

re:Imagine payments

# What's Next for Digital Payments in the Middle East and North Africa

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Everything we do at Amazon—from our online stores and seller support network to Amazon Payments Services solutions—is done to make our customers’ lives better. We take seriously our commitment to make better, do better, and be better for our customers, employees, partners, and the world at large.

For over 25 years, Amazon has been consistently innovating to benefit merchants, sellers, and customers. In the Middle East and North Africa (MENA) region, we bring together our global expertise with local insights to drive meaningful innovation in all areas of our business, including online stores, operations, devices, advertising, cloud services, and payments.

The region is brimming with potential, and the retail industry is thriving, with more and more businesses turning to online retail to reach consumers. As a result, the digital payments industry is anticipated to nearly double in size across MENA’s three countries of UAE, KSA, and Egypt by 2023, we expect to see local businesses flourish more than ever in that space.

Multiple government initiatives across countries like the UAE, Saudi Arabia, and Egypt are working to provide options and potentially become cashless societies—at different rates, of course. The vision, however, is set. We are witnessing a strong financial technology

(fintech) boom driven by a young and tech-savvy population. Businesses, fintech entities, and governments are collaborating to push change and reimagine digital payments for the consumers of today and tomorrow.

Together, we are on this exciting cusp of transformation, investing in this journey, and figuring out where it will take us next. Amazon Payment Services’ re:Imagine Payments forum was launched as a means to offer merchants a way to share information and research, learning from each other in the process. This was the intention behind sponsoring the “What’s Next for Digital Payments in the Middle East and North Africa” white paper – to share information that might help those in the industry with their decisions.

The white paper’s insights highlight important trends currently shaping the payments industry, and we hope it will enable meaningful, customer-focused and transformative conversations, which is in line with our customer-obsessed philosophy.



### **Ronaldo Mouchawar**

*Vice President of Amazon Middle East and North Africa (MENA)*



We are proud to sponsor the “What's Next for Digital Payments in the Middle East and North Africa” white paper as part of our new re:Imagine Payments forum engagements. This research, led by prominent agencies including Euromonitor International (EMI) and Sixth Factor Consulting, discusses factors shaping the retail sector and provides insights on digital payment trends across the United Arab Emirates, Saudi Arabia, and Egypt. With this information, merchants can pivot to address the rapidly changing needs of their customers and achieve strong, healthy, and sustainable growth.

Knowledge-sharing is crucial to promoting growth and innovation in an environment where payments technology is evolving faster than ever. Independent from, but in parallel to the publication of the white paper, Amazon Payment Services have launched our 're:Imagine Payments' forum, which is intended to create a space for existing and potential partners to engage, explore and establish new solutions together, thereby contributing to the development of enhanced digital experiences.

The “What's Next for Digital Payments in the Middle East and North Africa” white paper dives into an array of pertinent topics, including the demographics of those driving certain changes in payment methods; maturity levels of different payment methods across the United Arab Emirates, Saudi Arabia, and Egypt; major shifts impacting local markets, including the demand for instant payments, expansions in digital banking, and efforts to increase financial inclusion; and how knowledge sharing is driving innovation regionally.

We share our knowledge and research to help inform merchants with information that might be useful to their business. We look forward to continuing to engage with the rest of the regional community through our re:Imagine Payments forum.



### **Peter George**

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**The digital payments industry is becoming more intricate and complex**, with innovative adjacent services complementing the digital payments landscape. This is placing extraordinary pressure on traditional payment facilitators, such as banks, to adapt in the face of this rapid transformation. In response, banks are either competing, partnering or merging with fintech firms to upgrade their technological capabilities and capture a larger share of payment-adjacent value pools that facilitate easier electronic purchasing for customers.

**The rise in instant payments and person-to-person (P2P) transfers is a good example of fintech firms capitalising on missed opportunities by banks.**

Estimates of segment share may be incomplete and unreliable and/or may not include a full set of substitutable products.