulgaria, Italy, Peru, Chile, Brazil, Colombia, Argentina and Ecuador.

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