

# Accelerating Payment Acceptance, Expanding Economic Opportunities

Electronic payments bring significant benefits to countries around the world by...

Bolstering economic growth



\$296 billion

Amount electronic payments added in real U.S. dollars to GDP, according to a Moody's Analytics study of 70 countries between 2011 and 2015 <sup>1</sup>

Promoting financial inclusion



700 million

Number of adults who became financial account holders globally between 2011 and 2014 <sup>2</sup>

Shrinking the shadow economy

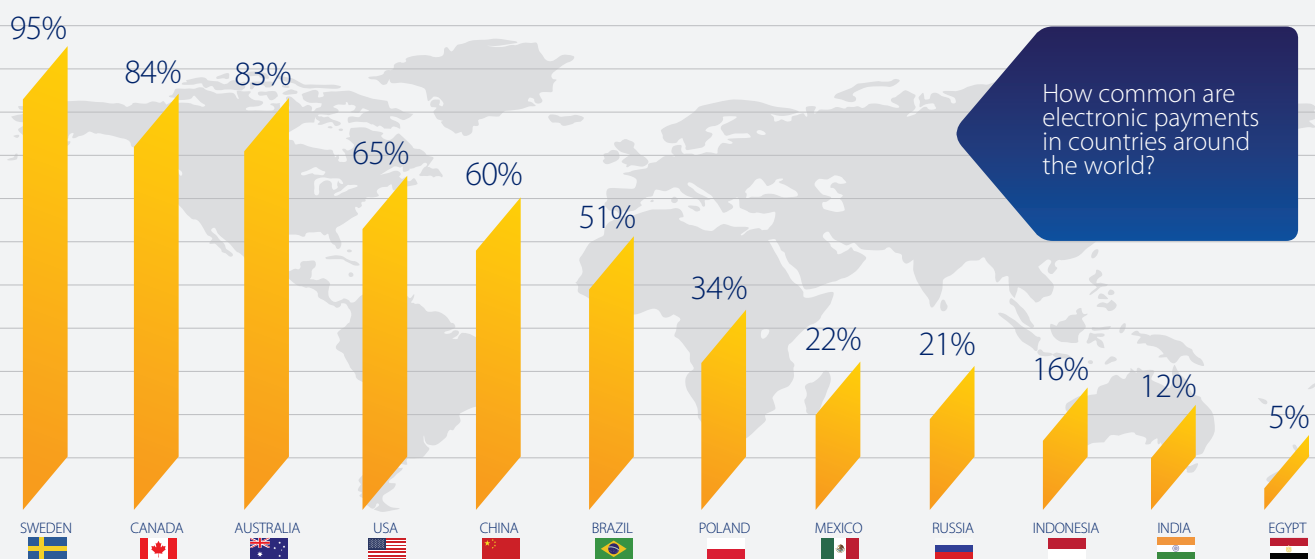


40% smaller

Size of the shadow economy in countries that make greater use of electronic payments compared to countries that rely heavily on cash <sup>3</sup>

## However, electronic payment adoption is uneven

Electronic Payments Share of Consumer Expenditure <sup>4</sup>

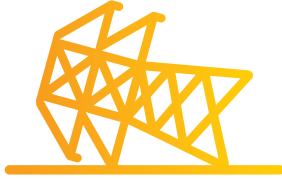


## What can be done about it?



# Developing payment acceptance takes enormous effort and can face significant barriers

**Infrastructure**  
Inadequate communications and financial infrastructure



**Economic**  
Lack of appropriate incentives or limited return on investment



**Regulatory**  
Government policy and regulations that impede acceptance growth



## What policies can help increase electronic payments acceptance?

### Regulatory & Market Support



**Merchant incentives**  
Subsidized POS terminals, tax reductions



**Consumer incentives**  
Tax reductions or lottery entries based upon electronic payment usage



**Government as role model**  
Acceptance and usage of electronic payments for government services



**Management of market economics**  
Supervision of pricing and system policies

### Increased Investment Opportunities



**Acceptance development funds**  
Issuer investments in new acceptance infrastructure and channels



**Targeted merchant incentives**  
Price adjustments with new technology or rule changes

### New Technologies & Channels



**New platforms for payment and acceptance**  
Mobile solutions like contactless payments, cloud-based credentials and mobile terminals (mPOS)



**Easier and safer payment experiences**  
Biometric authentication, tokenization, fraud detection

For more information, please visit [www.visa.com/acceleratingacceptance](http://www.visa.com/acceleratingacceptance)

1. Source: Moody's Analytics (2016), "The Impact of Electronic Payments on Economic Growth."

2. Source: Demircuc-Kunt, Asli, Leora Klapper, Dorothe Singer, and Peter Van Oudheusden (2015), "The Global Findex Database 2014: Measuring Financial Inclusion Around the World," World Bank Policy Research Working Paper (WPS7255).

3. Calculated by comparing the average estimated size of the shadow economy as a percentage of GDP for select countries where cash was less than 80% of the transaction volume in 2011 compared to the average estimated size for select countries where cash was greater than 80% of the transaction volume in 2011. Source: Denecker, Olivier, Florent Istace and Marc Niederkorn (2013), "Forging a path to payments digitization," McKinsey on Payments, Number 16.

4. Represents percentage of consumer expenditures made electronically using bank and store cards, as well as direct and ACH transfers. Source: Euromonitor (2015), Merchant Segment Study (9th Edition)—data compiled by Euromonitor for Visa International.