

3 in 4 Egypt small businesses optimistic about recovery, as revealed in new Visa Small Business Recovery study

- Visa's "[2021 Small Business Recovery](#)" study shows that half of merchants surveyed see digital payments as a necessary investment in business recovery
- 92% of merchants surveyed felt the use of contactless payments amplified during the crisis
- Although cash is still dominant, more than 40% of merchants plan to offer digital payment options soon
- 88% of Egyptian retailers surveyed expect eCommerce will continue to grow post-pandemic

Cairo, Egypt; 22 March 2021: Three out of four small businesses in Egypt say they feel optimistic about business recovery in 2021, according to a new study by Visa (NYSE: V), the world leader in digital payments. Half of Egyptian merchants surveyed (50%) believe their investment in digital payments will play an important role in their business recovery.

The '2021 Small Business Recovery' study surveyed small and medium businesses (SMBs) in Egypt, UAE, KSA and Pakistan to understand how they have evolved the way they do business to manage the impact of the coronavirus on their bottom line. The study also revealed the key spending trends that merchants believe define the COVID-19 business environment - these include increased use of contactless payments (92% of merchants), takeaways (73%) and home delivery (75%). Merchants in Egypt expect these spending trends to continue to grow post-pandemic.

When asked about payment habits during the pandemic, nearly half of Egyptian merchants polled (46%) said digital payments were the preferred payment option among their customers. A third of merchants in Egypt said they have established an online presence (35%) to respond to increasing consumer demand for digital payments during COVID -19.

The study found that almost 6 in 10 retail merchants (56%) also introduced new products and offerings during the pandemic, a third (34%) introduced home delivery and pickup services, and 47% ran offers and promotions during the crisis to attract and retain more customers with 77% of those surveyed saying they saw increased use of loyalty programs. Almost 9 out of 10 (88%) are confident that online shopping will remain a preference well after the crisis.

Commenting on the findings of the "2021 Small Business Recovery" study, **Malak El Baba, Visa's Country Manager for Egypt**, said, "It's encouraging to see that merchants are optimistic about business recovery in 2021 and the swift adoption and recognition of what their customers want -

whether it's establishing a digital presence, offering a range of digital payment options, home delivery, or promotions – all of these have been pivotal in them shifting gears from survival mode to recovery. Considering that 2 in 3 small business owners (65%) rely on their business as their primary source of income, it remains imperative for these businesses to move to digital payments and strengthen digital offerings sooner rather than later. At Visa, we're working in lockstep with our bank and industry partners to support local merchants' urgent recovery needs."

The experience of the pandemic has highlighted the need to future proof. In order to prepare for future uncertainties, 24% of Egyptian merchants surveyed who currently do not have an online presence said they are planning to build an eCommerce platform and more than 40% are planning to offer contactless payments and digital prepayment options to customers. In fact, merchants who only accept cash are planning to set up POS terminals within the next two years (44%) and invest in new digital payment technologies (29%).

Whilst the majority of merchants recognize the importance of digital acceptance, 23% of surveyed merchants showed interest in low cost acceptance solutions, and trust in card payments (24%) and delay in refund if requested by consumers (18%) remain a concern for surveyed merchants, highlighting the need for further merchant education.

Essam El Daly, Visa's Head of Merchant Sales and Acquisition North Africa, Levant and Pakistan, said: "At Visa, our top priority is to help small businesses keep pace and adapt to operate in a world that is rapidly evolving. These findings give us insight into what the barriers are for merchants as they transition to digital and reinforce our strategy to provide practical help for SMBs to access a trusted pool of educational tools and technologies such as low-cost acceptance solutions. As a trusted engine of commerce, Visa intends to continue to roll out new programs and resources that address the pain points of SMBs and help them embrace digitization and thrive in the new normal."

For more information on the programs Visa makes available to small and micro businesses, visit the [Visa Small Business Hub](#) and the [WYSM microsite](#).

About Visa's '2021 Small Business Recovery' study

To understand where small businesses are in their recovery, Visa commissioned 4SiGHT Research & Analytics to survey small businesses in the UAE, KSA, Egypt and Pakistan. The methodology consisted of 15 minute interviews with over 150 merchants in each market and within key segments ranging from food to fashion to travel. The surveys were conducted December 8-20, 2020.

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About Visa Inc.

Visa Inc. (NYSE: V) is the world's leader in digital payments. Our mission is to connect the world through the most innovative, reliable and secure payment network - enabling individuals, businesses and economies to thrive. Our advanced global processing network, VisaNet, provides secure and reliable payments around the world, and is capable of handling more than 65,000 transaction messages a second.

The company's relentless focus on innovation is a catalyst for the rapid growth of digital commerce on any device for everyone, everywhere. As the world moves from analog to digital, Visa is applying our brand, products, people, network and scale to reshape the future of commerce. For more information, visit [About Visa](#), [Visa MENA Blog](#) and [@VisaMiddleEast](#).