

We're a strong believer in the potential of blockchain as a technology. We believe the digitization of currency is only a matter of when, not if, says PayPal CEO Dan Schulman

The coronavirus [pandemic](#) will permanently change consumer behavior in favor of digital in India, as it has done globally, [PayPal CEO](#) Dan Schulman told ET's Ashwin Manikandan in an exclusive interview. Excerpts:

How do you anticipate the global and Indian payments landscape emerging in a post-coronavirus world?

Prior to the Covid-19 pandemic, we were already on a long-term path to a mostly cashless society, but the events of the last several months have expedited the timeline significantly... we're at a critical inflection point for mass consumer adoption of [digital payments](#).

The Covid-19 crisis is evolving into three phases. It started off as a health crisis. And it's still that, but then it moved rapidly to an economic crisis. But now it's morphing into a psychological crisis as well. People are redefining how they think about things they used to do every day, thinking about what the new normal is going to look like. This is resulting in an immense shift from physical to digital.

India's digital payments landscape has been incredibly competitive with the entry of Facebook, Walmart and Amazon. How do you plan to get a share of the pie?

We are very well-positioned. Some of our key competitive advantages include our two-sided network, which has grown significantly in the last several years to more than 325 million accounts, including more than 25 million merchant accounts.

In addition, over the past couple of years, we've partnered closely with Google and Facebook to offer seamless payment experiences for our mutual customers. Given the current environment, we expect a rapid acceleration towards e-commerce, which is clearly a tailwind, and we are prioritising initiatives that will help us take advantage of these trends.

There are discussions over regulation of cryptocurrency and digital currencies across the world. [PayPal](#) was earlier part of Libra. What is the view now?

We're a strong believer in the potential of [blockchain](#) as a technology. In fact, we recently established a blockchain research group within our innovation lab, meant to build our own perspective on blockchain technology itself and how it can help us contribute to the concept of creating an open digital payments platform that can serve everyone.

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ET Q&A **DAN SCHULMAN**
CEO & PRESIDENT, PAYPAL

Digital Payments Adoption Gets a Pandemic Push

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going to be digitised and has to be supported not only by players like us but also *merchant accounts.* ” supported by governments and regulators. Most importantly, they have to be adopted by consumers. If consumers don't adopt this and feel safe, secure and convenient in using digital currency it'll never be a big thing.

How has the coronavirus impacted international remittance flows, where India is among the biggest inward remittance markets?

In light of Covid-19, people are more reluctant to enter physical locations to send money and the same applies to the recipient. In India, we saw that in April within our US-India corridor, our customers were sending money more frequently.

PayPal is a big player in enabling cross-border trade for small Indian businesses. What's the outlook on this business given the macroeconomic and geopolitical concerns?

India is home to more than 75 million MSME businesses and they contribute 30% towards the GDP. This makes them one of the key drivers in enabling India to become a \$5 trillion economy by 2024. Cross-border trade empowers small businesses with scale as it enables an expanded customer base, opening doors to international markets.

One in three business-to-consumer exports from India is processed through PayPal. The democratization of trade will lead to positive development, inclusion and growth implications.

How has the pandemic affected your plans for employees in India?

Our India technology centres are PayPal's largest centres outside of the US, and our technologists in India are at the forefront of PayPal's top innovations, including AI and blockchain.

We have launched two innovation labs in our centres in Chennai and Bengaluru. The labs serve as a platform to let employees explore and nurture their interest in developing cutting-edge products and promote innovation... we made a comprehensive commitment to support all of our employees' financial wellness, not just for this year but for the years ahead, to ensure they are paid a living wage. Additionally, all employees, including those in India, are now shareholders of PayPal and have access to a number of financial and wellness programmes.

<https://tech.economictimes.indiatimes.com/news/internet/covid-19-pandemic-will-drive-adoption-of-digital-payments-paypal-ceo/76844717>

<https://newsroom.in.paypal-corp.com/news?item=122598>