

Quick guide

Digital

# Wallets

and more

Payment preferences  
in Asia-Pacific

worldpay

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Country payment guides:  
Hong Kong, India, Indonesia, Japan,  
Malaysia, The Philippines, Singapore,  
South Korea and Thailand

All statistics are from [Worldpay's Global Payments Report 2024](#) unless otherwise indicated. Payment method market share statistics may not = 100% due to rounding. All \$ figures are in USD.

# Introduction: How APAC consumers pay today

**Understanding your customers starts with speaking their language – the language of payments.**

Every market has unique characteristics that are reflected in the payment landscape. That's especially true in e-commerce (e-com), where behaviors are constantly evolving – 60% of shoppers will consider dropping out at checkout if their preferred payment method isn't available. Merchants need to understand the contours of each landscape to thrive when expanding online.

# Introduction: Constantly evolving landscape

**Digital transformation is continually redefining how consumers and merchants exchange money, and this has advanced particularly rapidly in APAC. Credit and debit cards remain anchors in the payment systems of developed markets such as Hong Kong, Japan and South Korea. However, digital payments are dominating the economies of emerging markets with large unbanked populations.**

**Merchants are increasingly keen to accept payments via digital wallets** due to their speed, safety and simplicity. They're also a gateway to financial inclusion which is particularly vital in [South-East Asia where 70% of inhabitants are still underbanked](#). The uptake in digital wallets is largely fueled by the region's high smartphone ownership (76%, compared to the global average of 69%).

The digital wallet market is remarkably diverse, with ubiquitous global brands, regional super apps, upstart fintechs and domestic banks

all in competition. Meanwhile, account-to-account (A2A) payments are on the rise, spurred by real-time payment networks (RTPs).

So how can you make sense of the constantly shifting payments puzzle? Understanding the ways consumers want to pay today is an essential building block to success when expanding globally.

**This guide offers a starting point and expert refresher on how consumers pay when shopping online throughout nine key APAC markets.**



# Overview: APAC e-commerce payment landscape

With a value above \$2 trillion, APAC made up nearly two-thirds of e-com transaction value in 2023. **Digital wallets accounted for 70% of APAC's global online spend – a higher proportion than any other region.**

Until recently, China was driving **digital wallet** adoption in APAC. Now, it's a regional phenomenon. **Digital wallets in APAC (excluding China) more than doubled their share of e-com transaction value from 2018 (12%) to 2023 (28%).**

Driven by the success of the RTP unified payments infrastructure (UPI), digital wallets are now the leading e-com payment method in India, accounting for over half of online spend in 2023 (from 26% in 2018). Similar growth trajectories for wallets exist in Indonesia (25% in 2019 to 40% in 2023), the Philippines (16% in 2019 to 34% in 2023) and Vietnam (18% in 2019 to 36% in 2023).

**Credit cards were the people's choice for online payments in Hong Kong, Japan, Singapore and South Korea.** Direct credit card spend outside digital wallets accounted for 12% of APAC's online transactions in 2023.

**Consumer demand for Buy Now Pay Later (BNPL) remained strong in 2023,** representing 4% of online spend in APAC. However, BNPL forecast of 16% CAGR projects modest (less than 1%) growth in share in the forecast period to 2027.

**APAC is a global leader in real-time payments** – not just in the proliferation of RTP schemes, but also in cooperation among the central banks that developed them. This is driving a surge in A2A payments across the region. For example, India's UPI now links with Singapore's PayNow, enabling seamless cross-border transactions. In Malaysia, DuitNow has helped make A2A the top e-com payment method, while Thailand's PromptPay system propelled A2A to lead the market with nearly half of e-com spend.

These RTP rails, set up by central banks and bank associations, were **a key growth engine behind QR code payments.** From DuitNow in Malaysia, Bi-Fast in Indonesia, BancNet in the Philippines, PromptPay in Thailand to UPI in India, QR code payments have surged thanks to the underlying infrastructure that these systems produced. The rails generated faster connections across the countries which drove even more interoperability initiatives.



**Digital wallets  
in APAC\* more  
than doubled**

their share of e-com transaction value from 2018 (12%) to 2023 (28%)

\*excluding China

# Overview: APAC e-commerce payment landscape

	 Australia	 China	 Hong Kong	 India	 Indonesia	 Japan	 Malaysia	 New Zealand	 Philippines	 Singapore	 South Korea	 Taiwan	 Thailand	 Vietnam
Digital Wallets	31%	82% ★	32%	56%	40%	20%	24%	24%	34%	37%	27%	26%	27%	36%
Credit Cards	27%	5%	41%	15%	10%	57% ★	16%	28%	19%	42%	56%	47%	12%	17%
Debit Cards + Prepaid Cards	22% ★	5%	7%	9%	8%	5%	12%	23%	16%	8%	8%	5%	7%	9%
Account to Account (A2A)	4%	2%	15%	12%	28%	6%	39%	12%	16%	8%	2%	9%	44% ★	20%
Buy Now Pay Later	15% ★	4%	1%	3%	3%	3%	4%	11%	1%	3%	1%	1%	1%	1%
Cash on Delivery	1%	1%	3%	3%	11%	2%	3%	<1%	14%	1%	1%	9%	8%	17% ★
Others	<1%	1%	1%	1%	1%	6%	2%	<1%	<1%	1%	2%	3%	1%	1%

● Country leading payment method   ★ Regional high



# Alipay: From digital wallet to global payment powerhouse

Alipay's connects

1.5b

consumers across 25+ e-wallets and bank apps

Serving

88m

merchants in nearly 60 countries

**Alipay has transformed from a wallet into an all-encompassing super-app, creating a loyal user base through its diverse offerings.**

The lock-in effect of super-apps generates high switching costs and results in sizable consumer engagement and retention. Alipay's reach is impressive: connecting 1.5 billion consumers across 25+ e-wallets and bank apps and serving 88 million merchants in nearly 60 countries.

Alipay+ continues to push cross-border payments, launching an initiative in Hong Kong that lets users of 14 overseas mobile wallets and banking apps pay from their preferred home app (e.g. Malaysia's Touch 'n Go). As the official payment sponsor of UEFA EURO 2024, Alipay furthered its European presence where 400,000 merchants now accept Alipay+.

This strategy capitalizes on Asian tourists' spending abroad, cementing Alipay's position as a leader in cross-border payments.



# Country payment guide

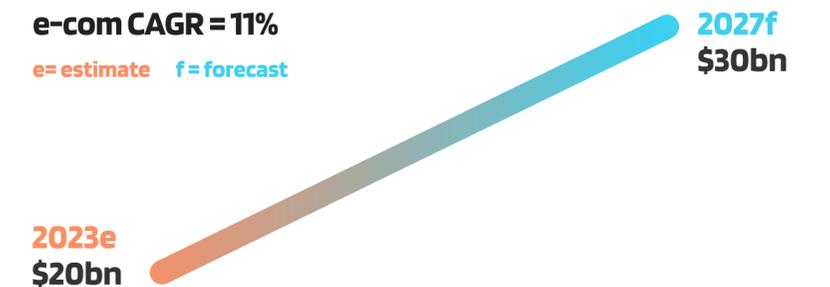
## Hong Kong

**Credit cards play an essential role in Hong Kong's mature consumer economy**, accounting for 41% of e-com transaction value in 2023. EPS and UnionPay are the dominant card brands, together making up 71% of card payment value.

**Digital wallets continue to grow in e-com**, trailing only credit cards with a third of the share in 2023. To boost the local economy, Hong Kong implemented the Consumption Voucher Scheme (CVS), in which digital wallets were integral. The scheme, initiated during the pandemic, involves issuing vouchers via digital wallets including **AlipayHK**, **PayMe** and **WeChat Pay HK**.

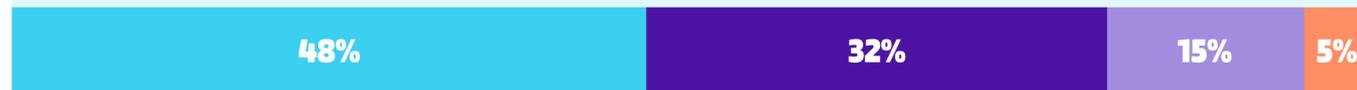
Driven by the popularity of Chinese e-com sites among Hong Kong consumers, **AlipayHK** is one of the

market's most popular wallets. With **over 3.3 million active users**, AlipayHK is accepted by more than 100,000 merchants in Hong Kong. Others in competition include local wallets such as **BoC Pay**, **HSBC's PayMe**, **Octopus Wallet** and **Tap & Go** alongside international payment leaders **Apple Pay**, **Google Pay** and **PayPal**.



### Payment method – 2023 share

● Cards ● Digital Wallets ● A2A ● Others



### Leading digital wallets



### Leading card networks





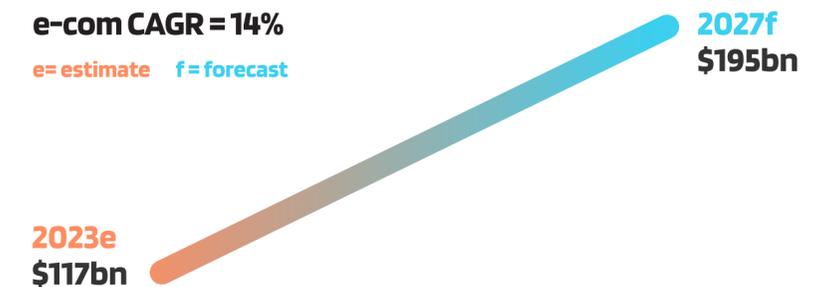
# Country payment guide

## India

India has emerged as a global payments powerhouse with UPI, a project launched by the National Payments Corporation of India (NPCI) and the Reserve Bank of India (RBI) in 2016. It has revolutionized how Indians pay; boosting A2A share and propelling digital wallets to the leading e-com payment method. UPI volume is growing rapidly with a 44% increase in value in FY 2023-24 compared to the previous FY.

UPI is expanding internationally, now working with Singapore's PayNow real-time payment network and available in France, Nepal, Malaysia, Singapore and the UAE. It's also tapping into India's large remittance inflow market.

India's wallet landscape features a diverse array of local and global providers. Domestic wallets Paytm and Walmart-backed PhonePe are leading a crowded field including Amazon Pay and Google Pay. The same is true of India's emerging BNPL market, with Flipkart Pay Later and Amazon Pay Later competing with domestic providers such as Paytm Postpaid and Simpl.



### Payment method – 2023 share

● Digital Wallets ● Cards ● A2A ● Others



### Popular digital wallets



### Real-time payments infrastructure



### Popular card networks





# Country payment guide

## Indonesia

Indonesia has also jumped on the **“wallet-first” bandwagon**, with digital wallets garnering 40% of e-com transaction value in 2023. The diverse wallet market includes **OVO** (owned by Singaporean super-app Grab), **DANA** (owned by China-based Ant Group), GoPay (the wallet of super-app Gojek) and **LinkAja** (Indonesia state-owned, Gojek-invested). Wallet growth shows no signs of slowing anytime soon: with growth projected at 15% CAGR in e-com through 2027.

3% of Indonesia's e-com transaction value. Indonesia's crowded BNPL market features local providers including **Akulaku**, **GoPayLater** and **Kredivo**, as well as **SPayLater** from Singaporean e-com giant **Shopee**.

**Indonesia's comparably low credit-card penetration presents opportunities for BNPL providers** to deliver digital credit services to an underserved market. In 2023, that opportunity was realised with BNPL accounting for

### Payment method – 2023 share

● Digital Wallets ● A2A ● Cards ● Others



### Leading digital wallets



### Leading card networks

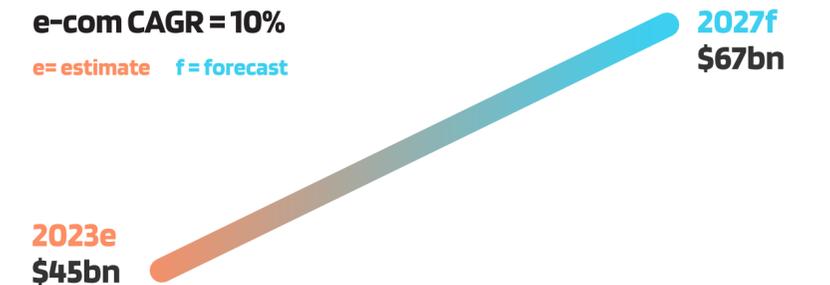


### Leading BNPL providers



e-com CAGR = 10%

e=estimate f=forecast





# Country payment guide

## Japan

### Payment method – 2023 share

● Cards ● Digital Wallets ● A2A ● Others



### Leading digital wallets



### Leading card networks



### Leading BNPL providers



### Postpay method

コンビニでお支払い (KONBINI)

**Credit cards are deeply interwoven in Japanese daily lives**, making up the majority of e-com transaction value in 2023. Debit cards (4%) and prepaid cards (1%) are far less used among Japanese consumers.

**Digital wallets are increasingly popular**, despite Japan trailing many APAC counterparts in adoption. Japanese wallet users gravitate to domestic providers such as **au Pay, Rakuten Pay, LINE Pay, and PayPay.**

**Cash plays an important role in e-com** with “post-pay” orders paid for in cash at **Konbini** (convenience) stores. Despite the continual growth of cards and digital wallets, post-pay cash services still represented 5% of online spend in 2023.





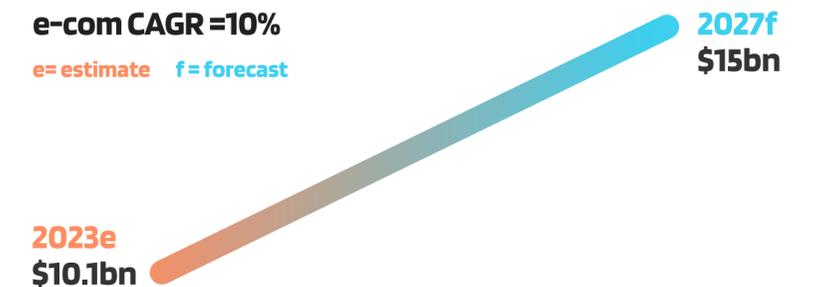
# Country payment guide

## Malaysia

Digital transformation is revolutionizing Malaysia's payments landscape. **Digital wallet use is rising dramatically online**, spiking from 16% of e-com transaction value in 2021 to 24% in 2023. Malaysian consumers prefer domestic digital wallet providers such as **Boost** and **Touch 'n Go eWallet** as well as regional giants **GrabPay** and **ShopeePay**.

Malaysia's real-time payment system – **DuitNow** – is a key element in the country's digital shift. Administered by Malaysia's national payments network, **PayNet**, DuitNow is used by all major Malaysian banks and by wallets like **Touch 'n Go**. FPX, administrated by

PayNet, has seen tremendous traction and is one of Malaysia's most prominent and widespread payment methods. These systems propelled **A2A payments to Malaysia's leading e-com payment method**.



### Payment method – 2023 share

● A2A ● Cards ● Digital Wallets ● Others



### Leading digital wallets



### A2A payment networks



### Leading card networks



### Leading BNPL providers





# Country payment guide

## The Philippines

### Payment method – 2023 share

● Cards ● Digital Wallets ● A2A ● Others



### Leading digital wallets



### A2A payment network



### Leading card networks



**Digital wallet use in Philippine e-com more than doubled** from 2019–2023, rising to 34% of e-com transaction value. 9 out of 10 Philippine consumers' preferred wallet is domestic provider **GCash**.

Shopping platform **giants** Shopee and Lazada provide their own digital payment solutions. **ShopeePay** and **Lazada Wallet** offer consumers benefits such as cashback and free shipping when paying using the solutions on their respective platforms.

**Filipino consumers' attachment to cash extends to e-com.** Cash on delivery accounted for 14% of online spending in 2023, among the highest rates in the world. Many consumers prefer paying by cash due to trust issues, wanting to inspect goods for defects and authenticity before payment.





# Country payment guide

## Singapore

Currently accounting for 37% of spend, we project digital wallets to become Singapore's leading online payment method by 2027. Singapore features a diverse landscape of wallet providers banks (DBS **PayLah**), super-apps (**GrabPay**), e-com platforms (**ShopeePay**) and leading international brands **Apple Pay** and **Google Pay**.

**Digital payments at POS have been fueled by the Singapore Quick Response Code (SGQR)**, the world's first unified payment QR code. In 2023, the Monetary Authority of Singapore (MAS) introduced an upgrade to the system, **SGQR+**, allowing merchants to accept 23 payment methods by signing up with just one financial institution.

A constant through Singapore's changing payment landscape are cards that combined accounted for

the majority of consumer spend online in 2023. Credit cards (42%) were the consumer's choice as the leading payment method, while debit cards represented 7% and prepaid cards 1% of online spend.

Singaporeans have gravitated to BNPL, which accounted for 3% of e-com spend in 2023. Singapore has many domestic BNPL providers, including **Atome**, **PayLater** by Grab, and **SPay Later** by Shopee.



### Payment method – 2023 share

● Cards ● Digital Wallets ● A2A ● Others



### Leading digital wallets



### Leading card networks



### Leading BNPL providers





# Country payment guide

## South Korea

South Korea is among the world's most advanced e-com markets, with a strong local feel regarding consumer behavior and expectations. To be successful in South Korea, offering a mix of local payment methods is key.

**Payment cards – and particularly credit cards – drive the mature payment market in South Korea.** Korean card schemes (e.g. Shinhan, Samsung Card) dominate the card-issuing landscape. Visa and Mastercard are prevalent, but generally co-branded with Korean card schemes. Credit cards have the majority share of e-com transaction value (56%), while debit cards were responsible for an additional 7% share and prepaid cards 1%.

**Digital wallets continue to gain popularity among South Korean consumers,** accounting for over a quarter of e-com transaction value in 2023. The main players in the market are **Kakao Pay** (the wallet of the messaging super-app KakaoTalk), **Naver Pay** (from the search engine and ISP Naver), **PAYCO**, **Samsung Wallet** (from the ubiquitous global brand) and Toss (an emerging financial super-app). Apple Pay made its [long-awaited South Korea launch](#) in March 2023.

### Payment method – 2023 share

● Cards ● Digital Wallets ● A2A ● Others



### Leading digital wallets



### Leading card networks



**e-com CAGR =8%**

e= estimate f= forecast





# Country payment guide

## Thailand

A2A payments are increasingly an anchor in Thailand's consumer payments market and are now **the country's leading online payment method**. **PromptPay**, a real-time system that facilitates payments directly from bank accounts via various apps, facilitates most A2A transactions.

**Digital wallets also continue to gain popularity** online, making up a quarter of online spend in 2023. Two-thirds of respondents to our survey indicated **TrueMoney Wallet** was their preferred wallet. Other key players in Thailand include **Rabbit LINE Pay**, **GrabPay** and **ShopeePay**.

**Cards have never truly captured Thailand's consumers** accounting for a combined 19% of e-com spend.

### Payment method – 2023 share

● A2A ● Digital Wallets ● Cards ● Others



### Leading digital wallets



### Leading card networks



### A2A payment network



e-com CAGR =16%

e= estimate f= forecast



Digital

# Wallets

## About Worldpay

Worldpay's vision is to unleash the potential of every business. We do this through our ability to power global commerce by providing exceptional payments technology and expertise to our clients everywhere. Our processing solutions allow businesses of all sizes to take, make and manage payments in-person and online all over the world. Annually, we process over 50 billion transactions worth more than \$2.3 trillion across 146 countries and in 135 currencies. To learn more about us, visit [worldpay.com](https://worldpay.com) or follow us on LinkedIn, X, and or Facebook.

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