

News Release

IMMEDIATE RELEASE

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TWO IN FIVE CONSUMERS IN SINGAPORE STILL USE CASH FOR EVERY-DAY SPENDING

- **Singaporeans less confident than global consumers to shop online, even if payment card details are stored safely on smart devices**

SINGAPORE, 11 February 2014 – The swipe is not yet replacing cha-ching at the cash register in Singapore as 40 percent of consumers say their preferred payment method for daily spending is paper rather than plastic, according to a recent study by Nielsen, a leading global provider of information and insights into what consumers watch and buy. Consumers in Singapore who prefer to pay with plastic instead of paper say their preferred form of payment for every-day purchasing is either with credit card (39%), debit card (14%) or prepaid card (2%).

According to Nielsen's Global Survey of Saving and Investment Strategies, which polled more than 30,000 Internet¹ respondents in 60 countries, cash is still king in other Southeast Asian countries such as the Philippines (74%), Thailand (68%), Vietnam (61%), Malaysia (60%) and Indonesia (51%). (See Chart 1).

"Reliance on cash payment is usually associated with lower GDP growth in developing economies even if alternatives (such as mobile payments) are readily available. Hence, educating consumers to increase reliance on other payment methods is particularly important in these countries in Southeast Asia." said **Luca Griseri**, Head of Financial Services, Nielsen Singapore and Malaysia. "There are opportunities to extend the usage of cash alternatives in Singapore, especially among consumers who rely more on cash payments (such as older consumers and less affluent consumers) for those transactions that are still predominantly paid for in cash."

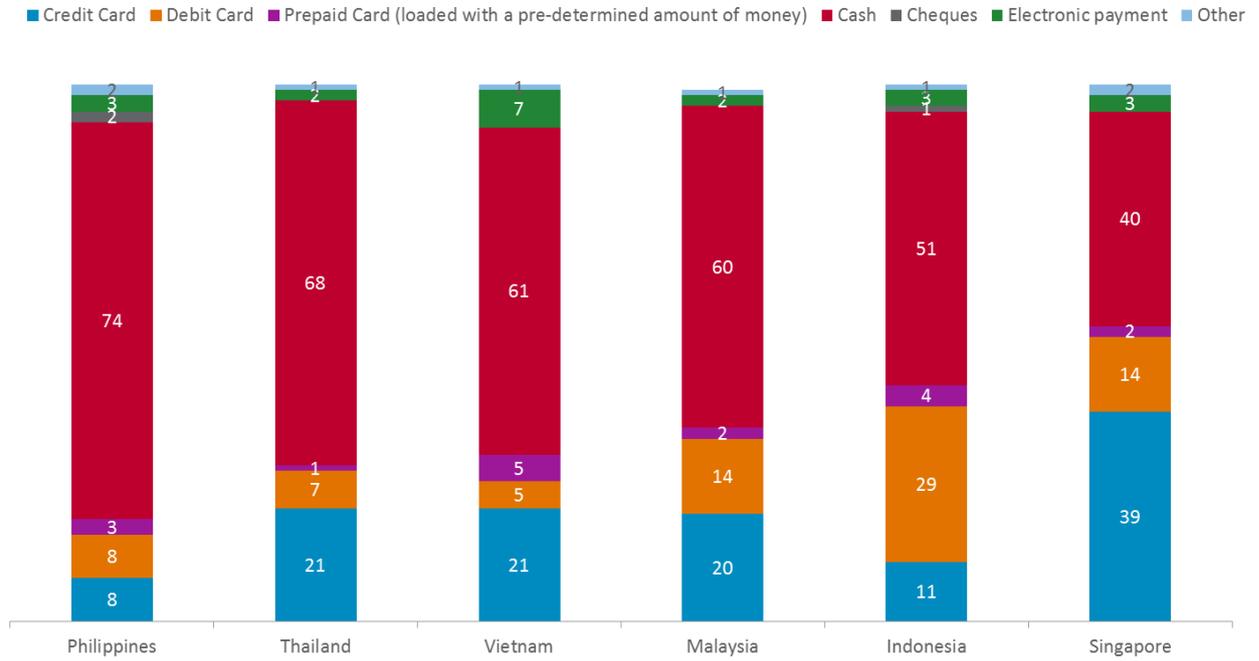
The credit card market has become more competitive as issuers attempt to drive usage of their cards for specific purposes. Nielsen's survey data shows that 41 percent of respondents around the world use one payment card on a regular basis, 33 percent use two, 11 percent use three and 16 percent use more than three cards. Consumers in Singapore use more than three cards more often as compared to consumers in the other countries in Southeast Asia. (See Chart 2).

“In Singapore, many options are available to consumers who want to pay without cash (such as contactless technology) but it is important to understand the barriers and reasons why many consumers in Singapore prefer cash over credit cards,” said Griseri.

When it comes to cyber-safety concerns, less than half of Singaporean respondents (49%) say they feel comfortable shopping online and using their payment card on either a smartphone or tablet device as long as their personal information is protected, which is lower than the global average (54%). Twenty two percent of Singaporean respondents is more hesitant, saying they may use their credit or debit cards for online payment, and 29 percent would not use their cards on either a smartphone or tablet. (See Chart 3).

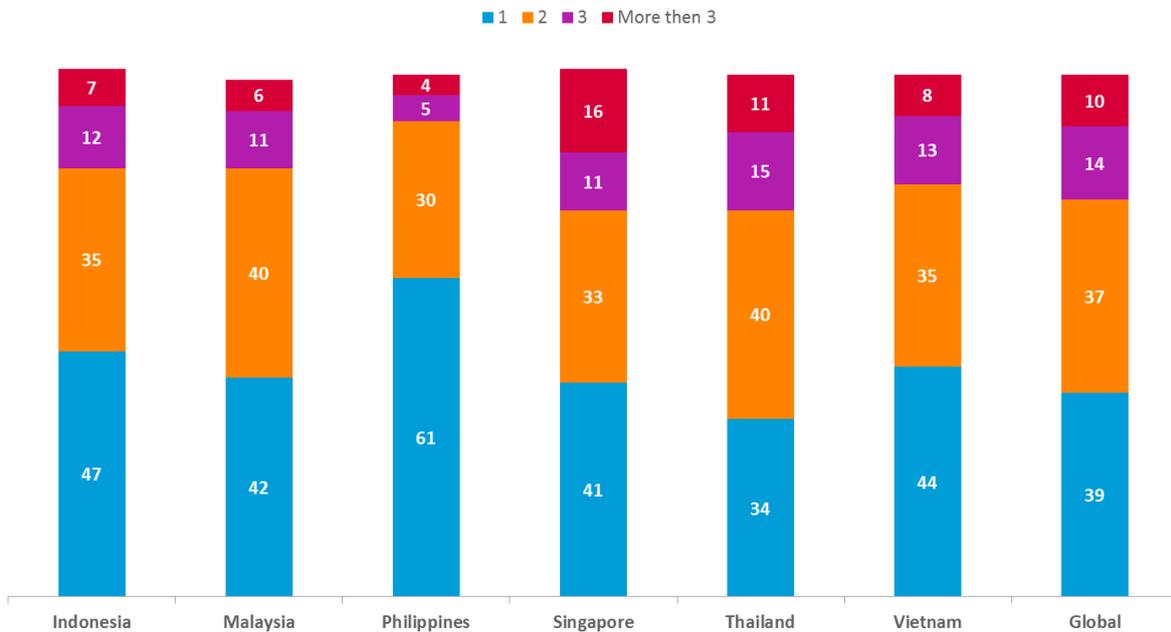
Griseri concludes: “Efforts to decrease reliance on cash in Singapore need to involve different agents to drive awareness and increase adoption of non-cash alternatives. Payment providers can educate consumers about the real costs of using cash and about safety and the benefits of using other payment alternatives. The government can educate citizens on using non-cash payment responsibly and contribute to the financial well-being of its citizens. Legislation and new technologies are equally important and the latest payment cards in Singapore are already provided with the more secure EMV technology as compared to the magnetic strip. Finally, the involvement of retailers at the point of sale is crucial for consumers to embrace cashless payment alternatives.”

Chart 1: Southeast Asian consumers most preferred payment vehicle



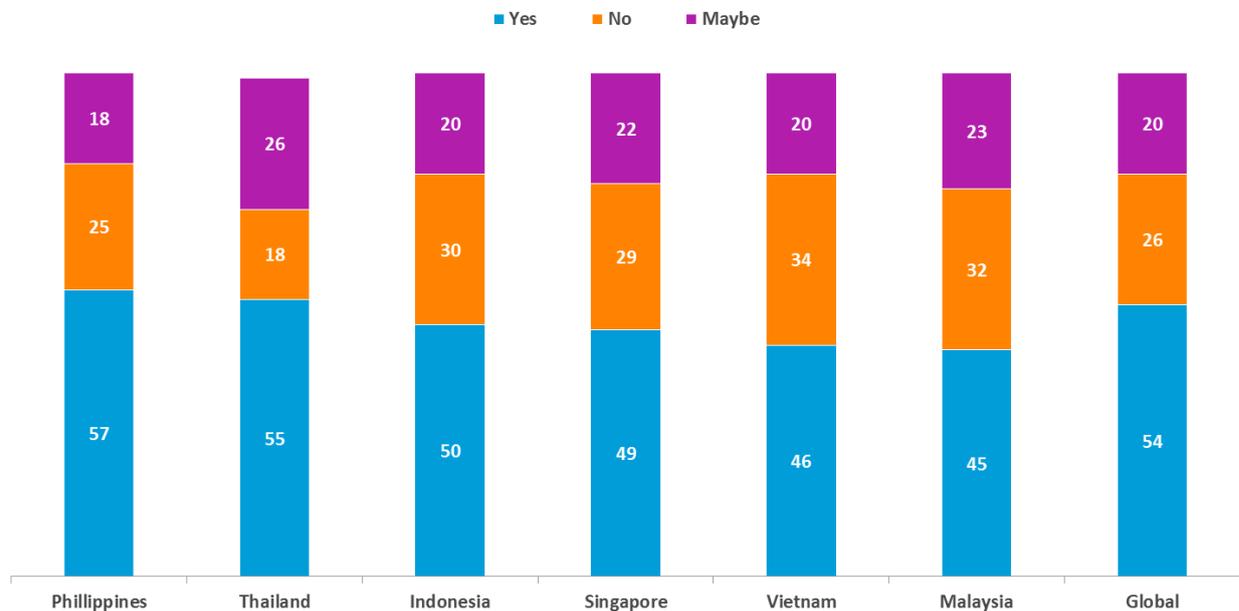
Source: Nielsen Global Survey of Saving and Investment Strategies, Q3 2013

Chart 2: Number of credit cards consumers use on a regular basis



Source: Nielsen Global Survey of Saving and Investment Strategies, Q3 2013

Chart 3: Would a consumer shop online using smart phone or tablet if their payment card details can be stored safely on the device?



Source: Nielsen Global Survey of Saving and Investment Strategies, Q3 2013

About the Nielsen Global Survey

The Nielsen Global Survey of Saving and Investment Strategies was conducted between August 14 and September 6, 2013, and polled more than 30,000 consumers in 60 countries throughout Asia-Pacific, Europe, Latin America, the Middle East, Africa and North America. In Singapore, the sample size is 502. The sample has quotas based on age and sex for each country based on their Internet users, is weighted to be representative of Internet consumers, and has a maximum margin of error of $\pm 0.6\%$. This Nielsen survey is based on the behaviour of respondents with online access only. Internet penetration rates vary by country. Nielsen uses a minimum reporting standard of 60 percent Internet penetration or 10M online population for survey inclusion. The Nielsen Global Survey, which includes the Global Consumer Confidence Survey, was established in 2005.

About Nielsen

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA, and Diemen, the Netherlands. For more information, visit www.nielsen.com.

While an online survey methodology allows for tremendous scale and global reach, it provides a perspective on the habits of existing Internet users, not total populations. In developing markets where online penetration has not reached majority potential, audiences may be younger and more affluent than the general population of that country. Additionally, survey responses are based on claimed behavior, rather than actual metered data.