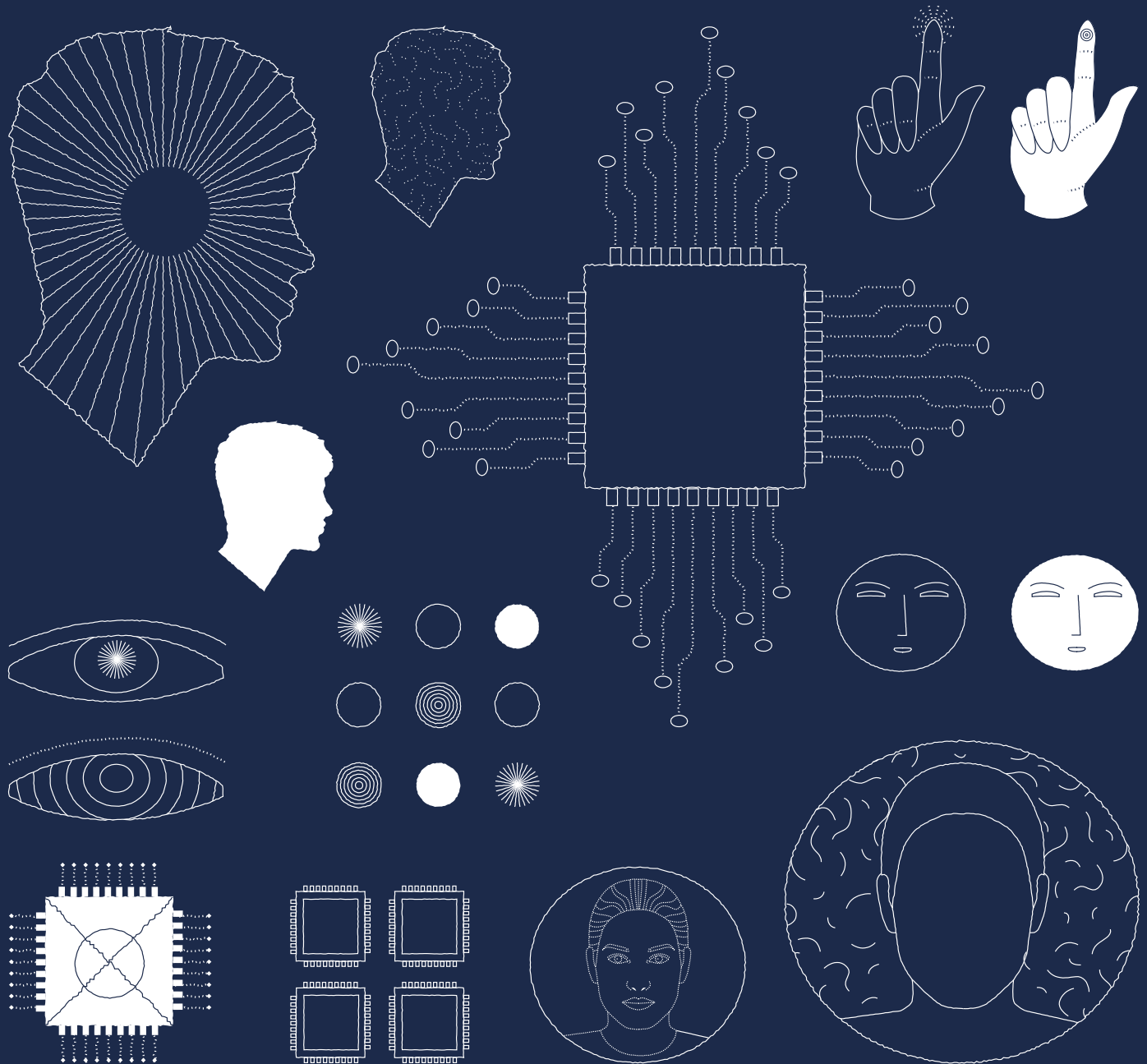


Security vs. convenience in the payment experience

What matters most to online shoppers?



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Balancing security and convenience

With Strong Customer Authentication (SCA) coming into force on 14 September 2019 as the final part of PSD2, many online businesses are required to add additional security measures to large parts of their online payment experience.

Key goals of SCA include reducing payment fraud and creating a safer payment experience for the customer.

But to what extent will consumers embrace the changes or reject them in the form of abandoning a transaction? In short...:

What matters the most customers, security or convenience?

While the two factors are independent of one another, in reality, there is often a tradeoff where heightened security means reduced convenience and vice versa. Will customers stand for heightened security measures if it makes it more complicated to complete a transaction?

We surveyed 4,000 customers across the UK, France, Germany and Spain about their attitudes to both security and convenience when shopping online. We also asked them questions on feelings about certain specific elements of the new SCA requirements, and how increased security at checkout would influence their buying behaviour.

Methodology

This report focuses on shoppers' attitudes to both security and convenience when making purchases online.

We surveyed 4,000 people distributed evenly across the United Kingdom, France, Germany and Spain.

The figures have been weighted and are representative of each individual market's adults (aged 18+). All surveys were carried out across May and June 2019.

Key insights

Online shoppers are torn between security and convenience

Across all four countries we surveyed, security was deemed more important than convenience, but in some markets, the difference was small. The attitudes towards security and convenience were most evenly split in the UK, with 55% choosing security, while France had the greatest preference for security (62%).

...but many are suspicious of additional security steps

Despite the UK's slight preference for security during the online payment experience, only 40% of those surveyed said they would feel more secure with more complex security procedures - in fact, as many said that extra security steps would make them feel suspicious, while French and Spanish respondents are more likely to feel suspicious (46% and 41%, respectively).

In Germany, respondents were most likely to feel secure (45%) when faced with complex security procedures.

Biometric information is the least appealing authorisation method

While all four markets were generally comfortable with the idea of providing the security information that may well be necessary for certain transactions under new SCA requirements, biometric information (e.g. a fingerprint) was the greatest cause for concern, with only 45% of Spanish shoppers and 49% of French shoppers feeling comfortable with it.

Shoppers are prone to abandoning a complex payment process

When those surveyed were asked about previous shopping habits, a significant number reported that they had abandoned a complex payment process in the past. Almost half (48%) in Germany, 44% in the UK and 40% in Spain had abandoned a purchase. Only a third (33%) of French shoppers have done so.

The research also showed that some customers will even consider shopping less at their favourite brand if faced with a more complex checkout process. Almost a quarter of respondents in France (23%), the UK (23%) and Spain (24%) would shop less at their favourite brand if security measures at checkout increased. In Germany, over a quarter (26%) would consider using their favourite brand less often.

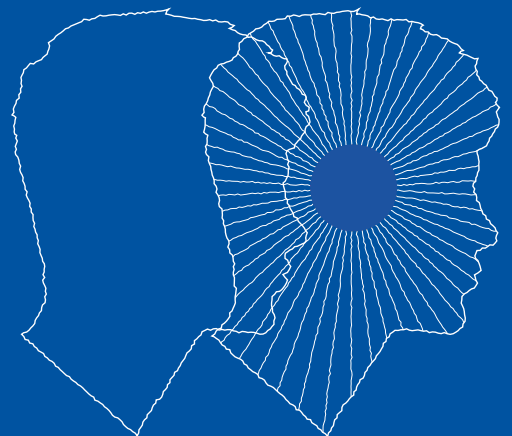
The likelihood of purchase abandonment was even higher across all four markets when

shopping with brands that are new to the shopper. This was particularly pronounced in Germany, where 36% of respondents would cancel a purchase if a new brand had a lengthy (yet still secure) payment process, while 33% in Spain would do the same.

Most markets would choose Direct Debit to maintain convenience

Finally, when respondents were asked if they could pay for an online subscription with Direct Debit to avoid a complex checkout process, over half (52%) of all 4,000 respondents responded that they would be likely or very likely to choose this option. This likelihood was particularly strong in the UK (63%) and Germany (62%).

01. United Kingdom



United Kingdom

In the UK, security was deemed slightly more important than convenience when paying online. Over half of all respondents (55%) chose security, while 43% selected convenience.

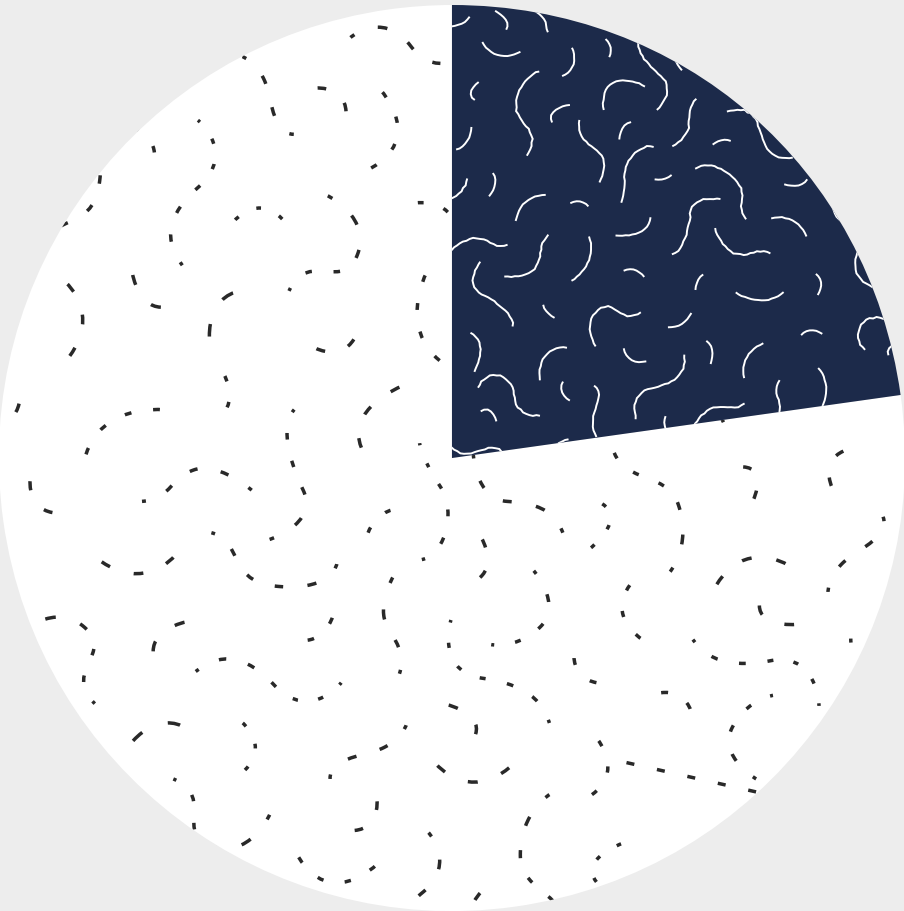
However, when asked about the prospect of their favourite brand increasing both security and length of the checkout process, 45% would be frustrated (but still shop with them) and 23% said they would actually shop with the brand less.

When asked how comfortable shoppers would be with providing certain security information during an online purchase, all three types of information scored generally favourably:

- 76% would be comfortable supplying agreed security information (e.g. passwords)
- 78% would be comfortable supplying device information (e.g. mobile phone)
- Biometric information (e.g. a fingerprint) scored slightly lower, with only 69% feeling comfortable supplying that kind of information

Despite this, over 44% of respondents admitted to having abandoned an online purchase in the past because of complex security procedures at checkout. What's more, 40% of respondents said they would feel suspicious if faced with a more complex checkout process.

Finally, when asked if they could pay for online subscriptions using Direct Debit and avoid lengthy checkout processes, 63% said they would be likely to do so.



1—2

23% of online shoppers would shop with their favourite brand less if it increased security and the length of the checkout process.

Full UK survey results

Q1.

Of the following, which is most important to you when paying for something online?

	Percentage	Count
Security (how secure it is to pay)	55%	548
Convenience (how quick and easy it is to pay)	43%	426
Neither	2%	18

Q2.

How comfortable are you giving the following types of security information during an online purchase?

Agreed security information
e.g. passwords, memorable words etc.

Biometric information
e.g. fingerprint

Device information
e.g. mobile number

Very comfortable	27% 266	27% 269	24% 237
Comfortable	49% 491	42% 419	55% 541
Uncomfortable	16% 155	20% 196	19% 185
Very uncomfortable	8% 80	11% 108	3% 29

Q3.

How would complex security processes (e.g. asking for personal information, device information and biometric information) make you feel?

	Percentage	Count
Safer	40%	397
Suspicious	40%	394
Indifferent	23%	233
Frustrated	22%	216

Q4.

If a favourite brand of yours changed its payment processes to be more secure, but lengthier and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	45%	449
I would not mind	32%	321
Shop with them less	23%	226

Q5.

If a new brand that you had never shopped with before, had a payment process that was secure, but lengthy and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	43%	428
I would not mind	29%	292
Abandon the purchase	28%	277

Q6.

Have you ever not completed an online purchase because of the complex security involved in buying?

	Percentage	Count
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Yes	44%	441
No	45%	452
Not sure	10%	104

Q7.

If more businesses offered a subscription option for something you buy regularly, and you could pay with Direct Debit to avoid complex/lengthy check-out, how likely would you be to take this option?

	Percentage	Count
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Very likely	21%	205
Likely	42%	421
Unlikely	18%	183
Very unlikely	10%	97
Don't know	9%	92

02. France



France

In France, over 62% of those surveyed valued security over convenience (33%) when shopping online. This generally positive sentiment towards extra security measures is also reflected by the fact that 79% of respondents said they would continue to shop with their favourite brand regardless of extra security measures.

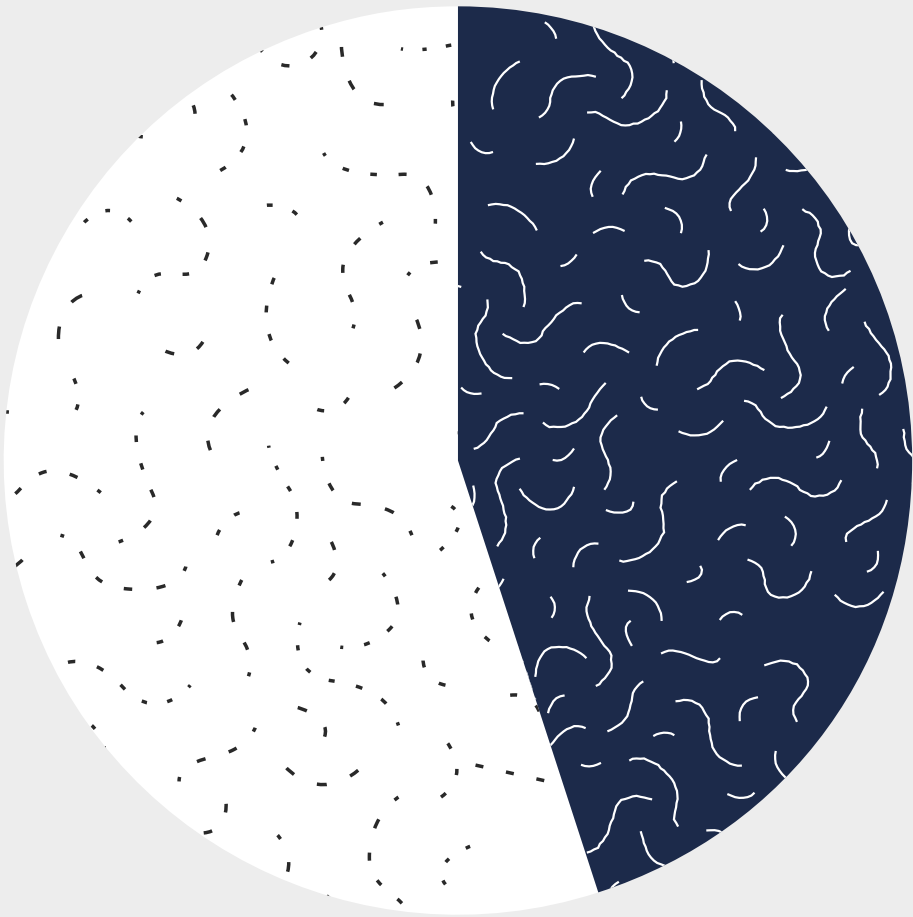
Yet, when asked how they would feel if faced with a more complex checkout process, the most popular response was 'suspicious' (46%).

Respondents were generally receptive and comfortable with providing the security information that may be necessary for certain transactions under SCA:

- Device information (e.g. mobile phone) scored highest, with over 60% feeling comfortable supplying it
- Security information (e.g. a password) was close behind with 58% feeling comfortable supplying that information
- Biometric information (e.g. a fingerprint) fared the worst, with only 49% feeling comfortable - and 37% describing themselves as uncomfortable

When asked about previous buying behaviour, 33% of those surveyed had ever abandoned a purchase due to a complex checkout process

(the lowest of any markets surveyed). This suggests that French shoppers not only value security but may be consistent in their buying behaviour.



46% of respondents would feel suspicious if faced with more complex security processes when shopping online.

Full French survey results

Q1.

Of the following, which is most important to you when paying for something online?

	Percentage	Count
Security (how secure it is to pay)	62%	609
Convenience (how quick and easy it is to pay)	32%	317
Neither	5%	50

Q2.

How comfortable are you giving the following types of security information during an online purchase?

Agreed security information
e.g. passwords, memorable words etc.

Biometric information
e.g. fingerprint

Device information
e.g. mobile number

Very comfortable	22% 217	17% 171	24% 236
Comfortable	37% 359	31% 308	36% 355
Neutral	13% 127	14% 139	17% 165
Uncomfortable	19% 190	23% 221	18% 175
Very uncomfortable	9% 86	14% 140	5% 48

Q3.

How would complex security processes (e.g. asking for personal information, device information and biometric information) make you feel?

	Percentage	Count
Safer	35%	347
Suspicious	46%	456
Indifferent	15%	149
Frustrated	8%	81

Q4.

If a favourite brand of yours changed its payment processes to be more secure, but lengthier and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	37%	363
I would not mind	42%	421
Shop with them less	23%	226

Q5.

If a new brand that you had never shopped with before, had a payment process that was secure, but lengthy and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	30%	298
I would not mind	38%	374
Abandon the purchase	33%	330

Q6.

Have you ever not completed an online purchase because of the complex security involved in buying?

	Percentage	Count
Yes	33%	328
No	51%	504
Not sure	18%	177

Q7.

If more businesses offered a subscription option for something you buy regularly, and you could pay with Direct Debit to avoid complex/lengthy check-out, how likely would you be to take this option?

	Percentage	Count
Very likely	13%	131
Likely	21%	210
Very unlikely	44%	438
Don't know	24%	237

03. Germany



Germany

Of all four markets surveyed, 61% of German shoppers valued security over convenience, which means Germany values security in the checkout process more strongly than any other markets surveyed.

This preference for security also translated into a low level of trepidation towards potential SCA authentication measures:

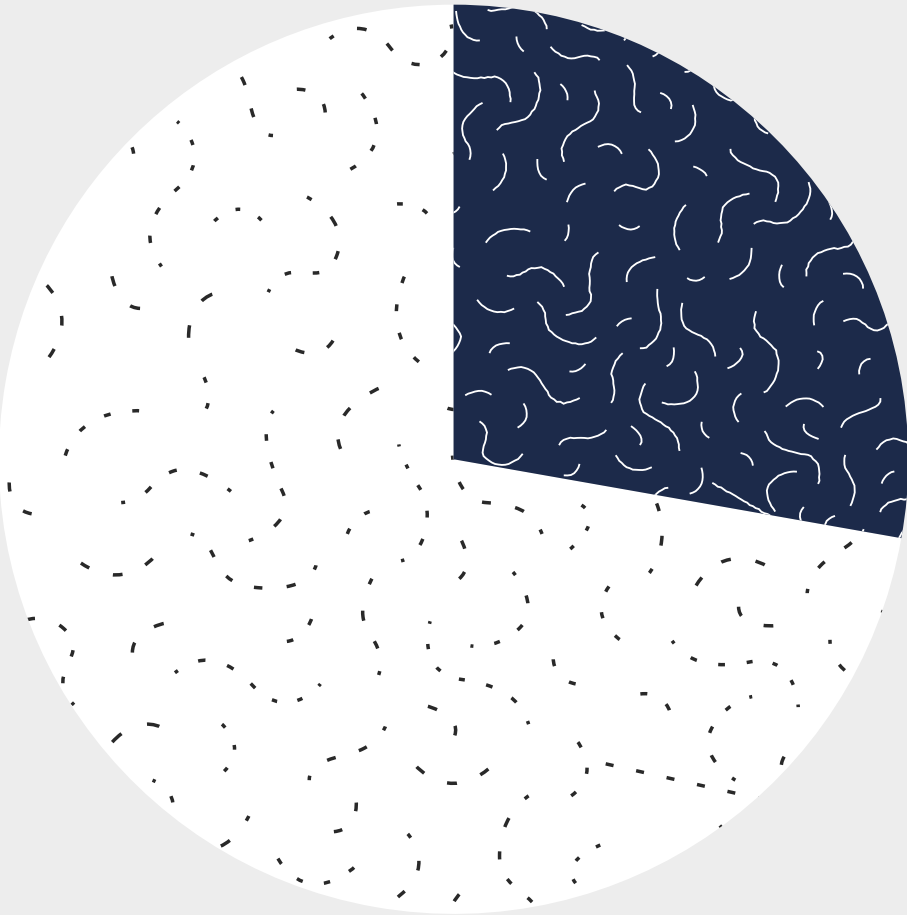
- Only 15% of respondents would feel uncomfortable providing security information (e.g. a password)
- 26% would feel uncomfortable providing biometric information (e.g. a fingerprint)
- 28% would feel uncomfortable providing device information (e.g. mobile phone)

If faced with a more lengthy and complex security process at checkout, the most common response from shoppers would be that they feel more secure (45%).

74% of respondents would continue to shop with their favourite brand even if they added further security measures during checkout. Interestingly, 75% would still shop with a brand they had never used before, even if it meant navigating a secure but lengthy checkout process.

Yet, of the four markets we surveyed, Germany had the highest percentage of respondents (48%) who had previously abandoned an online purchase where the checkout process was too long or complicated.

When asked if they would pay for online subscriptions using Direct Debit if it meant avoiding lengthy checkout processes, 63% indicated they would.



28% of respondents would feel uncomfortable supplying device information (e.g. mobile phone) to authenticate a transaction.

Full German survey results

Q1.

Of the following, which is most important to you when paying for something online?

	Percentage	Count
Security (how secure it is to pay)	61%	594
Convenience (how quick and easy it is to pay)	32%	311
Neither	8%	76

Q2.

How comfortable are you giving the following types of security information during an online purchase?

Agreed security information
e.g. passwords, memorable words etc.

Biometric information
e.g. fingerprint

Device information
e.g. mobile number

Very comfortable	24% 234	28% 275	17% 165
Comfortable	43% 420	30% 289	33% 317
Neutral	18% 172	15% 150	22% 214
Uncomfortable	10% 99	18% 170	21% 206
Very uncomfortable	5% 45	9% 86	7% 68

Q3.

How would complex security processes (e.g. asking for personal information, device information and biometric information) make you feel?

	Percentage	Count
Safer	45%	442
Suspicious	32%	320
Indifferent	15%	150
Frustrated	16%	160

Q4.

If a favourite brand of yours changed its payment processes to be more secure, but lengthier and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	42%	413
I would not mind	32%	319
Shop with them less	26%	255

Q5.

If a new brand that you had never shopped with before, had a payment process that was secure, but lengthy and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	39%	385
I would not mind	25%	245
Abandon the purchase	36%	356

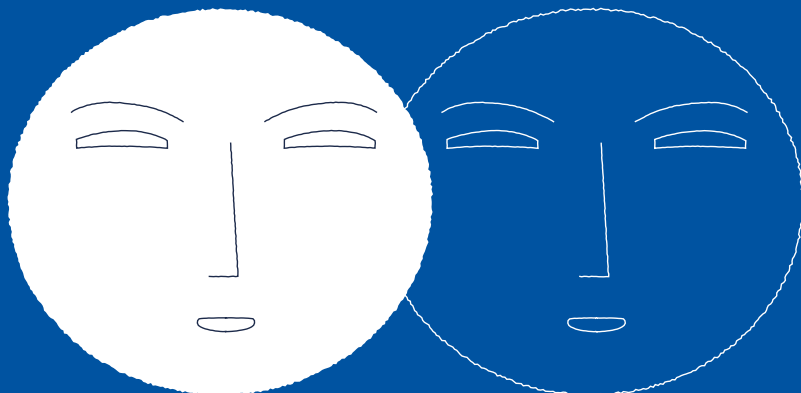
Q6.

Have you ever not completed an online purchase because of the complex security involved in buying?	Percentage	Count
Yes	48%	477
No	42%	421
Not sure	9%	93

Q7.

If more businesses offered a subscription option for something you buy regularly, and you could pay with Direct Debit to avoid complex/lengthy check-out, how likely would you be to take this option?	Percentage	Count
Very likely	17%	169
Likely	45%	442
Very unlikely	20%	196
Don't know	18%	183

04. Spain



Spain

Spanish customers, like all three of the other markets surveyed, valued security more highly than convenience, with 58% of respondents indicating that security was most important.

Interestingly, while 39% of respondents would feel more secure at the prospect of using a more secure but complex checkout process, 41% would actually feel suspicious or distrustful.

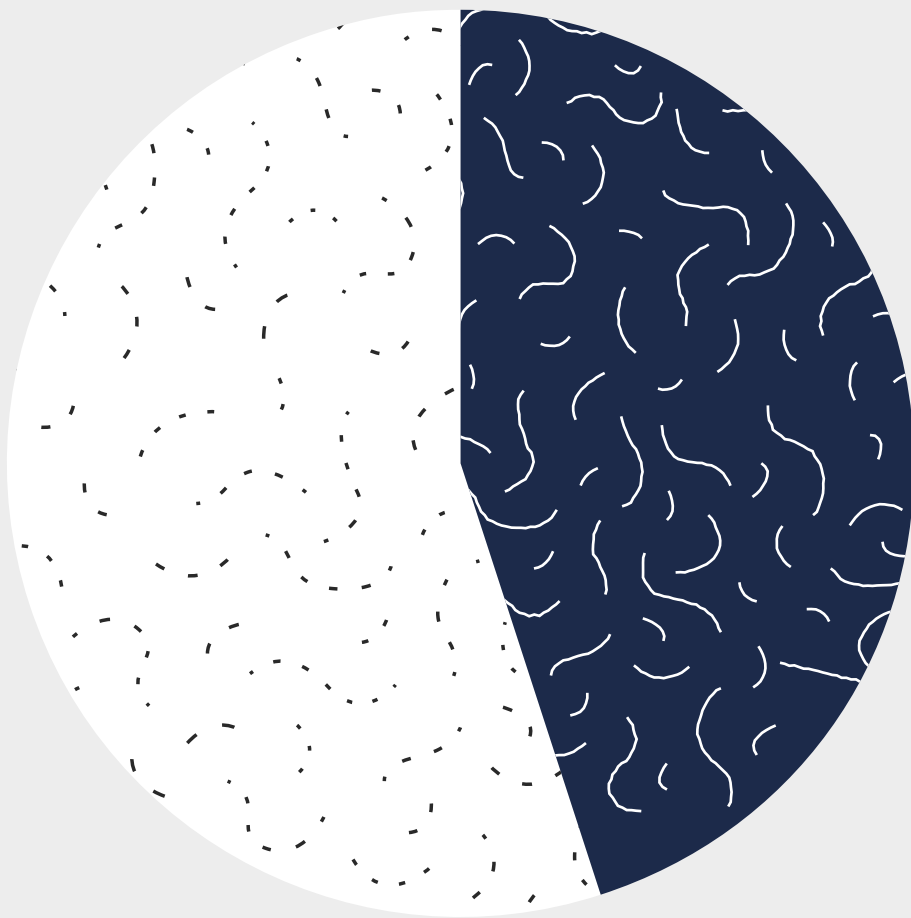
Despite the positive attitude to security, Spanish respondents actually had some of the lowest levels of comfort when it comes to potential SCA authentication measures:

- Only half (50%) of those asked would feel comfortable providing either security information (e.g. a password) or device information (e.g. mobile phone) during an online transaction
- Biometric information (e.g. a fingerprint) scored the lowest, with only 45% describing themselves as comfortable at the idea of providing that information

While a high percentage (59%) of those asked would have a negative reaction to their favourite brand implementing a more secure and complex checkout process, only 24% would consider shopping with them less.

40% reported having actually abandoned an online purchase before when they deemed it too complicated, so there is a slight disconnect between attitude and reported buying behaviour.

Finally, just over half of Spanish shoppers (54%) would choose to pay for online subscriptions using Direct Debit if it meant avoiding lengthy checkout processes.



Only **45%** of respondents would feel comfortable supplying biometric information (e.g. a fingerprint) when shopping online.

Full Spanish survey results

Q1.

Of the following, which is most important to you when paying for something online?

	Percentage	Count
Security (how secure it is to pay)	58%	574
Convenience (how quick and easy it is to pay)	17%	168
Both are important	22%	218
Neither	3%	26

Q2.

How comfortable are you giving the following types of security information during an online purchase?

Agreed security information
e.g. passwords, memorable words etc.

Biometric information
e.g. fingerprint

Device information
e.g. mobile number

Very comfortable	17% 162	16% 151	21% 205
Comfortable	33% 322	29% 281	29% 283
Neutral	14% 136	15% 150	17% 162
Uncomfortable	24% 232	18% 170	22% 212
Very uncomfortable	12% 118	9% 86	11% 108

Q3.

How would complex security processes (e.g. asking for personal information, device information and biometric information) make you feel?

	Percentage	Count
Safer	39%	385
Suspicious	41%	402
Indifferent	14%	140
Frustrated	12%	114

Q4.

If a favourite brand of yours changed its payment processes to be more secure, but lengthier and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	35%	351
I would not mind	41%	406
Shop with them less	24%	235

Q5.

If a new brand that you had never shopped with before, had a payment process that was secure, but lengthy and less convenient, would you:

	Percentage	Count
Be frustrated, but stay loyal to the brand	34%	337
I would not mind	39%	385
Abandon the purchase	27%	268

Q6.

Have you ever not completed an online purchase because of the complex security involved in buying?

	Percentage	Count
Yes	40%	400
No	46%	454
Not sure	14%	137

Q7.

If more businesses offered a subscription option for something you buy regularly, and you could pay with Direct Debit to avoid complex/lengthy check-out, how likely would you be to take this option?

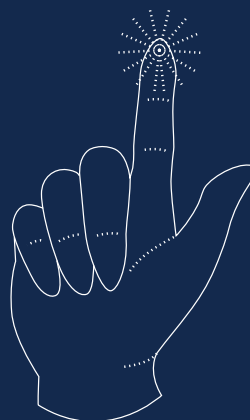
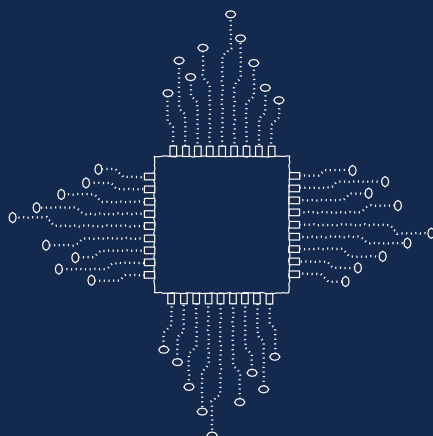
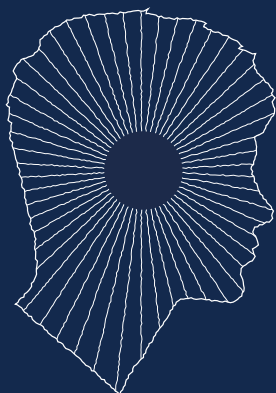
	Percentage	Count
Very likely	13%	130
Likely	40%	402
Very unlikely	36%	354
Don't know	11%	107

Find out more about SCA

Strong Customer Authentication (SCA) is an upcoming regulatory requirement, designed to make paying online more secure and subsequently reduce payment fraud. It will take effect on the 14th September 2019.

SCA adds an extra layer of security when customers make a payment online. Until now, shoppers have been able to simply enter their payment details and complete their purchase (though some businesses voluntarily choose to ask for further authentication).

For more information on how it may affect your business and how GoCardless can help you prepare, read our [complete guide to SCA](#)



What is GoCardless?

GoCardless provides a smarter and more scalable way to take payments, helping you automatically collect instalments and invoices from your customers around the globe.

Deliver a great payment experience at scale, minimise failed payments and get real-time notifications and alerts.

We're already helping more than 40,000 businesses get paid on time.

We're taking the pain out of getting paid, so you can focus on doing what you do best.

Speak to our experts today and find out exactly how GoCardless can help your business transform its approach to payments.