

Press release

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## **The pandemic taught the older generation to pay by card when shopping online. Interest in cash on delivery persists**

**When buying goods in e-shops, almost half of Czechs (49%) already choose online payment by card. Young people aged 18 to 26 (60%) most often pay by card on the Internet. However, the COVID pandemic has taught older people to use online card payments when shopping in e-shops. Compared to 2020, the age group 54 to 65 increased by 9 percentage points (from 29% to 38% this year). At the same time, the number of people who do not shop online at all is declining significantly. Interest in cash on delivery despite the pandemic persists. The data come from this year's GLS survey conducted through the Instant Research application by Ipsos on a sample of 1,050 respondents.**

According to an annual survey by the parcel carrier GLS, interest in card payments in e-shops is constantly rising. It has doubled since 2016 (from 25% in 2016 to 49% this year). The number of people who pay by card every week has also increased significantly (by 12 percentage points). This can be attributed in particular to closed shops and establishments during a coronavirus pandemic.

Online card payment is the domain of younger generations in particular. This is most true for people aged 18 to 26 (60%). However, the older generation is gradually getting a taste of online card payments. *"In the age group 54 to 65, 38% of people choose this method of payment. Compared to the previous year, there was an increase of 9 pp, which is partly attributed to the coronavirus pandemic. Another factor that plays a significant role is that online card payments are not charged in cash on shopping carts. The positive news is that there are more and more seniors who go with the times and manage shopping online without any problems,"* says Pavel Včela, Director of GLS Czech Republic.

### **Interest in cash on delivery is not declining**

This year's survey shows that the number of people who do not use online card payments on the Internet is declining significantly. Currently, only 6.8% of people do not pay for goods directly in e-shops. This is a 60% decrease compared to 2016. At the same time, the number of people who pay online with a card very rarely decreases. From 35% in 2018 to today's 22%. In the age group 54 to 65, a third rarely pay by card and 10% do not use it. Here too, however, we can see a significant improvement compared to last year (a decrease of 12 percentage points).

Interest in cash on delivery paid by the courier persists even during the pandemic. After the first wave of coronavirus subsides, one third of the packages are still sent cash on delivery, although they are increasingly paid for by courier. 15% of respondents now use this form of payment. One-fifth of people in the age group 54 to 65 still use cash on delivery. Also in smaller settlements, the popularity of cash on delivery is higher than in cities with more than 20,000 inhabitants.

*"In recent months, we have noticed that a third of packages are sent cash on delivery, most of which are then paid to the courier by credit card. The slowly declining number of COD packages is probably due to the expansion of new, often foreign e-shops, which customers have not tried, so they are safe against problems with the delivery of goods,"* explains Pavel Včela.