The Cashless Society – are you connected?

MYOB NZ General Manager Carolyn Luey

myob simplify success

“If we were re-designing the economy overall, you wouldn’t design it with cash or paper documents. Technology is available today for both businesses and individuals to go cashless.”

MYOB CEO Tim Reed

The evolution of payment methods

450BC
COIN
Metal coins first used as a method of payment

1681
CHEQUE
Cheque reportedly used for the first time

1775
PAPER MONEY
Continental currency was introduced with values ranging between 1/6 of a dollar to $80

1914
CHARGE CARD
The first charge card was issued by Western Union

1958
CREDIT CARD
Bank of America introduces a credit card

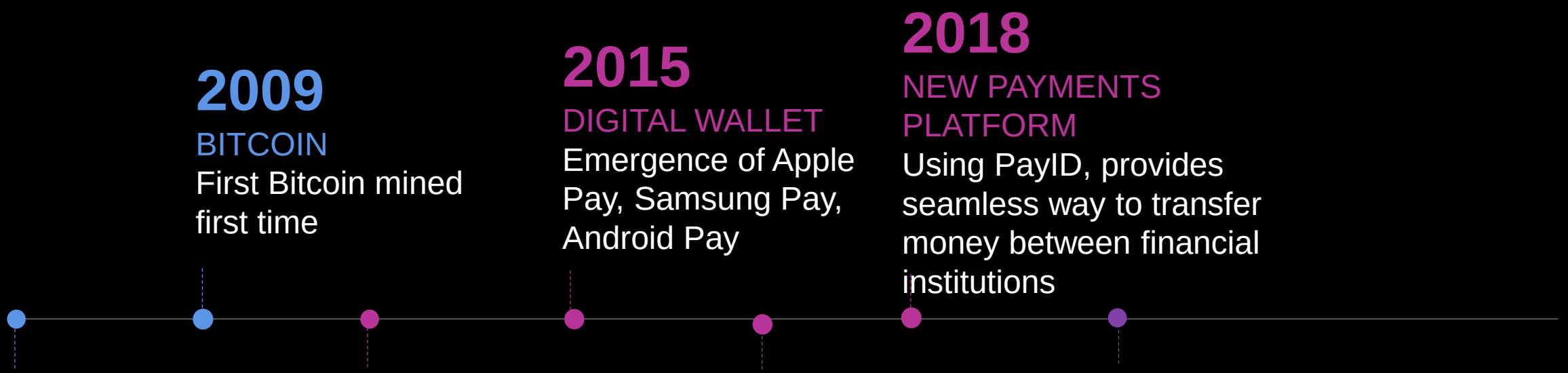
1978
DEBIT CARD
Seattle's First National Bank offers first debit card to business executives

1979
INTERNET PAYMENT
Online shopping is invented

1997
MOBILE PAYMENTS
First SMS mobile payment on a coca cola vending machine

CONTACTLESS PAYMENT
First used at Mobil Gas Station

The evolution of payment methods cont.



2003
SMART PHONE PAYMENT
NFC technology approved as industry standard

2009
BITCOIN
First Bitcoin mined first time

2010
M-POS
Smartphone, tablet or dedicated wireless device that performs the functions of a register

2015
DIGITAL WALLET
Emergence of Apple Pay, Samsung Pay, Android Pay

2017
SOCIAL PAYMENTS
Use of social media to transfer money ie. Google Wallet, Twitter Buy, Snapcash, Venmo

2018
NEW PAYMENTS PLATFORM
Using PayID, provides seamless way to transfer money between financial institutions

2020+
OPEN INNOVATION
Open banking and open APIs to allow plug-and-play data exchange, to gain deeper understanding before and after transaction.

Who wants to get rid of cash?

India
Recently scrapped 86% of its banknote

Korea
Plans to stop minting coins by 2020

Sweden
Has adopted a cashless society

Canada
Has tripled use of contactless credit cards

China
Has seen mobile payments leap 65% since 2015

Australia
“Cashless” by 2020

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“Cashless” by 2020

36%

…of businesses say NZ will be cashless in a decade

MYOB May 2018 Business Monitor survey of 410 local SME operators

0.4%

…of businesses say they have zero cash transactions – but 37% want to be

58%

…of businesses say “convenience” would be one of the main benefits of a cashless society

MYOB May 2018 Business Monitor survey of 410 local SME operators

51%

…says customers preferring to pay in cash is a barrier

MYOB May 2018 Business Monitor survey of 410 local SME operators

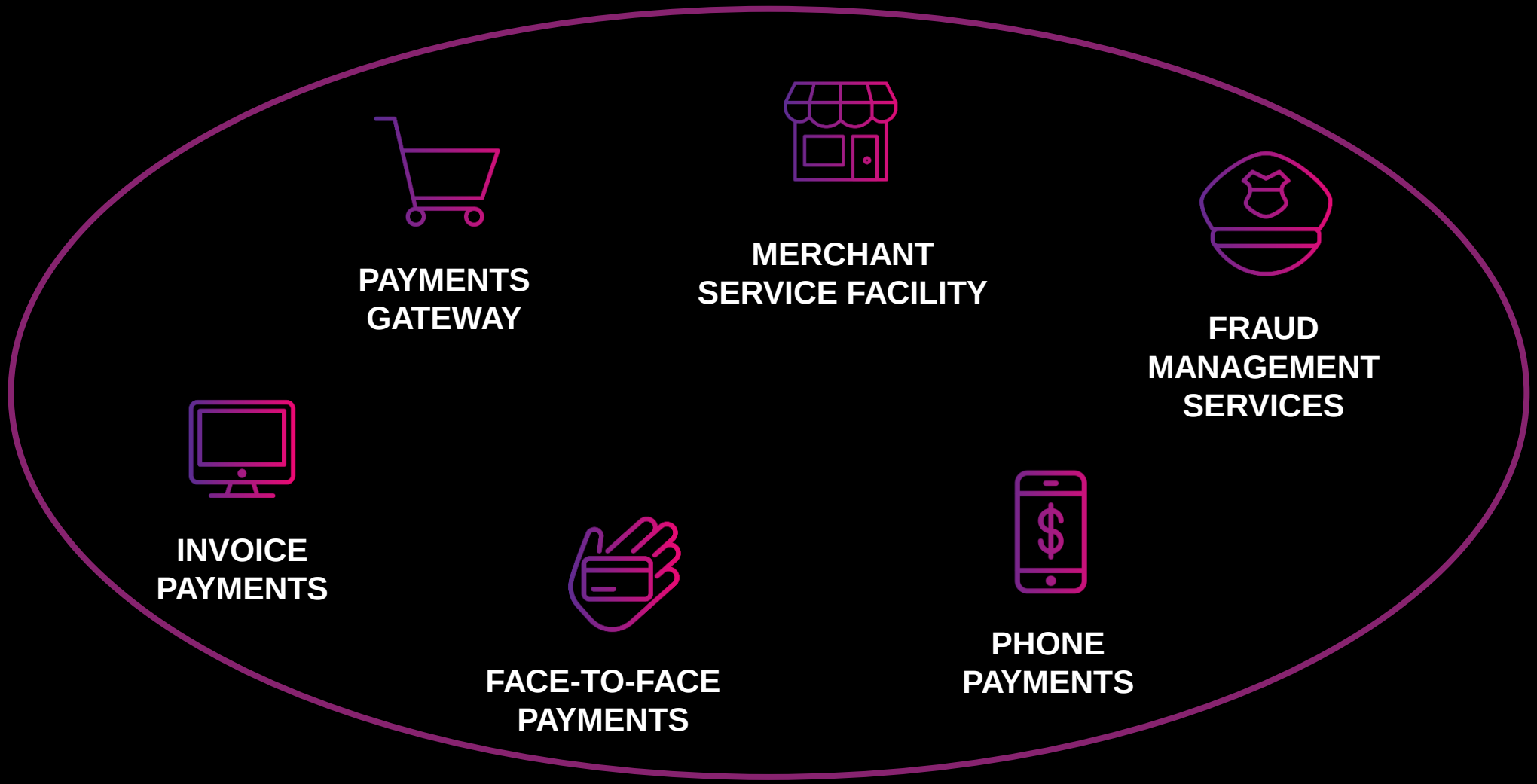
myob payby
the way to pay

Businesses wait on average 43 days to get paid.

Invoices paid through MYOB average 10 days.

Based on invoices paid through invoice payments between September 2017 to February 2018.

Fast and secure payment solutions designed for all types of businesses



Future cashless society opportunities …..

$50B
Invoice value

Payments from invoices sent by our customers to their end customer

1.2M
customers

Payments from invoices our customers send to larger businesses

$100B
Invoice value

Payments from invoices sent by larger businesses to our customers

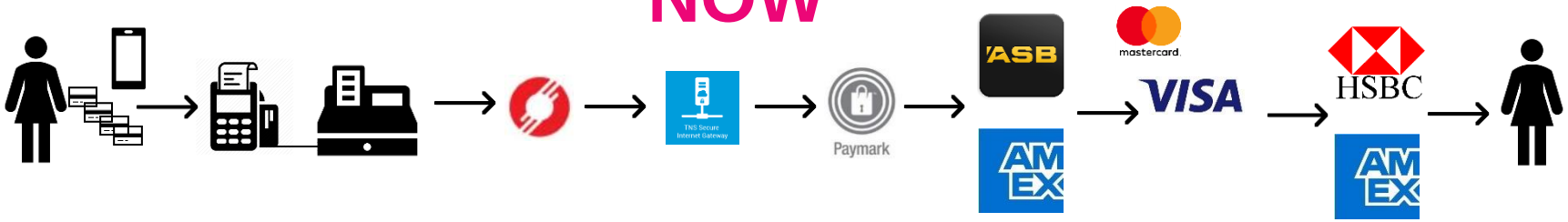
1:3
employees

Payroll calculated from our software when our customer pay their employees and the tax office etc.

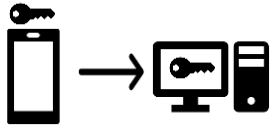
DELIVERING WORLD CLASS PAYMENT SERVICES AND SOLUTIONS THAT ARE SIMPLE AND SECURE

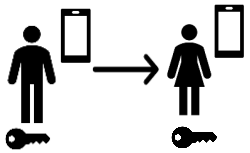
Where are we going? Simplifying everything…

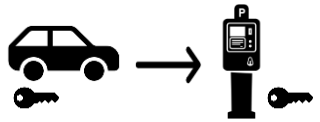
NOW



FUTURE







Source: Centrality, 2018

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