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More millennials shopping online

By **EMMIE V. ABADILLA**

More millennials shopped online and used cashless payments for their holiday purchases in the last two months of 2017 due to sale events and promos of digital retailers, according to Voyager Innovations data.

The number of unique PayMaya account holders—most of them millennials—who transacted online jumped almost threefold in November to December, 2017 from the same period in 2016.

“While mall shopping is still the norm for most Filipinos, we saw a marked increase in online shopping among our mostly millennial user base during the 2017 holiday season,” confirmed Paolo Azzola, Chief Operating Officer and Managing Director at PayMaya Philippines.

PayMaya is the digital financial services arm of Voyager.

On the digital commerce front, Pinoy shoppers seem to gravitate more toward electronics products, as eight of the top ten products ordered through Takatack (takatack.com), Voyager’s online shopping marketplace, belonged to this category.

In terms of the kinds of items ordered online, power banks, external hard drives, bluetooth speakers, and smart watches dominated the shopping list of consumers.

“More Filipinos shop online, especially during special seasons. This trend has translated to record-high transaction volumes at Takatack particularly during the Singles’ Day event in November and we expect it to continue as we move on to 2018,” explained Marc Concio, Head for Digital Commerce at Voyager Innovations.

Adoption of digital payments and commerce has grown faster over the past two years as prepaid e-wallets regulated by the Bangko Sentral ng Pilipinas (BSP) such

as PayMaya have been introduced.

These digital wallets foster financial inclusion as any mobile phone user in the Philippines can create an account and use it for online transactions up to a certain amount limit.

Latest available data from Better than Cash Alliance as of 2013 show that 99% of all payment transactions in the country are still done via cash. Electronic payments by businesses and individuals account for 1% and 0.3%, respectively.

While this figure has most likely grown over the past year, accelerating digital payments adoption remains a top agenda for the nation.

The National Retail Payment System initiative led by the BSP and supported by banks and e-money issuers like PayMaya aims to increase cashless transactions to 20% of the total volume of payment transactions by 2020.

* ONLINE SHOPPING
* MILLENNIALS

MANILA BULLETIN

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Online transactions recorded by PayMaya account holders further rose when different online marketplaces such as Lazada, Zalora and Takatak launched their big online sales in November and December, where PayMaya also gave its account holders an added exclusive 20% discount.

PayMaya data showed that in the last two months of 2017, online transactions via retail merchants like Lazada topped the list for PayMaya account holders.

The growing use of cashless payment methods in online retail sites show a shift of consumers who use alternatives such as PayMaya for their purchases, despite the availability of cash-on-delivery, the CEO pointed out.

"On top of the online promo offerings, convenience and the worsening traffic in major cities compel more individuals to shop online," he explained. "Online merchants also give customers flexibility in terms of payment options."