

# Payment habits in Malta

## A consumers' and merchants' perspective



# Introduction

- 1 Study born out of a collaboration between Mastercard and GRTU;
- 2 Consumer Survey: provides insight on the payment habits of Maltese consumers;
- 3 Merchant Survey: provides insight on the payment acceptance of merchants;

2019

Surveys carried out during  
April-May

550

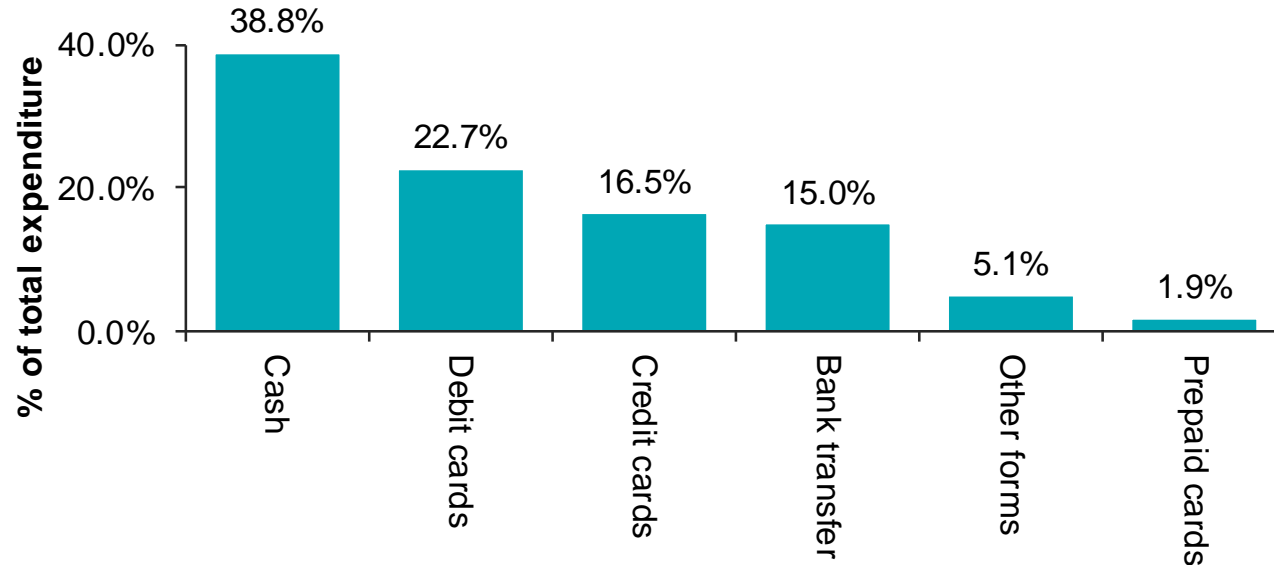
Sample size for the  
**Consumer Survey**

140

Sample size for the  
**Merchant Survey**

# Use of cash by consumers

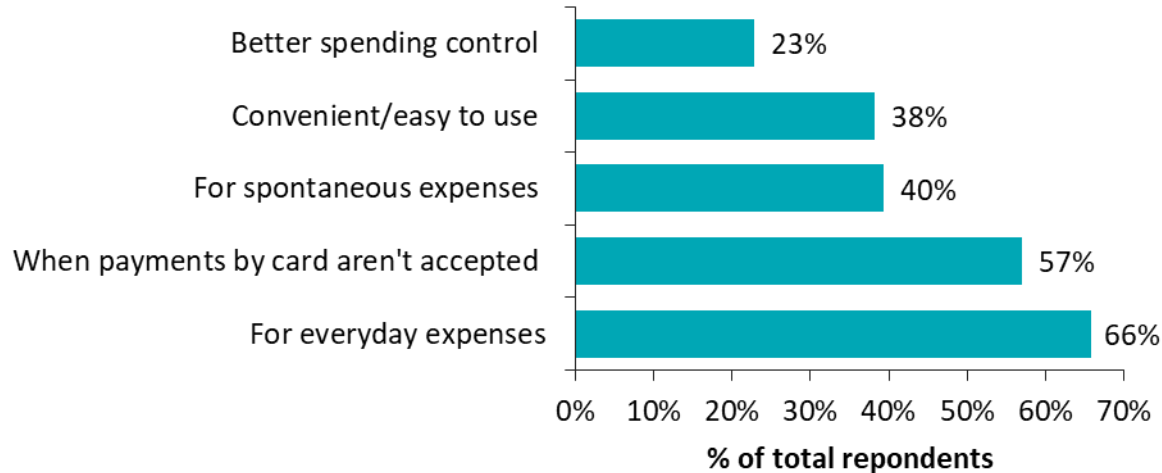
Maltese consumers [still] rely heavily on cash payments ...



**Cash accounts  
for c.40% of  
consumers' total  
annual  
expenditure**

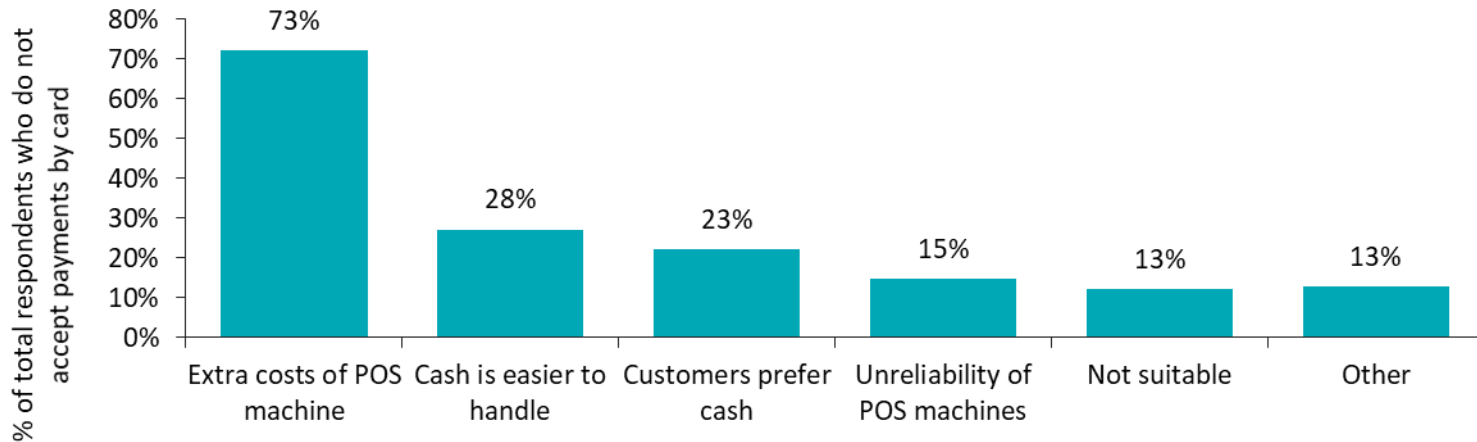
# Use of cash by consumers

... primarily to cover everyday expenses, but also because of instances where card payments are not accepted by merchants.



# Payment acceptance by merchants

30% of merchant respondents do not accept card payments, primarily because of the cost associated with POS machines ...



# Payment acceptance by merchants

Non-acceptance of cards occasionally causes consumers to abandon their purchase (8%).

63%

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Believe that accepting card payments **attracts more customers**

46%

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Believe that accepting card payments **simplifies their operations**

53%

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Merchants that do not accept card payments **consider accepting them in the future**

# Use of credit and debit cards

37%

Do not own a  
**credit card**

16.5% of total expenditure is  
by credit card

Frequently used for  
transactions abroad (56%)

15%

Do not own a  
**debit card**

22.7% of total expenditure is  
by debit card

Popular method of payment  
due to convenience (57%)

# Card use and desirable features

Online Shopping

50%+

of card owners use their debit and credit cards for **online payments**

50%+

of online shoppers shop online **at least once every 10-15 days**, mainly for clothes, travelling and technology

Desirable card “features”

66%

See **guarantee against fraud or misuse** as a desirable card feature

59%

See **assistance in case of trouble** as a desirable card feature



# Looking into the future



**66%**

of respondents are very likely to shop online in the future



**1 in 3**

**debit** card owners expect to use it more frequently



**1 in 4**

**credit** card owners expect to use it more frequently



**50%+**

of those who do not own credit/debit cards are either 'very' or 'rather' **unlikely to acquire them in the future**

# Key insight 1

- 1 Maltese consumers are [still] heavily reliant on cash;
- 2 Partly due to some consumers' resistance to own debit/credit cards;
- 3 But also because some merchants do not yet accept card payments.

# Key insight 2

- 1 Majority of merchants that do not accept card payments are willing to change;
- 2 Consumers that use card payments expect to use them more;
- 3 Both indicative of the perceived benefits of moving towards a cashless society.

# Thank you



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