

2018 Small Business Digital Wallets Study

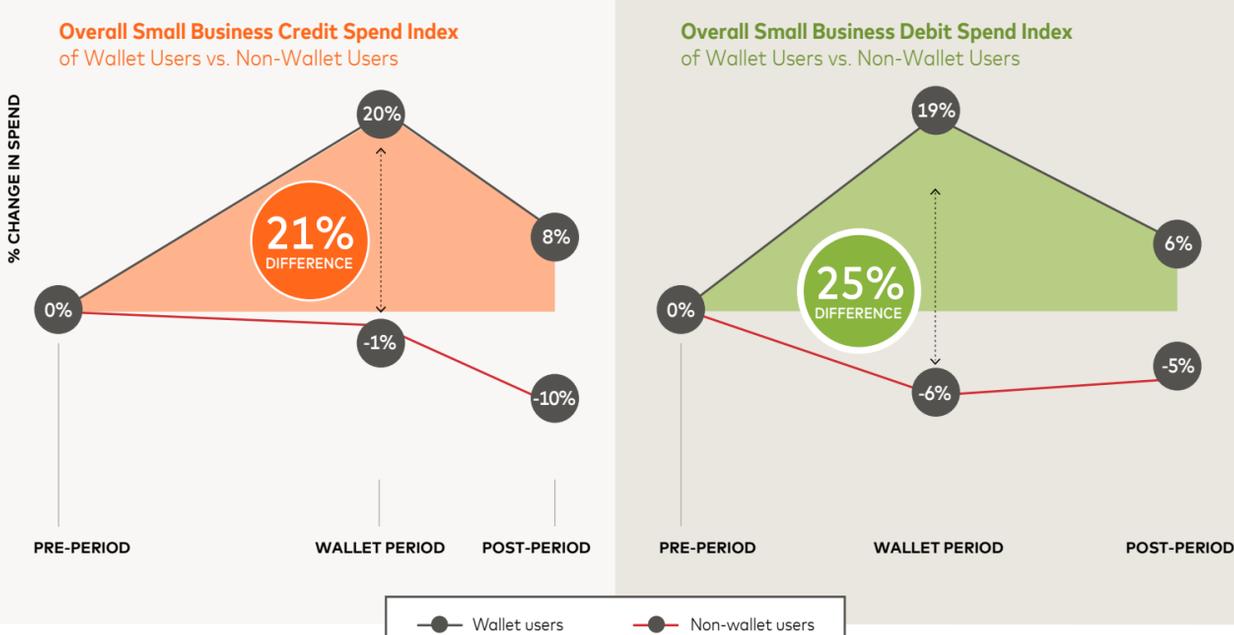


Analyzing the impact of small business spend: Mastercard conducted a customized analysis of both U.S. small business **credit** and **debit** cards to assess the impact of digital wallets on small business spend and identify opportunity areas for financial institutions related to their digital wallet strategy.

Quantitative analysis of digital wallet spend yielded several key insights:

1 Digital wallet adoption is linked to an increase in total small business card spend for both **credit** and **debit** users.

Cardholders who adopted a digital wallet exhibited an increase in total card spend, demonstrating that wallet usage drives primary card usage.



Non-wallet users' decline in spend is due to tracking of the same small business cardholders over time, not an entire portfolio which may add new cardholders.

2 High frequency usage is linked to higher total card spend.

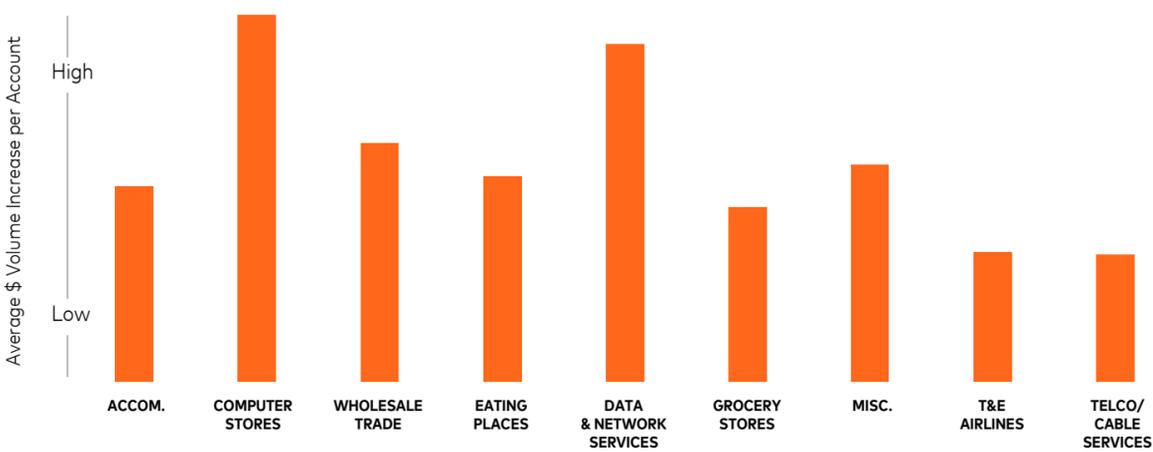
Cardholders with a higher frequency of wallet usage exhibited a larger lift in total card spend; even slight wallet usage was linked to a lift in total card spend.



3 Digital wallets boost short-term total card spend within top spend categories.

Digital wallet usage is correlated to boosted spend in top categories following wallet adoption, particularly online retailers and temporary accommodations such as hotels.

Top Industries by Gross Dollar Lift for Digital Wallet Credit Users (Pre-Period vs. Wallet Period)



Opportunities

Mastercard can provide similar insights on your portfolios and help optimize adoption in digital wallets and sustain the lift for ongoing growth.

Visit go.mastercardadvisors.com/digital-wallet-study2018 or contact your Mastercard account representative.