

## SUMMARY OF THE REPORT

### "HAS COVID-19 AFFECTED EUROPEAN SHOPPING HABITS?"

*The international survey titled "Has COVID-19 affected European shopping habits?", of more than 3,500 respondents was commissioned by EVO Group companies operating in 7 European countries: eService (in Poland, Slovakia and Hungary), REVO and MMB Platebni Služby (in the Czech Republic), BOI Payment Acceptance (in Ireland), and EVO (in Germany and the UK). Visa became a partner of the study, inter alia in Poland. It was carried out by ARC Rynek i Opinia research institute. The aim was to find out how the COVID-19 pandemic affected shopping habits and consumer payment behaviour in different European countries and what the shopping habits of Europeans look like after the pandemic.*

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#### Key consumer segments

In terms of the dominant payment preferences and purchasing behaviour, the survey shows three main consumer segments – Payment Switchers, Modern Contactless Payers and Cash-Oriented Traditionalists. Modern Contactless Payers are more likely than other groups to declare high standard of living. Compared to the Cash-Oriented Traditionalists, this group contains statistically more women. Meanwhile, the group of Payment Switchers is distinguished by the highest percentage (43%) of young people - aged 18-35.

Characteristics of the distinguished segments:

- **The largest group (48% of the respondents in Europe), can be described as Payment Switchers.** They pay both in cash and cards and other electronic methods. One in three of them believe that people will still be using cash 10 years from now. **Experiences of the pandemic have convinced them to buy online more often.**
- **The second segment (31% of European respondents) is comprised of Modern Contactless Payers. They strongly prefer to pay using electronic methods, with a majority saying this method will dominate in the future.** They find cash unhygienic and often give up the purchase of goods or services where cash is the only payment option. They are optimistic, believing that the worst is over. They plan what they will do in the near future and announce that they will buy online more often once the restrictions are lifted.
- **The smallest group (21% of the respondents in Europe) are Cash-Oriented Traditionalists.** They believe that in such uncertain times it is better not to keep money in banks. A third of them are convinced that the worst is yet to come.

Meanwhile, **32% claim that the pandemic has encouraged them to shop online, but in the future, they don't want to pay electronically, exclusively.**

### **Preferred payment methods**

The wide availability of modern methods of payment provided by EVO Group enabled Europeans to better handle the burdens of the restrictions and limitations in place during the Covid-19 pandemic. The survey shows that **Poles, to a greater extent than other European nations, are convinced that the ability to pay for a service by card or using electronic alternatives is an expression of meeting their expectations in terms of convenient customer service.** Providing access to their preferred payment methods is no longer treated as an expression of being state-of-the-art but is becoming an expected standard.

- A change is also observed in terms of payment methods used in traditional stores. **Among methods of payment in traditional stores, there are almost as many supporters of payment cards in our country (96%) as cash (97%).**
- In terms of willingness and actual use of electronic methods of payment, we fare slightly better than most of the European countries surveyed. **Even though the percentage of Modern Contactless Payers (32%) is close to the European average (31%), there are more Payment Switchers in Poland (51 vs. 48%) and fewer Cash-Oriented Traditionalists (17 vs. 21%) than in other countries surveyed.** While the latter segment is dominated by men, the other two are dominated by women, who, in Poland, are more willing to use modern payment methods.
- Even though Poland is the leader of contactless payments, 17% of respondents want to pay via mobile phone, smartwatch, or other devices. This is less than the European average (24%). As many as 32% of Poles do not use at all and currently do not plan to use payments via devices that replace a payment card. **This shows that these payment methods are less popular in Poland (68% of users) than in other European countries surveyed (from 71% in the Czech Republic to 84% in Ireland).**
- When it comes to online shopping, **as many as 20% of Poles want to pay by card more often** (66% – at least as often as before). **Meanwhile, 19% plan to use fast transfers more often than before the pandemic.**
- While shopping online, Poles also often choose payment on delivery at a traditional store or courier. Respondents in Poland declared that in such a case they pay either by payment card (78%) or in cash (86%). This means that many people (74%) use both methods on delivery interchangeably, depending on the type of shopping and the payment options available.

## Durability of changes in consumer behavior

The research shows that the changes that have taken place in our purchasing habits may turn out to be permanent.

- **In Europe, Cash-Oriented Traditionalists intend to use payment cards more often than before the pandemic, both traditional cards (16%) and those in a virtual wallet on a phone (15%).** In addition, one in 7 of them (14%) complain that they sometimes feel the absence of electronic payments.
- **In Poland, 22% of the respondents expect to use card payments more frequently after the pandemic,** with only 5% indicating that they will do so less frequently than before the pandemic. In the case of cash, the trend is reversed - only 10% of the respondents declare using it more often, and twice as many respondents intend to use it less often.
- **19% of respondents want to shop in traditional stores more often than before the pandemic** (69% want to shop there as often as before). **20% plan to shop online more often** (64% want to do that as often as before).

## Additional conclusions

Additional findings from the survey indicate that during the pandemic we missed travel, socializing, and food services the most. Poles' longing for activities that were limited by the pandemic is similar to that experienced by respondents in other countries. The activities that Poles missed the most are travelling (49%), meeting with other people (41%), as well as visiting restaurants, cafés, or pubs (37%).

- **Representatives from all the three segments admit they want to shop physically rather than online more often once the pandemic has ended.** Availability of card payment is one of the factors that encourage more frequent visits to local grocery stores (18, 22, and 34%, respectively), bakeries (13, 22 and 32%), bars and restaurants (14, 21, and 29%).
- **Poles are not sure what the future holds for them.** On the one hand, they slightly more often (5%) than residents of other countries (2%) declare that their life is already back to normal but **as many as 25% of them are incapable of telling when this return to normalcy will take place (across Europe it is 14%).** 18% of us think it will be the first half and 14% think it will be the second half of 2022.