

Digital Wallets



Germany Edition

Beyond Financial Transactions

August 2024 Report



PYMNTS
INTELLIGENCE



Google Wallet

Digital Wallets Beyond Financial Transactions



Read more in
**Digital Wallets Beyond Transactions:
U.K. Edition**

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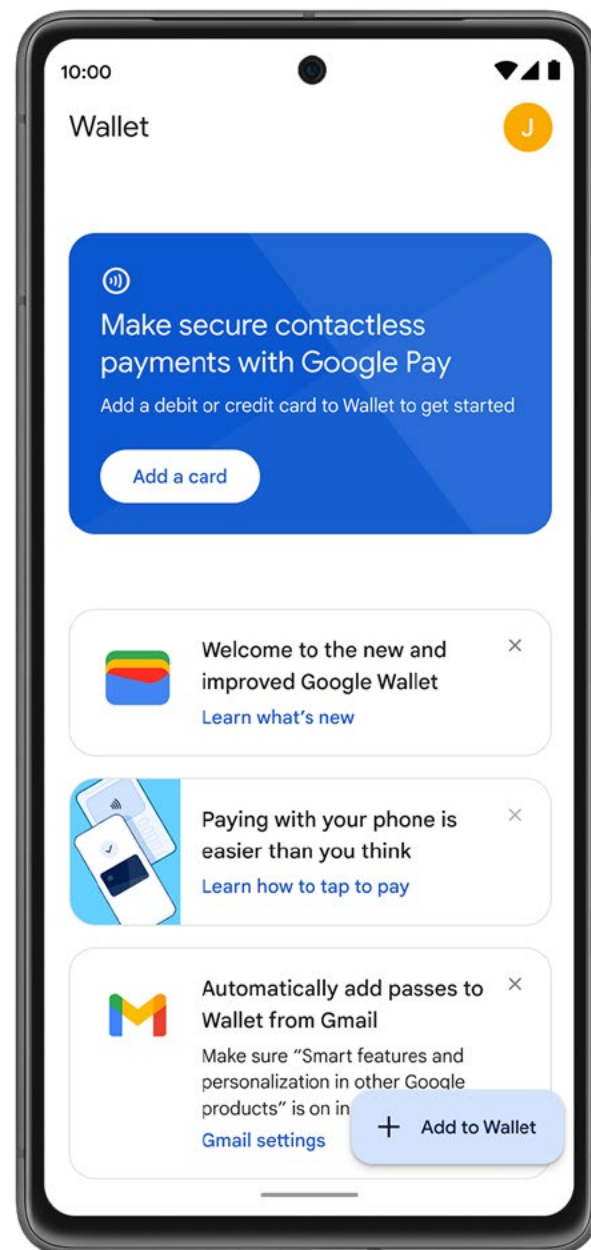


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Digital Wallets Beyond Financial Transactions: Germany Edition was produced in collaboration with Google Wallet, and PYMNTS Intelligence is grateful for the company's support and insight. PYMNTS Intelligence retains full editorial control over the following findings, methodology and data analysis.

WHAT'S AT STAKE



In Germany, digital wallets are primarily popular for online shopping and banking transactions, with just under half of the country's consumers (49%) having used digital wallets for online shopping in the last year. Digital wallets' ease of use and ability to be with consumers anywhere they would take a mobile device means digital wallets are uniquely positioned for additional usefulness, however, in situations beyond financial transactions.

Gen Z and millennial consumers in Germany are chiefly adopting these extended uses of digital wallets. For example, 23% of Gen Z and 15% of millennial consumers in the country used nonfinancial credentials stored in digital wal-

71% 

of consumers in Germany
**used a digital wallet in
some way in the last year.**

lets for travel and transportation uses, such as boarding passes. Though those shares indicate travel and transportation uses have not yet caught up to the popularity of online shopping, 65% of consumers in Germany who tried storing nonfinancial credentials in their digital wallets are very or extremely satisfied with the experience, meaning it may just be a matter of time.

These are just some of the findings detailed in Digital Wallets Beyond Transactions: Germany Edition, a PYMNTS Intelligence report produced in collaboration with Google Wallet. The third in its series, this Germany brief examines the use and potential of digital wallets among German consumers in the past year and draws on insights from a survey of 2,302 consumers in Germany conducted from Jan. 11 to Feb. 5.

Digital wallets can be used for...

DIGITAL PAYMENTS



Purchases

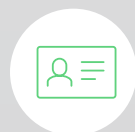


Bills



Fund transfers

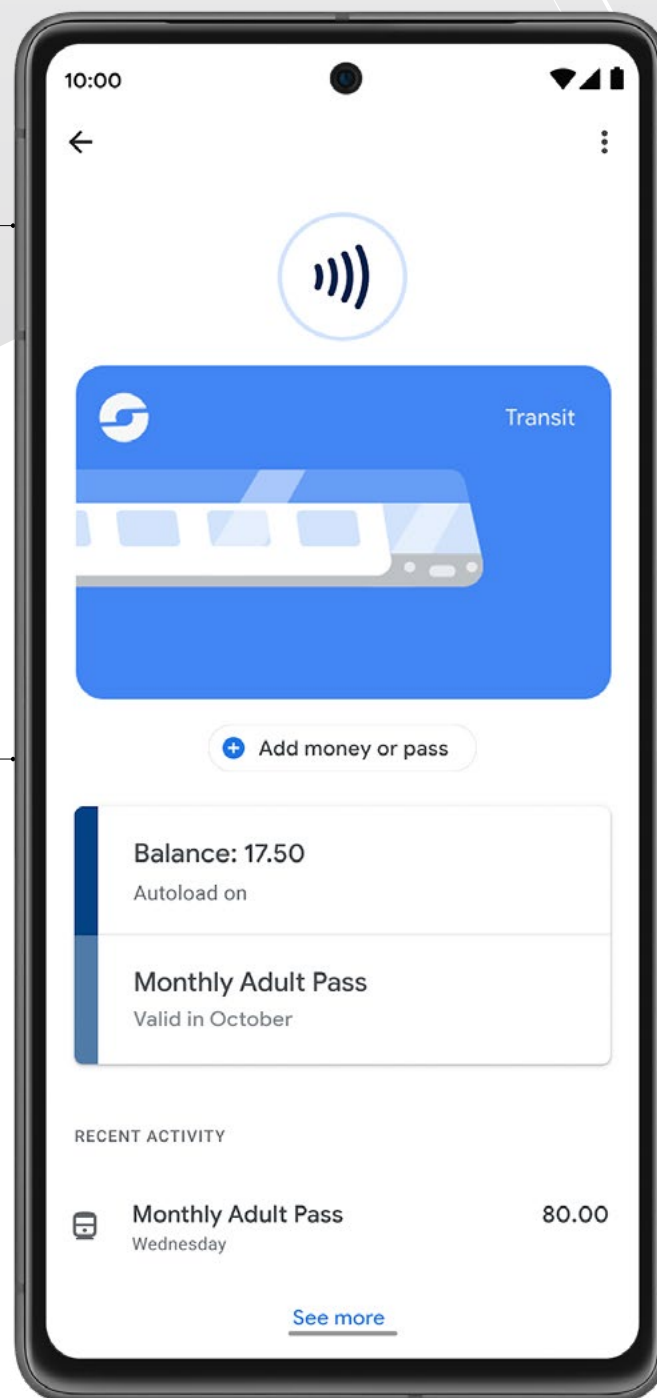
DIGITAL VERIFICATION



Driver's licenses
(where available)



Government IDs
(where available)



DIGITAL ACCESS



Keys
(car keys, hotel keys, etc.)



Transportation
passes or tickets



Event tickets



Boarding passes



Rewards cards

KEY FINDINGS

Nearly half of all consumers in Germany have used digital wallets for online shopping.

Data confirms that the most popular use of digital wallets for consumers in Germany has been for paying for online purchases. In the last year, nearly half of consumers in Germany have used digital wallets for online shopping. Digital wallets are also popular for paying bills online — around 1 in 3 local consumers have done so — but less so for making purchases in retail stores, where the share is around 1 in 5.

Using digital wallets for online purchases has caught on across generations. Interestingly, 47% of baby boomers and seniors have used digital wallets to complete online purchases in the past year — a rate higher than that of Gen Z consumers in Germany, 39% of whom have used digital wallets for this type of transaction.

FIGURE 1:**Digital wallet transaction popularity in Germany**

Share of consumers in Germany who carried out select types of financial transactions using digital wallets in the past year, by generation

	SAMPLE	Generation Z	Millennials	Generation X	Baby boomers and seniors
• Pay merchants for online purchases	48.9%	39.3%	52.3%	52.5%	46.6%
• Pay bills	34.0%	35.2%	39.1%	35.4%	29.1%
• Transfer funds to and from bank accounts	32.2%	39.6%	33.6%	32.6%	28.9%
• Pay merchants for in-store purchases	20.3%	21.0%	25.2%	21.9%	15.5%
• Send peer-to-peer payments	9.9%	11.6%	17.9%	10.8%	3.2%
• Split bills or payments	9.7%	15.5%	13.1%	10.1%	5.4%
• Tip a service provider (someone who gave me a ride, delivered a meal, etc.)	5.0%	16.9%	6.9%	4.3%	0.6%

Source: PYMNTS Intelligence

Digital Wallets Beyond Financial Transactions: Germany Edition, August 2024

N = 2,302; Complete responses for Germany, fielded Jan. 11, 2024 – Feb. 5, 2024

More than 1 in 5 Gen Z consumers in Germany have used digital wallets for traveling or transportation purposes.

Digital wallets are popular for online payments and banking among German consumers, but popular nontransactional digital wallet uses include event tickets, identity verification and transportation — particularly for Gen Z. In Germany, 10% of local consumers have tapped into their stored credentials for travel in the last year, such as when accessing a hotel room or transportation ticket, but that share rises to 23% among members of Gen Z.

As their older counterparts are less likely to take advantage of digital wallets’ nontransactional uses, the Gen Z and millennial penchant for using digital wallets in these ways reflects a similar trend to that found among their peers in Europe.

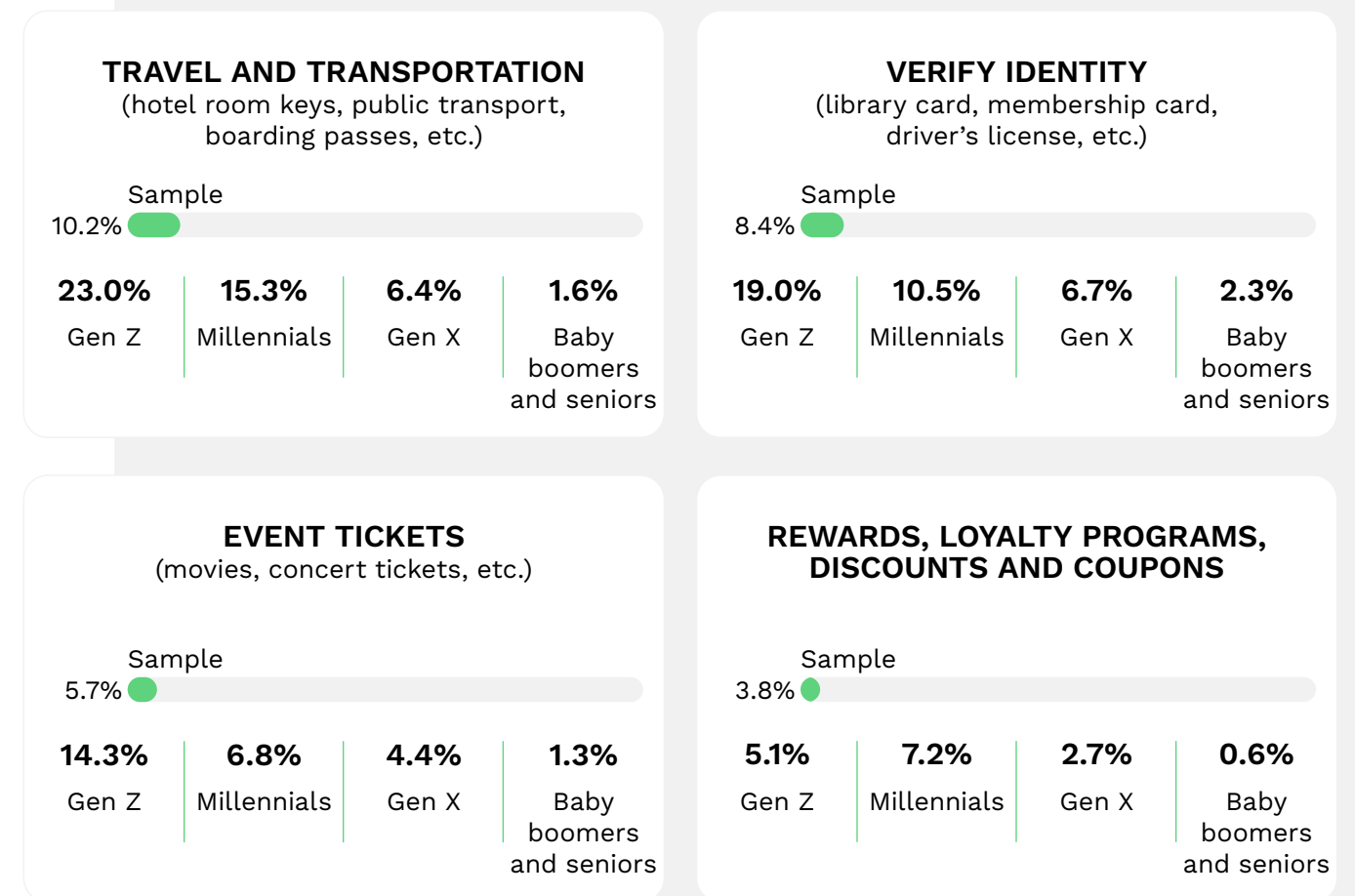
65%

of consumers in Germany were very or extremely satisfied with using a digital wallet in the last year for **accessing events or services or for ID.**

FIGURE 2:

Digital wallets to enter events or services

Share of consumers in Germany who have used their digitally stored credentials to access events or services in the past year, by generation



Source: PYMNTS Intelligence

Digital Wallets Beyond Financial Transactions: Germany Edition, August 2024

N = 2,302: Complete responses for Germany, fielded Jan. 11, 2024 – Feb. 5, 2024

Nearly 6 in 10 German consumers verified their identities in the last year, presenting an opportunity for digital wallet ID verification usage to evolve in the market.

In our study of markets around the world, Germany featured the lowest rate of consumers who had to verify their identities in the past year. Even so, 59% of consumers in Germany still had a need to show their IDs in the last year. For comparison, the average was 76% across all countries studied, with the high point the 82% of consumers in Brazil who needed to verify their identity.

When consumers in Germany did need to verify their identities, making a banking transaction proved to be the most popular reason for doing so; it was cited as a situation in which ID verification had been needed by 23% of consumers in the country.

As many ID verification checks can also be age checks, it may not surprise that Gen Z and millennial consumers verify their identities more frequently than other generations. In Germany,

24%

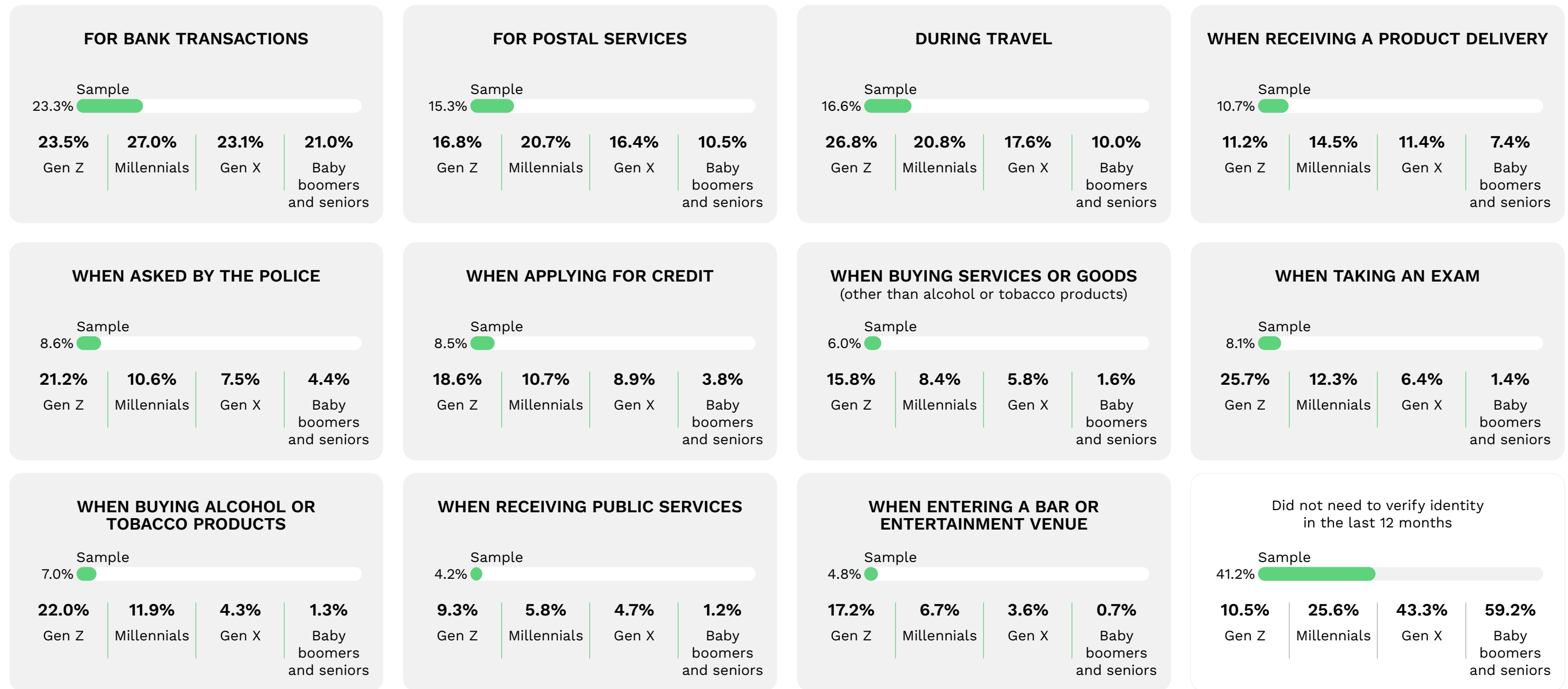
of German consumers say they are likely to use a **digital wallet to access event tickets** over the next three years.

the grand majority of Gen Z — 90% — have done so at least once in the last year. They also seem to live active lifestyles: Data shows that 27% of Germany's Gen Z consumers had reason to verify their identities or show access credentials while on the road, compared to just 17%, on average, for consumers in the country.

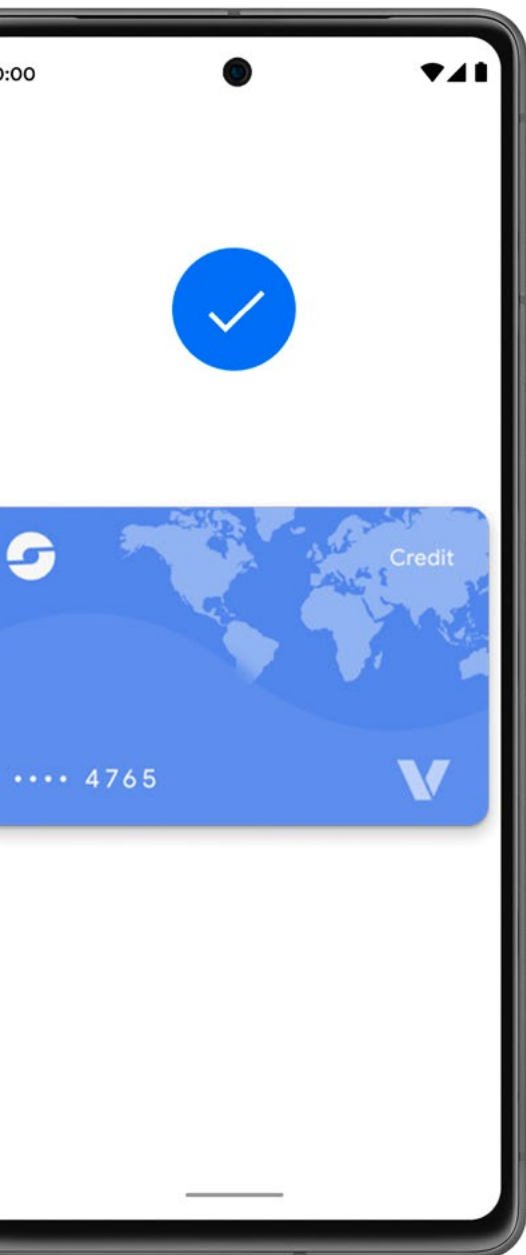
Conversely, 59% of the nation's baby boomers and seniors had no reason to ID themselves or present access credentials in the last year. Compared to the other markets analyzed, Germany stands out for its lesser need for identity verification. Taken altogether, the data suggests that there may be more opportunities to expand identity verification in the country for consumers of all ages.

FIGURE 3: **German consumers' identity needs**
 Share of consumers citing select situations in which they needed to verify their identities in the last year, by generation

Source: PYMNTS Intelligence
 Digital Wallets Beyond Financial Transactions: Germany Edition, August 2024
 N = 2,302: Complete responses for Germany, fielded Jan. 11, 2024 – Feb. 5, 2024



CONCLUSION



Digital wallet users in Germany are finding new uses for digital wallets beyond online shopping. Gen Z and millennial consumers in the country are setting an example by taking fuller advantage of digital wallets, particularly while traveling to access services or tickets. Compared to other markets studied, however, consumers in Germany have been slower to adopt digital wallets for identity verification, presenting an opportunity for expanding the usage of digital wallets. Overall, local consumers anticipate they will be using digital wallets for not just transactions, but also accessing event tickets over the coming three years.

METHODOLOGY

Digital Wallets Beyond Transactions: Germany Edition is based on a survey of 2,302 consumers in Germany conducted from Jan. 11 to Feb. 5. The report examines digital wallet use among consumers in Germany and its potential for future growth in the country. The sample was balanced based on the country's census data, including demographics such as income, age and education. In our complete sample, 53% of respondents identified as female, the average age was 46 years old and 32% were college-educated.

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ABOUT

PYMNTS INTELLIGENCE

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Google Wallet

Google Wallet gives you fast, secure access to your everyday essentials. Tap to pay everywhere Google Pay is accepted, use loyalty cards, board a flight, and more, all with just your phone. Keep everything protected in one place, no matter where you go.

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