



# eCommerce and ePayments markets in Russia: trends, analytics, perspectives

PayPal and Data Insight study

Results of the survey among Russian internet users.  
March 2016

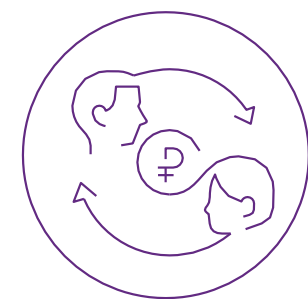
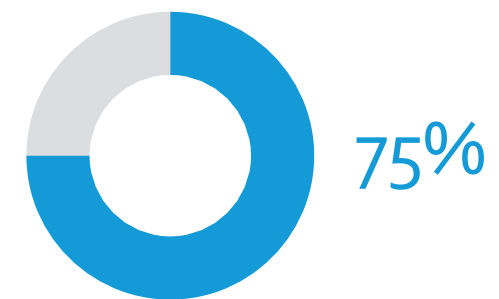
# Transition to online: payments, P2P and cross-border take the lead in growth

What of the following have you done at least once in last 12 months?

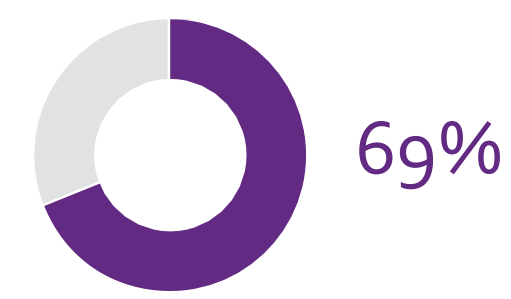


Online payment for goods or services

n=4100



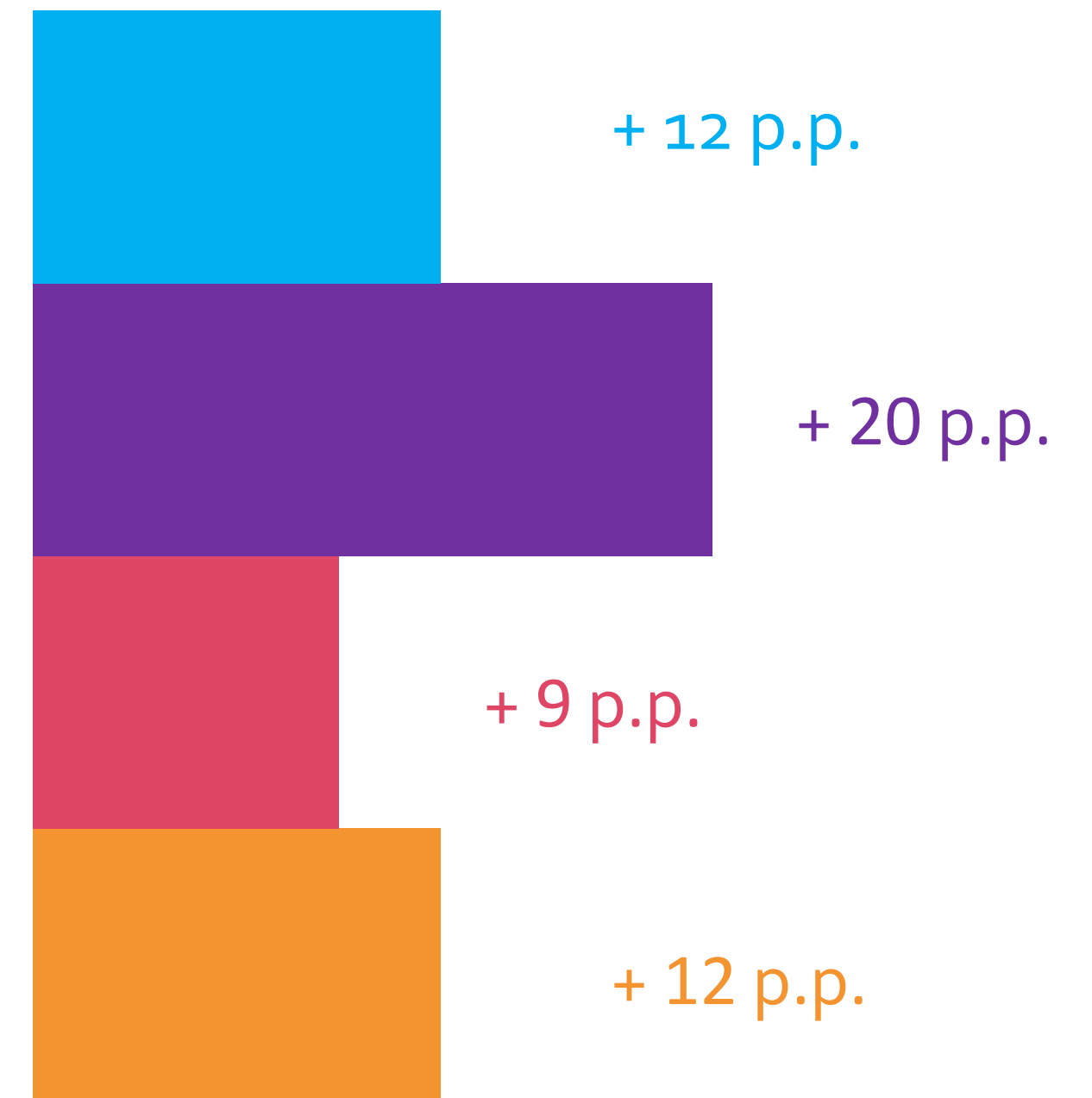
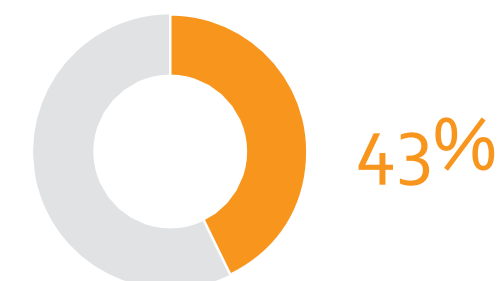
Money transfers between individuals (P2P)



Usage of mobile Internet while shopping offline

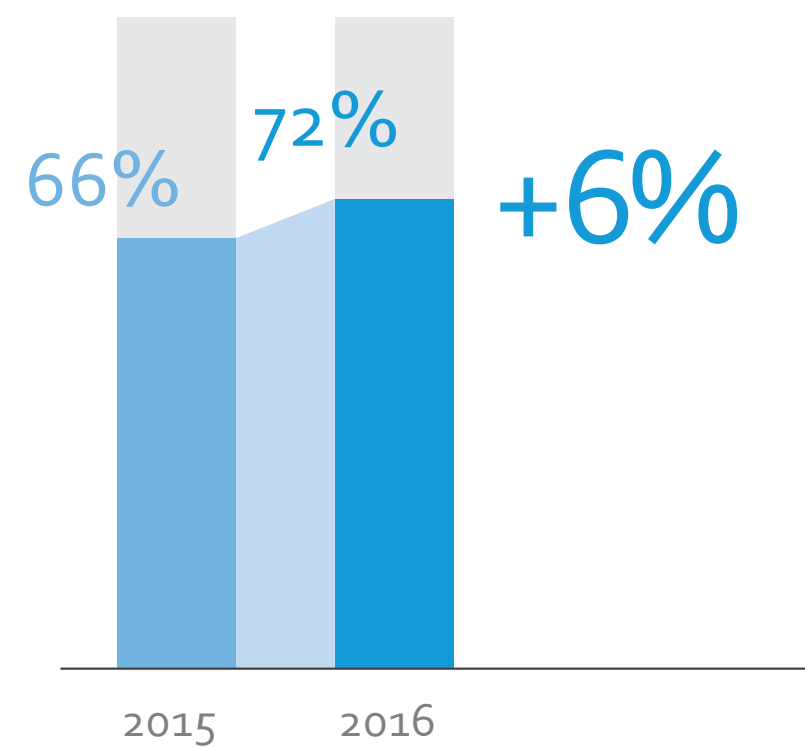


Purchases in foreign online stores



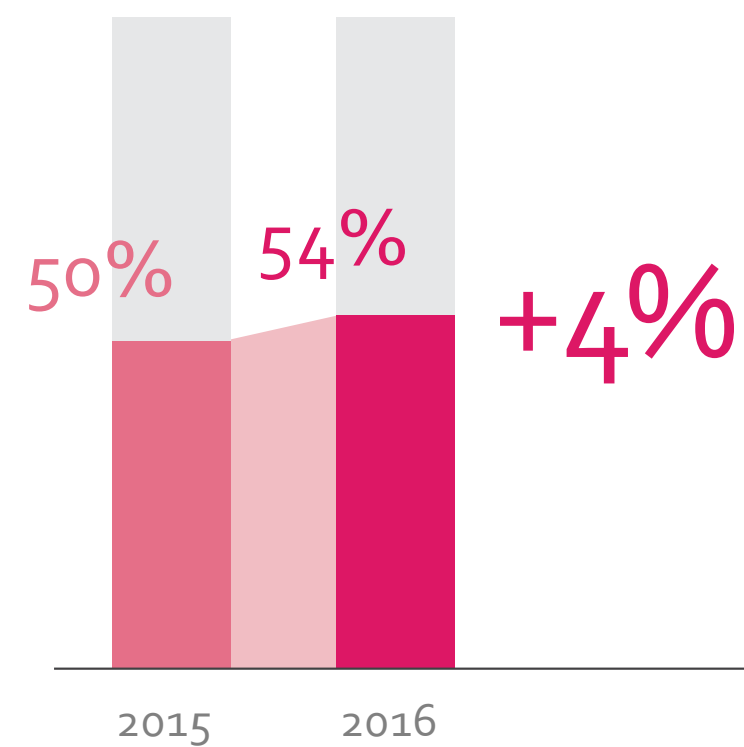
# Online behavior is stable and hardly depends on macro economical fluctuations

Share of internet-users shopping online\*



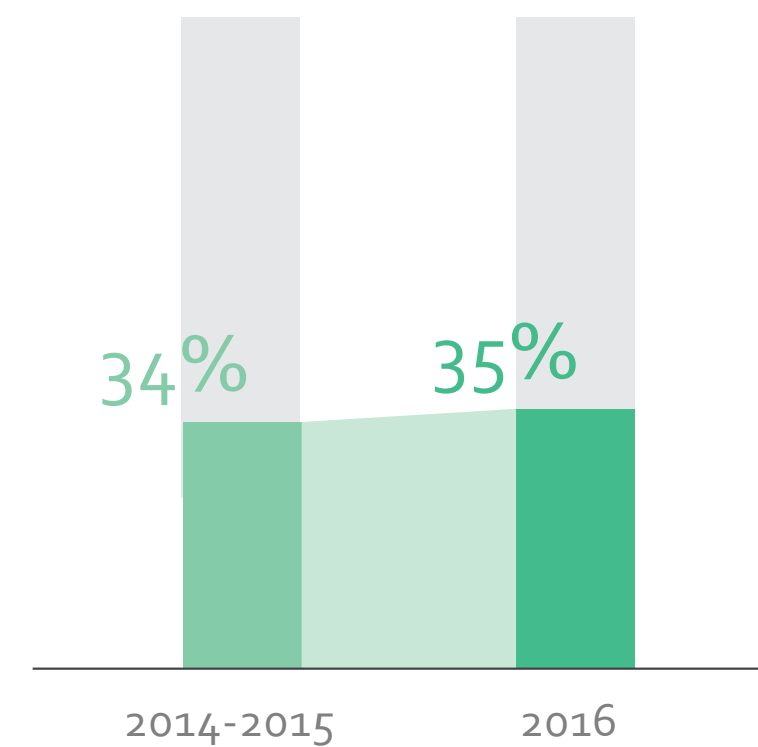
Share of active online-shoppers

(who made purchases\*\* during the last 30 days before the survey)

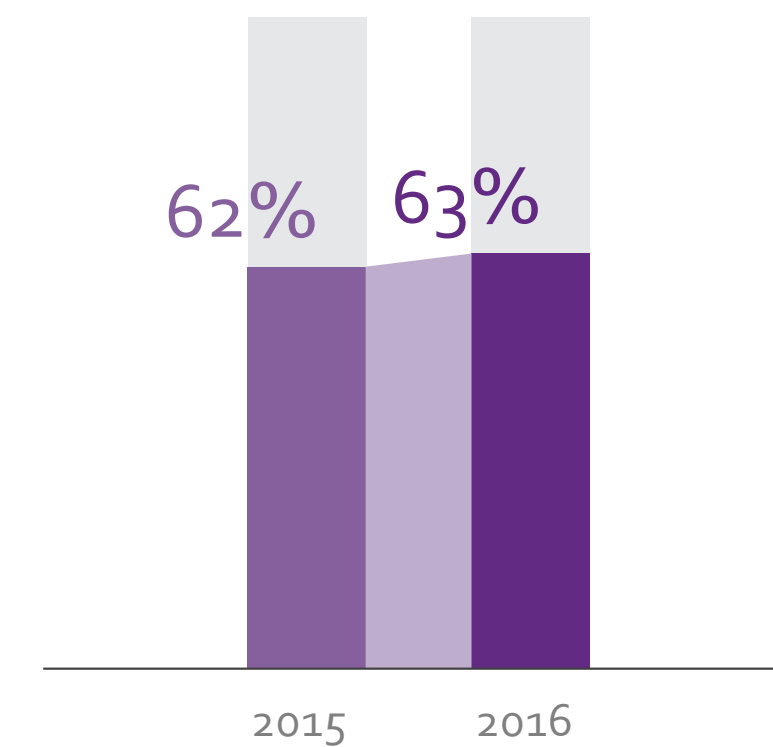


№1 driver for online-shopping

Economy of time, comfort



Share of cashless formats of money in daily expenses



\* Data is given jointly on those shopping in Russia and abroad

\*\* Only shopping in Russian online-shops

# Survey background

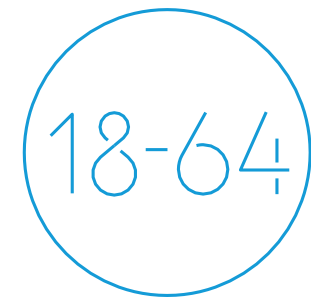
## Objective:

Estimate changes of Russian consumers' behavior connected with shopping and payments



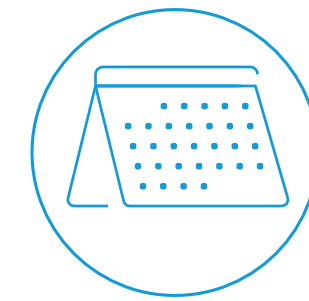
### Base:

n=4100



### Age

18–64 years old\*



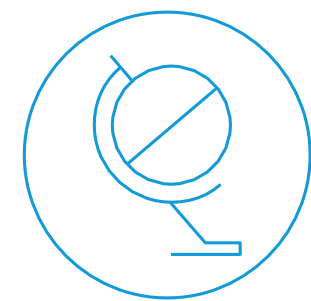
### Timing

February 4–10, 2016 \*\*



### Methodology

online survey (TNS)



### Geography

Russia, all types of locations



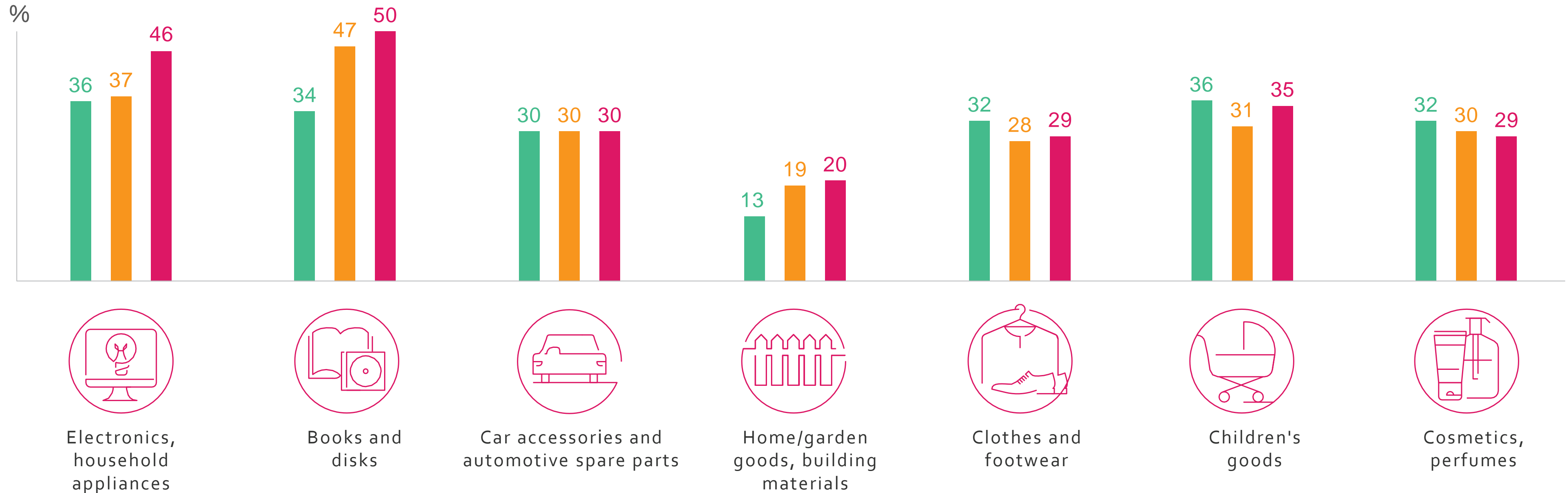
### New topics

P2P transfers, selling goods and services online by individuals, cross-border

\* Detailed information on questions and the number of respondents is placed in the Appendix

\*\* The previous studies: 13.02—19.02.2014 and 24.02—05.03.2015

# Books and electronics are the most popular categories of goods sold online

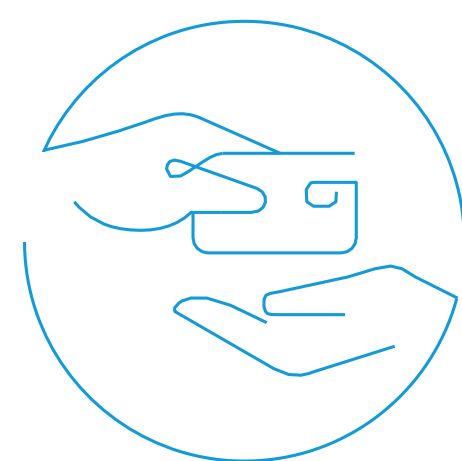


Most intensive growth

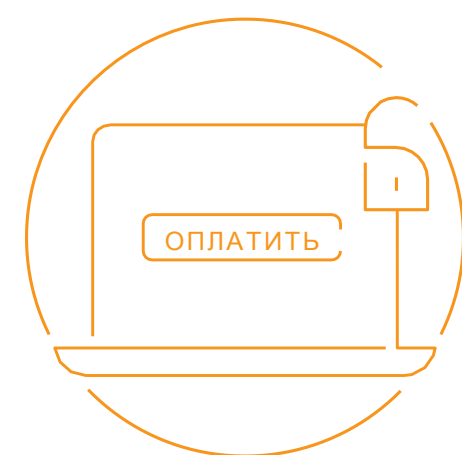
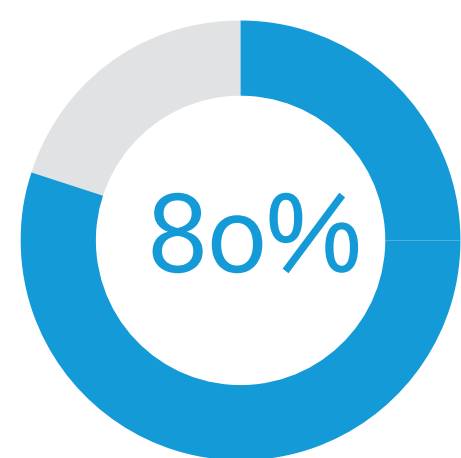
■ 2014 ■ 2015 ■ 2016

# Online payments are as normal as paying with a bank card in offline shops

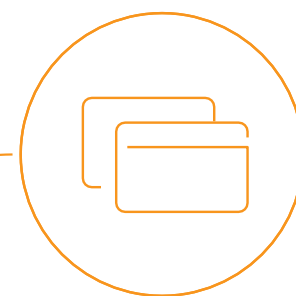
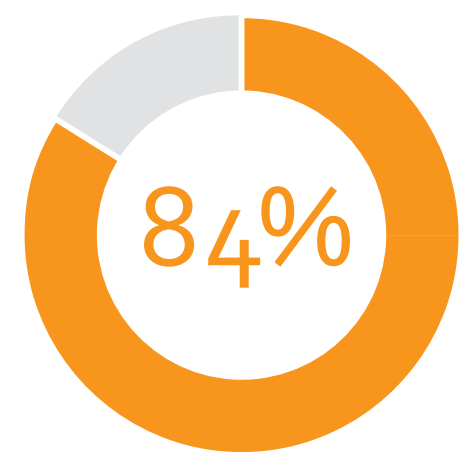
Used at least once within 30 days



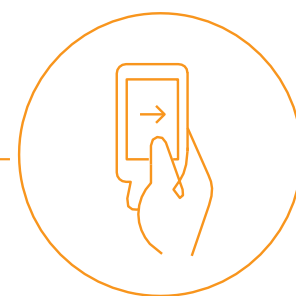
Offline



Online



Payment with a credit card



Online-banking

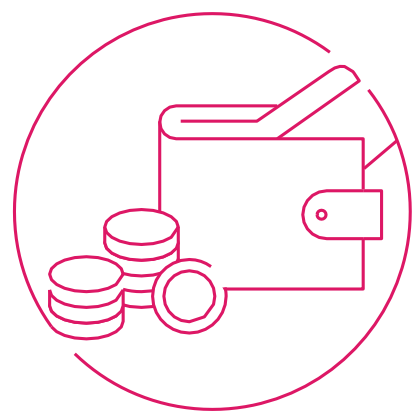


eWallet



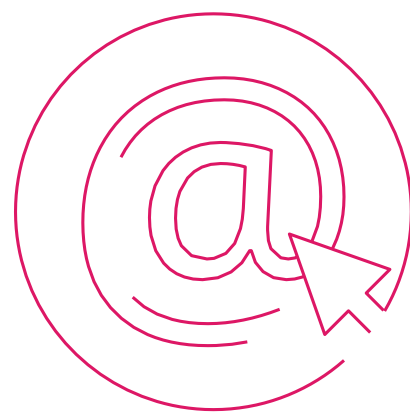
# Women in Siberia pay online more often than women from Moscow

Share of online users who have made at least one online-payment within 30 days



64%

Family income  
75-99K  
RUB



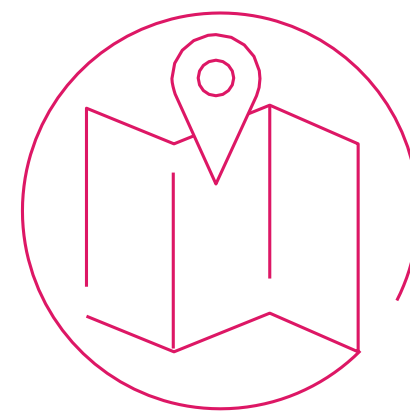
62%

Online experience  
- more than  
10 years



62%

Cities  
400-700K  
people



59%

Siberia



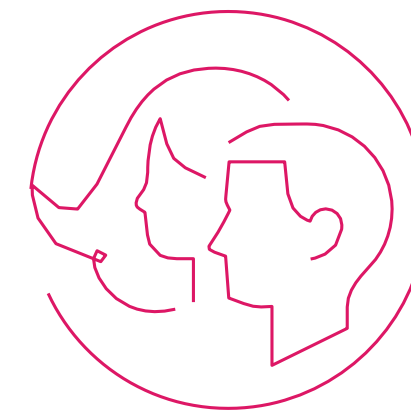
57%

Volga region,  
the South



58%

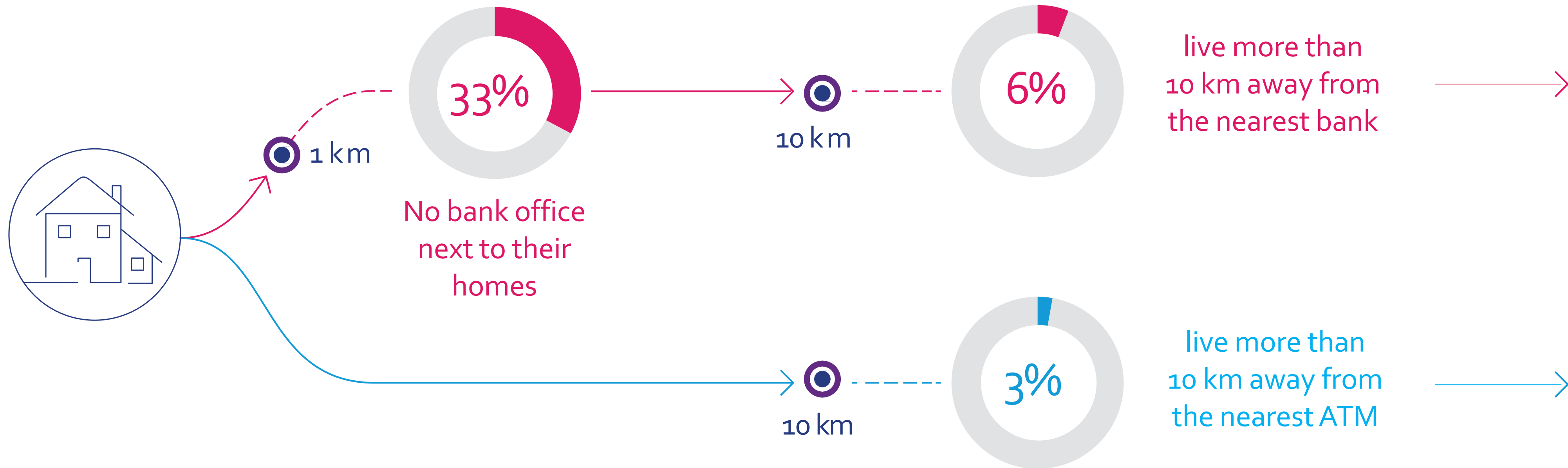
Women



58%

Married

# Some of us still need transportation to get to a bank





# Bank services take up on the average 31 hours per year



Bank

Average time for 1 visit



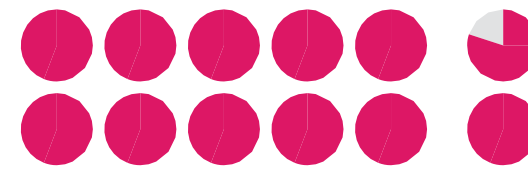
33,5 min

Average number of visits per month



x 1,75 = 59 min

Average time spent per year



x12 months = 11 h. 48 min



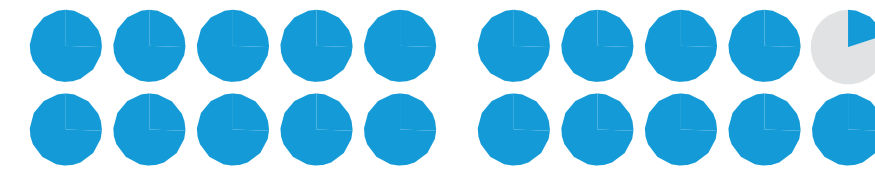
ATM



15,5 min



x 6,2 = 96 min

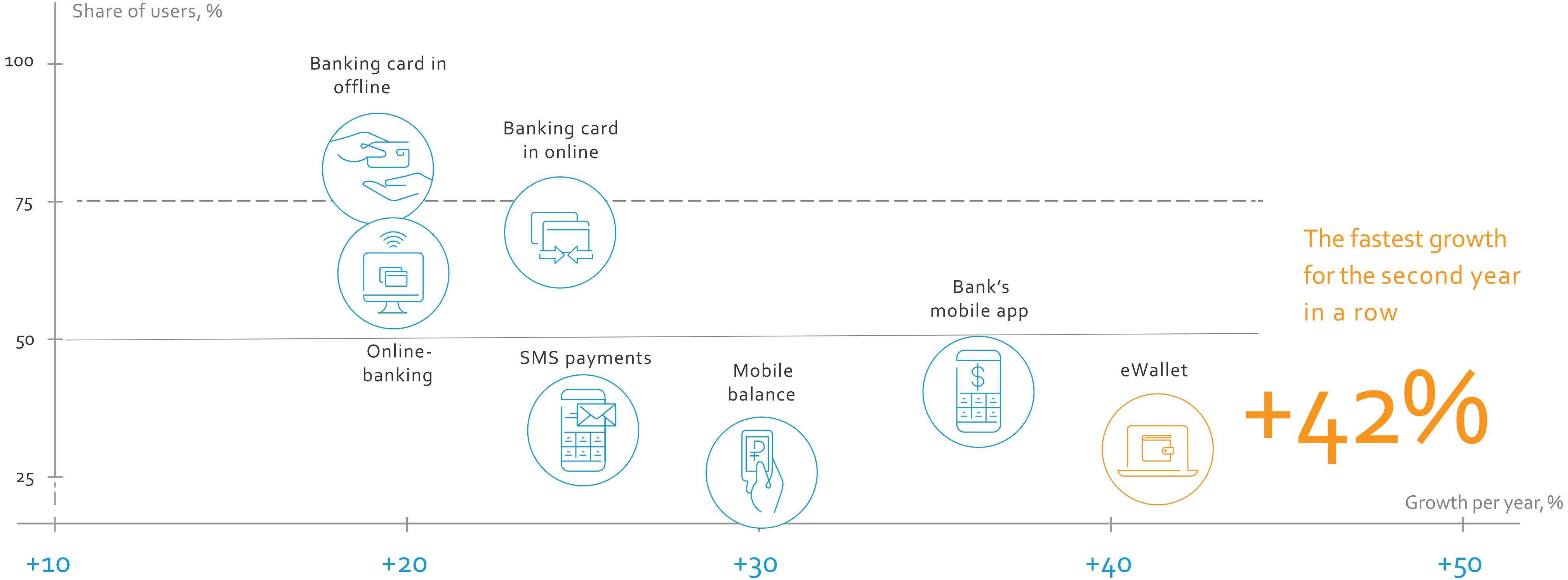


x12 months = 19 h.12 min

● — 1 hour

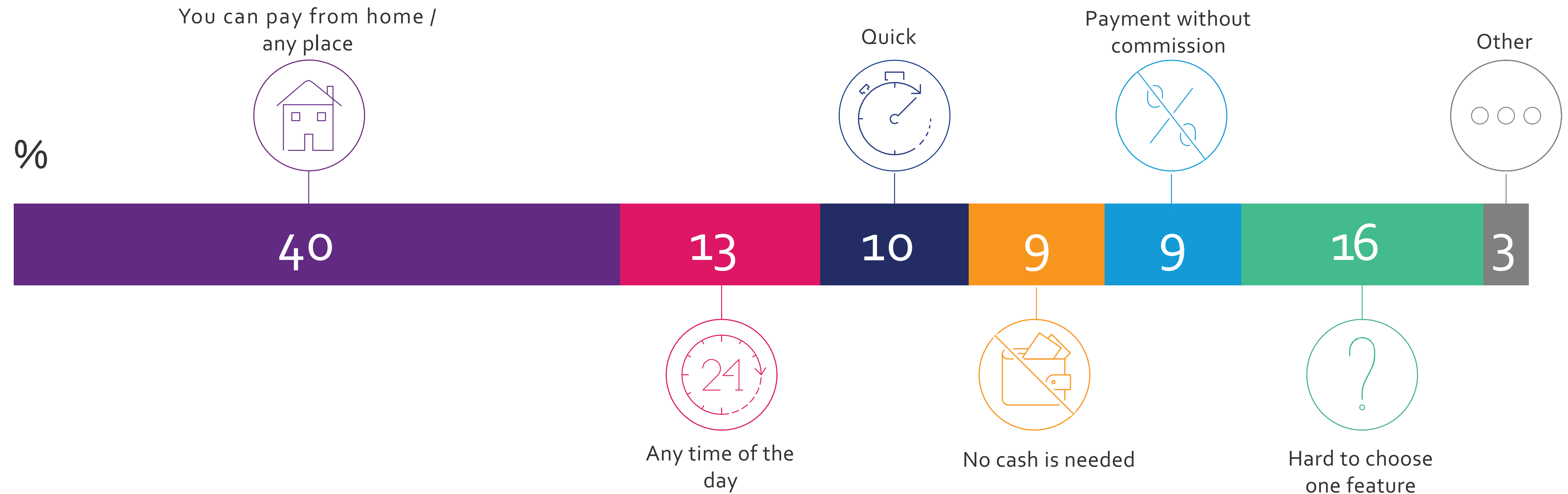


# The fastest-growing method of payment are eWallets



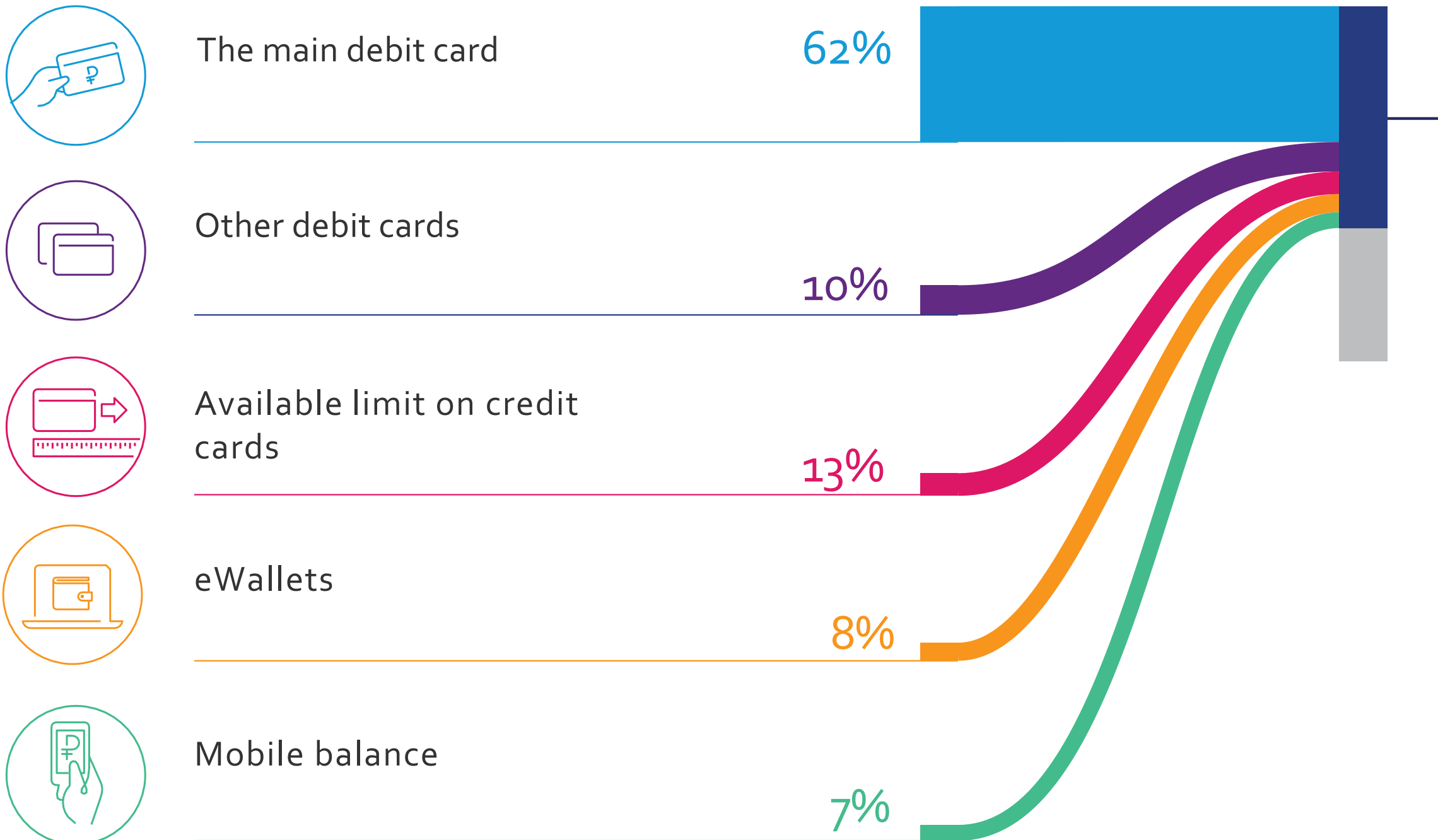
# Online payments add comfort and save time

Which of the following benefits and opportunities of the online payments and mobile payment are of the most importance for you?



# The share of e-money in our budget is growing, albeit slowly

What is the share of non-cash in our pocket?



On the average from 10 000 Rubles for daily expenses

**6 250 Rubles**

is kept in non-cash format\*

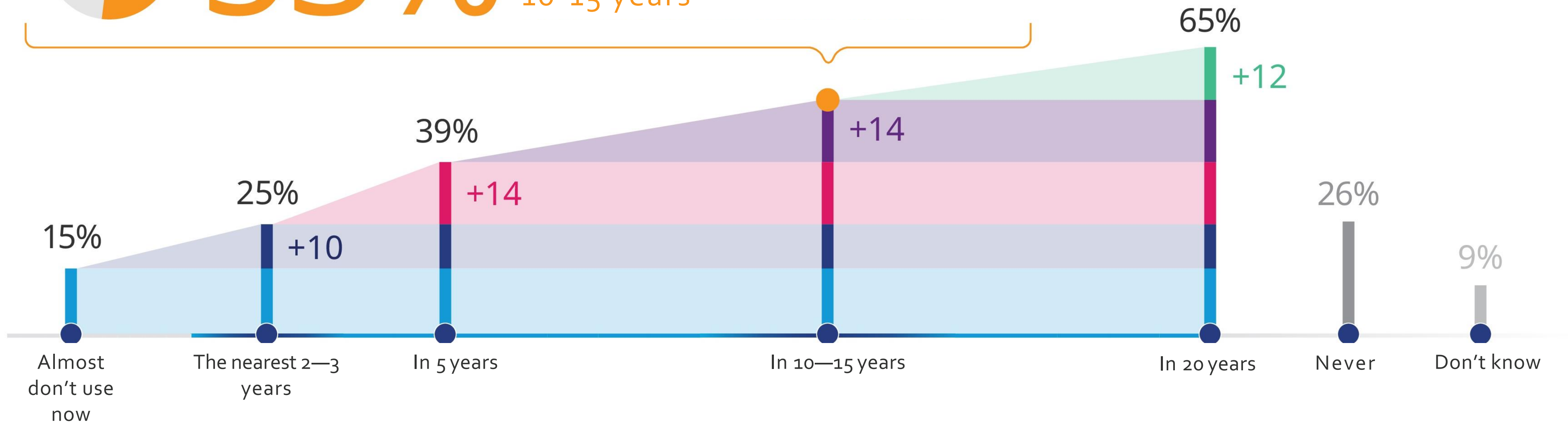
\* In 2015: 6 180 Rubles on the average

# Brave new world (c)

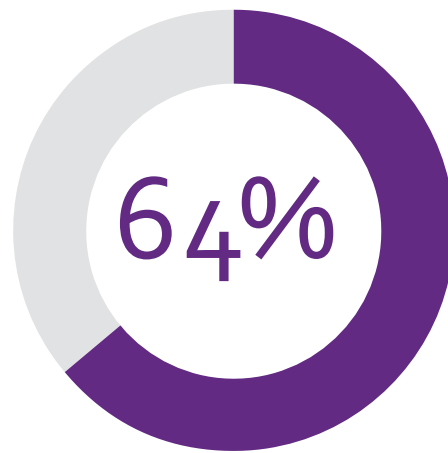
How soon will you be able to live without cash?

53%

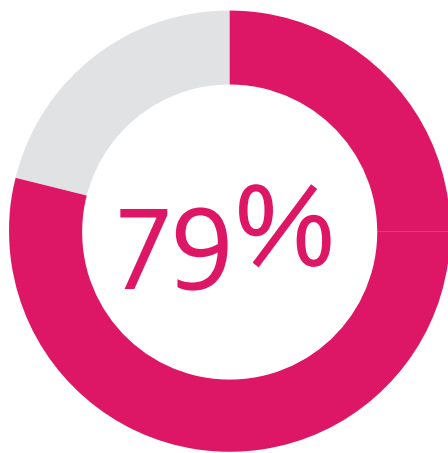
More than a half believe that they will stop using cash within 10-15 years



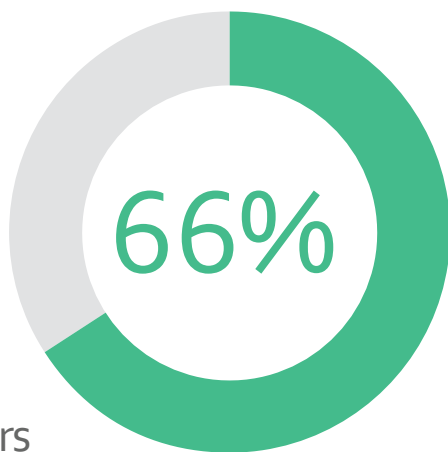
# Mobile payments and shopping have become a norm



Made payments from a mobile device within last 30 days



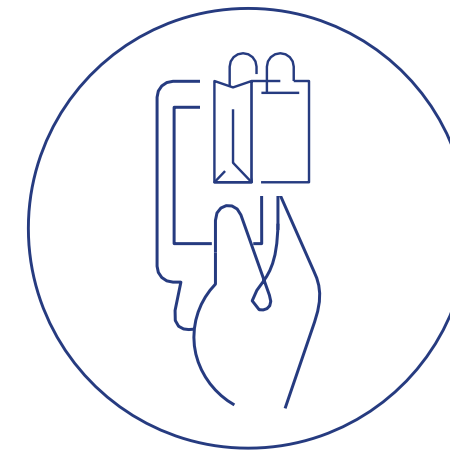
Installed at least one mobile app for making payments and purchases



Used such applications at least once a week

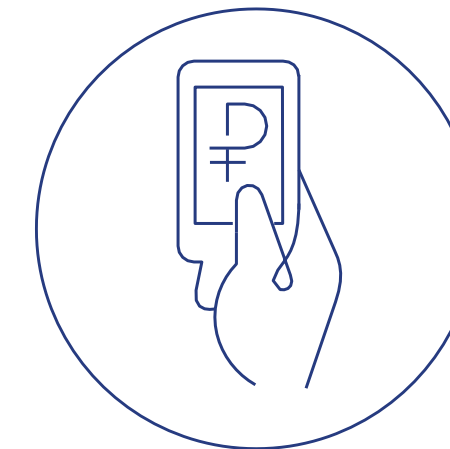
% of smartphone users

Growth of the share of people using smartphone:  
for shopping




**+9 p.p.**

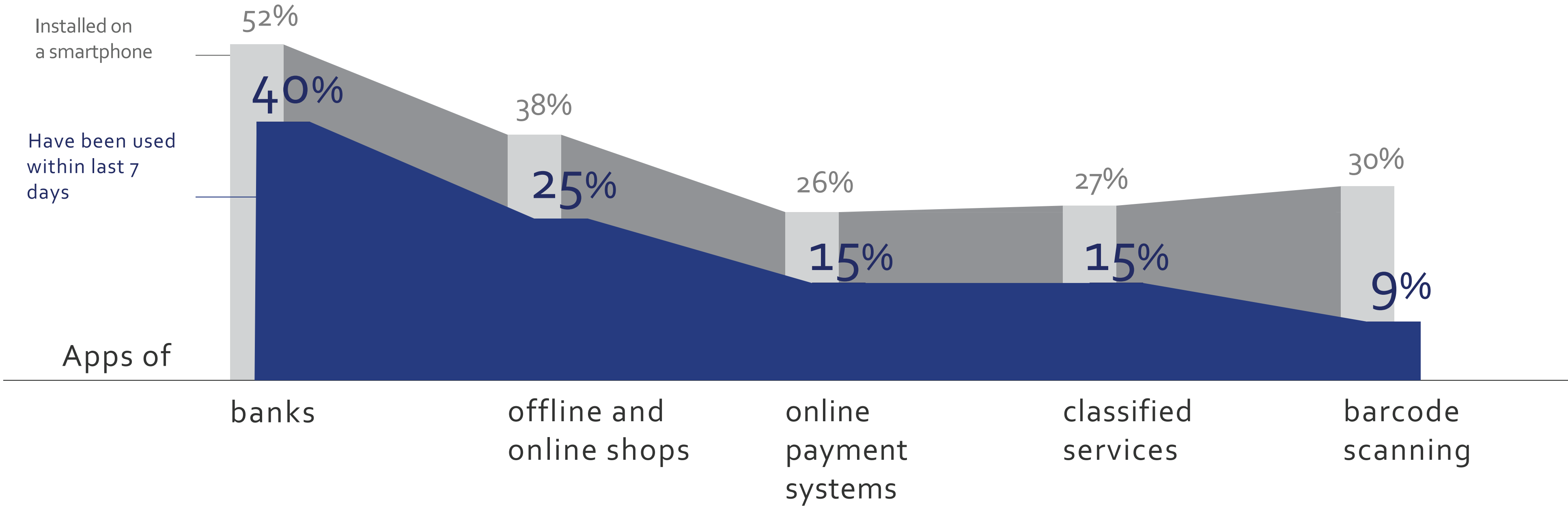
for payments



**+11 p.p.**

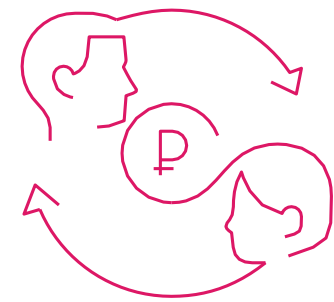
# How do we count money on smartphones?

 66% of all smartphone owners use apps for payments and shopping



# P2P transfers are growing actively

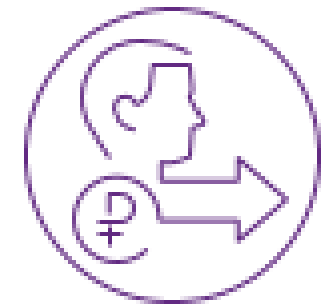
Used P2P transfers



69%



Sent money online



59%



Received money online

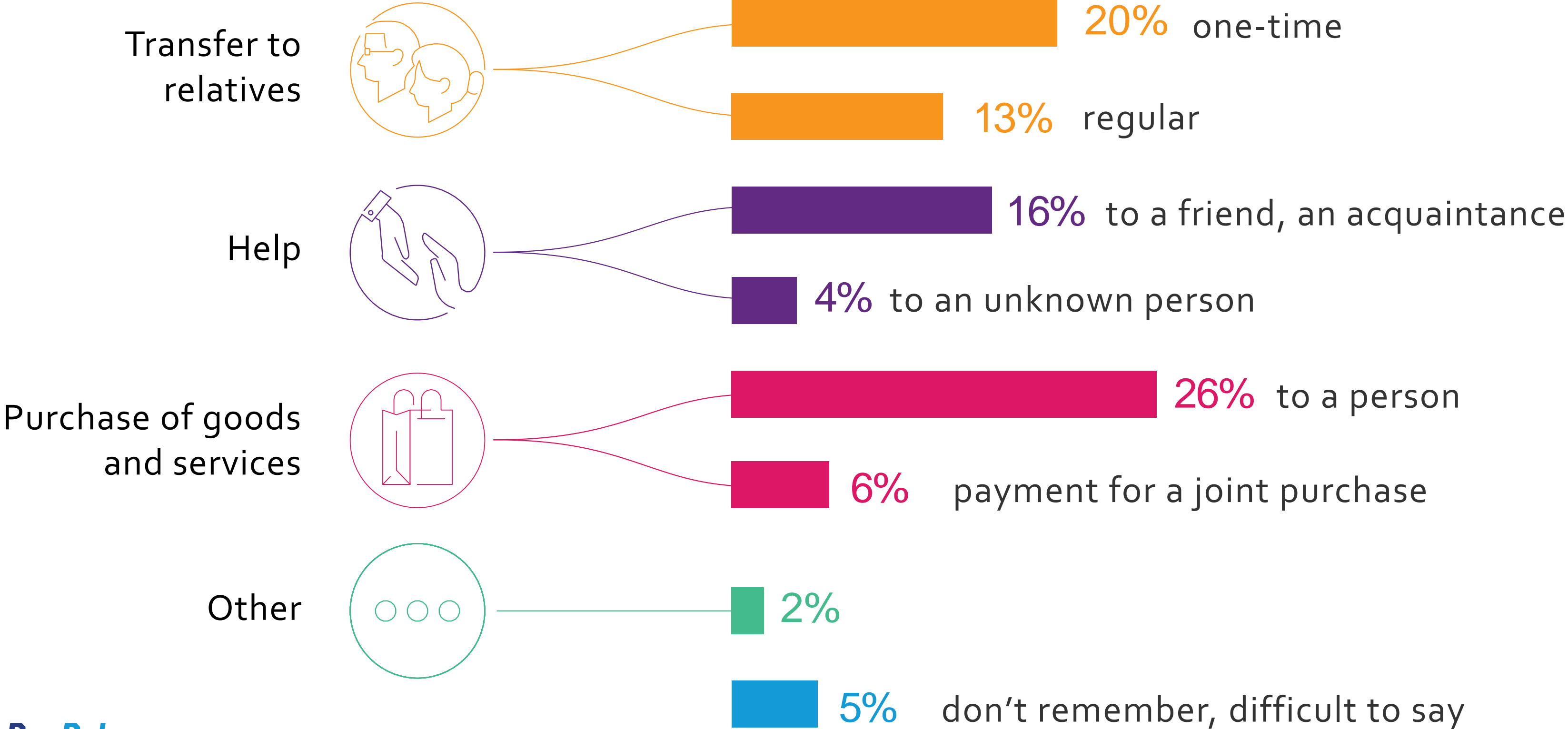


51%

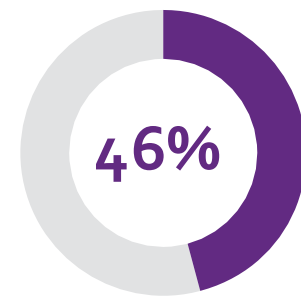
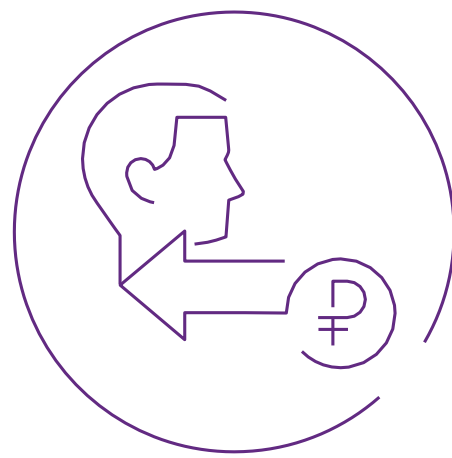




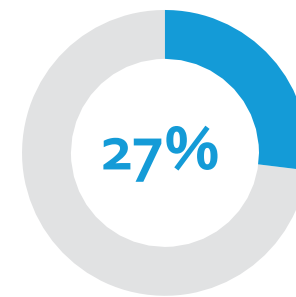
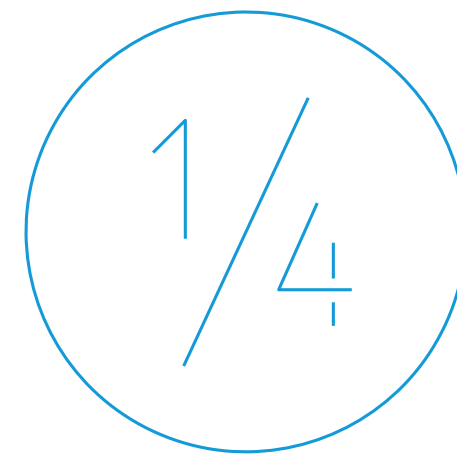
# Why do we send money to each other



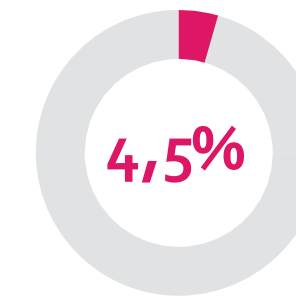
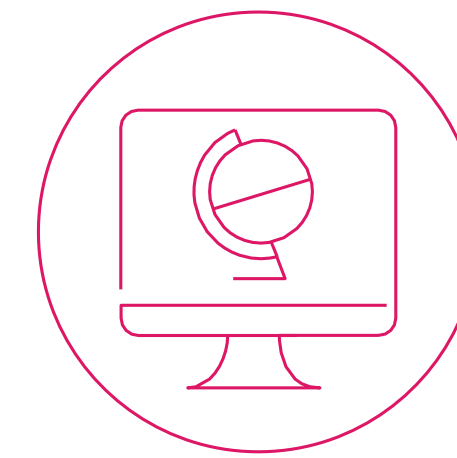
# Simplicity of online-payments break down barriers for personal business



Think that online payments make it easier to sell their goods or services online

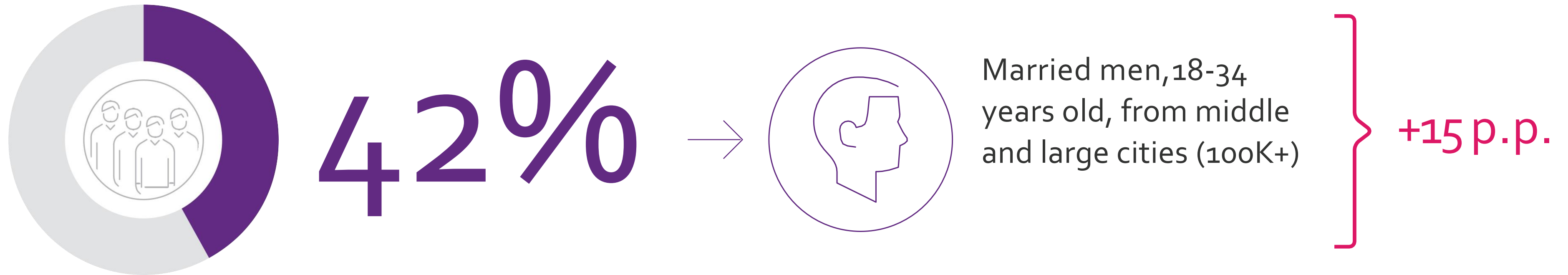


Received online money transfers for services they rendered or products they created

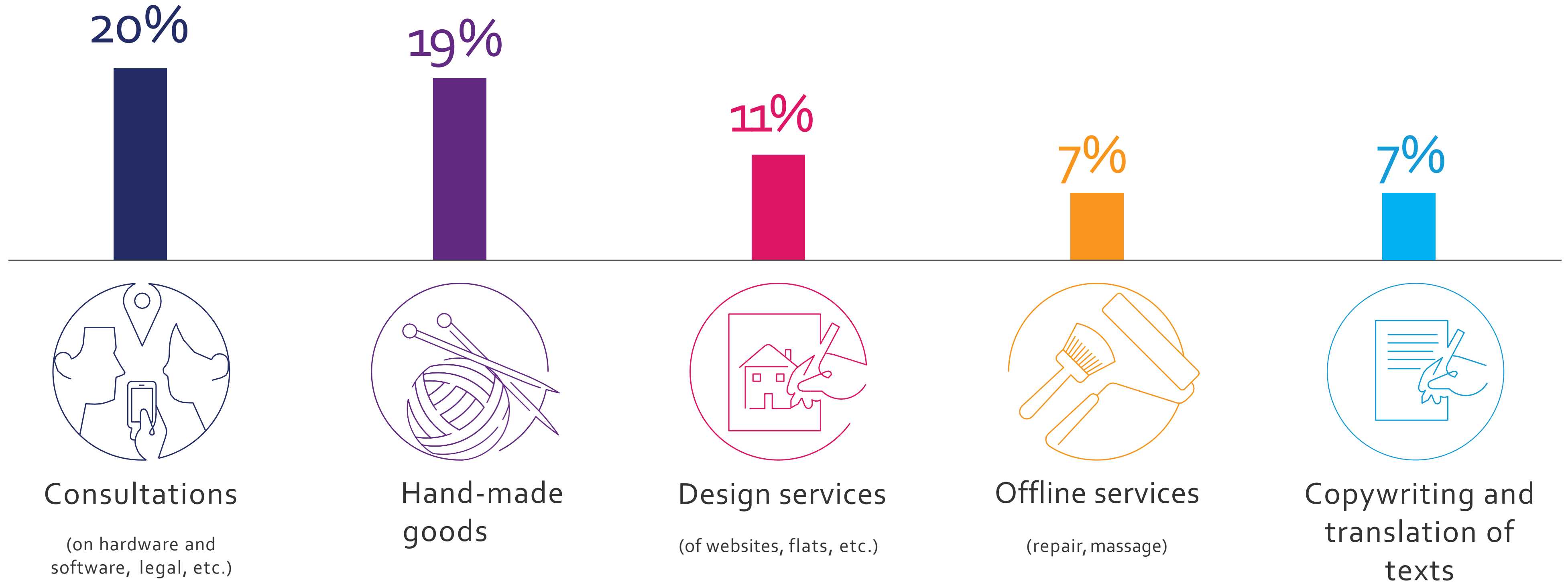


Sold goods or provided services online, including cross border

# Young married men are most active in using the Internet for personal income



# What do individuals sell online?



# Appendix

## Slide 2

Which of the following have you done at least once over the last 12 months?

N=4100 (all respondents)

## Slide 5

Speaking of the most recent purchase in each category, how exactly have you purchased that item? Answer option "Bought over the Internet".

N=from 1159 to 2713 (those who bought corresponding items online or offline at least once over the last 12 months)

## Slide 6

Which payment methods have you used recently?

N=4036 (all those who used non-cash payments)

## Slide 7

Which of the following have you done at least once over the last 12 months? Answer option "Used online payments to pay for goods and services".

N=4100 (all respondents)

## Slide 8

How far is the closest banking branch from the place you live (your house or your apartment)?

How much time do you spend on average for each visit to a banking branch (including time to get to a bank office, time to get back home, as well as waiting time in a queue)?

N = 3863 (users of banking cards)

3241 (visit banking branch and answer the question regarding the time consumed per one visit)

## Slide 9

How often do you visit bank branches (please, include only your visits as a private customer, not your work-related visits, and not those visits when you needed to access only ATM located inside a branch office, but not actually bank services).

How much time do you spend on the average for each visit to a banking branch (including time to get to a bank office and back home, as well as the waiting time in a queue)?

How often do you use ATMs (both, located inside bank branches and elsewhere)?

How much time do you spend on average for each access to ATM (including time to get to ATM and back home, as well as the waiting time in a queue)?

N = from 3241 to 3756 (all users of banking cards who answered corresponding questions)

## Slide 10

Which of the payment methods have you used recently? + Which of the following payment options have you tried for the first time less than one year ago?

N=4036 (all users of non-cash payments)

## Slide 11

Which of the following benefits and opportunities of online payments and mobile payments is the most important for you? (one answer)

N=3907 (those who used any online payment options)

## Slide 12

If we take the total amount of all the money that you have at the moment (excluding savings) for 100% or 100 points, how will they distribute between various categories?

N=3478 (all respondents, excluding those for whom it was difficult to answer this question)

## Slide 13

In your opinion, how soon you personally will stop using cash completely or almost completely?

N=4100 (all respondents)



## Slide 14

Which payment options have you used recently? (with answers “Payment through a bank’s mobile app”, “Payment via SMS”, “Payment from a mobile phone account”).

Which of the following types of mobile apps have you installed on your smartphone?

Which of the following [types of mobile apps] have you used at least once over the last seven days?

Which devices have you used at least once over the last 12 days to make purchases online or to make online payments? [for the last question data from 2015 and 2016 polls are used]

N=4100 (all respondents) for the question regarding the share of those who used smartphones for purchases and payments /

N=3093 (all respondents who used smartphone to access the Internet) for the rest of the questions

## Slide 15

Which of the following types of mobile apps have you installed on your smartphone?

Which of the following [types of mobile apps] have you used at least once over the last seven days?

N=3093 (all respondents who used smartphone to access the Internet)

## Slide 16

Which of the following have you done at least once over the last 12 months?

N=4100 (all respondents)

Speaking of the most recent money transfer [performed by respondent] what type of money transfer was it?

N=3256 (who made p2p money transfers, excluding those for whom it was difficult to answer this question)

## Slide 17

Which of the following statements do you agree with? – with answer option “Simplicity of receiving money through online money transfers gives people new opportunities for earning money, making it easier for them to sell their services or goods online.

N= 3386 (all users of p2p money transfers)

Have you personally received money transfers over the last 12 months? If so, what kind of transfers? With answer options “Received money transfers for services you provided online”; “Received money transfers for services you provided offline (not over the Internet)”, “Received money transfers for products that were created by you (your relatives or acquaintances)”.

N = 4100 (all respondents)

## Slide 18

Have you ever sold any products or services online to customers from other countries?

N=1522 (respondents who received money transfers for the sold goods or services)

## Slide 19

Have you personally received any money transfers over the last 12 months? If so, what kind of transfers? – with answer options:

“Received money transfers for services you provided over the Internet”;

“Received money transfers for services you provided offline (not over the Internet)”; “Received money transfers for products that were created by you (your relatives or acquaintances)”.

N = 4100 (all respondents)

## Slide 20

Which exactly are the services you provided or products you created that you have received online payments for? (open-ended question).

N=1244 (respondents who specified that they received money transfers for services they provided online or offline, or for products they created themselves)

