

‘Cashless and careful’: the future of spending post-COVID-19

Standard Chartered Global Survey (second poll) findings summary

With the world still reeling from COVID-19, we set out to understand the impact of the pandemic on people across Hong Kong, India, Indonesia, Kenya, Mainland China, Malaysia, Pakistan, Singapore, Taiwan, the UAE, the UK and the US, with a focus on personal finances and digital banking.

We are in the process of conducting three polls in those 12 markets, interviewing 1,000 respondents per market and per poll, or a total of 36,000 consumers to explore how they earn, spend and manage their money – and how this has shifted since the coronavirus crisis took hold.

Our second poll, which focused on spending, uncovered understandable caution, but also a rise in conscientious spending, with consumers shopping more locally and sustainably than before. It also revealed a significant surge in preference for online shopping and high expectations of a cashless society, for almost half expecting it to happen by 2030:

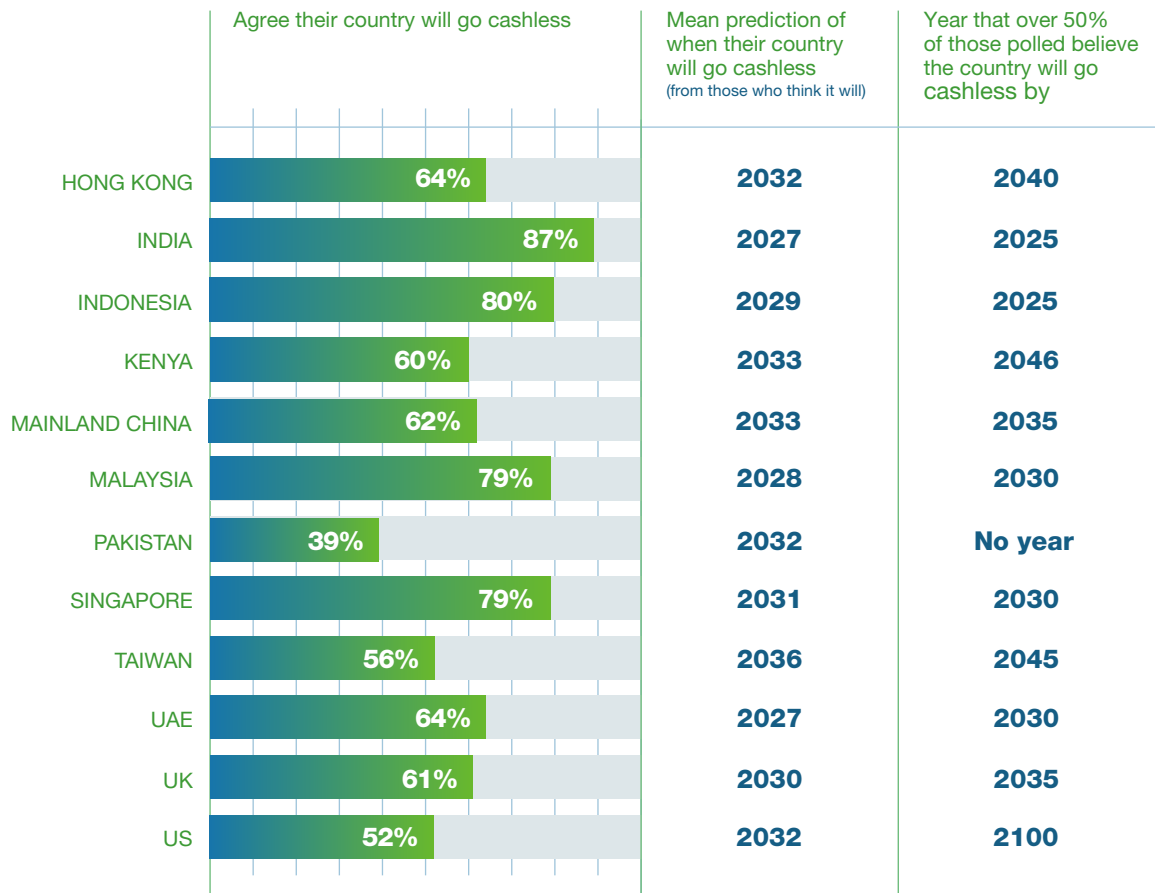
The findings of this second wave are summarised below:

- **Cashless society:** almost two-thirds (64 per cent) of consumers expect their country to go cashless, with almost half expecting it to happen by 2030.
- **Preference for buying and paying online:** across all major consumer categories, consumers have moved away from in-person card or cash payments and almost half (48 per cent) will prefer online payments in the future.
- **Adapting to new ways:** consumers are adopting and expect to adopt new methods of paying, tracking and managing spending online as COVID-19 has made 75 per cent more careful with spending.
- **Spending more carefully and consciously:** this shift is occurring as consumers are being more careful and conscious of their spending decisions. India and Kenya are leading the charge with more consumers wanting to shop sustainably, locally and with small businesses.



CASHLESS SOCIETY

- 64 per cent of people think their country will go cashless in the future, varying from 87 per cent in India to 39 per cent in Pakistan.
- A majority of those who believe their market will go cashless think it will be in the next 10 years - by 2030.



Questions

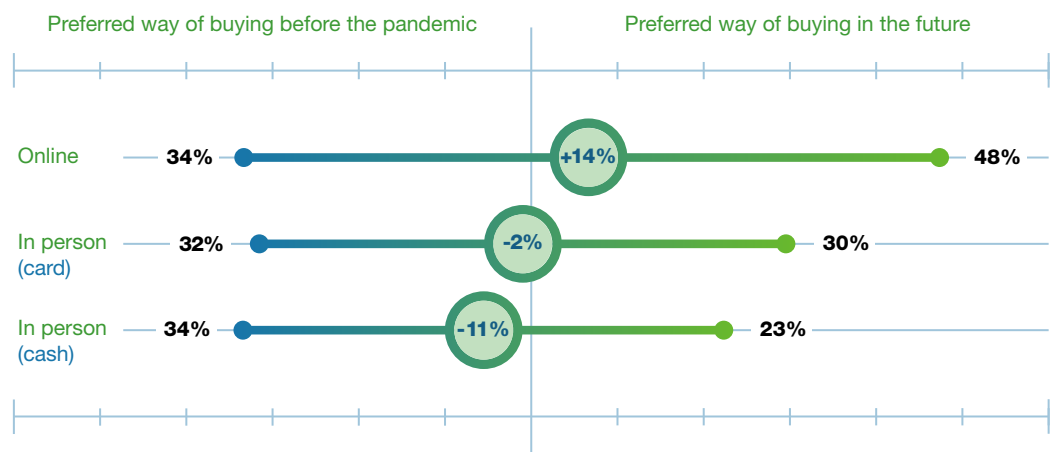
- Do you think your country will go cashless in the future?
- You said you think your country will go cashless in the future, when do you think this will happen (what year)?

PREFERENCE FOR BUYING AND PAYING ONLINE

During the pandemic, preference for online payments has strongly increased across all areas of spending, from charitable donations to healthcare.

- Before the pandemic, people's payment preference was split almost equally between online, in person with card, and in person with cash. In the future, this is expected to shift significantly to almost half (48 per cent) preferring to buy online.

ACROSS MARKETS



REGIONAL BREAKDOWN








	Online	In person (card)	In person (cash)
Hong Kong, before	31%	40%	28%
Hong Kong, after	42%	33%	25%
Hong Kong, change	11%	-7%	-3%
India, before	54%	21%	25%
India, after	69%	16%	15%
India, change	15%	-5%	-10%
Indonesia, before	40%	19%	41%
Indonesia, after	56%	18%	25%
Indonesia, change	16%	-1%	-16%
Kenya, before	21%	16%	63%
Kenya, after	51%	21%	28%
Kenya, change	30%	5%	-35%
Mainland China, before	47%	37%	17%
Mainland China, after	54%	33%	14%
Mainland China, change	7%	-4%	-3%
Malaysia, before	30%	30%	40%
Malaysia, after	51%	27%	22%
Malaysia, change	21%	-3%	-18%
Pakistan, before	24%	16%	60%
Pakistan, after	37%	18%	45%
Pakistan, change	13%	2%	-15%

Singapore, before	35%	41%	24%
Singapore, after	50%	35%	15%
Singapore, change	15%	-6%	-9%
Taiwan, before	34%	32%	34%
Taiwan, after	39%	31%	30%
Taiwan, change	5%	-1%	-4%
UAE, before	29%	43%	29%
UAE, after	47%	37%	17%
UAE, change	18%	-6%	-12%
UK, before	38%	42%	20%
UK, after	46%	39%	15%
UK, change	8%	-3%	-5%
US, before	35%	45%	20%
US, after	41%	41%	18%
US, change	6%	-4%	-2%

Questions

- Before the pandemic, what was your preferred way of buying / paying for the following items?
- In the future after the pandemic, what will be your preferred way of buying / paying for the following items?

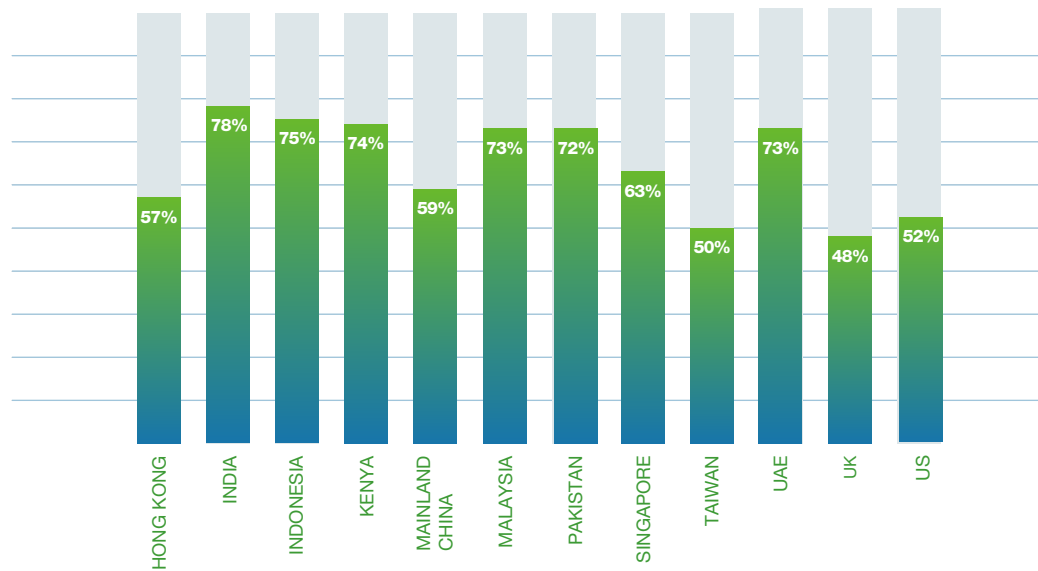
- And this growing preference for online payments is expected across all types of purchases:

Category	Increase in preference for online payments since COVID-19
 Healthcare	+17%
 Groceries	+16%
 Clothes	+15%
 Experiences	+15%
 Charitable donations	+12%
 Travel / holidays	+11%
 Digital devices	+10%

Questions

- Before the pandemic, what was your preferred way of buying / paying for the following items?
- In the future after the pandemic, what will be your preferred way of buying / paying for the following items?

- **64 per cent** of people agree that **COVID-19** has made them more positive about shopping online.



Question

When you consider your spending habits now, which of the following statements do you agree with more? COVID-19 has made me more positive about shopping online; no change; COVID-19 has made me more negative about shopping online

ADAPTING TO NEW WAYS

The public are currently adopting, and are interested in adopting, new ways to spend and track their spending online.

- The online spending tools people are most interested in using are **budgeting tools and a tool to block card spend above specified limits and a tool to track spending**:

	Have used	Would be interested in using	Not interested
Budgeting tools	27%	52%	21%
A tool to block card spend above specified limits	24%	51%	25%
A tool to track spending	31%	49%	19%
Cash rebates	36%	46%	18%
Tools to make payments quicker and easier	49%	39%	12%
Splitting payments into instalments	35%	39%	26%
Digital currencies	23%	39%	38%
Reward points for online purchases	52%	38%	10%
Payment after delivery	48%	37%	15%
Credit for purchases	39%	35%	26%
Total: selected at least one	91%	89%	61%

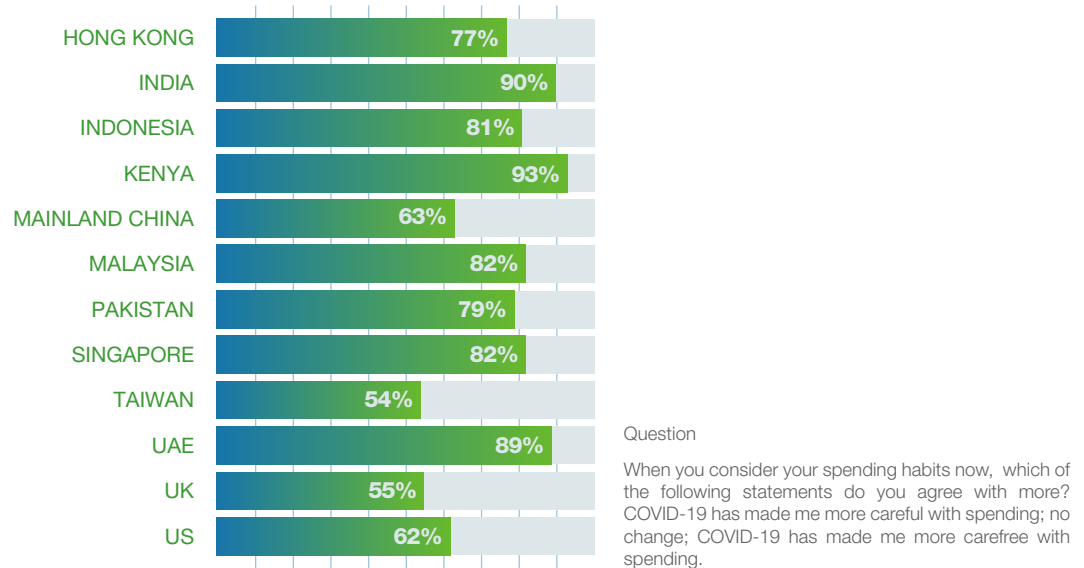
Question

Have you ever used or would you be interested in using any of the following for online spending?

SPENDING MORE CAREFULLY AND CONSCIOUSLY

COVID-19 has made consumers much more careful (75 per cent) and conscious of their spending decisions, with the majority more likely to shop locally, sustainably and with small businesses.

PERCENTAGE OF THOSE WHO AGREE COVID-19 HAS MADE THEM MORE CAREFUL WITH SPENDING:



Across markets:

- 62 per cent say COVID-19 has made them more likely to track their spending.
- 50 per cent of people feel more inclined to buy goods from small businesses.
- 57 per cent agree that COVID-19 has made them more inclined to buy goods produced locally.
- 52 per cent feel more inclined to buy sustainably sourced products since COVID-19.

	COVID-19 has made me more inclined to buy goods from small businesses	COVID-19 has made me more inclined to buy goods produced locally	COVID-19 has made me more inclined to buy sustainably sourced products
HONG KONG	47%	46%	44%
INDIA	73%	72%	69%
INDONESIA	60%	67%	59%
KENYA	70%	81%	75%
MAINLAND CHINA	23%	55%	56%
MALAYSIA	52%	64%	54%
PAKISTAN	63%	66%	56%








SINGAPORE	45%	48%	44%
TAIWAN	33%	39%	33%
UAE	55%	61%	59%
UK	42%	44%	36%
US	47%	47%	39%

Question

When you consider your spending habits now, which of the following statements do you agree with more?

There are some signs of increases in spending globally, with big shifts towards groceries, healthcare and digital devices and away from experiences, clothes and travel.

- In the last month (July 2020), 46 per cent of respondents have increased their spending.
- Spending on groceries, healthcare and digital devices has increased since before the pandemic, and consumers expect this to continue to increase.. Spending on travel/holidays, experiences and clothes has decreased.

Change in spending now compared with pre-COVID-19	Change pre-COVID-19 to now When compared to before the pandemic, are you spending more or less on the following items? (more minus less)	Future changes And in the future, do you think your spending on these items will go up, down or stay the same when compared to before the pandemic? (more minus less)
 Healthcare	+19%	+24%
 Groceries	+26%	+21%
 Clothes	-44%	-7%
 Experiences	-23%	+5%
 Charitable donations	-12%	+4%
 Travel / holidays	-56%	-13%
 Digital devices	+16%	+19%

Questions

- When compared to before the pandemic, are you spending more or less on the following items?
- And in the future, do you think your spending on these items will go up, down or stay the same when compared to before the pandemic? down or stay the same when compared to before the pandemic?

RESEARCH METHODOLOGY

On behalf of Standard Chartered, Portland Communications conducted a [10-minute online survey of 12,000 nationally representative respondents across 12 markets](#) between Monday, 17th August to Friday, 21st August, 2020.

We surveyed 1,000 adults (aged 18+) online per market. We targeted a nationally representative sample by age, gender and macro-region in 12 markets: Hong Kong, India, Indonesia, Kenya, Mainland China, Malaysia, Pakistan, Singapore, Taiwan, UAE, the UK and the US.

Results are weighted on the latest national census in each market by age, gender and macro-region and should be considered representative of the online population.