Payment Methods Survey of Companies in Switzerland 2023

SCHWEIZERISCHE NATIONALBANK
BANQUE NATIONALE SUISSE
BANCA NAZIONALE SVIZZERA
BANCA NAZIUNALA SVIZRA
SWISS NATIONAL BANK

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Executive summary

In spring 2023, the Swiss National Bank conducted its second payment methods survey of companies in Switzerland. Around 1,750 companies, across all sizes, language regions and industries, participated in this survey on payment method topics. In-depth knowledge of these topics helps the SNB to fulfil its statutory tasks in relation to the supply and distribution of cash and to cashless payments.

Companies are creating a good basis for freedom of choice between cash and cashless payment methods in everyday transactions by accepting a wide range of payment methods. Since the last survey in 2021, companies have tended to broaden their payment method acceptance. In particular, mobile payment apps and transfers are accepted more often. Cash acceptance continues to be high and has changed little since 2021.

For cash to continue to be accepted by companies, it has to be used by the population. According to the payment methods survey of private individuals from 2022, there is a broad desire among the population for cash to continue to be available as a payment method. The company survey now shows that customer needs play a key role in determining which payment methods are accepted by companies. A decline in cash usage could therefore lead to a decline in cash acceptance.

To be able to accept cash, companies are also reliant on having good access to cash infrastructure. The survey indicates that ATMs and bank counters are key for companies' cash withdrawals and returns. The majority of companies state that they are satisfied with their access to cash. There are however some companies which do not have an alternative available (e.g. a bank counter) to their current supply source. In the case of a decrease in the cash infrastructure, one in four companies would use less cash, which would in turn be likely to have a negative effect on cash acceptance.

The 2023 payment methods survey of companies in Switzerland yields the following specific results:

Companies with face-to-face business mostly accept all established payment methods. More than 90% of these companies accept cash, making it the most accepted method of payment for companies with physical points of sale. In hospitality and retail, the acceptance of established payment methods such as cash, debit cards, credit cards and mobile payment apps is even higher (at least 96%, 69%, 82% and 73%, respectively). For companies without turnover in face-to-face business, transfers and payment against invoice are most prevalent.[1]

The acceptance of mobile payment apps and transfers has increased the most in the past two years. Since the last survey in 2021, mobile payment app acceptance has risen by 19 percentage points to 59%, while the acceptance of transfers has increased by 14 percentage points over the same period. There was significantly less change in the acceptance of the other payment methods.

The reliability of payment methods has gained in importance, but customer needs continue to be the primary determinant for which methods of payment companies accept. Companies cite customer needs most frequently as the decisive factor for accepting a payment method. Reliability is considered to be the second most decisive factor. Its increased importance might be due to the heightened risk of a power shortage. Cashless payments at points of sale are processed largely free of technical disruptions. If disruptions do occur, companies most frequently use alternative payment methods such as cash or payment against invoice.

Cash is considered to have the lowest costs of the accepted payment methods, followed by debit cards, mobile payment apps and finally credit cards. In direct comparisons with other methods of payment, cash is rated as cheaper by more than half of the companies in each case. Most companies do not pass on the costs associated with the various methods of payment directly to their customers. Only 9% of companies grant discounts based on payment method used; of these, most do so for cash payments. Even fewer companies (5%) charge fees, mostly for the use of cashless payment methods.

1 *Transfers* are not made via payment slip, but rather using an IBAN or other account details. *Payment against invoice* covers payments made via QR-bill, eBill and direct debit.

For their own non-recurring payments, companies primarily use cashless methods of payment. Payment against invoice (87%) and transfers (79%) are used particularly often for non-recurring payments (e.g. occasional purchases from suppliers or expenses for repairs). Cash is used by 43% of companies. Payment against invoice, in particular, has become more significant since the last survey. Companies cite the reliability of payment methods and supplier needs as their main reasons for using particular methods.

The network of ATMs and bank counters is of key importance to companies for cash supply and returns. For both ATMs and bank counters, the decisive reasons for companies choosing these cash supply and return options are mainly convenience and proximity (at more than 40% each), with around one-fifth of companies, in each case, citing the lack of alternative (e.g. other bank branches in the vicinity). Approximately 60% of companies are satisfied with their cash supply and return access, while 15% are not satisfied and around 25% have a neutral opinion.

In the event of a decrease in ATMs, bank or post office counters, one-quarter of companies would use less cash. Since 2021 the proportion of companies that would be negatively impacted by a decline in the local cash infrastructure has risen from 52% to 62%. Were the infrastructure to be reduced, many companies would switch to another cash access point or use less cash.

1 Introduction

Under the National Bank Act, the Swiss National Bank is tasked with ensuring the supply and distribution of cash in Switzerland. Additionally, it is entrusted with facilitating and securing the operation of cashless payment systems. By performing these tasks, the SNB creates the necessary conditions for customers to be able to choose their preferred method of payment for each transaction. In-depth knowledge of how payment methods are used helps the SNB to fulfil these tasks.

The payment methods survey of private individuals provides the SNB with valuable information relating to payment behaviour on an individual level. A further source of information is the payment methods survey of companies, which furnishes the SNB with data on the acceptance and use of payment methods at a commercial level. Owing to the periodic nature of these two surveys, a comprehensive and dynamic analysis of payment method use in Switzerland is possible.

Against this background, the SNB conducted its second survey on payment methods of companies in Switzerland in spring 2023. Around 1,750 companies participated in the online survey, covering all company sizes, language regions and industry categories.

The survey has the following objectives:

– Gain insights into the acceptance and use of various payment methods by companies and better understand the reasons behind the choice of payment method.

– Gather information on how companies manage their cash logistics and assess the effect of changes to the cash infrastructure on cash logistics at companies.

This report starts by examining the acceptance of payment methods, in other words, on the companies' receipts side (chapter 2). It then explores their use of payment methods, or their expenses side (chapter 3), before concluding with a look at how companies manage their cash logistics (chapter 4).

Table 1 summarises the key aspects of the survey design. Further details on the methodology as well as the distribution of the sample according to stratification criteria can be found in the appendix.

Table 1

KEY ASPECTS OF THE SURVEY DESIGN

Survey population	Companies domiciled in Switzerland, excluding credit institutions (which are themselves part of the payment infrastructure)
Sampling procedure	Random sample based on the Business and Enterprise Register (BER) used by the SFSO, stratified according to company size, language region and industry category
Method	Computer-assisted web interview (CAWI)
Companies contacted	7,474
Companies participating	1,753
Survey period	Mid-May to end-July 2023

2
Acceptance of customer payments

On the receipts side, companies were asked to provide information on payments received from customers.[1] This chapter starts by examining which payment methods are accepted by companies and what has changed in this regard since 2021 (chapter 2.1). It then considers the reasons for the acceptance of payment methods (chapter 2.2), and goes on to discuss the costs associated with these methods of payment (chapter 2.3). It concludes with a look at the existing infrastructure for cashless payment methods (chapter 2.4).

2.1 PAYMENT METHOD ACCEPTANCE

The acceptance of payment methods depends to a large extent on whether a company is solely active in remote[2] business or if it also operates in face-to-face[3] business. Around 45% of the companies surveyed conduct, at least to some degree, face-to-face transactions (turnover in face-to-face business > 0%), while 29% exclusively accept remote transactions.[4] For the majority of companies with face-to-face business (60%), the face-to-face transactions account for between 1% and 20% of turnover, while roughly 18% of companies report high turnover shares of between 81% and 100% for face-to-face transactions.

In the next section, a distinction is made between companies with turnover from face-to-face transactions (i.e. companies with face-to-face business) and those without turnover from face-to-face transactions (i.e. companies exclusively active in remote business, companies with no face-to-face business), as the payment methods available for the two usually differ.

Companies with face-to-face business

For companies with face-to-face business, cash (92%) is the most frequently accepted payment method (cf. chart 1). Payment against invoice (84%) and transfers (81%) are also widely accepted. Mobile payment apps are accepted by 59% of all companies with face-to-face business, followed by credit cards (53%) and debit cards (48%).

In industries such as hospitality or retail, where private individuals most frequently pay at the physical point of sale (POS), acceptance of cash, debit cards, credit cards and mobile payment apps is comparatively higher.[5] In

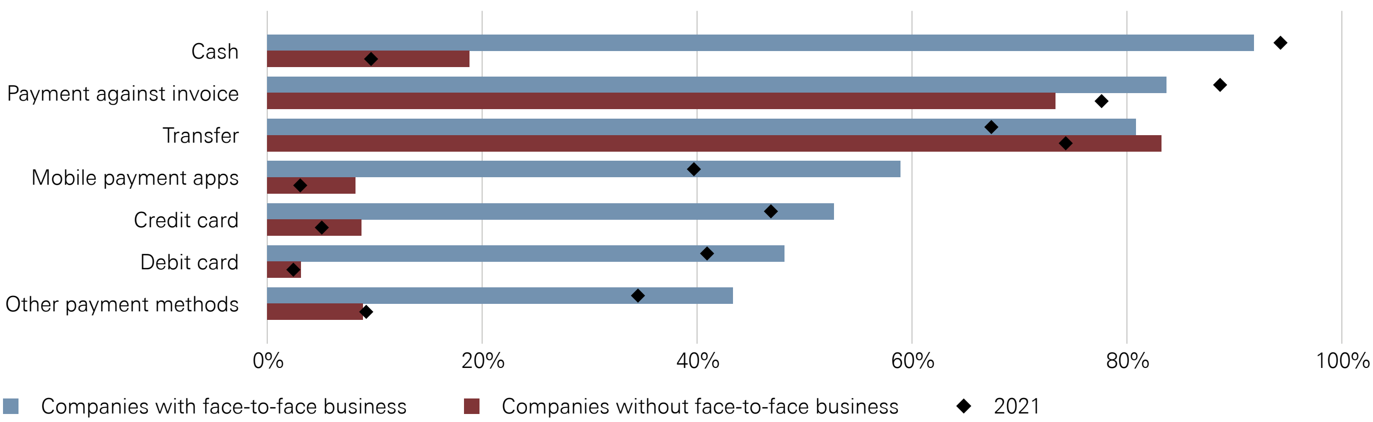
1 Customers can also be other businesses.
2 *Remote transactions* cover all payments in which the payment method is not physically present at the point of sale when the transaction is initiated. Examples are transactions resulting from online, email or telephone orders.
3 *Face-to-face transactions* cover all payments made on-site at the purchase location. Examples are transactions conducted at physical points of sale or in restaurants.
4 The remaining 26% of companies provided no information on the share of turnover accounted for by face-to-face and remote transactions.

5 According to the Payment Methods Survey of Private Individuals in Switzerland 2022, transactions carried out by individuals are most frequent in shops selling day-to-day items (retail) and for eating and drinking out (hospitality).

Chart 1

PAYMENT METHOD ACCEPTANCE

Shares of relevant basis in percent (multiple answers possible)



Basis: 783 companies (with face-to-face business); 502 companies (without face-to-face business)

Source(s): SNB

hospitality, cash is accepted by 96% of companies, debit cards by 69%, credit cards by 82% and mobile payment apps by 78% (retail: 96%, 75%, 87% and 73%).

Companies without face-to-face business

Companies that are exclusively active in remote business primarily accept transfers (83%) and payment against invoice (73%). As expected, established payment methods such as cash, mobile payment apps and cards play a less prominent role in remote transactions. Nevertheless, cash is accepted by over one-fifth of the companies in this segment. At some companies, goods or services ordered online, by email or by telephone can therefore be paid in cash, either upon collection or after provision of the service onsite.

Changes in payment method acceptance since 2021

Compared with 2021, mobile payment apps are accepted more frequently for both face-to-face and remote transactions (cf. chart 1). At companies with face-to-face business, acceptance of mobile payment apps has increased by 19 percentage points since 2021.[6] While mobile payment apps were accepted just as frequently as debit cards in 2021 (around 40%), acceptance has now risen to 59%, higher than that of credit cards (53%) and debit cards (48%). This increase is unsurprising; the 2022 payment methods survey of private individuals already showed that mobile payment apps were being used more and more frequently by the population.[7] It can be assumed that the increased use has had a positive effect on their acceptance. This shows that payment method acceptance and use can influence each other.

Acceptance also increased for transfers, but decreased slightly for payment against invoice; this applies for all companies, irrespective of whether they conduct face-to-face transactions or not (cf. chart 1). One possible reason for this development could be that events of recent years (e.g. coronavirus pandemic, higher energy prices) have made companies less willing to extend 'short-term credit' to their customers in the form of purchase on account. Some companies may therefore have made the move to transfers, which do not always entail granting a 'short-term credit' (e.g. advance payment).

Planned changes in acceptance of cash

Overall, only few companies are planning to adapt their acceptance of cash. Around 7% of all companies with face-to-face business state that they intend to scale back their cash acceptance in the next two years, while 6% say they plan to step it up. Where changes are planned, customer needs are the most cited reason overall. In the case of planned restrictions to cash acceptance, a change in payment habits is the most commonly cited reason, whereas payment costs are the most frequently mentioned reason for expanding the acceptance of cash.

2.2 REASONS FOR ACCEPTING INDIVIDUAL PAYMENT METHODS

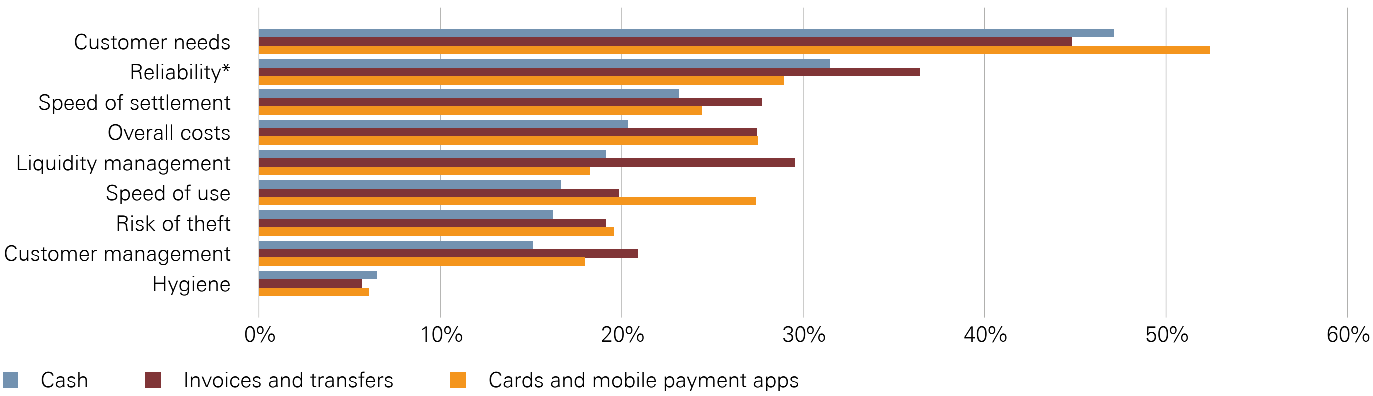
Companies were also asked about their reasons for accepting different methods of payment and were requested to specify which reasons were 'decisive', which were 'also relevant' and which were 'irrelevant'. The following section elaborates on the decisive reasons provided by companies.

6 The increase across all surveyed companies amounts to 12 percentage points (cf. Swiss National Bank (2023), Selected results on payment method acceptance and cash infrastructure).
7 Cf. Swiss National Bank (2023), Payment Methods Survey of Private Individuals in Switzerland 2022, chapter 4.

Chart 2

COMPANIES WITH FACE-TO-FACE BUSINESS – DECISIVE REASONS FOR ACCEPTING PAYMENT METHODS

Shares of relevant basis in percent (multiple answers possible)



* Includes low susceptibility to malfunction, and crisis resistance
Basis: 719 companies (cash); 733 companies (invoices and transfers); 557 companies (cards and mobile payment apps)

Source(s): SNB

Companies with face-to-face business
When it comes to accepting individual payment methods, customer needs are the most important reason cited by companies with face-to-face business. For each of the payment methods, at least 45% of companies state that customer needs are decisive (cf. chart 2).

The second most cited decisive factor for acceptance is reliability. Relative to the other reasons, the reliability of payment methods has gained in importance since the last survey.[8] The risk of a power shortage may have contributed to the fact that reliability has become more important for companies.

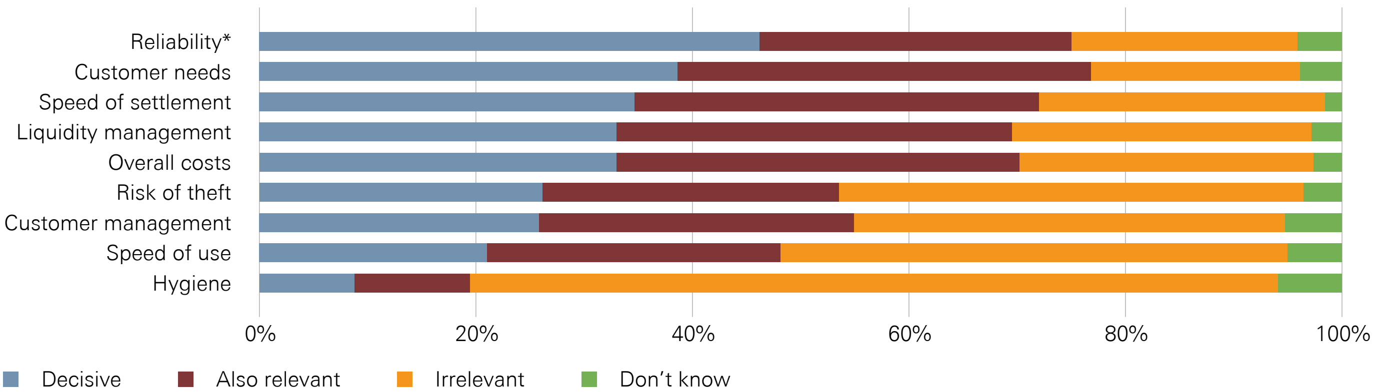
Customer needs more frequently play a decisive role in the acceptance of cards and mobile payment apps than for cash or invoices and transfers (cf. chart 2). In addition, the speed of use[9] (e.g. at a POS) is a more important factor for cards and mobile payment apps – where it is particularly high due to the contactless function – than for other payment methods. Liquidity management and reliability, by contrast, seem to play a somewhat more central role in the acceptance of invoices and transfers.

8 In 2021, companies were asked to provide their reasons for accepting cash or cashless payment methods. For their response, they were asked to consider the situation before the coronavirus pandemic. A distinction according to the importance of the reasons (decisive, also relevant, irrelevant) was only introduced in 2023. Although a direct comparison of the shares is therefore not possible, statements can be made about the relative importance of the reasons in the two survey years.

9 *Speed of use*: How quickly a transaction can be processed, for example, at a POS, a self-service terminal or in online banking.

Chart 3

COMPANIES WITHOUT FACE-TO-FACE BUSINESS – REASONS FOR ACCEPTING INVOICES AND TRANSFERS
Shares of basis in percent

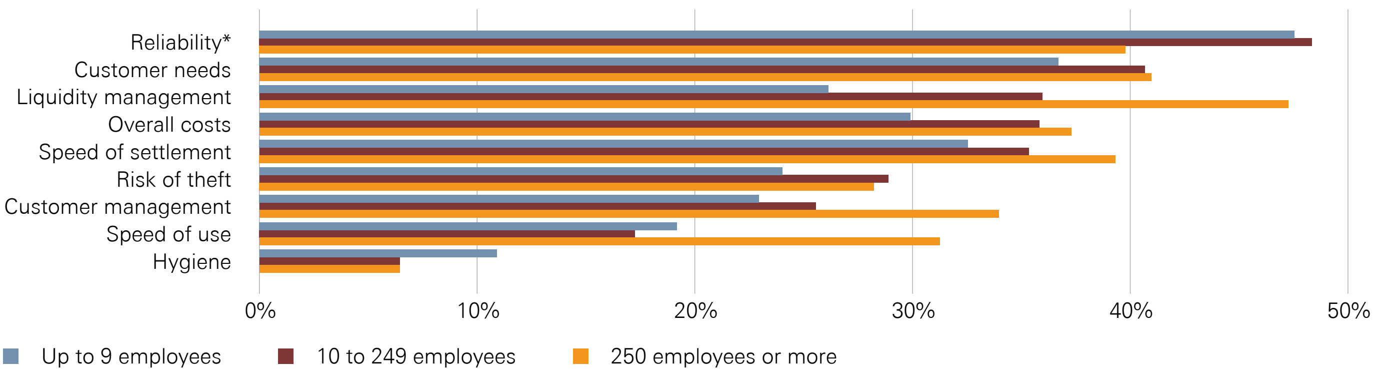


* Includes low susceptibility to malfunction, and crisis resistance
Basis: 499 companies

Source(s): SNB

Chart 4

COMPANIES WITHOUT FACE-TO-FACE BUSINESS – DECISIVE REASONS FOR ACCEPTING INVOICES AND TRANSFERS
Shares of relevant basis in percent (multiple answers possible)



* Includes low susceptibility to malfunction, and crisis resistance
Basis: 264 companies (up to 9 employees); 137 companies (10 to 249 employees); 98 companies (250 employees or more)

Source(s): SNB

For small companies with face-to-face business (up to 9 employees), reliability, overall costs, speed of settlement[10] and liquidity management play a more decisive role in the acceptance of cash than for other company sizes.

Companies without face-to-face business
Reliability is most frequently cited by companies without face-to-face business as a decisive factor for the acceptance of invoices and transfers (cf. chart 3). Customer needs are the second most cited reason and thus also play an important role. When it comes to cash, cards and mobile payment apps, customer needs are clearly the key factor in their acceptance by companies without face-to-face business.

Large companies (250 employees or more) without face-to-face business more frequently cite the speed of transactions – particularly speed of use – as a decisive reason for accepting invoices and transfers than smaller companies (cf. chart 4). Liquidity management also plays a more important role in the acceptance of these payment methods for such companies than for companies of other sizes.

Reviewing acceptance of individual payment methods
Half of the companies state that they review acceptance of individual payment methods when there is a specific reason to do so. As such a catalyst for a review, companies most frequently cite changes in customer needs (81%), followed by new technical capabilities (62%), increasing use of new payment methods (61%) and changes in the cost of payment methods (54%).

2.3 COST OF ACCEPTED PAYMENT METHODS

Companies were also asked about the costs associated with the payment methods accepted at the physical POS. In this context, they were asked to rank the payment methods in order of cost per transaction.

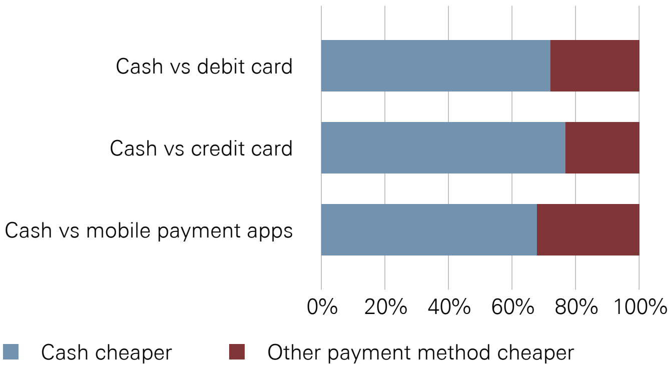
Cash is considered to be the payment method with the lowest costs. In a direct comparison with the other methods of payment, more than half of the companies rate cash as cheaper in each case (cf. chart 5). It should be noted that the costs associated with cash are more difficult to gauge than for cashless payment methods, where for example the transaction fees charged by card providers make the cost per transaction directly visible.

In terms of transaction cost, mobile payment apps are deemed to be on a par with debit cards and cheaper than credit cards (cf. charts 6 and 7). This is also likely to have played a role in the increase in acceptance of mobile payment apps (cf. chapter 2.1). In a comparison of debit and credit cards, 83% of companies find that debit cards are cheaper.

10 *Speed of settlement*: How long it takes until the money reaches the payment recipient's account or POS.

Chart 5

DIRECT COMPARISON OF TRANSACTION COSTS – CASH VS CASHLESS PAYMENT METHODS
Shares of relevant basis in percent

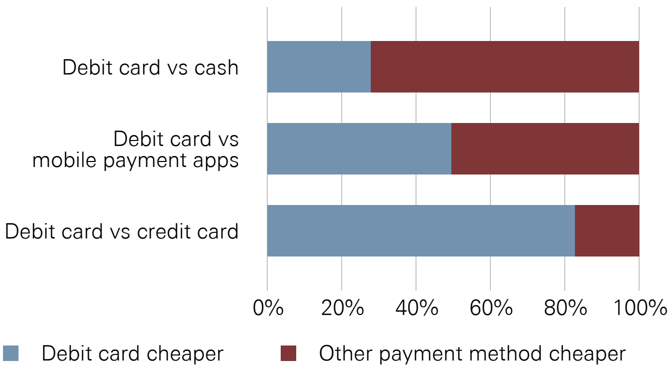


Basis: 462 companies (cash vs debit card); 522 companies (cash vs credit card); 591 companies (cash vs mobile payment apps)

Source(s): SNB

Chart 6

DIRECT COMPARISON OF TRANSACTION COSTS – DEBIT CARD VS OTHER PAYMENT METHODS
Shares of relevant basis in percent

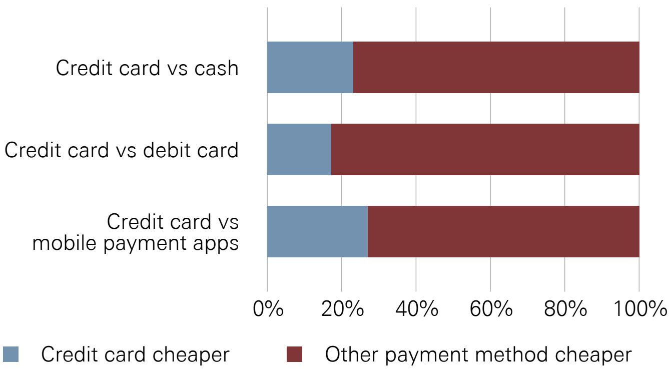


Basis: 462 companies (debit card vs cash); 392 companies (debit card vs mobile payment apps); 472 companies (debit card vs credit card)

Source(s): SNB

Chart 7

DIRECT COMPARISON OF TRANSACTION COSTS – CREDIT CARD VS OTHER PAYMENT METHODS
Shares of relevant basis in percent



Basis: 522 companies (credit card vs cash); 472 companies (credit card vs debit card); 418 companies (credit card vs mobile payment apps)

Source(s): SNB

Only very few companies (9%) grant customers a discount for using a particular method of payment, with two-thirds of those that do, doing so primarily for cash payments. In addition to the transaction cost, an important factor for companies granting a price reduction may also be how quickly they receive the amount owed from their customers. Offering a discount can act as an incentive for customers to pay more quickly (e.g. with cash).

Companies charge fees even less frequently (5%) than they offer discounts for specific payment methods, doing so mainly for cashless payments (91%).[11]

The majority of companies therefore do not appear to favour one specific payment method over another and, for the most part, do not pass on the costs per transaction directly to their customers. This suggests that companies tend to pass on the costs of a particular payment method (e.g. credit card fees) indirectly via higher overall product prices.

2.4 INFRASTRUCTURE FOR CASHLESS PAYMENT METHODS

On the subject of cashless payment methods, companies were also asked which service provider they use to process payments and whether the infrastructure involved in processing works smoothly.

Cashless payments are primarily processed via banks and specialised payment service providers such as Worldline (formerly SIX Payment) or PostFinance. These frequently also provide companies with the necessary infrastructure (e.g. card readers). The smooth processing of cashless payments also requires electricity and communication networks.

For companies with payment terminals, the processing of cashless payments is largely free of technical disruptions such as power cuts, network issues or card reader defects. For around 50% of companies, instances where a cashless payment cannot be processed due to a technical disruption occur at most once every few years.[12] A minority of companies (29%) experience this problem more frequently.

Around one-third of the companies state that, in the event of technical disruptions related to cashless payments, their customers can pay either with cash or at a later stage (purchase on account). Technical emergency solutions such as alternative internet connections or standby power generators play a negligible role. One-fifth of companies have no contingency or fallback plan in place.

11 Cashless payments include not only payments with cards and mobile payment apps, but also payment against invoice and transfers. For this question, companies did not have to provide more detailed information on the payment method.

12 In the payment methods survey of private individuals, 52% of the population stated that they had experienced such a technical disruption in the last 12 months. Given that the same company may have been considered several times, the results of the two surveys differ here.

3
Payments made by companies

The survey also examined the expenses side of companies. As with the receipts side, companies were asked about the payment methods they use for making their own payments. Recurring payments[1] were not taken into consideration, even though they are likely to account for a larger proportion of all expenditure. For non-recurring payments, a company generally has to decide each time which payment method to use, whereas for recurring payments, the choice is usually only consciously made for the first transaction. Another reason is that the payment methods survey of private individuals also focuses on non-recurring payments, thus allowing a direct comparison of payment behaviour at companies with that of private individuals. The following sections thus always refer to companies' non-recurring payments.[2]

3.1 PAYMENT METHOD USE

Overall, payment against invoice (87%) and transfers (79%) are the most frequently used payment methods by companies for non-recurring payments (cf. chart 8). These are followed in third and fourth place by credit cards (46%) and cash (43%). For companies that use cash for their own payments, cash payments account for only a small proportion of total expenditure (median: 4.5%; average: 16.5%).

Mobile payment apps are used by 17% of companies. For medium-sized and large companies, this proportion is rather small, at 9% and 2% respectively, but for small companies (up to 9 employees) it is all the higher, at 25%. Owner-operated companies are likely to be the key driver here, as mobile payment apps are generally only marketed to companies for the receipts side of business. On the expenses side, by contrast, providers of mobile payment apps primarily tend to target private individuals.

Cryptoassets are rarely used as method of payment. Only just under 2% of companies own cryptoassets as a result of customer payments, as a store of value, for speculation, for payment purposes or for other reasons.

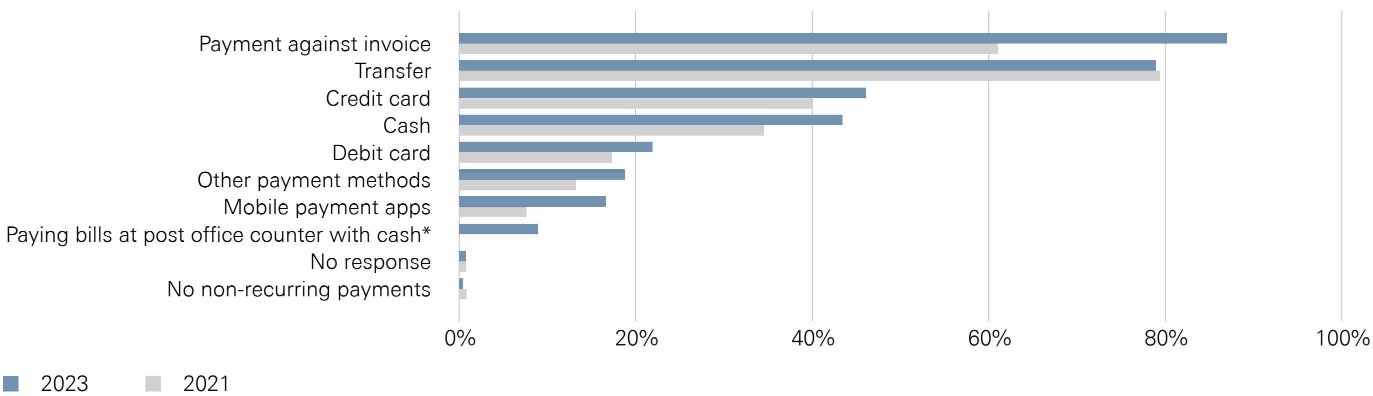
Changes in payment method use since 2021
On the expenses side, cashless payment methods have gained in prominence for companies since the last survey. The increase in the case of payment against invoice is particularly pronounced, up by 26 percentage points from just 61% in 2021.[3] Similarly to the payment methods

1 *Recurring payments* are all regularly occurring payments/liabilities, such as wage and salary payments, rent and utilities expenses, insurance premiums, telephone or credit card bills, taxes, monthly or annual subscriptions, loan repayments.
2 *Non-recurring payments* refer, for instance, to occasional purchases from suppliers or expenses for repairs.

3 Since the last survey, the traditional payment slip on invoices has been replaced with the QR-bill. Accordingly, in the current survey, questions focused on payment against invoice via QR-bill, eBill and direct debit.

Chart 8

PAYMENT METHOD USE
Shares of basis in percent (multiple answers possible)



* Not covered in 2021 survey
Basis: 1,753 companies (2023); 2,183 companies (2021)

Source(s): SNB

survey of private individuals, the proportion of companies that use mobile payment apps has more than doubled, from 8% to 17%.

Furthermore, the use of cash has increased by 8 percentage points, from 35% to 43%, meaning that more companies cite using cash for payments than in 2021. At the same time, 90% of companies say they do not intend to change their cash usage in the next two years. Where an adjustment is nevertheless planned (expansion or restriction), the reasons given are changes in payment habits, payment costs or contingency planning.

International payments
A large majority of companies (80%) carry out international payments, i.e. payments to recipients abroad. For these payments, 46% of companies use foreign currency accounts (e.g. in euros or US dollars) held at a Swiss bank. However, at 68%, the majority of international payments are processed via Swiss franc accounts at a Swiss bank. Foreign currency accounts held at a bank domiciled abroad are used by 18% of companies.

In terms of a company's total expenditure, payments made to recipients in another country account for a small proportion (median: 2.5%; average: 12.4%). Retail and industry have the highest averages (24% and 18% respectively), while public administration makes far fewer international payments, with 2.0% on average.

3.2 REASONS FOR PAYMENT METHOD USE

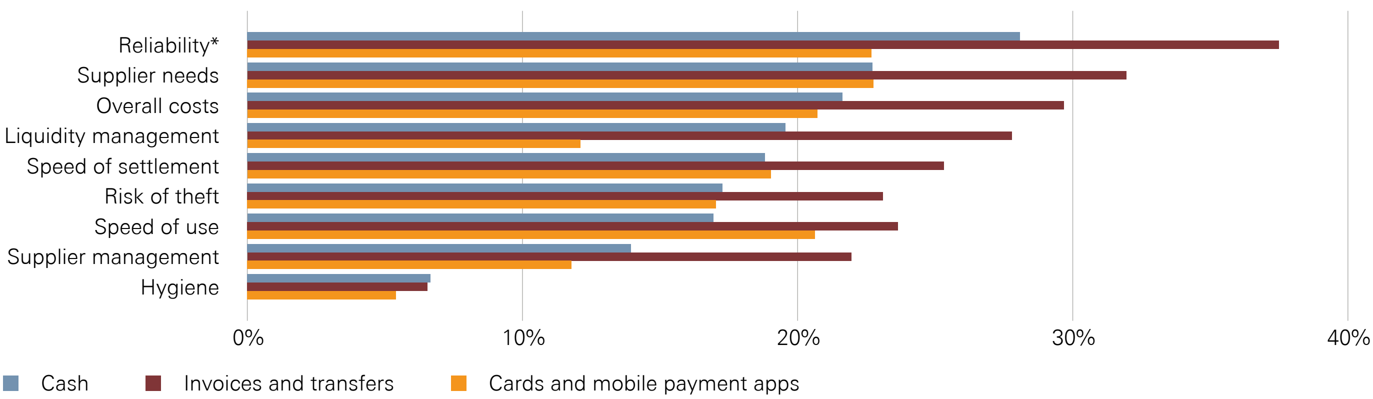
Companies were not only asked about their reasons for accepting different methods of payment, they were also asked about their reasons for using payment methods. For this, they were requested to specify which reasons were 'decisive' for use, which were 'also relevant' and which were 'irrelevant'. The following section elaborates on the decisive reasons provided by companies. As explained at the beginning of this chapter, these questions, too, were only asked in relation to non-recurring payments.

Overall, the most frequently cited decisive reasons for using payment methods are reliability and supplier needs (cf. chart 9). For instance, 37% of companies consider the reliability of invoices and transfers to be a decisive factor for their use (cash: 28%; cards and mobile payment apps: 23%). Supplier needs, meanwhile, play a decisive role for 32% of companies when it comes to using invoices and transfers (cash: 23%; cards and mobile payment apps: 23%).

The importance of liquidity management varies from one payment method to another. For invoices and transfers it plays a more important role than for cash. Of the companies surveyed, 28% cite liquidity management as a decisive factor in choosing invoices and transfers as a payment method (cash: 20%). This could be due to the fact that, owing to the associated payment deferral, purchases on account can reduce the liquidity requirement in the short term. Liquidity management is less important for cashless payment methods, such as cards and mobile payment apps (12%), than for cash.

Chart 9

DECISIVE REASONS FOR USING PAYMENT METHODS
Shares of relevant basis in percent (multiple answers possible)



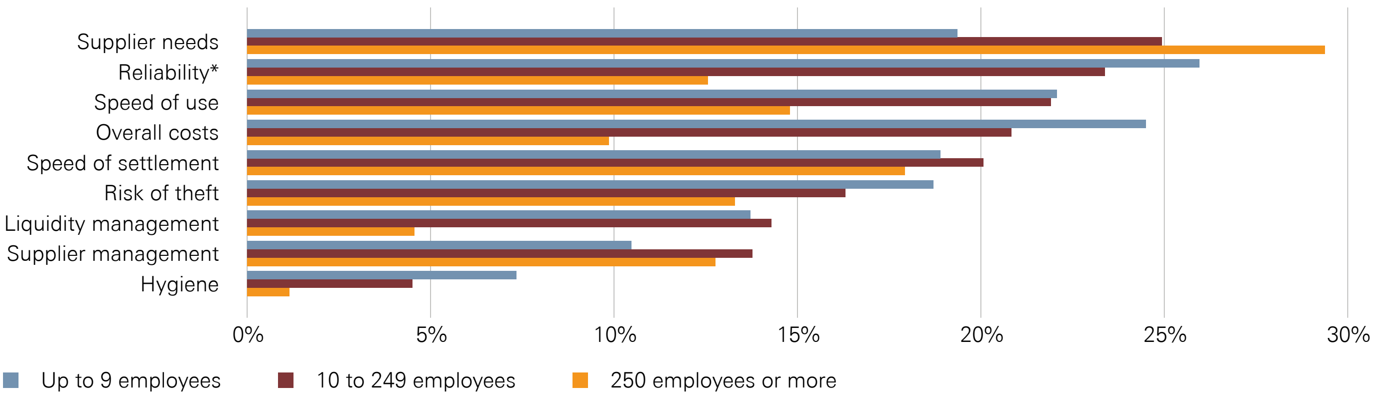
* Includes low susceptibility to malfunction, and crisis resistance
Basis: 786 companies (cash); 1,661 companies (invoices and transfers); 1,020 companies (cards and mobile payment apps)
Source(s): SNB

The overall costs involved in the use of cash, cards and mobile payment apps are more often a decisive factor for small companies than for large ones (cf. charts 10 and 11). It stands to reason that the costs associated with payment methods are more important for small companies.

Chart 10

DECISIVE REASONS FOR USING CARDS AND MOBILE PAYMENT APPS

Shares of relevant basis in percent (multiple answers possible)



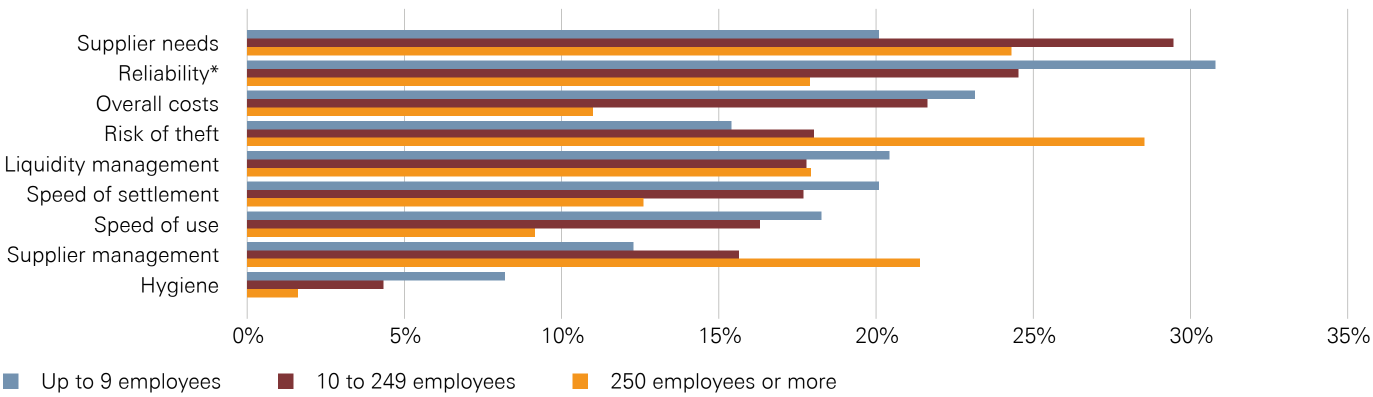
* Includes low susceptibility to malfunction, and crisis resistance
Basis: 555 companies (up to 9 employees); 269 companies (10 to 249 employees); 197 companies (250 employees or more)

Source(s): SNB

Chart 11

DECISIVE REASONS FOR USING CASH

Shares of relevant basis in percent (multiple answers possible)



* Includes low susceptibility to malfunction, and crisis resistance
Basis: 525 companies (up to 9 employees); 187 companies (10 to 249 employees); 74 companies (250 employees or more)

Source(s): SNB

Cash holdings

In the survey, companies were asked to provide information on their cash holdings, both on the amounts and on their reasons. When stating the cash amounts held, the companies were asked to differentiate between two possible uses – the cash is (i) held for the purposes of making imminent transactions or (ii) held in reserve as a store of value.[4]

The majority of companies (54%) state that they generally hold cash, while 40% report that they hold no cash. The remaining 6% provided no response to this question.

For the settlement of imminent transactions, 43% of all companies hold between CHF 1 and CHF 50,000 in cash (cf. chart 12). A similar proportion of companies state that they do not hold any cash for this purpose. Only a small number of companies, most of them large, report holding larger amounts of cash to settle imminent transactions, with just 0.5% of all surveyed companies saying they hold in excess of CHF 1 million. Compared with the 2021 survey, the share of companies that do not hold cash for the settlement of imminent transactions has increased considerably, from 26% to 43%. This rise can be observed across all company sizes and industries, and is likely related to the decreasing importance of cash for transaction purposes.[5]

With regard to holding cash as a store of value, the majority of companies (54%) state that they do not, while 30% of companies say they hold between CHF 1 and CHF 50,000 in cash for this purpose. Far fewer – mostly large – companies report holding larger amounts of cash as a store of value.

Out of the possible reasons given for using cash as a store of value, the most frequently cited at 40% (compared with 27% in 2021) was as a safety net and for contingency planning (cf. chart 13). The significant rise in the proportion of this response since the last survey may be due to recent crises (e.g. coronavirus pandemic, war in Ukraine).[6] This finding is in line with the payment methods survey of private individuals, where this reason was also given more frequently than before (2022: 26%; 2020: 17%).[7]

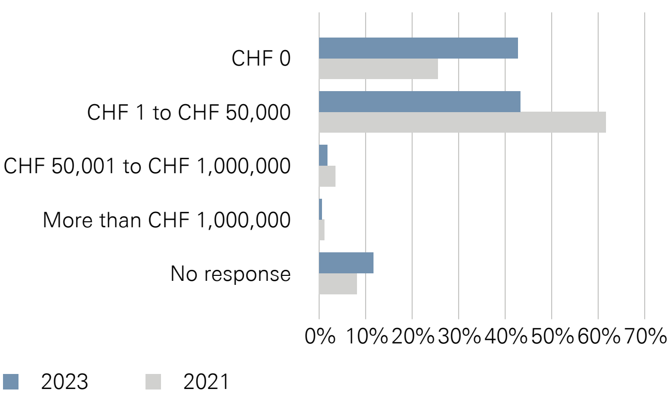
4 This breakdown is relevant in the sense that cash holdings for conducting imminent transactions can be assigned to the transaction share of currency in circulation, while cash reserves contribute to the store-of-value share of currency in circulation. Given the sensitive nature of the questions and the comparatively high proportion of companies unwilling or unable to respond, the results relating to cash holdings as a store of value are to be considered with caution.
5 Cf. Swiss National Bank (2023), Payment Methods Survey of Private Individuals in Switzerland 2022, chapter 4.

6 It should be noted that the previous survey in 2021 specifically asked about the situation before the coronavirus pandemic.
7 Cf. Swiss National Bank (2023), Payment Methods Survey of Private Individuals in Switzerland 2022, chapter 3.

Chart 12

ESTIMATED AMOUNT OF CASH HELD FOR IMMINENT TRANSACTIONS

Shares of basis in percent



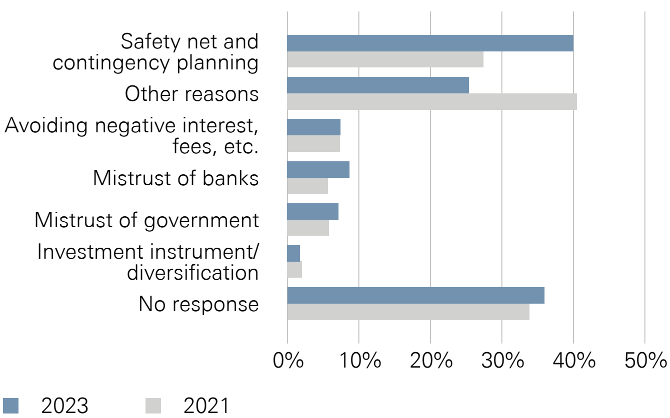
Basis: 1,753 companies (2023); 2,183 companies (2021)

Source(s): SNB

Chart 13

REASONS FOR HOLDING CASH AS STORE OF VALUE

Shares of basis in percent (multiple answers possible)



Basis: 942 companies (2023); 901 companies (2021)

Source(s): SNB

4
Cash logistics

The ability to withdraw and return cash is an important prerequisite for companies to be able to accept and use cash as a payment method. In addition to the local cash infrastructure, which includes ATMs and bank counters, companies also use cash-in-transit operators for cash supply and returns. The last few years have seen a decline in the number of cash access points.[1] As a result, the supply and return of cash could become more difficult for companies. This chapter examines the importance of cash logistics for Swiss companies, with a special focus on companies with face-to-face business, as these in particular accept and use cash and are therefore reliant on cash logistics.[2]

Chapter 4.1 addresses the importance of cash supply and return options, while chapter 4.2 elaborates on the reasons for choosing the various options. Chapter 4.3 goes on to discuss how satisfied companies are with the cash supply and return options available, and chapter 4.4 concludes with a look at the consequences for companies of a decline in the local cash infrastructure.

1 Cf. SNB data portal: Number of payment cards and ATMs and Number of branches in Switzerland for all bank categories – annual.
2 Companies with zero turnover in face-to-face business and companies that provided no information regarding face-to-face business were excluded from this analysis.

4.1 CASH SUPPLY AND RETURN OPTIONS

Companies primarily obtain their cash supply from ATMs and bank counters (cf. chart 14), with around 42% of companies using these as a supply source. Cash receipts (41%) are another important source of cash for companies, while post office counters (18%) and cash-in-transit operators (3%) are used far less frequently.

Excess cash tends to be returned at bank counters in particular, with 42% of companies using bank counters to deposit cash. This is followed by ATMs, at 26%. A smaller proportion of companies use post office counters (20%), issue change to customers (16%) or make payments to suppliers (16%). As with cash supply, companies hardly use cash-in-transit operators (4%) for their returns.

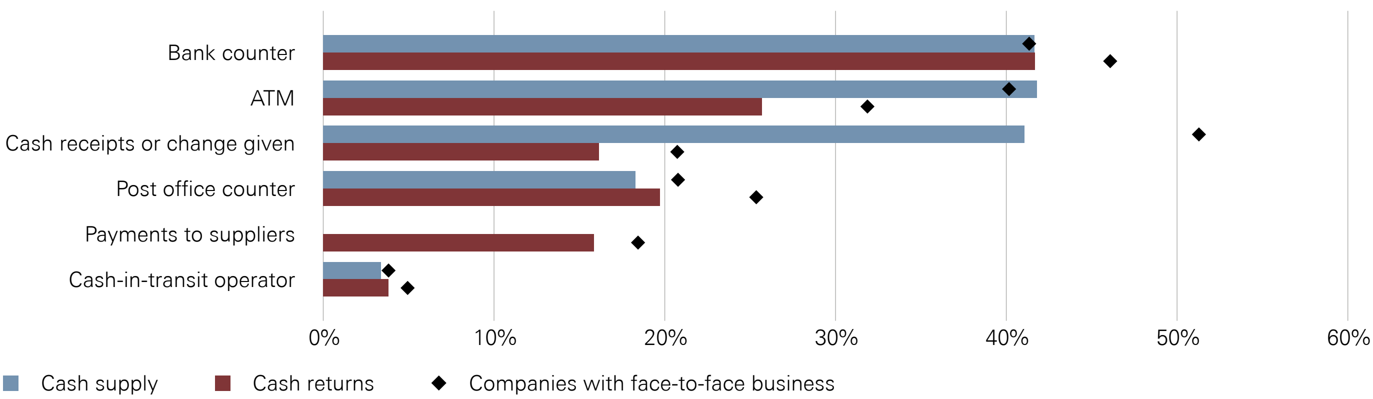
When it comes to choosing cash supply and return options, there are differences between small and large companies. The larger a company is, the more frequently it uses bank counters for its cash supply and return needs. This applies to around 50% of companies with 250 employees or more, as opposed to roughly 35% of companies with up to 9 employees. A larger proportion of small companies use ATMs and customer receipts.

For companies with face-to-face business, all supply options have higher shares, with the exception of bank counters and ATMs. Cash receipts, in particular, are an important source of cash for these companies.

Chart 14

CASH SUPPLY AND RETURN OPTIONS

Shares of relevant basis in percent (multiple answers possible)



Basis (supply): 1,350 companies (no response: 81 companies); 753 companies with face-to-face business (no response: 20 companies)
Basis (returns): 1,350 companies (no response: 283 companies); 753 companies with face-to-face business (no response: 76 companies)

Source(s): SNB

In terms of the frequency of cash withdrawals and returns, the spectrum is quite broad.[3] The largest group of companies (around 40%) withdraws and returns cash less than once a month (cf. chart 15). Just under half of all companies make cash withdrawals and returns at least on a monthly basis, while as many as 18% of companies obtain their supply of cash at least once a week. Companies with face-to-face business obtain their cash supplies somewhat more frequently and deliver excess cash back to the cash access points more often. Responses vary between industries. In hospitality, for instance, 42% of companies obtain their cash supplies at least once a week.

3 The data on frequency does not take the following cash supply and return options into account: customer receipts, change given, payments to suppliers.

4.2 REASONS FOR CHOOSING CASH SUPPLY AND RETURN OPTIONS

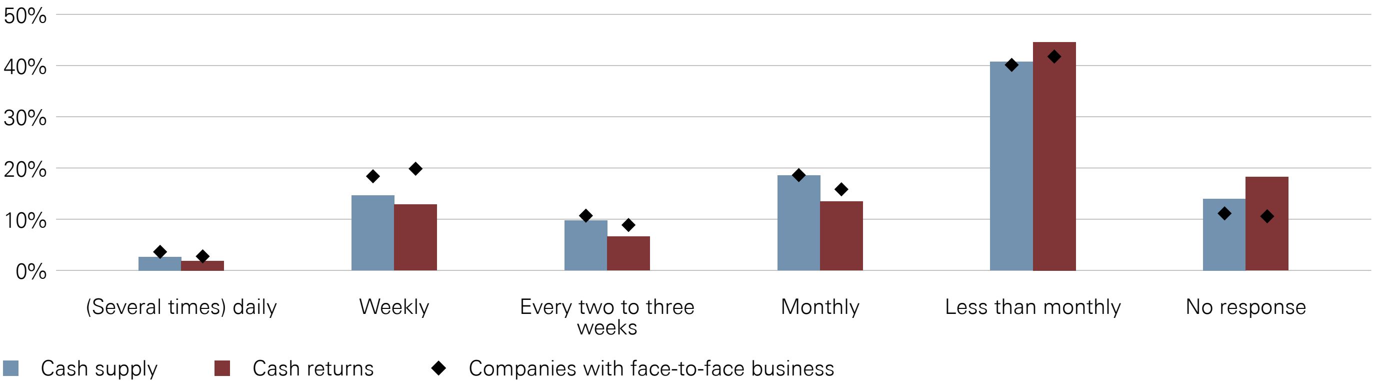
Different reasons are relevant in the choice of a suitable cash supply source. Bank counters and ATMs, for instance, are chosen for reasons of convenience and proximity. In addition, ATMs are also valued for their low costs (cf. chart 16). Meanwhile, companies that favour cash-in-transit operators do so for the high level of security they offer. In each case, around 20% of companies opt for a certain supply source (e.g. ATMs) because there are no alternatives available. The reasons for choosing cash return options hardly differ from those for cash supply.

The fact that companies choose cash supply and return options that are easily reachable is reflected in the responses on accessibility. Companies usually need little

Chart 15

FREQUENCY OF CASH SUPPLY AND RETURNS

Shares of relevant basis in percent



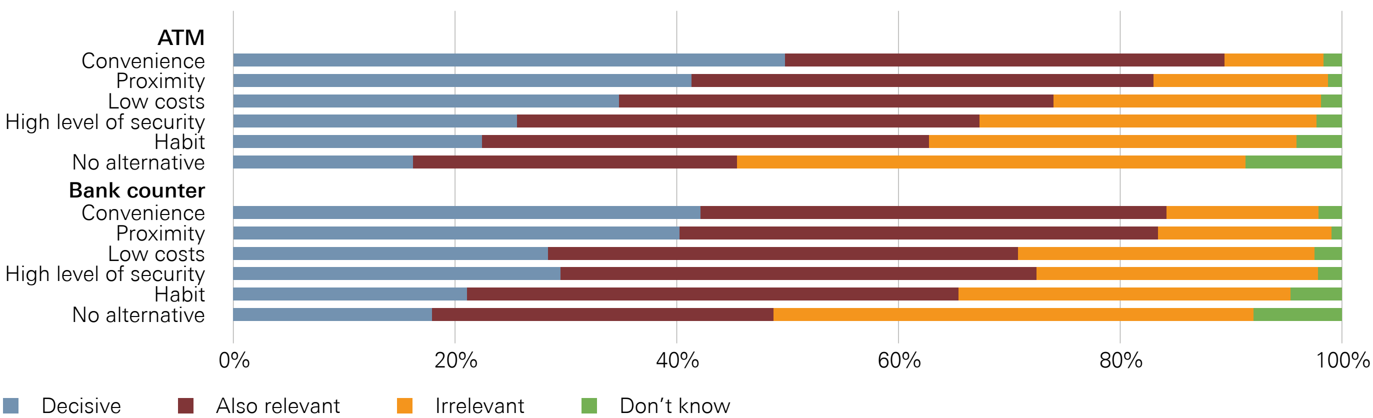
Basis (supply): 1,350 companies; 753 companies with face-to-face business
Basis (returns): 1,350 companies; 753 companies with face-to-face business

Source(s): SNB

Chart 16

CASH SUPPLY – REASONS FOR CHOOSING ATM AND BANK COUNTER

Shares of relevant basis in percent



Basis: 564 companies (ATM); 562 companies (bank counter)

Source(s): SNB

time to reach the cash access and return points: 90% of companies need less than 20 minutes, while 60% need less than 10 minutes (cf. chart 17). Half of the companies use a car for this purpose; at around one-third of companies, employees go on foot, and 5% take public transport. There are practically no differences between companies with and without face-to-face business.

4.3 SATISFACTION WITH QUALITY OF CASH INFRASTRUCTURE

The following section looks at whether companies are satisfied with the cash infrastructure on the whole and how they assess the effort and costs involved in obtaining and returning cash. Given that banknotes and coins are often not withdrawn and deposited at the same location, the questions were asked separately for notes and coins.

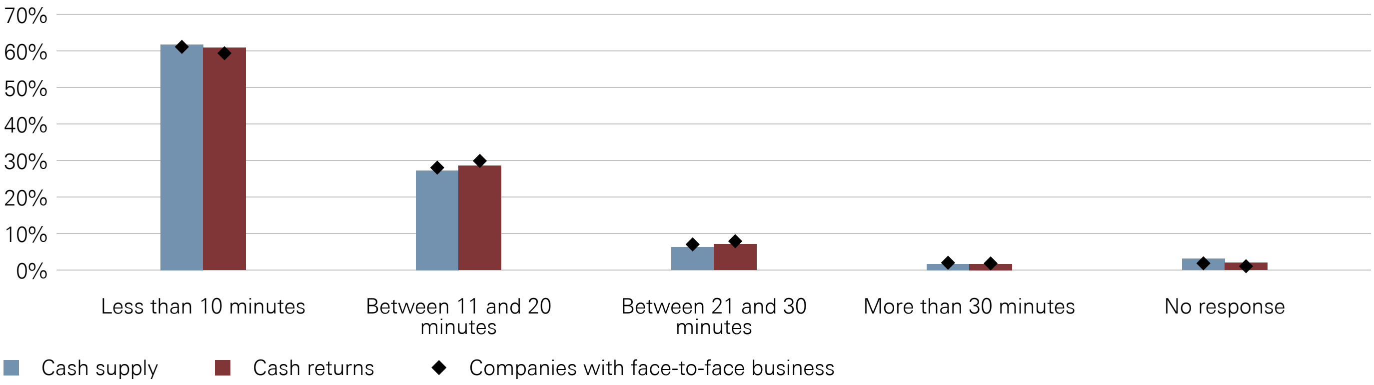
Around 70% of companies are satisfied with the availability of access and return points for banknotes, while 56% of companies are satisfied with the availability of access points for coins (cf. chart 18). There are also differences in relation to the effort and costs involved in obtaining and returning banknotes and coins. The supply and return of banknotes are considered satisfactory in this regard by 62% of companies. For coins, this figure is just 54%. Therefore, with regard to the effort and costs involved, companies are less satisfied overall with the supply and return options for coins than for banknotes.

Around 15% of companies are not satisfied with the supply and return options available for banknotes or coins, while roughly 25% are neutral (cf. chart 18).

Chart 17

AVERAGE TRAVEL TIME TO ATM, BANK COUNTER OR POST OFFICE COUNTER

Shares of relevant basis in percent



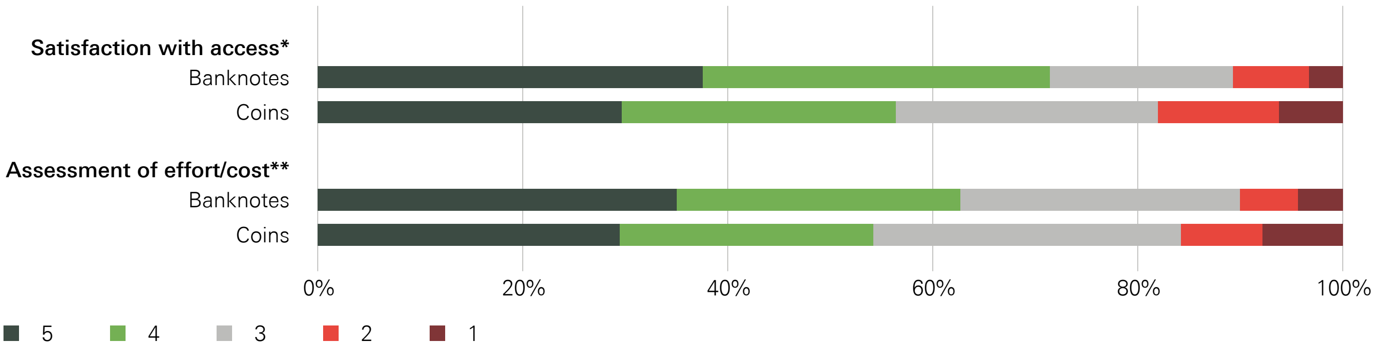
Basis (supply): 996 companies; 541 companies with face-to-face business
Basis (returns): 901 companies; 579 companies with face-to-face business

Source(s): SNB

Chart 18

SATISFACTION WITH CASH ACCESS AND ASSESSMENT OF EFFORT/COST OF CASH SUPPLY

Shares of basis in percent



* Satisfaction with access (5 = very satisfied, 1 = not at all satisfied)
** Assessment of effort/cost (5 = appropriate, 1 = not appropriate)

Basis: 1,350 companies

Source(s): SNB

4.4 DECLINE IN LOCAL CASH INFRASTRUCTURE

As in the last survey, companies were asked about the impact of a decline in the local cash infrastructure, such as bank and post office counters as well as ATMs. Almost half of the companies expect such a decrease in the next few years, up from 38% in 2021 to 43% in 2023, and fewer companies (25%) expect there to be no decline (2021: 34%).

A reduction in the number of ATMs and bank or post office branches would negatively affect cash supplies for most companies (cf. chart 19). Around two-thirds of the companies expect that a decline in the local cash infrastructure would have a negative impact on them with regard to cash supply and returns. In the 2021 survey, this figure stood at 52%.

Small companies are particularly affected. While two-thirds of small companies (up to 9 employees) consider a decline as being negative, only around half of large companies (with 250 employees or more) are of the same opinion. This assessment also differs from one industry to another – a negative impact is expected in particular in agriculture (80%) and hospitality (76%).

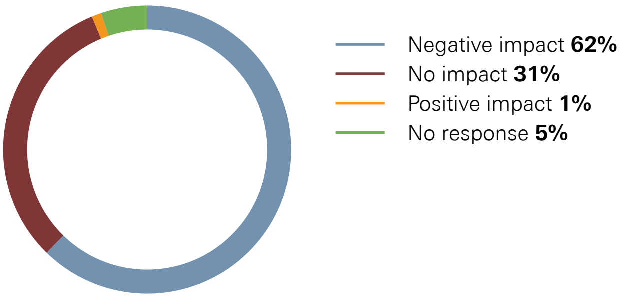
In the event of a decline in the local cash infrastructure, only one-fifth of companies would take no measures. Around 40% would change to another branch, some 30% would switch to another provider, while one-quarter of companies would even reduce their cash usage (cf. chart 20). For companies with face-to-face business, the most frequently cited measure is also to move to another branch.

The majority of companies are therefore relying on being able to switch to suitable alternatives in the event of there being fewer cash access points. This is only possible if such alternatives are available. Should the existing network decline considerably, it cannot be ruled out that there will be no viable options at all. This could force companies to stop accepting cash in the future.

Chart 19

IMPACT OF DECLINE IN LOCAL CASH INFRASTRUCTURE

Shares of basis in percent



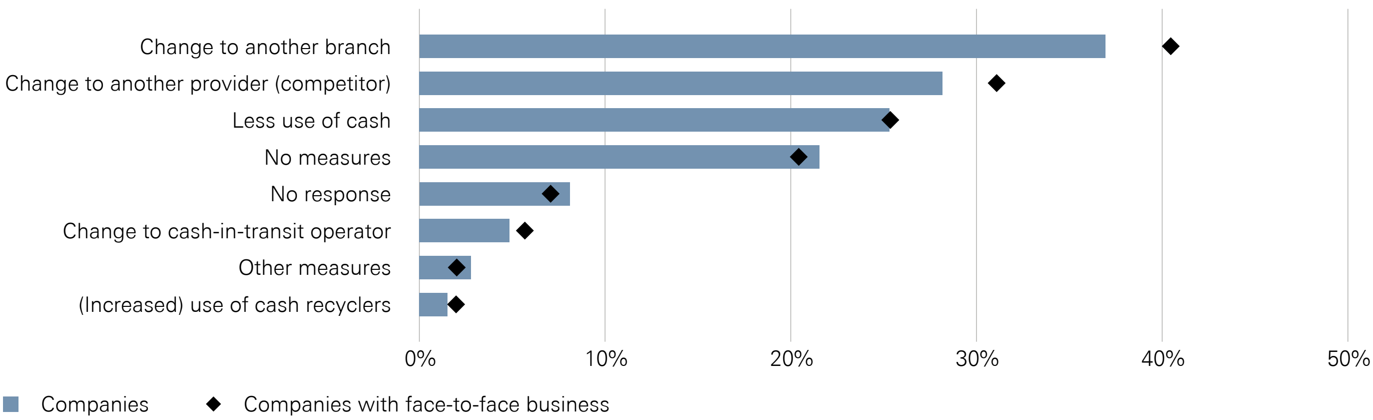
Basis: 1,196 companies

Source(s): SNB

Chart 20

MEASURES IN EVENT OF DECLINE IN LOCAL CASH INFRASTRUCTURE

Shares of relevant basis in percent (multiple answers possible)



Basis: 1,196 companies; 687 companies with face-to-face business

Source(s): SNB

Appendix

SURVEY METHODOLOGY

The aim of the survey was to obtain as representative a picture as possible of payments at Swiss companies and to identify any changes over time. As in 2021, the Business and Enterprise Register (BER) used by the Swiss Federal Statistical Office served as the basis for the sampling procedure. The BER contains all enterprises and businesses in private and public law in Switzerland which exercise an economic activity.

The SNB commissioned the market research institute intervista AG to conduct the survey. The 7,474 selected companies were invited by post to participate in the online survey (computer assisted web interview). The questionnaire comprised almost 80 questions and was extensively revised based on the previous survey.[1]
A total of 1,753 companies completed the online survey between mid-May and end-July 2023, corresponding to a response rate of around 23.5%. The median amount of time spent on the survey was approximately 21 minutes. The participating companies did not receive any compensation for completing the questionnaire.

As in 2021, the survey population was defined in such a way that large companies (as measured by the number of employees and full-time equivalents) had a stronger weighting than smaller companies. If all companies in the BER had had the same probability of being included in the sample, it would have consisted primarily of very small companies. Furthermore, credit institutions – themselves part of the payment infrastructure – as well as companies in the special NOGA[2] sections T[3] and U[4] were excluded from the survey population. Large retailers were surveyed separately in the 2023 payment methods survey of companies. Using this survey population, a random sample stratified by language region, industry category and company size was drawn from the BER. The companies in this sample were then invited to participate in the survey.

To make the sample as representative as possible for the defined survey population, a cell-based weighting method was applied. This means that all the fully completed questionnaires were weighted on the basis of the stratification criteria of language region, industry category and company size according to their share in the defined survey population. Therefore, all shares, totals and key figures in this report are to be understood as weighted values. Due to definition of the survey population, some groups in the sample contain comparatively few companies. The percentage shares of the respective groups have not changed significantly since 2021.

1 Direct comparisons to the 2021 survey are not always possible due to occasional differences in the questions.
2 The General Classification of Economic Activities (NOGA) was developed by the Swiss Federal Statistical Office (SFSO). It has been integrated into the Business and Enterprise Register (BER). Cf. Swiss Federal Statistical Office.
3 Activities of households as employers; undifferentiated goods and services-producing activities of households for own use.
4 Activities of extraterritorial organisations and bodies.

DISTRIBUTION OF SAMPLE BY STRATIFICATION CRITERIA

	Description	Number	Share[1]
Total			
All companies	Size of sample with all companies surveyed	1,753	100%
Language region[2]			
German-speaking Switzerland	Companies headquartered in German-speaking Switzerland	1,265	72%
French-speaking Switzerland	Companies headquartered in French-speaking Switzerland	406	23%
Italian-speaking Switzerland	Companies headquartered in Italian-speaking Switzerland	82	5%
Company size			
1 to 9 employees	Companies with up to 9 employees	979	56%
10 to 49 employees	Companies with 10 to 49 employees	256	15%
50 to 249 employees	Companies with 50 to 249 employees	191	11%
250 employees or more	Companies with 250 employees or more	327	19%
Categories			
Agriculture	Agriculture, forestry and fishing	95	5%
Industry	Industry	333	19%
Wholesale and retail trade	Wholesale and retail trade; repair of motor vehicles and motorcycles	216	12%
Transportation	Transportation and storage	59	3%
Hospitality	Accommodation and food service activities	77	4%
Financial service activities	Financial and insurance activities	49	3%
Other services activities	Other services	512	29%
Public administration	Public administration and defence; compulsory social security	76	4%
Education	Education and educational support activities	65	4%
Healthcare	Human health and social work activities	224	13%
Entertainment	Arts, entertainment and recreation	47	3%

1 Due to rounding, the total of shares may not correspond to 100% in all groups.
2 The linguistic classification of place of residence (municipality) is based on the most commonly spoken local language according to the SFSO structural survey (available in German and French only): Statistical Atlas of Switzerland. For purposes of presentation, Italian-speaking municipalities outside Canton Ticino are included in the category 'Italian-speaking Switzerland'.

Source(s): SNB

Cash logistics	Cash logistics covers cash supply, cash returns and cash processing by companies.
Cash supply and return channels	Channels used by companies to supply themselves with cash and to return excess cash. Examples include ATMs, bank counters, Swiss Post counters and cash-in-transit operators.
Contactless function	Facilitates the transfer of payment information between a physical device (e.g. smartphone or payment card) and a terminal at a point of sale (POS) without the need for any physical contact between the device and the terminal. Contactless payments are typically transferred using near-field communication (NFC), or by scanning a quick response code (QR code).
Cryptoassets	Cryptoassets are digital representations of value in a database that uses distributed ledger technology. They imitate functions of money, but are only accepted as a method of payment in isolated cases. This form of asset is most often issued and controlled by an unregulated institution or network of computers. Cryptoassets are speculative investment instruments. Examples are Bitcoin and Ethereum.
Face-to-face transaction	Face-to-face transactions cover all payments made at the location where the purchase takes place. Examples are transactions conducted at physical points of sale or in restaurants.
Mobile payment apps	For the purposes of this report, mobile payment apps include Twint, other mobile payment apps (e.g. Google Pay, Apple Pay, Samsung Pay) and wearables (cf. wearables). Mobile payment apps represent a form of mobile payment. These apps can be used not only to buy goods and services, but also to settle person-to-person (P2P) payments. A transaction with a mobile payment app is generally made by transfer (if linked to an account), credit card payment (if linked to a credit card), or e-money (if a prepaid app is used or if linked to a prepaid card). Payment at a point of sale is made by scanning a QR code, via NFC (cf. contactless function), or by personal identification like with a phone number or email address.
Non-recurring payments	Non-recurring payments refer, for instance, to occasional purchases from suppliers or expenses for repairs.
Online payment method	Online payment methods refer to all payments made via the internet that are not executed through a dedicated e-banking application. An example of this is PayPal.
Payment against invoice	For the purposes of this report, the term ‘payment against invoice’ covers payments made via QR-bill, eBill and direct debit.
Recurring payments	Recurring payments are all regularly occurring payments/liabilities, such as wage and salary payments, monthly rent and utilities expenses, monthly or annual insurance premiums, monthly or bimonthly telephone or credit card bills, annual taxes, monthly or annual subscriptions, loan repayments.
Remote transaction	Remote transactions cover all payments in which the payment method is not physically present at the point of sale when the transaction is initiated. Examples are transactions resulting from online, email or telephone orders.
Transfer	Transfers are payments made via e-banking, mobile banking (m-banking) or cashless payment at counters, either using an IBAN or other account details, but without payment slips.
Wearables	Wearables are accessories (e.g. watches) with an integrated payment function.

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Telephone +41 58 631 00 00

Further information
communications@snb.ch

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