



PREDICTIONS/THEMES

- **Prediction 1: The evolution of credit card benefits.** In 2021, we will see a distinct evolution in credit benefits shifting from travel-specific offerings to everyday items as global uptick in credit usage reaches new heights and COVID-19 continues to ground travelers around the world. Even if your next trip is to your couch, benefits such as cashback on eCommerce and merchant discounts as well as rewards on online streaming will help you make the most of your time at home in 2021 until we can resume traveling.
- **Prediction 2: eCommerce IRL (in real life). The mainstream emergence of integrated commerce, the ultimate customer experience.** In an unprecedented year for eCommerce, driven by the general need for companies to provide online buying options, curbside pickup and new forms of delivery, among others, 2021 will further push integrated commerce toward becoming not just a trend but commonplace. Less friction, new technological advancements for app-centered buyers and a multi-channel commerce strategy will allow businesses to be even more nimble and meet the constantly evolving needs of their customers. And it's not just traditional or large companies joining in: Around the world, governments are raising contactless limits, public transport networks are upgrading to contactless payment systems and small businesses are using this agility to their advantage.

Prediction 3: Buy now, pay later is here to stay. With the acceleration to digital-first experiences, we can add installments to the list of consumer expectations for speed, flexibility and convenience in how they pay. 'Buy now, pay later' is becoming particularly mainstream outside of the US. Expect to continue seeing growth in the new year as consumers globally look for the flexibility to shop what they want, when they want, without breaking the bank. In North Africa, local regulations will have to evolve to allow seamless credit card approvals for this trend to take off.

- **Prediction 4: Digital payments – the growing default way to pay.** There is no reverse gear on 2020 in terms of the evolution seen within the digital payments industry around the world. The use of contactless payments became part of the public health response to COVID-19 and we have no reason to believe this will revert back once the world returns to its new normal. As part of the expansion, point-of-sale payments and financing platforms will each undergo major transformation to ensure digital-first options are *the* option, as well as a rise in digital wallets becoming a preferred method for consumers to make purchases.
 - *Supporting stats:*
 - *Limits on PIN-free contactless transactions in Egypt have doubled since the start of the pandemic to allow consumers to simply tap-to-pay for larger purchases*
 - *Adoption of Tap to Pay in Egypt has been increasing on a monthly basis in 2020*



- **Prediction 5: Tap to Phone.** As contactless becomes the default payment experience around the world at the point of sale, Tap to Phone will enable micro and small businesses to enter the digital economy with the simplicity of an app. Tap to phone enables sellers to accept contactless payments without the need for a payment acceptance terminal. We're seeing early stages of this product growth and expect 2021/2022 to be big years for growth as contactless consumer usage continues to grow.
- **Prediction 6: Digital payments for more people.** Every day more people around the world are entering the financial system. With almost 1.7 billion still without access to banking services¹, financial inclusion will remain a key priority for policymakers and 2021 will continue to see the rise of fintech solutions providing financial services to more consumers and expanding payments acceptance. For example, since the launch of Visa's Fintech Fast Track program, companies accepted in the program such as Fawry are expanding acceptance of digital wallets and QR payments as well as enabling – with the right regulatory framework - P2P push payments – helping to extend the benefits of digital payments to more Egyptian consumers and businesses.
- **Prediction 7: The small business response to fraud activities.** Card Not Present fraud activities will continue to rise but take on added meaning for fraudsters in their abuse of eCommerce and a lack of authentication options (enter Visa SRC/tokenization). Given the shift to online-first offerings, small businesses will also need to take note of this trend as they are not as equipped as big firms and take the necessary precautions.

¹ <https://www.worldbank.org/en/news/press-release/2018/04/19/financial-inclusion-on-the-rise-but-gaps-remain-global-findex-database-shows>