

Real-Time Payments Now as Popular as Cash in Southeast Asia as Pandemic Accelerates Digitization of Payments, New ACI Worldwide Research Reveals

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- Three in five (61%) consumers in Southeast Asia select real-time payments – such as DuitNow (Malaysia), PayNow (Singapore) and PromptPay (Thailand) – as a preferred way to pay in 2021, equal to cash (61%)
- Strong consumer demand for real-time payments demonstrates urgent need for payments modernization across Southeast Asia and heralds the emergence of a regional cross-border, real-time payments ecosystem

MIAMI & SINGAPORE--(BUSINESS WIRE)--Jul. 6, 2021-- Real-time payments are now as popular as cash as a payment method for consumers in Southeast Asia, according to new research from [ACI Worldwide](#) (NASDAQ: ACIW) and [YouGov](#). Three out of five consumers (61%) in Indonesia, Malaysia, Thailand and Singapore prefer real-time payments as a favored way to pay in 2021, level with cash (61%) and higher than other payment categories, including digital wallets requiring cash or card top-ups (56%) and credit cards (30%).

This shift towards real-time payments has been dramatically accelerated by changing payment necessities and preferences caused by the COVID-19 pandemic. Almost a third (30%) of consumers in Southeast Asia have reduced usage of traditional payment methods such as cash, credit cards and debit cards since the onset of COVID-19. As a result, over half (53%) are now using real-time payments more frequently than they were prior to the pandemic.

Due to rapid technological change, consumers now expect mobile-first and real-time experiences — however, payments have often lagged. The development of real-time payment systems enables consumers, merchants and financial institutions to pay friends and customers, settle bills, and transfer money instantaneously. While cash has always represented an “immediate” mode of payment, the advent of real-time payment rails brings this concept into the digital age with faster settlement periods, notifications and consolidated reporting.

“This fundamental shift in consumer demand and payment expectations sets forth a challenge for Southeast Asia’s banks, financial institutions and merchants,” said Leslie Choo, managing director – Asia, ACI Worldwide. “These organizations can ill-afford to put their modernization projects on hold, despite the challenges caused by COVID-19. On the contrary, they can drive growth by joining the region’s emerging real-time payments ecosystem, which will improve their ability to innovate and transform while reducing the cost of infrastructure and operations.”

The ACI Worldwide and YouGov study also reveals how consumers across Southeast Asia expect the benefits of using real-time payments in their domestic markets to extend across borders once they begin to travel internationally again, as well as when they shop cross border. For future international travel, consumers have elevated expectations for the transparency, safety and convenience of their payments when compared to their travel experiences pre-COVID-19:

- More than half (54%) of consumers in Southeast Asia who have travelled internationally in the past expect their usage of real-time payments to increase when they next travel.
- 70 percent say the ability to use their preferred payment methods while travelling will be more important now. As a result, a quarter (26%) expect their usage of traditional payment methods such as cash to reduce when they next travel.
- Three quarters (75%) say payment safety and fraud prevention are more important now, while more than two thirds (67%) say transparency of interchange rates is now of greater importance.

While the number of consumers in Southeast Asia who are making international eCommerce purchases has increased over the past year, consumers are looking for further guarantees about payments to encourage them to do so more in the future:

- Almost a quarter (23%) of consumers are shopping more at merchants based in other Southeast Asia countries since the start of the pandemic, while a similar number (22%) are shopping more in stores outside of Southeast Asia.
- The most popular factors that encourage these shoppers to purchase products and services more regularly from international sellers are:
 - Reassurance that payment and personal data are safely transmitted, secured and stored by international sellers (36%)
 - Ability to pay with preferred domestic payment method (25%)
 - Having a wider range of payment options than is available at present (21%)

“A focus on payments modernization is vital for financial institutions that want to ride the wave of the region’s biggest and most transformative payments trend — the emergence of a cross-border, real-time payments ecosystem,” added Choo. “Unencumbered by legacy payment systems that can impede innovation in mature markets, countries in Southeast Asia can leverage robust domestic central payment infrastructures as the foundations for cross-border real-time payments, which will be a catalyst for growth and trade in the coming years.”

Find out more about consumer real-time payment preferences, and about how financial institutions and merchants in Southeast Asia can become real-time-ready, in the full report: [Real-Time Goes Mainstream](#)

Methodology:

The YouGov study was conducted during April 2021 on a nationally representative basis across Indonesia (2,000 consumers), Thailand (2,000 consumers), Singapore (1,000 consumers), and Malaysia (1,000 consumers).

About ACI Worldwide

[ACI Worldwide](#) is a global software company that provides mission-critical [real-time payment solutions](#) to corporations. Customers use our proven, scalable and secure solutions to process and manage [digital payments](#), enable [omni-commerce payments](#), present and process [bill payments](#), and manage [fraud and risk](#). We combine our global footprint with local presence to drive the real-time digital transformation of payments and commerce.

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