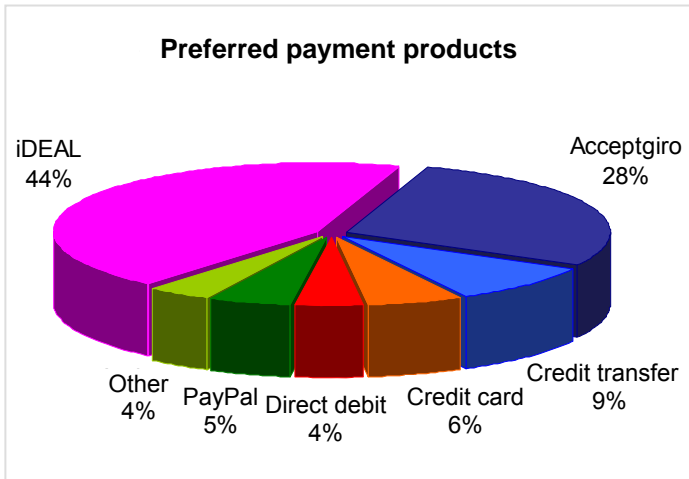




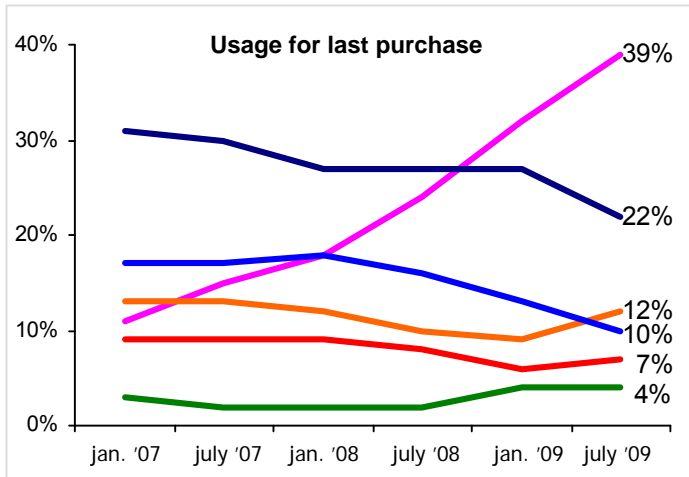
Availability and usage of payment methods for online shopping

Research on webstores and online shoppers – September 2009

Preference versus usage

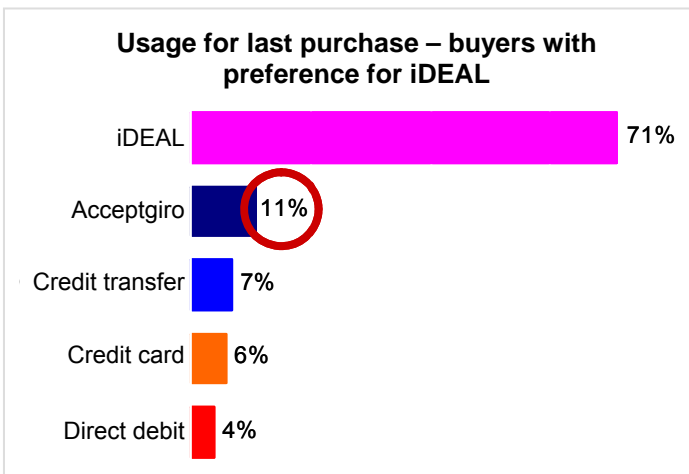
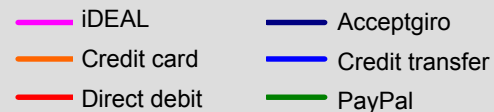


Online buyers prefer paying with iDEAL, followed by Acceptgiro (44% and 28% respectively). These payment methods are not only the ones that are frequently mentioned first, but also come second relatively often in terms of preference (23% and 25% respectively). Credit transfers also come second relatively often (28%).



The use of iDEAL has increased significantly in recent years, particularly to the detriment of Acceptgiro and credit transfers.

The use of credit cards, direct debit and PayPal has remained at a minimum over the past years.



The usage of payment methods is not always in accordance with preference. Other factors that play a role include:

- ▶ personal situation (insufficient funds in bank account, desire to have the purchase at home as soon as possible, etc.);
- ▶ payment methods offered by webstore;
- ▶ steering by the webstore via discounts or additional costs.

Approximately one-third of online buyers with a preference for iDEAL paid for their last purchase using a different method. Acceptgiro was the most commonly used in this case.

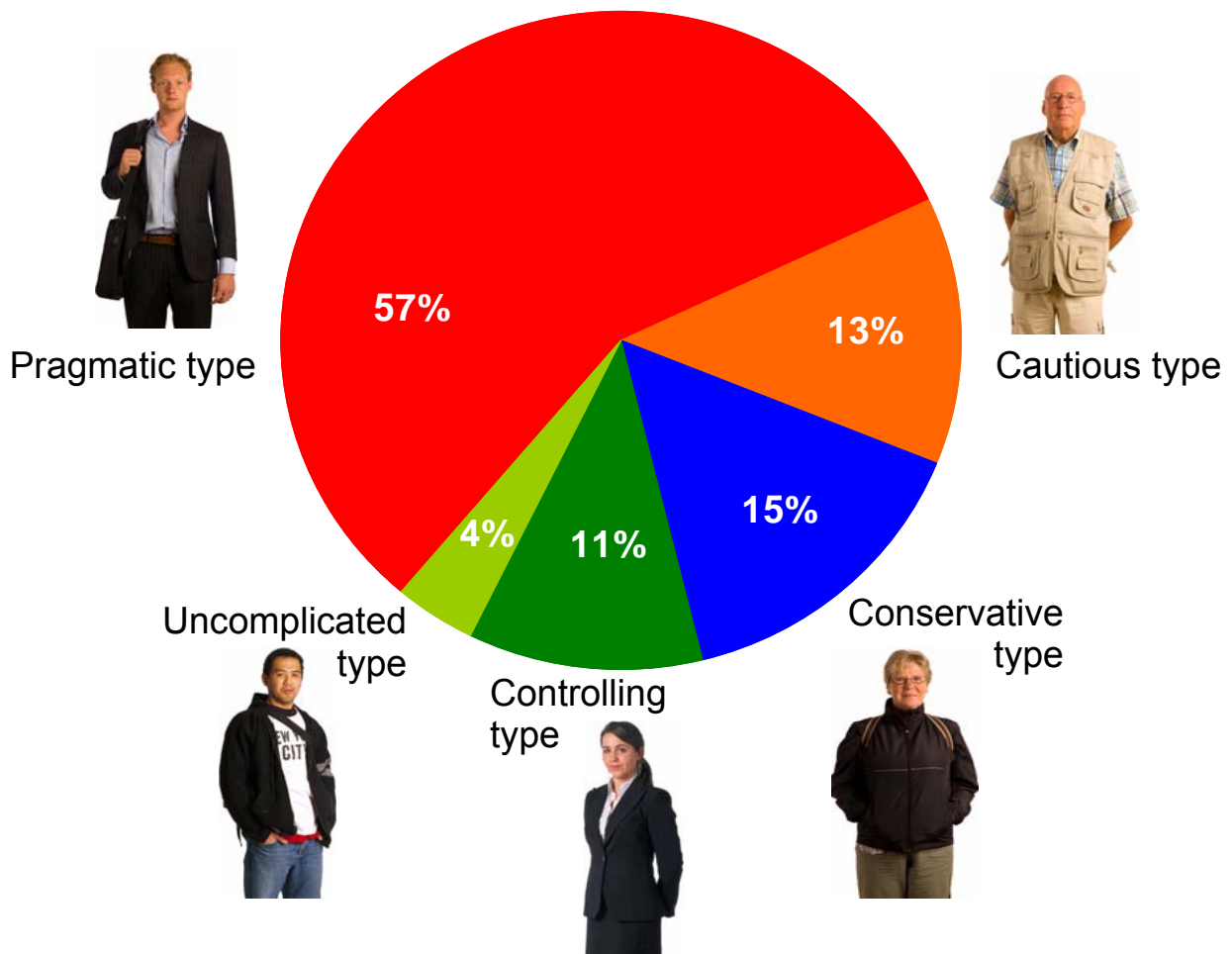
Different types of online buyers

Pragmatic type:

- ▶ Purchases online fairly often;
- ▶ Primary reasons for online purchasing are lower price and convenience (no need to go to store);
- ▶ Buys primarily books, CDs, DVDs and clothing; Also buys relatively many admission tickets, airline tickets/ trips and electronic goods;
- ▶ Has a preference for paying with iDEAL, followed by Acceptgiro.

Cautious type:

- ▶ Purchases online slightly less often;
- ▶ Primary reasons for online purchasing are lower price and convenience (no need to go to store);
- ▶ Buys primarily books, CDs, DVDs and clothing, just like the other types;
- ▶ Has a preference for paying with iDEAL, followed by credit transfer.



Uncomplicated type:

- ▶ Purchases online often;
- ▶ Primary reasons for online purchasing are convenience (no need to go to store) and the fact that webstores are open 24 hours a day;
- ▶ Buys relatively many books, CDs and DVDs. This type also buys a lot of clothing;
- ▶ Has a preference for paying with iDEAL, followed by credit cards.

Controlling type:

- ▶ Purchases online fairly often;
- ▶ Primary reason for online purchasing is convenience (no need to go to store);
- ▶ Buys primarily books, CDs and DVDs, like the other types. This type also buys clothing relatively often;
- ▶ Has a preference for paying with Acceptgiro, followed by credit transfer.

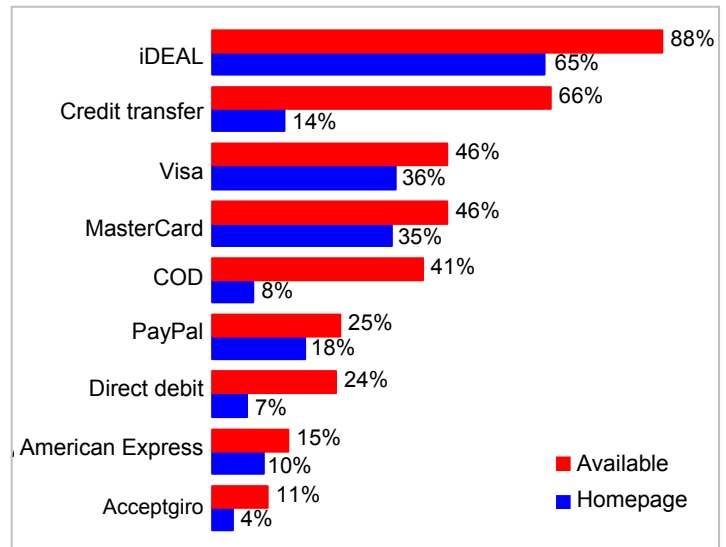
Conservative type:

- ▶ Purchases online less often;
- ▶ Primary reason for online purchasing is convenience (no need to go to store);
- ▶ Purchases clothing relatively often; This type also frequently buys books, CDs, DVDs, but less than other types;
- ▶ Has a preference for paying with Acceptgiro, followed by credit transfer.

Limited display of payment methods on homepage

Available payment methods – besides price and assortment – is one of the key factors in the decision to purchase from a webstore. A significant number of online buyers even indicate that they do not make a purchase if they are unable to pay with (one of) the favourite means of payment (43%). Among conservative and cautious types, even more decide not to make a purchase (73% and 58% respectively).

Webstores do not respond to this adequately. Payment options are often only specified late in the payment process instead of directly on the homepage.

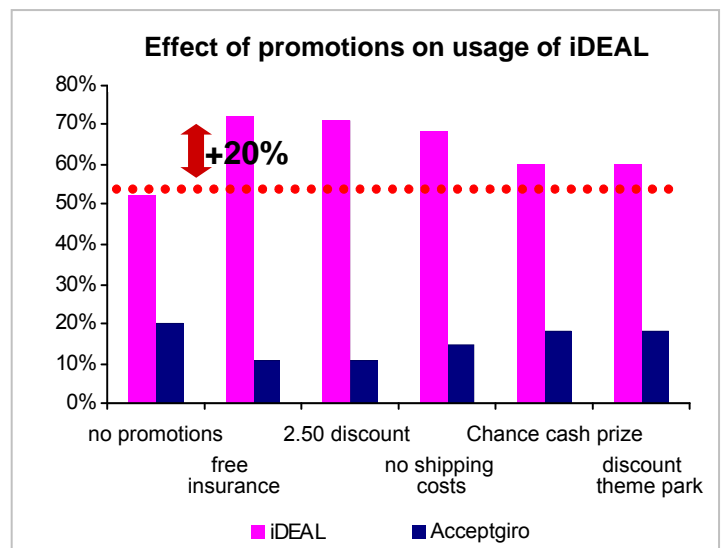


Stimulating usage of iDEAL via promotions

Promotions appear to be successful in stimulating the use of the desired means of payment. In particular, 'no shipping costs' or a 'EUR 2.50 discount' have a major effect. In the case of iDEAL, these promotions increase the usage by 20%.

This effect applies to all types of buyers. Conservative and controlling types of buyers, who prefer Acceptgiros, also pay with iDEAL more often when a promotion is used (+30%).

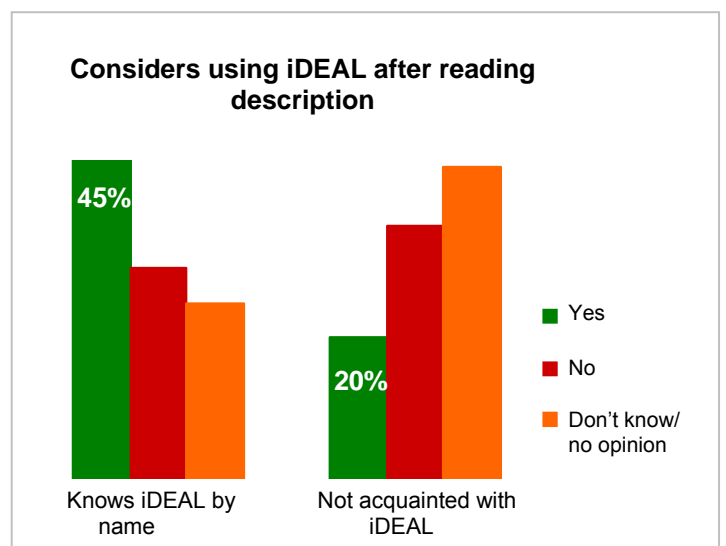
Only a few webstores (6%), however, use promotions to stimulate the most efficient means of payment.



Information about payment methods is important

Buyers who prefer more traditional payment methods often do not see any reason to acquaint themselves with new, more efficient payment methods, such as iDEAL. Research has shown, however, that information about iDEAL has a positive effect among many of these buyers: after reading a description about it, 37% consider using it for a following purchase. The intention to use it is even greater if people have heard about iDEAL earlier (45% versus 20%).

Good information is therefore crucial in order to increase the use of iDEAL among these online buyers. In view of the fact that they will not bother to acquaint themselves with this payment method, it is also essential to make this information accessible to them.



Sources

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