

# Commercial Payments in Asia Pacific and Australasia: Regional Overview

April 2024

Table of Contents

## INTRODUCTION

Scope

Key summary

Why relevant for card operators, commercial banks, FinTechs and enterprises?

Dominance of electronic, low weight of card and still 18% of market digitalisation potential

Global overview of B2B payment trends available

## REGIONAL OVERVIEW IN ASIA PACIFIC AND AUSTRALASIA

Digital transformation initiatives driving growth of electronic and card payments

Card payment: Credit card dominates in Asia Pacific, while charge card controls Australasia

Operator shares in credit cards: Visa leads by value, thanks to high acceptance regionally

Intensive competition in issuer shares of credit and debit cards

Electronic growth supported by real-time payments, but constrained by limited rewards

Cashless initiatives expanded to B2B payments, but more financial education needed

Addressing different challenges and needs across three key segments of enterprises

Commercial growth in SEA and India benefiting from manufacturing relocation from China

Electronic transfer preferred in Asia Pacific, while company card is popular in Australasia

Digital transformation opportunities in beauty and personal care, apparel and retailing

## CHINA

Marginally growing commercial card payments in mainland China

Increased shares of Visa and Mastercard with market opening

Low application and usage of business debit cards in mainland China

China Merchants Bank promotes integrated solutions of cards and expense management

Growing adoption of electronic money orders\*, account transfers

## JAPAN

Commercial cards as a key tool to drive cashless commercial transactions in Japan

JCB and JEPPO challenge Visa and Mastercard in Japan

MUFG and SMBC lead in commercial card issuing in Japan

Credit card plays key role to support transformation into cashless economy

## SOUTHEAST ASIA

Southeast Asia (SEA) market value size for debit card to surpass charge card by 2028

China UnionPay and local card operators challenge dominance of Visa and Mastercard

Digital payment and Islamic bank cards challenge traditional cards

Electronic payments converting paper transactions into digital in SEA

## INDIA

Commercial card growth driven by business travel and credit access among MSMEs

Visa controls operator shares in India, while RuPay expands to challenge

Local banks dominate issuer shares, doubling down efforts to serve MSMEs

Government initiatives and digital transformation in business process push for cashless

## AUSTRALIA

Charge cards preferred in Australia, driven by cash flow needs and spending capacity

Dominance of American Express expanded by initiatives and acquirer partnerships

High-value transactions and SMEs maintain growth in electronic payments

## KEY TAKEAWAYS

Key summary

## APPENDIX

JCB's four key commercial credit cards for corporates and SME business owners

Key examples of international card operators in Southeast Asia (SEA)

Key examples of local card operators in SEA

Most fleet cards operated and classified as charge cards in SEA

Key examples of Islamic cards in Malaysia

Key definitions in commercial payments (1)

Key definitions in commercial payments (2)

Key definitions in commercial payments (3)

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About Voice of the Industry

Voice of the Industry survey respondent profile

Defined consulting frameworks to support our payment solutions

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