

## **Irish consumers opt for card payments following Covid-19**

### **A cashless approach is important for almost two-thirds of Irish shoppers, with 39 per cent saying they don't want to use cash going forward.**

Irish consumers are preparing to go cashless as stores and restaurants brace themselves for reopening as part of phase three of the government's Covid-19 recovery plan.

New research from PayPal, conducted by Ipsos and involving 2,000 consumers in Ireland, revealed that 81 per cent (pc) of Irish consumers believe supporting the local economy is key to emerging from the current crisis and 66pc plan to buy more local or regional products in the future.

However, while the trend looks set to be shopping locally, with over half of respondents preferring face-to-face services, cash appears to have fallen out of favour for the majority of consumers.

A cashless approach is important for almost two-thirds (65pc) of Irish shoppers. In fact, 39pc of respondents said they don't want to use cash going forward, which translates to roughly 1.9 million people.

Some 67pc of shoppers revealed they are open to trying new contactless methods when purchasing items in shops. Despite the number of confirmed cases falling dramatically, the possibility of contracting coronavirus remains an issue, with 61pc preferring to avoid touching a card reader pad when making purchases.

### **Community spirit**

Despite the increasing popularity of online international shopping in Ireland in recent years, the study showed that people have chosen to support local shops and smaller businesses during the Covid-19 pandemic.

Smaller businesses and stores were found to be the most popular option for consumers throughout the lockdown, with almost 62pc choosing them in order to support their local economy. Other popular reasons cited for doing so were that consumers had made purchases in these shops previously (38pc) and it was faster to get the product (29pc).

The importance of community has been heightened recently and is having an impact on behaviours with almost one in six people in Ireland doing grocery shopping for relatives or neighbours during the Covid-19 crisis.

[Speaking to ThinkBusiness recently](#), Lorna Larkin, senior manager for Merchant Services and ATMs at Bank of Ireland and relationship manager for BOI Payment Acceptance (BOIPA), Ireland has seen a significant drop in cash usage since the outbreak began.

“The outbreak has seen a change in habits, but it remains to be seen if we will ever lose our love affair with cash.

“For certain, people will start to realise the benefits of contactless for convenience, especially people who work behind the counter who don’t have to be handling cash and ensuring social distancing can be observed.

“Another obvious benefit for the business owner is that they don’t have to be worrying about reconciliations at the end of the day or to carry a cash float because it is all electronic. Also, there are obvious security benefits,” she said.

Annette Hickey, vice-president for Europe, the Middle East and Africa, customer services at PayPal, added; “The Covid-19 lockdown impacted everyone and many uncertainties still remain, but there is a silver lining in that communities are coming together in Ireland and supporting each other – not just people helping others but also spending with local businesses and retailers.

“This will continue to be vital as we move forward and take steps towards economic recovery, but change is needed. As our research shows, consumers want to invest in the regions where they live but there is a demand for new ways of shopping and paying, as can be seen with the large proportion of people who don’t want to use cash or touch a card reader,” she concluded.

The research was drawn from a nationally representative survey of 2,000 members of the general Irish population, conducted between 8-15 May, 2020.

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