

# PayPal brings softPOS to European small businesses through Zettle

## Article

**The news:** PayPal's small-business point-of-sale (POS) brand, Zettle, launched a software POS (softPOS) solution for merchants in the Netherlands, the UK, and Sweden, per a press release.

**Here's how it works:** Tap to Pay with Zettle lets small businesses accept payments from contactless cards and mobile wallets with their Android devices. Merchants need to download

the Zettle Go app and sign up for the service through the app or from their PayPal business account. PayPal plans to bring Zettle's softPOS product to other markets soon.

**Why it's worth watching:** SoftPOS lets merchants accept contactless payments with hardware they already own—so they can meet evolving consumer payment habits without additional hardware costs.

- **Digital payments are replacing cash.** Last year, the share of **POS payments made with cash dropped 5.1%** year over year (YoY) in Europe, [per](#) FIS, absorbed by cards and other digital payment methods. And 59% of global small businesses said they are already cashless or plan to only accept digital payments within the next two years, [per](#) Visa.
- **Contactless transactions are growing more popular.** The number of proximity mobile payment users is gaining steam and will hit 1.345 billion globally in 2022—up from 1.277 billion last year, [per](#) Insider Intelligence forecasts. The pandemic fueled much of the shift to contactless, and consumers likely won't shake the habit: 65% of respondents said they'd prefer to use contactless payments as much or more than they currently are, [per](#) a 2021 Visa survey.

**PayPal's opportunity:** Tap to Pay with Zettle can help PayPal make deeper in-store payments inroads.

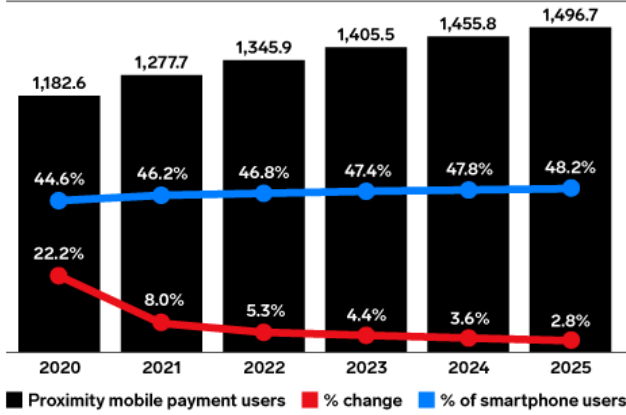
PayPal already has a strong online payments presence, but it's been ramping up efforts to capture more in-person volume as in-store retail revs back up. **Non-ecommerce retail sales are expected to account for 84.1% of total retail sales in the EU-5 in 2022**, [per](#) Insider Intelligence forecasts.

Last year, PayPal [partnered](#) with payment processor **Euronet** to offer PayPal's QR code payments to in-store customers in Germany and potentially other European markets. But Zettle's softPOS solution offers a more direct way for PayPal to capture in-person payments and grow its overall transaction volume, which [hit](#) \$323.0 billion in Q1. Tap to Pay with Zettle can also help PayPal compete with providers like [Adyen](#) and **SumUp**, which both offer similar POS solutions for small businesses.

**Go deeper:** Check out the "[Small-Business Payment Disruptors](#)" report to learn more about how providers are serving small businesses' point-of-sale needs.

## Proximity Mobile Payment Users Worldwide, 2020-2025

millions, % change, and % of smartphone users



Note: ages 14+; mobile phone users who have made at least one proximity mobile payment transaction in the past six months; includes point-of-sale transactions made by using mobile phones as a payment method; excludes transactions made via tablet  
Source: Insider Intelligence, July 2021

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InsiderIntelligence.com