

Visa says cash is dethroned as king

Growing numbers of South Africans are using debit cards for everyday purchases, signaling a shift in the "cash is king" principle that is typical of emerging markets, said electronic payments company, Visa on Thursday (24 January).



Despite the increased use of debit cards, SA still has one of the largest proportions of banked individuals who are not yet cardholders. The proportion, at 25%, suggests strong growth opportunities in the South African market.

These are among the key findings of Visa's *Global Payments Tracker Survey 2012*, which were announced recently. The survey reviews 12 countries, including SA, the US, the UAE, Australia and India, to gauge respondents' views on their preferred payment habits.

"Our findings suggest that while cash still has a place in society, card usage in SA is steadily increasing as communities modernise and technology improves. Year-on-year, we are seeing growing consumer confidence in debit cards as people see the benefits of using card-based payments, like convenience and safety," said Herman Botes, head of debit for Visa in sub-Saharan Africa.

The study in SA among the 1,600 respondents showed 41% of them used debit cards to pay for purchases.

Source: Sapa via I-Net Bridge

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