PayNet's New Study Reveals Positive Payment Behaviour Changes

6 April 2022 – Payments Network Malaysia Sdn Bhd (PayNet) released today the findings of a commissioned study to gauge the extent of payment behaviour change of Malaysian consumers and businesses since the Covid-19 pandemic. The inaugural 'PayNet Digital Payments Insights Study 2022' presents findings from a field study conducted in Q4 2021 to gain a deeper understanding of the payment preferences of the public and businesses, with particular focus on relevance of cash and SMEs adoption of digital payments.

Based on the study, while Malaysians continue to predominantly use cash for payments, reliance on cash has dropped, similar to findings in other countries. The percentage of Malaysians that use cash to pay has fallen 11 percentage points to 78% from 89% before the pandemic. However, less Malaysians use cash when it comes to daily payments (48.4%) and less so in urban areas (36.2%), likely contributed by the rise of QR payments, established trust in debit cards, as well as due to fears of becoming infected by handling cash. Businesses, except those in the East Coast and Southern regions, experienced changes in customer payment behaviour since the pandemic with cash no longer being the primary payment method. The Northern region showed the most pronounced change. The report also highlights the digital transformation priorities of SMEs and the barriers faced in adopting digital payments, and lists four key drivers for sustained digital payments adoption.

"This is our inaugural study and we plan to undertake future studies to better understand the payment behaviour of the Rakyat, their attitudes towards digital payment methods and the factors driving change in payment preference, to ensure PayNet and its ecosystem maintains a secure, reliable, efficient and inclusive central payments infrastructure for Malaysia," said Mr. Peter Schiesser, Group CEO of PayNet.

This publication can be accessed online at PayNet's website https://paynet.my/publications/Digital-Payments-Insights-Study-2022.pdf.

About PayNet

Payments Network Malaysia Sdn Bhd is Malaysia's premier payments network and central infrastructure for financial markets. We innovate, build and operate world-class payment systems and financial market infrastructures that safely, reliably and efficiently enable the functioning and development of Malaysia's financial system as well as the economy as a whole. With Bank Negara Malaysia as PayNet's single largest shareholder and eleven major financial institutions as joint shareholders, PayNet also serves as a platform to harness the collaborative efforts of the Malaysian banking system to accelerate the adoption of electronic payments. To learn more about PayNet, please visit www.paynet.my.