

Our Correspondent

Consumers prefer paymentcards over cash: Visa's survey

KARACHI: Majority of the banked users in Pakistan find plastic payment cards more secure than cash due to security perception as businesses and consumers are becoming more digital, a payments technology company Visa found in a survey.

“Among surveyed respondents, 56 percent of consumers find cards to be more secure than cash overall. The factors driving the security perception of cards include risk of theft when carrying cash (48pc), swift resolution of security issues (45pc), and cards are always replaceable in case of loss (44pc),” Visa said in a statement about the survey’s findings on Monday.

Visa surveyed consumers across the country to study their experiences, attitudes and behaviors when shopping in-store and online. Total 610 people from Karachi, Lahore, Islamabad/Rawalpindi participated in the survey conducted in February this year.

The survey also examined consumers’ security perceptions of online transactions with 76 percent of respondents who said they trust online payments with cards. Among current online shoppers, the trust level for making online payments through card is high (94pc), while among current non-online shoppers, the trust level for card is comparatively lower (54pc).

“Consumers prefer card payments over cash when shopping online because they feel that card is safer than cash (53pc). They perceive cards to be safe and secure way to pay (50pc), and they see digital payments as the only mode of payment accepted by online merchants (45pc),” Visa said in the statement. “The most common type of cards used by online shoppers is debit cards (64pc), followed by credit cards (55pc), and prepaid cards (6pc).”

The survey found that cards are the preferred online payment method for half of respondents, while 42 percent preferred to pay cash on delivery.

Eight five percent of respondents said they are likely to be more open to making online payments using their card if they had the guarantee that their data is secure. Eighty eight percent said they would do so if they were assured of quick refund.

The survey found that 32 percent of respondents were aware of quick response (QR) payments and 18 percent have used it. The main drivers for the usage of QR payments are security perceptions (58pc), speed of payments (50pc), and convenience (48pc). “Factors such as more education on the usage of QR payments and reassurance from bank on its security aspects are required to elevate consumers’ interest in adopting QR payments.”

The survey found that majority of online shoppers (52pc) prefer to shop from well-known ecommerce sites, while 55 percent preferred to shop from domestic sites over international ecommerce sites driven by factors, such as convenience, faster delivery time, efficient after sale service and refund/return policies. Consumers mostly purchase clothes, restaurant orders, groceries, and electronic goods when shopping online, according to the survey.