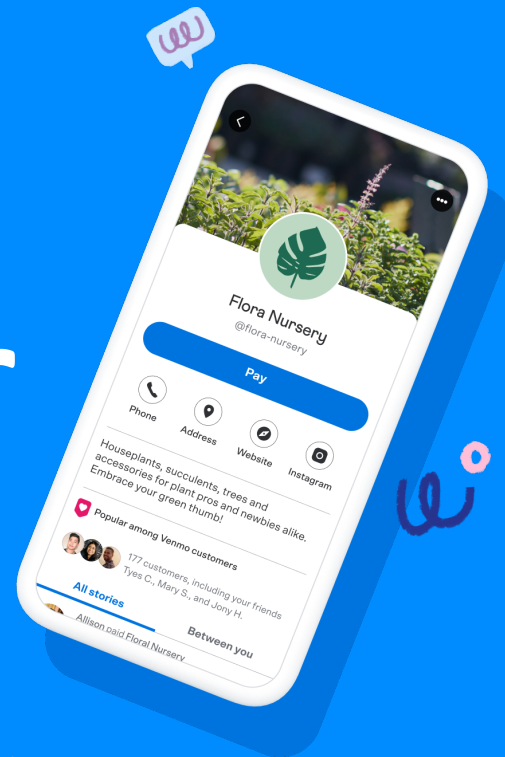




Venmo Behavior Study



The Venmo Behavior Study explores valuable insights for merchants to consider to reach a broader audience including Venmo customers' financial habits, purchasing behaviors and perceptions of Venmo as a payments tool.

Executive Summary

2020 has completely upended every facet of life including the shift from in-store commerce to digital commerce.

During the month of October 2020, Venmo surveyed 2,217 U.S. Venmo customers to gain a firsthand account of consumers' new reality including their financial habits, new purchase and shopping behaviors and their perception of Venmo as a payments tool. The data includes valuable insights for merchants to consider, such as consumer interest in paying with Venmo at checkout. These insights will help merchants as they seek to reach Venmo's 65M+ customer base and stay competitive.



A Behind the Scenes Look at the Venmo Customer

- **Who are Venmo customers?** Venmo skews younger and more affluent.
- **Generosity:** Venmo is used regularly for tipping individuals across different industries and is the preferred tipping method after cash and cards when paying for a service. 93% of Venmo customers have tipped individuals in the past 6 months, while 83% report engaging in a tipping activity monthly. Food, drink and beauty services are the most common tipping venues.



Spending Continues Its Shift to Digital and Social Channels

- **Social commerce:** Social shopping will continue to see momentum as consumers value convenience and more brands meet them where they spend time. 53% of Venmo customers report spending more time on social media and most Venmo customers expect to continue their current usage level of social platforms over the next 6 months.
- **Online purchasing:** 65% of Venmo customers have increased their online purchasing behavior while 65% reduced their in-store habits.



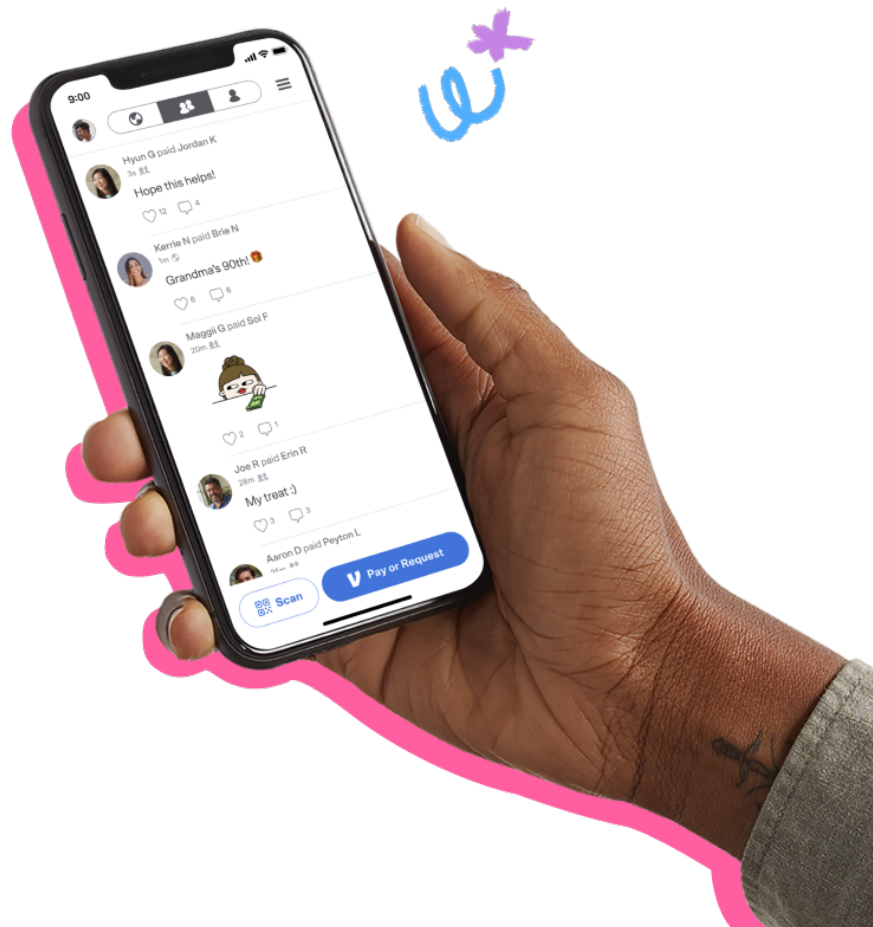
Consumers Want to Pay with Venmo When Checking Out with Merchants

- **Paying with Venmo demand:** Venmo customers express overwhelming interest to pay with Venmo at merchants if presented the option. 47% of customers are interested in paying with Venmo if offered.
- **Brand trust reigns supreme:** 89% of customers prefer to pay with Venmo because they trust the brand, it's easy to use and because it allows them to split transactions.



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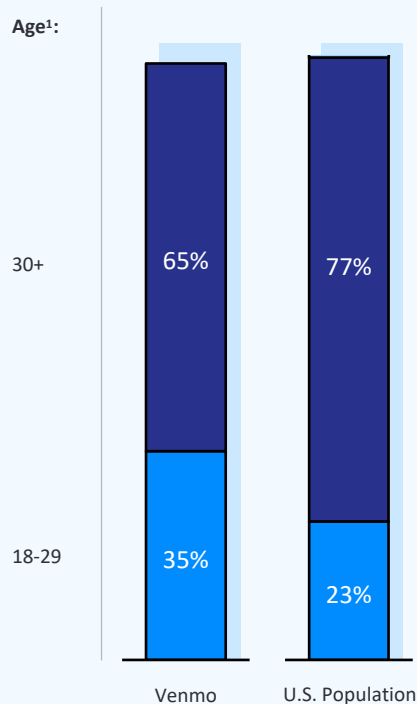
01 Venmo Customers and Financial Habits



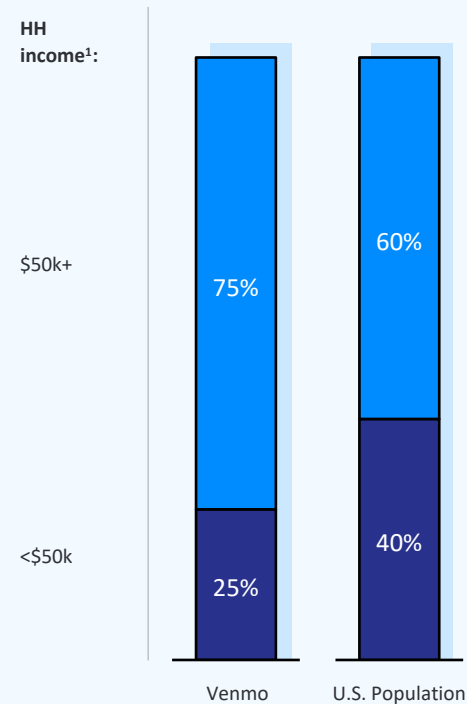
Who are Venmo customers?

- Venmo skews younger and more affluent
- Venmo's base is highly educated: 67% of customers have a bachelor's or higher degree versus 32% across the US
- 37% of Venmo customers have a child or teenager in their household

Venmo skews younger

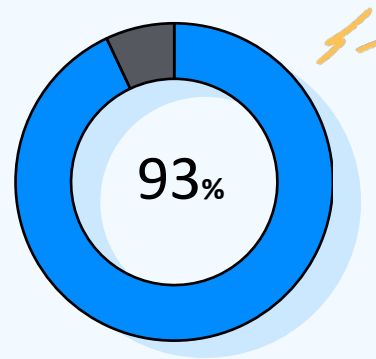


Venmo customers are more affluent



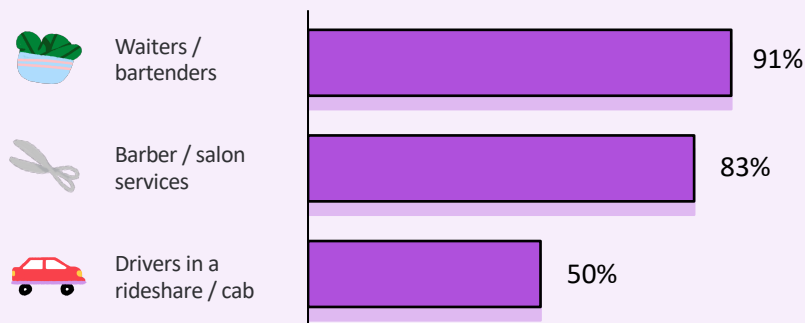
Venmo continues to be a place to spread generosity 🍷

- **93% of Venmo customers have tipped individuals** in the past 6 months, while **83% engage in a tipping** activity monthly. Individuals in the food, drink and beauty industries are the most common recipients.
- Venmo is the most preferred tipping method to Venmo customers after cash and cards when paying for a service.

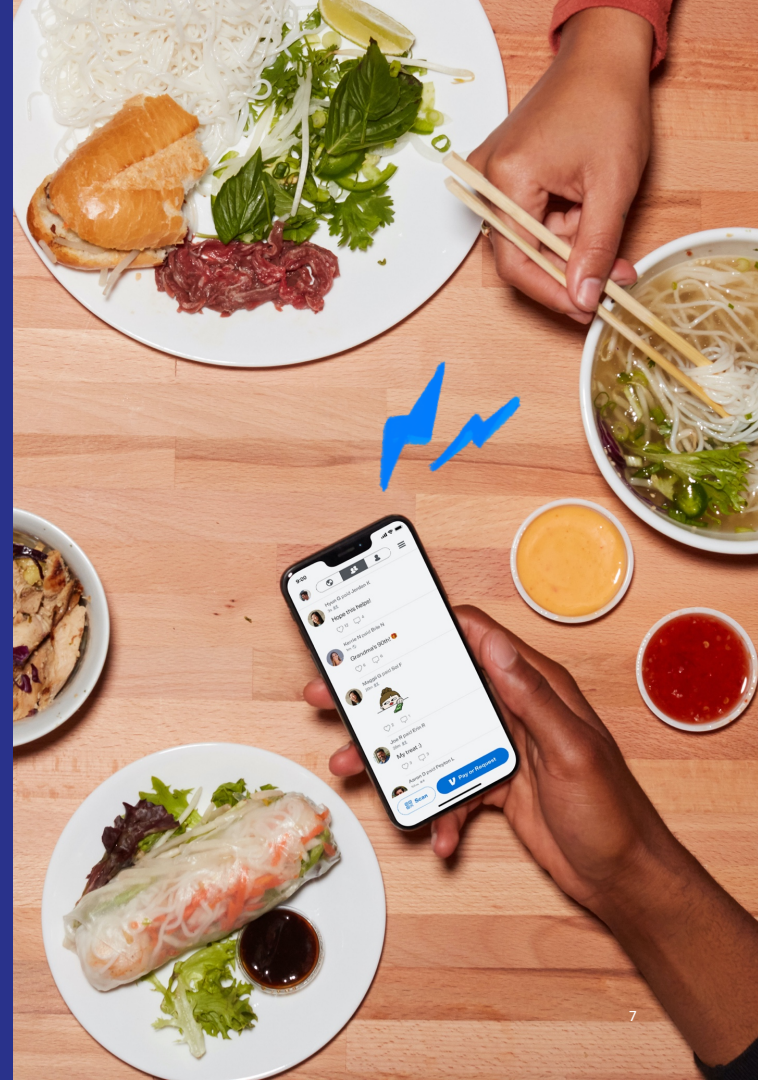


Venmo customers who have tipped in the past 6 months

Q: Which of the following categories do you typically tip for? Select all that apply | % respondents



02 Purchase and Other Behaviors



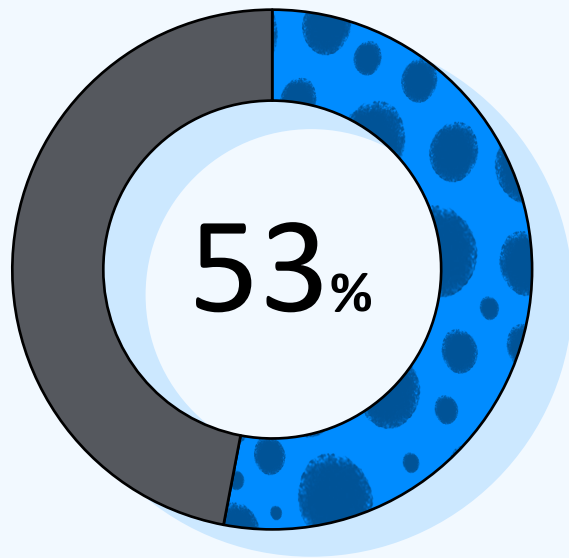
Social Commerce will continue to rise as consumers value convenience and more brands meet them where they spend time



53% of Venmo customers report spending more time on social media since the start of the pandemic and 34% indicate their social media usage has not changed.



Facebook and Instagram are some of the primary social platforms used today – most **Venmo customers expect to continue their current usage level of social platforms** over the next 6 months.



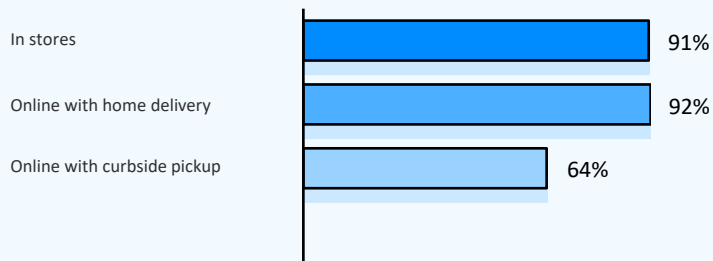
% of Venmo customers spending more time on social media since the start of the pandemic

Venmo customers are accustomed to buying online and these purchasing behaviors will continue to grow

- Online purchasing with delivery or pickup experienced highest growth; while in store and online deliveries are most frequently used.
- 92%+ of customers have purchased at least 1 item online over the past 6 months.
- 65% of Venmo customers claimed to have increased their online purchasing behavior while 65% reduced their in-store habits.
- Online purchasing is most prominent in fashion retail, followed by food/drinks delivery (48%), health and beauty products (46%), electronics (44%), gifts (39%), groceries (39%).



Q: In which of the following setups did you purchase items of any category in the past 6 months? Select all that apply | % of respondents



Q: Which of the following categories did you purchase items for ONLINE in the past 6 months? Select top 3 | % of respondents

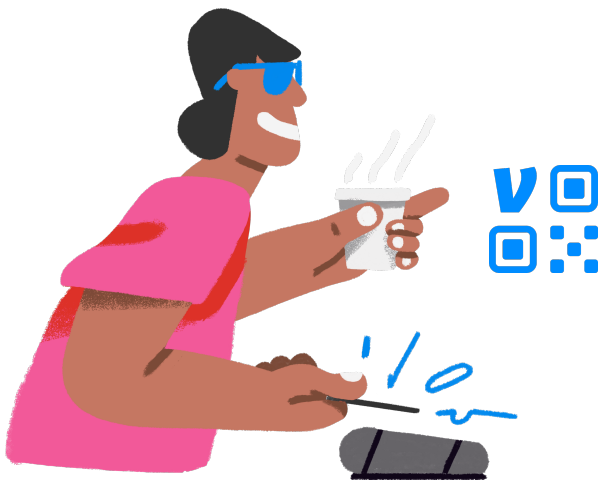


* Includes top 6 categories.

03 Demand for Paying with Venmo



Consumers want to pay with Venmo when checking out with merchants



Interested in paying with Venmo if offered on a merchant's site.

47%

Of customers

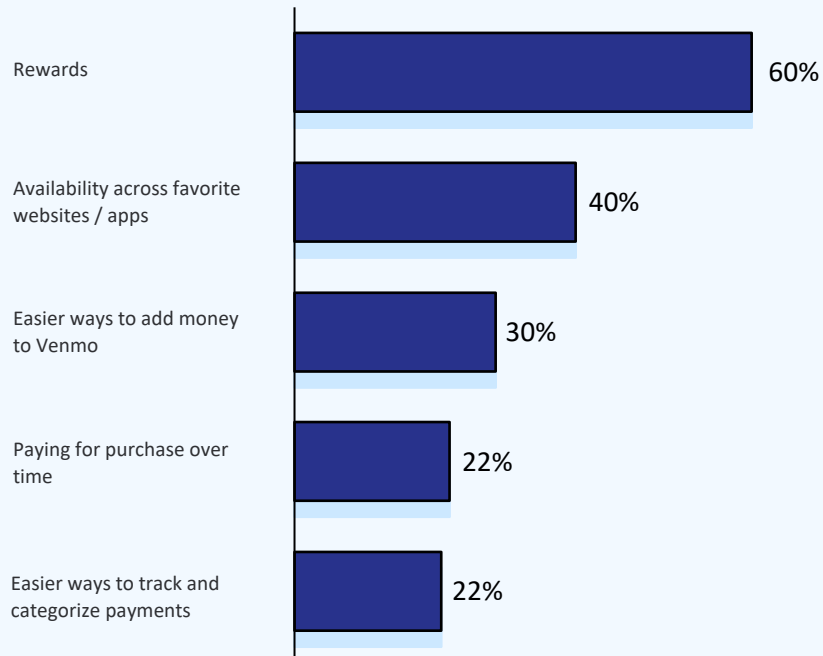


Consumers showed an interest in rewards

60% of respondents indicated they would be more likely to use Venmo as a payment method if rewards were offered.



Q: Which of the following would make you more likely to use Venmo as a payment method? Rank top 3 | % of respondents



* Includes top 5 categories.

Consumers value brand trust and ease of use

When presented the option, 89% of consumers prefer to pay with Venmo because they trust the brand, its ease of use, and the ability to split transactions with friends.

This is especially true for fashion retailers and merchants in everyday spend categories, which consumers ranked as categories for which they are most likely to use Venmo as a payment method.

By offering Venmo as a payment option, merchants open their services to an audience of 65M+ consumers already on Venmo.

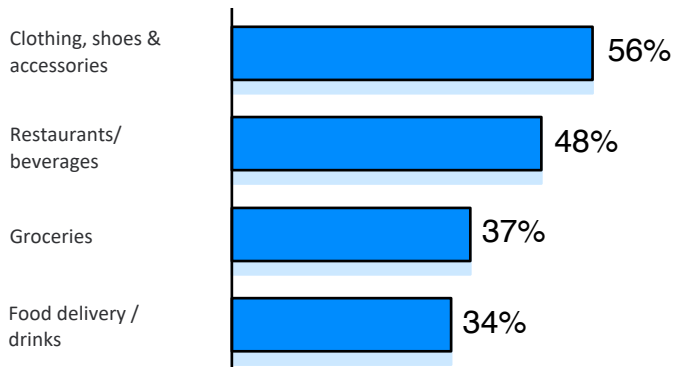
89%

of consumers prefer to pay with Venmo because they trust the brand, it's ease of use and because it allows them to split transactions.

Q: For what purchase categories are you most likely to use Venmo as a payment method?

Rank top 3 | % of respondents

* Includes top 4 categories.





Methodology

Venmo issued its first study on consumer behavioral changes since the COVID-19 pandemic started.

In October 2020, we surveyed 2,217 U.S. Venmo customers to gain a firsthand, real-time account of how their demographic, financial and purchase behaviors have changed over time and how Venmo can help them adapt to the new normal.

Survey was administered through Focus Vision. Responses are weighted to ensure representation of the Venmo population by age, income and regional distribution across the U.S.