

PayFast records 412% growth in QR code payments

One year since the country entered level five of the nationwide Covid-19 lockdown on 26 March, digital payments have become the norm for convenient and safe transactions while shopping in person and online.



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Demonstrating this trend, online payment gateway PayFast saw a 412% increase in transactions made with Masterpass between March 2020 and February 2021.

The company processed an 83% increase in total payment volumes and registered over 40,000 new merchant accounts since the start of lockdown last year, compared to the same period in 2019.

“Our data indicates that the appetite for businesses to move online hasn’t slowed down. Digital payments are increasingly becoming the standard for retail in our current climate, with almost seven million users on our payment engine over the past 12 months,” says Jonathan Smit, managing director and founder of PayFast.

Top-growing industries and categories

Some of the fastest new growth industries include online alcohol sales, bakeries with home delivery services, and e-commerce stores catering for pet supplies and jewellery, all of which have grown by between 1,000 and 3,000%. This is based on the number of transactions from new merchants who signed up and started transacting for the first time over the lockdown period, compared to the previous year.



“More of these businesses are selling online directly to their consumers. Lockdown restrictions demonstrated the limitations of using indirect distribution channels such as wholesalers, retailers and restaurants, when consumers were unable or unwilling to shop in physical stores,” says Smit.

Based on new accounts registered over the past year, the top growing industries include the food and baby sectors, which have been boosted by the stay-home economy. More traditional retail sectors, including clothing, beauty and homeware have also leveraged the power of online stores to retain customers during this time.

“Considering the growth we recorded last year, we are confident that we will continue to see the digitisation of payments across various industries including retail, professional services and e-commerce,” says Smit.



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PayFast also saw a 143% increase in mobile payments as more consumers shop online using their smartphones. “We’re seeing an increase in mobile payments processed through our payment engine across multiple payment methods including digital wallets that scan QR codes, instant EFT and card payments,” says Smit.

In 2019 PayFast became part of the DPO Group, spurring the growth of the largest African payment service provider. As South Africa’s leading online payment gateway, the company enables easy, secure and instant transactions helping online businesses succeed in the digital economy.

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