

Payment Methods Survey of Private Individuals in Switzerland 2022

SCHWEIZERISCHE NATIONALBANK
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Payment Methods Survey of Private Individuals 2022

Survey on payment behaviour and
the use of cash in Switzerland

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This report presents the results of the Payment Methods Survey of Private Individuals in Switzerland 2022. 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 the public 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 its mandate. It therefore commissioned a third payment methods survey, following on from those in 2017 and 2020, and this was conducted in autumn 2022.

The survey focuses on the payment behaviour of private individuals and has the following objectives:

- Gain insights into the prevalence and use of payment methods as well as the reasons behind the choice of payment instrument
- Track changes in payment behaviour, particularly with regard to the use of cash
- Gather information on possible restrictions on the acceptance of payment methods and disruptions in the payments infrastructure
- Get a precise understanding of the use of new payment methods

The survey results show that the trend from cash to cashless payment methods has continued. That said, most private individuals still have several payment methods available to them and also use them regularly. While mobile payment apps have taken on an important role as a method of payment in recent years, and payment cards have become firmly established, cash is still used regularly for payments. With their varying characteristics, the payment methods complement each other well in different situations.

Being able to choose freely between cash and the various cashless payment methods is important for the public. Ensuring this freedom of choice calls for a well-functioning payments infrastructure and a high level of acceptance of the different payment methods. From the perspective of private individuals, the payments infrastructure in Switzerland is working well. Thanks to the widespread acceptance and high level of ownership of the various payment instruments, the public face hardly any restrictions in their choice of payment method.

In autumn 2022, the Swiss National Bank conducted its third representative survey on payment methods of private individuals. Around 2,000 people resident in Switzerland were interviewed about their payment behaviour, and thereafter kept a diary recording their everyday payments, e.g. in supermarkets, restaurants and for online transactions. They were also asked for information on their recurring payments (e.g. rent and insurance premiums).

As regards payment instrument usage, the shift from cash to cashless payment methods is continuing, albeit at a slower pace than in previous years.

The majority of respondents expect this development to continue in the coming years. Mobile payment apps in particular are likely to play an even more important role for the population going forward.

Despite these changes, there is a broad desire among the population for cash to continue to be available as a payment method. A clear majority would like the option of using cash to remain unchanged in the future. Even those people who make little use of cash themselves still want it to be available. Virtually the entire population would thus like to also be able to choose between cash and cashless payment methods in future.

Thanks to the widespread acceptance and high level of ownership of different payment instruments, it is only in very rare instances that payment transactions cannot be completed. There are only seldom situations in which a desired payment cannot be carried out owing to acceptance constraints or technical disruptions. Ownership of different types of payment instruments is one prerequisite for a smooth payment process. The broad acceptance of cash at points of sale is also important, given that it can then also be taken if cashless methods of payment cannot be used owing to technical disruptions. Satisfaction with the acceptance of cash remains high, although there are some sporadic instances of points of sale where cash is no longer accepted. The population is also currently satisfied with the access to cash, which mostly takes place via ATMs. That said, a reduction in cash access points would prompt many people to curb their use of cash. All in all, a very large proportion of the population feels it is currently not restricted in its choice of payment method.

The 2022 payment methods survey of private individuals yielded the following specific results:

Cash and debit cards continue to be the two most widely owned payment instruments among Switzerland's resident population. Of the respondents, who on average own four different cashless payment instruments, 96% state that they keep cash in their wallets or at home to cover day-to-day expenses. 93% of the respondents own a debit card (2020: 92%) and 76% a credit card (2020: 78%). While the prevalence of cash and payment cards among the population has remained steady at a high level, ownership of mobile payment apps has shown a strong increase, up more than 20 percentage points to 68%.

Measured in terms of the number of everyday payments made, cash transactions have declined further whereas mobile payment apps are being used increasingly often. Cash is used by the population in 36% of transactions, making it one of the most used methods for day-to-day payments. In 2020, the share of transactions settled using cash stood at 43%, while in 2017 it was some 70%. The decline in cash usage has thus slowed considerably. The transaction values of debit cards (33%) and credit cards (13%) have remained very stable. These payment cards are used in practically every second everyday payment, most frequently with the contactless function (75%). Mobile payment apps are being used increasingly often by the population, registering a marked increase in volume share to 11% (2020: 5%). Depending on the area of application, mobile payment apps are replacing both cash and cashless payment instruments.

In terms of the transaction value of everyday payments, the debit card remains the most important payment method. The value share for debit card payments has remained unchanged at a high level of 33%, followed by cash at 20% (2020: 24%). Mobile payment apps show the largest shift, with their value share doubling to 8%. The increase in value share and volume share shows that mobile payment apps are being used frequently by the population, irrespective of the payment amount.

There has been little change over the past two years in payment behaviour with regard to recurring payments, and online banking transfers are still the most significant instrument. In terms of transaction value, 52% of all recurring payments are made via online banking. Awareness of eBill has increased since the last survey and its usage share has grown slightly; with a value share of 10% it now ranks behind the standing order (14%).

The trend towards cashless payments is likely to continue in the coming years. According to the self-assessment conducted by the respondents, mobile payment apps in particular will be used increasingly for everyday payments in the future. In response to the question regarding which payment instrument will be used more often going forward, mobile payment apps (48%) are now for the first time mentioned more frequently than debit cards (35%).

Acceptance constraints and technical disruptions only seldom result in payment transactions not being completed. Although around half of the population have experienced acceptance constraints (47%) or technical disruptions (52%) in the past twelve months, in most cases it was nonetheless possible for the payment to be made. Only 3% of the respondents faced a situation where the transaction could not be completed owing to constraints and 7% because of a disruption. Cashless payment methods are more frequently affected by such occurrences, and cash is often used as an alternative payment method.

Despite an increase in the sporadic instances of constraints, the population is satisfied with the extent of cash acceptance in Switzerland. A quarter of the population has experienced at least one situation when cash was not accepted or not desired as a means of payment, particularly when eating and drinking out (32%) or at events such as trade fairs, festivals and concerts (24%). Despite this increase, virtually the entire population is essentially satisfied with the extent of cash acceptance in Switzerland.

The population is satisfied with the cash infrastructure, but would curb their use of cash if the infrastructure were to be reduced. The majority of the population (92%) is of the view that there are sufficient cash access points in Switzerland. There are gaps when it comes to cash deposits, however, since only 70% of respondents say they have sufficient opportunities in this regard. Many people would curb their use of cash were there to be a reduction in the infrastructure (28%) or if fees were to be raised for cash withdrawals (36%).

The report is structured as follows: Chapter 2 sets out the survey methodology. Chapter 3 looks at the ownership of the different payment instruments and how they are assessed by the population in Switzerland. Chapter 4 examines payment behaviour and the choice of payment method, and identifies the influencing factors. Chapter 5 focuses on the payments infrastructure. Chapter 6 concludes by exploring the developments in cashless payments.

2

Methodology

The survey consists of a telephone interview and the keeping of a payment diary. In the interview, the participants were asked about their payment habits and their attitudes towards the various payment instruments.¹ Thereafter they kept a diary over seven consecutive days, recording all of the payments they carried out but disregarding recurring payments such as rent and insurance premiums. In each case, they noted the amount, the payment instrument used and the payment location. The term ‘payment location’ is broadly defined for the purposes of this survey, and encompasses not only specific physical points of sale (e.g. supermarkets, restaurants), but also online purchases, counterparties (e.g. person-to-person, or P2P) and payment purposes (e.g. eating and drinking out). Around 22,000 transactions were recorded in total, and information was also kept on when cash in wallets was replenished or spent.

With regard to recurring payments, respondents were asked in a supplementary question for each expenses category to make one entry for the amounts, frequency and payment method used, irrespective of whether or not these payments were actually made during the diary week. Additionally, they drew up a separate list of all the payment instruments they own. In the latest payment methods survey, respondents were also asked to rank specific payment instrument attributes in order of how important they personally regarded them to be.

The SNB commissioned the market research institute DemoSCOPE to conduct the survey, and between August and November 2022 it interviewed some 2,000 Swiss residents aged 15 and over. Table 2.1 summarises the key aspects of the study design. Further details on the methodology can be found in appendix 1.

¹ The terms ‘payment method’ and ‘payment instrument’ are used synonymously throughout this report; cf. glossary.

Table 2.1

KEY ASPECTS OF SURVEY DESIGN

| | Description |
|--------------------|--|
| Method | Computer-assisted telephone interview (CATI) and paper or online diary |
| Survey population | Language-assimilated resident population of Switzerland aged 15 and over |
| Sampling procedure | Stratified random sample at individual level based on the Swiss Federal Statistical Office (SFSO) sampling frame |
| Survey period | Start of August to mid-November 2022 |
| Gross sample | 2,260 interviews and 2,036 diaries |
| Adjusted sample | 2,022 interviews and diaries |
| Incentive | SNB giveaway and CHF 100 |

Source(s): SNB

Key points

- Cash and debit cards remain the most widely owned payment instruments. Some 96% of respondents keep cash in their wallets or at home to cover day-to-day expenses, while 93% have a debit card.
- At CHF 132, the average amount of cash held in a wallet has changed little compared with the previous two surveys. Respondents continue to access cash on a regular basis, usually from ATMs. However, in line with the reduced use of cash for payment purposes, ATMs are being used less frequently. Respondents now most frequently withdraw 20-franc and 50-franc notes, whereas two years ago they primarily withdrew the 100-franc note.
- While the share of respondents who own a debit or credit card has remained stable at a high level, the use of mobile payment apps continues to grow at a very brisk pace, with an increase of more than 20 percentage points to 68%.
- Cash and debit cards are the best-rated payment instruments overall. While the assessment of debit and credit cards has hardly changed, cash has improved its ranking somewhat compared with 2020. Mobile payment apps recorded the greatest improvement.
- The three most important payment method attributes according to respondents are security, speed and ease of use.

This chapter explores which payment instruments are owned by respondents (cf. chapter 3.1), and discusses how the attributes of these payment methods are rated (cf. chapter 3.2). It provides the basis for the subsequent examination of the factors influencing the choice of payment method (cf. chapter 4.3) and helps in gauging the problem of being unable to complete transactions owing to acceptance constraints and technical disruptions (cf. chapter 5).

3.1 OWNERSHIP OF PAYMENT INSTRUMENTS

This section starts by detailing the survey results on the ownership of cash for payment purposes (cf. chapter 3.1.1). It then looks at how cash is accessed and examines the ownership and use of large-denomination banknotes. The second section presents the results relating to the ownership of cashless payment instruments (cf. chapter 3.1.2).

3.1.1 OWNERSHIP OF CASH FOR PAYMENT PURPOSES

Almost all respondents continue to use cash for payment purposes, with 96% saying they keep cash in their wallets or at home to cover day-to-day expenses (2020: 97%). The average amount of cash held by respondents in their wallets is CHF 132. Although this figure was slightly higher in the 2020 survey (CHF 138), it is almost unchanged compared with the first survey in 2017 (CHF 133). As in the previous years, the average has been pushed up by some respondents carrying relatively high amounts, with the result that the median is lower than the average, at CHF 86.¹ In contrast to the average, the median has fallen continuously over the three surveys (2020: CHF 90; 2017: CHF 99).

As in the previous two surveys, median cash holdings in wallets vary considerably in certain socio-demographic groups (cf. chart 3.1). Overall, however, the pattern across these groups remains unchanged. The greatest differences continue to be seen between the age groups. In the 55-and-over age group, median holdings of cash have changed little across the three surveys, while they have fallen steadily in the other two age groups. Median cash holdings among respondents aged 55 and over are thus now almost four times the amounts held by those aged 15 to 34 (2020: three-and-a-half times; 2017: two-and-a-half times).

¹ The median is also referred to as the middle value: 50% of respondents report a lower amount than the median and 50% report a higher amount.

Cash access

Compared with the 2020 survey, there has been little change overall in the way respondents access cash.² 91% of all respondents state that they typically make cash withdrawals (2020: 92%). For the most part, the infrastructure provided directly by banks and the post office is used for this purpose. ATMs are thus, as before, cited as being the most frequently used cash access points, with 88% of respondents saying they primarily use this channel (2020: 87%). However, in line with the reduced use of cash for payment purposes (cf. chapter 4), the main access points – particularly ATMs – appear to be used less frequently than in the past. The share of respondents citing ATMs as their main cash access point, and stating that they withdraw cash there only once a month or less, increased from 29% in 2020 to 45%.

For 6% of respondents, bank and post office counters are the main access point for cash (2020: 8%).³ Meanwhile, alternative means of accessing cash, such as withdrawals at a point of sale (cashback facility),⁴ are not very widespread. While 17% of respondents say that they do not know of any cash withdrawal services at points of sale, 75% have never made use of such a facility, despite being aware of its existence. Of those respondents who use this service, 58% do so primarily to take advantage of the additional cash withdrawal option, rather than because there is no ATM in the vicinity (2022: 39%).

As regards the reasons for withdrawing cash, respondents once again stated most often that the cash was intended either for immediate purchases or to top up the amount of cash in their wallets for forthcoming purchases. While the frequency with which the latter reason was cited has remained virtually unchanged (2022: 37%; 2020: 38%), the withdrawal of cash for immediate purchases was mentioned far less than in the last survey, down from 63% of responses in 2020 to 52%. Events such as the war in Ukraine and risks such as a potential energy shortage may have led to a shift towards corresponding reasons.

2 As the questions relating to cash access in the 2017 survey were less detailed than those in the 2020 and 2022 surveys, the results for 2022 are only compared with those from 2020.

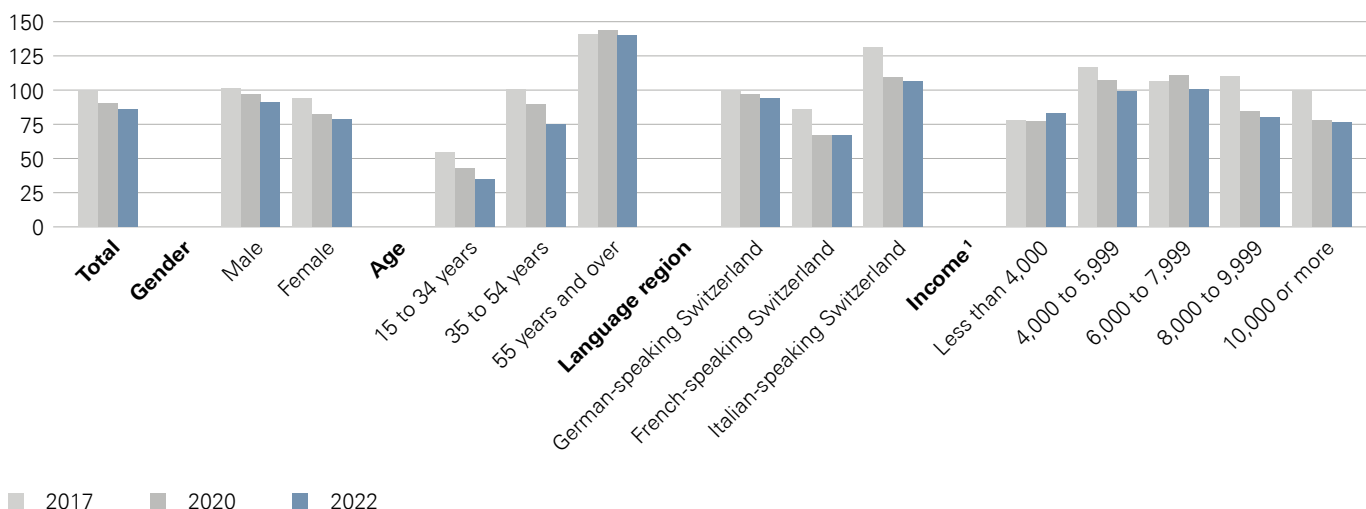
3 Given that the two questions on cash withdrawals and the main cash access points were asked independently of each other, the percentages provided do not have to correspond exactly. In particular, respondents may have indicated that they do not generally withdraw cash, but may also have noted that, if they do, they primarily withdraw it from ATMs.

4 There are a number of ways to withdraw cash at a point of sale. Various debit cards (e.g. PostFinance Card, Visa Debit, Debit Mastercard) can be used to obtain cash from selected retailers (e.g. Migros, Coop, Manor, Spar, Denner, Lidl), with the cards accepted for this purpose varying from retailer to retailer. Cash withdrawals are also possible at certain kiosks and retailers (e.g. K-Kiosk, Volg) using mobile payment apps (e.g. Sonect, Twint).

Chart 3.1

CASH HOLDINGS IN WALLET

Median in CHF of Swiss franc cash (banknotes and coins) in wallet; from payment diary



Question: How much cash (which Swiss franc coins and notes) do you currently have in your wallet or on your person?
Basis: 1,996 people or respondents by socio-demographic group (cf. appendix 2)
Point of capture: At the beginning of keeping the payment diary

1 The income indicated is the monthly gross household income of respondents in Swiss francs.

Source(s): SNB

At 21%, the number of related reasons given for withdrawing cash (e.g. ‘as cash reserves, for emergencies, as a safety net in general’, ‘in case cashless payment methods are not accepted or should technical issues arise’) was significantly higher than in the previous survey (2020: 7%). The increase in the number of reasons given by the two younger age groups is particularly striking.

The most frequently obtained denominations at respondents’ main cash access points continue to be the 20-franc, 50-franc and 100-franc notes. However, there has been a shift in recent years towards smaller denominations (cf. chart 3.2). The number of mentions for the three lowest denominations (10-franc, 20-franc and 50-franc notes) has increased steadily across the three surveys, with the 20-franc note now the most-cited denomination, slightly ahead of the 50-franc note. The number of mentions for the 10-franc note has more than doubled since 2017. Meanwhile, there has been a decline in the number of mentions for the three largest denominations (100-franc, 200-franc and 1000-franc notes). The shift towards smaller denominations may also have been facilitated by the introduction of a new ATM software, concluded in October 2020, as it allowed more customers to determine which denominations are dispensed at ATMs. This is further supported by the fact that the largest shift in the number of mentions was already evident in the smaller denominations in the 2020 survey.

Large-denomination banknotes

Despite being withdrawn less frequently – as seen in chart 3.2 – the 200-franc and 1000-franc notes nevertheless account for a large share of the value of banknotes in circulation (end-2022: 74%) due to their higher value.⁵ The question thus arises as to how the two largest denominations are distributed among the population and for what purposes they are used.

Ownership of the two largest banknote denominations has fallen somewhat compared with the 2020 survey, having remained stable or even risen in the period between the previous two surveys. Overall, 37% of respondents (2020: 40%; 2017: 40%) indicate that they have had at least one 1000-franc note in their possession in the last one to two years; for the 200-franc note, the corresponding figure was 74% (2020: 80%; 2017: 66%; cf. chart 3.3). The distribution of ownership of large-denomination banknotes across the various socio-demographic characteristics essentially corresponds to the distribution of cash holdings in general. Only respondents in French-speaking Switzerland report a high proportion of the two largest denominations compared with the average amount of cash in their wallets.

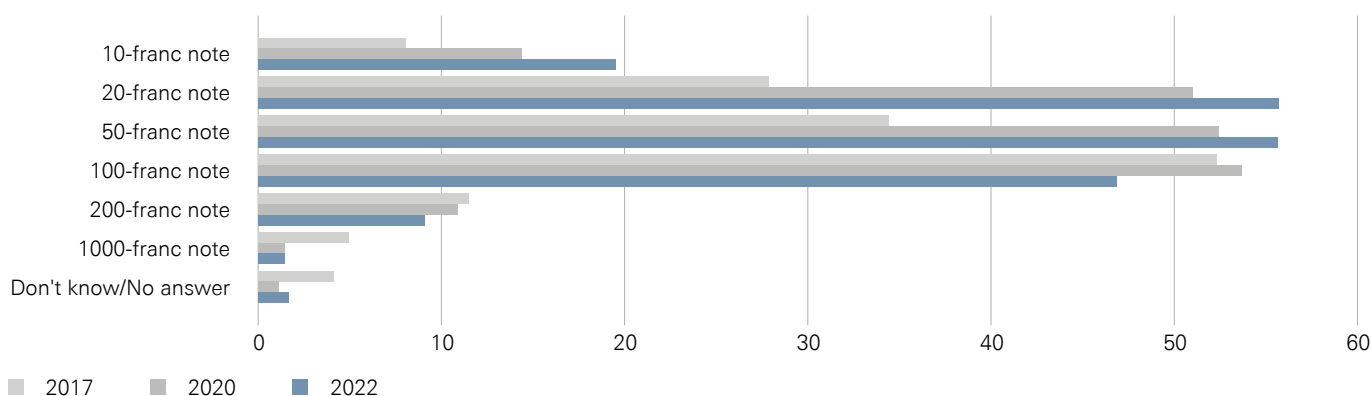
The principal intended use of the 200-franc and 1000-franc notes is to pay in cash for goods and services (cf. chart 3.4), a purpose that is mentioned slightly less frequently compared with the previous years. As in the 2020 survey, the prominence of payments at post office counters as a use for the 1000-franc note in particular continues to decline, albeit to a lesser extent (2022: 14%;

⁵ Source(s): SNB data portal, data.snb.ch, Table selection/Swiss National Bank/ Key figures for the SNB/Banknotes and coins in circulation or <https://data.snb.ch/en/topics/snb/cube/snbnomu>.

Chart 3.2

CASH WITHDRAWAL: DENOMINATIONS

Shares of basis in percent (multiple answers possible); from personal interview



Question: In which denominations do you usually withdraw cash at your preferred access point?

Basis: All respondents holding a bank account and withdrawing cash at a preferred access point – 1,733 people (2017), 2,001 people (2020), 1,914 people (2022)

Source(s): SNB

2020: 19%; 2017: 42%). However, the 1000-franc note is still most frequently used for post office counter payments, with 61% of respondents who pay with this note at post office counters doing so more than once a year. When used for other purposes, the corresponding share is less than half this amount. The use of these two large-denomination banknotes for deposits into bank or postal accounts is noticeably growing in significance. The share for the 1000-franc note increased to 28% (2020: 18%); for the 200-franc note, it doubled to 10%. Since the use of the 1000-franc note as a store of value has simultaneously become less relevant (2022: 9%; 2020: 13%), it is likely that this is

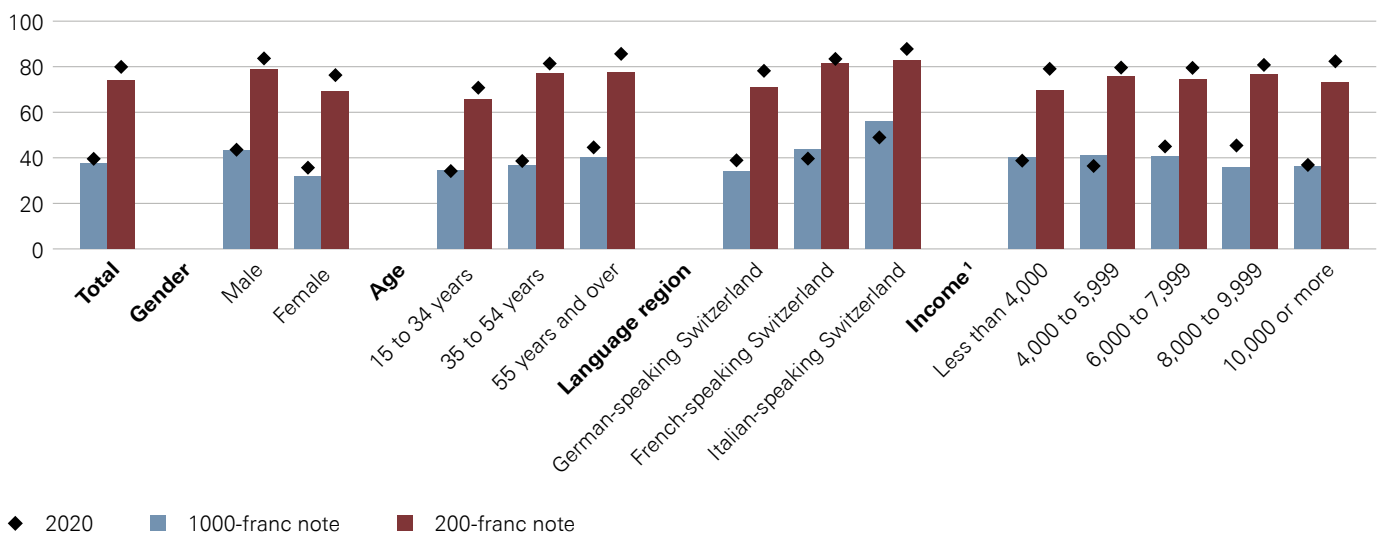
connected to the general rise in interest rates in response to the tightening of monetary policy in 2022. Higher – and in particular positive – interest rates on money and capital markets, and especially on bank accounts, make zero-interest cash less attractive as a store of value. This is also consistent with the decline in the number of 1000-franc notes in circulation in 2022.⁶

⁶ The number of 1000-franc notes in circulation fell in 2022 by CHF 7.9 billion, a decline of 15.5%. Cf. also the Introductory remarks by Martin Schlegel at the news conference of the Swiss National Bank on 15 December 2022.

Chart 3.3

OWNERSHIP OF LARGE DENOMINATIONS

Shares of relevant basis in percent; from personal interview



Question: Have you owned one (or more) 1000-franc or 200-franc note(s) in the last 1–2 years?

Basis: All respondents – 2,126 people (2020), 2,022 people (2022) or respondents by socio-demographic group (cf. appendix 2)

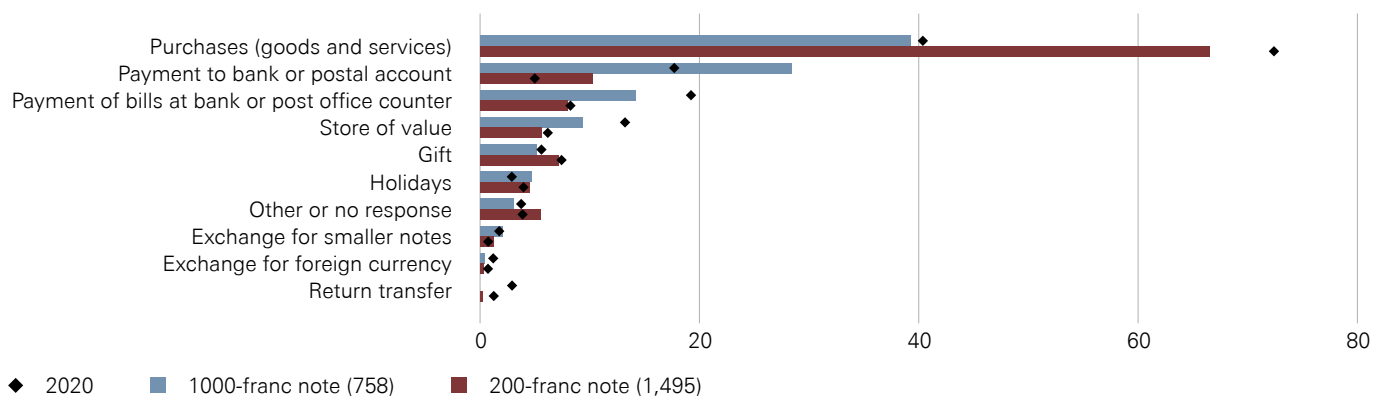
¹ The income indicated is the monthly gross household income of respondents in Swiss francs.

Source(s): SNB

Chart 3.4

USE OF LARGE DENOMINATIONS

Shares of relevant basis in percent (multiple answers possible); from personal interview



Question: What did you use the 1000-franc or 200-franc note for, or, what do you use 1000-franc or 200-franc notes for in general?

Basis: Respondents who have owned one (or more) 1000-franc or 200-franc note(s) in the last 1–2 years (cf. legend)

Source(s): SNB

Use of cash as store of value

Cash is not just a payment method; it can also be used as a store of value. In order to better assess the importance of the use of cash by private individuals in Switzerland for this latter purpose, and their motives for such use, survey participants were asked a series of questions. It should be noted that the responses are not expected to be completely reliable, given that this is a sensitive topic for reasons of security and confidentiality. Likewise, the answers to these questions are unlikely to be fully representative, due in particular to the typically limited coverage of very affluent households in surveys.⁷ The results should therefore be considered with a certain degree of caution.

Respondents were initially asked about the general usefulness of keeping a cash reserve at home or in a safety deposit box. The share of respondents who consider it sensible for part of the population to do so has increased from 37% to 45% since the 2020 survey. For 38% of respondents (2020: 29%), the most frequently surmised reason others may keep cash as a store of value was to serve as a safety net for crisis situations. The increase in the number of mentions is presumably related to recent crises such as the coronavirus pandemic and the war in Ukraine. Furthermore, holding cash as an alternative method of payment in the event that cashless payment methods do not work was also cited significantly more frequently as a reason than in the previous survey (17% vs 6% in 2020; cf. chapter 5). This is not surprising in view of the heightened uncertainty, for instance regarding the possibility of an energy shortage as well as various reports of disruptions in cashless payments.

With respect to their own behaviour, 70% of respondents (2020: 70%) say that they keep cash at home or in a safety deposit box. Not only has the proportion of individuals stating that they hold cash reserves remained stable, the breakdown with regard to short and long-term storage has also changed little compared with the 2020 survey.⁸ On average, respondents report that 85% of the value stored (2020: 85%) is intended for short-term use – in other words, the cash is used for everyday or unforeseen expenses as well as targeted saving purposes – while 15% of cash reserves on average constitutes a long-term store of value. The amounts that are typically held in reserve have also changed little since the last survey. Respondents could provide details of these amounts either for themselves personally or for their entire household. In 74% of cases, (short or long-term) cash reserves held by individuals amount to less than CHF 1,000 (2020: 77%), while 16% report holding

between CHF 1,001 and CHF 5,000 (2020: 16%). Only 3% have cash reserves in excess of CHF 10,000 (2020: 3%). As would be expected, the cash reserves reported for entire households are higher. The share of households with cash reserves up to CHF 1,000 is somewhat lower than in the previous survey (59% vs 63% in 2020), while 23% have amounts between CHF 1,001 and CHF 5,000 (2020: 24%). A further 5% (2020: 6%) have cash reserves in excess of CHF 10,000. Regarding the amount of cash held, as was already the case in the 2020 survey, the majority of respondents state that they hold about the same amount as they did two years earlier. The share of respondents holding more or less cash than two years ago remains equal. At 66% (2020: 74%), by far the most frequently cited reason for holding cash reserves as a short-term or long-term store of value is once again to be prepared for unforeseen expenses. Noticeable changes include the more frequent citing of a safety net for crisis situations (26% vs 17% in 2020), and the slightly more frequent mention of a reserve in the event of technical issues relating to cashless payment methods (7% vs 4% in 2020). The aforementioned crises and heightened uncertainty are likely to be playing a certain role here.

⁷ Cf. OECD (2013), *OECD Guidelines for Micro Statistics on Household Wealth*.

⁸ Given that the questions in the 2017 survey relating to holding cash as a store of value are not comparable with those in the 2020 and 2022 surveys, the 2022 results are only compared with those in 2020.

3.1.2 OWNERSHIP OF CASHLESS PAYMENT INSTRUMENTS

According to the survey, Switzerland's resident population owns an average of four different cashless payment instruments per capita.⁹ On closer examination, there has only been a slight increase since the last survey,¹⁰ and there are a number of reasons for this.

On the one hand, the market for payment cards (i.e. debit and credit cards) is showing signs of saturation. In terms of ownership, the debit card tops the list; its share has remained largely unchanged (cf. chart 3.5). A high level of ownership can be observed in every socio-demographic group (at least 87%). Meanwhile, the majority of debit cards are now also enabled for online transactions and can thus be used like a credit card in many cases (cf. chapter 6). Overall, the level of credit card ownership is also high and has changed little compared with the 2020 survey. However, there are more pronounced differences between the socio-demographic groups in this respect. For instance, respondents aged 15 to 34 are considerably less likely to hold a credit card than respondents in the other age groups. This is probably also due to minimum requirements that must be met in order to apply for a credit card, such as age. An unchanged significant proportion of respondents also mention other cashless payment instruments, such as online payment methods (33%) and online banking (74%).¹¹

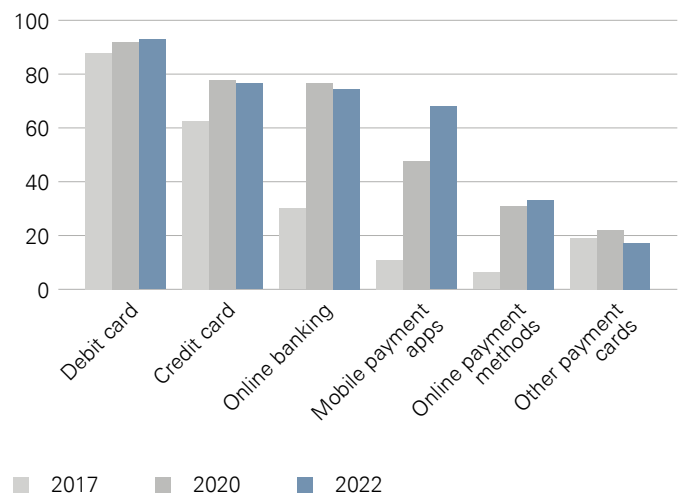
On the other hand, developments in mobile payment apps remain very dynamic (cf. chapter 6). Ownership has continued to grow strongly; their share has increased more than sixfold since 2017, to 68%. Mobile payment apps are especially prevalent among certain socio-demographic groups, such as in the two younger age groups, as well as among the German-speaking and French-speaking populations.

The use of cashless payment methods usually requires an account with a bank. It appears that almost all people have a bank account, with a mere 0.4% of respondents indicating that they do not have one.¹²

Chart 3.5

OWNERSHIP OF CASHLESS PAYMENT INSTRUMENTS

Shares of basis in percent (multiple answers possible); from personal interview



Question: Other than cash, numerous (cashless) payment methods are also available. Which of the following cashless payment instruments do you own?
Basis: All respondents – 1,968 people (2017), 2,126 people (2020), 2,022 people (2022)

Source(s): SNB

⁹ This refers to the number of different categories of cashless payment instruments. The survey thus ascertains whether respondents own a specific type of card (e.g. debit card), but not how many cards of that type; the same also applies to all other types of payment methods in the survey.

¹⁰ The average number of cashless payment instruments went up from 4.01 in 2020 to 4.46 in 2022. In 2017, respondents reported having an average of 2.2 cashless payment instruments at their disposal. The marked difference between this and the subsequent surveys may be attributed in particular to the fact that in 2020 and 2022 there were considerably more response options available than in 2017. The 2017 survey only explicitly mentioned debit and credit cards as well as other payment cards and mobile payment apps, while other payment methods could be listed under 'Other'. Considering the smaller selection of response options, it is not surprising that a systematically lower number of payment methods were specified.

¹¹ Detailed definitions of the individual cashless payment instruments and procedures can be found in the glossary.

¹² There are also further possibilities to use cashless payment methods without having a bank account, e.g. via a second, partner card. It should also be noted that only those people recorded in the population registers can be interviewed by means of the payment methods survey. The percentage listed here thus does not necessarily reflect the percentage of people in Switzerland who do not have any access to payment services.

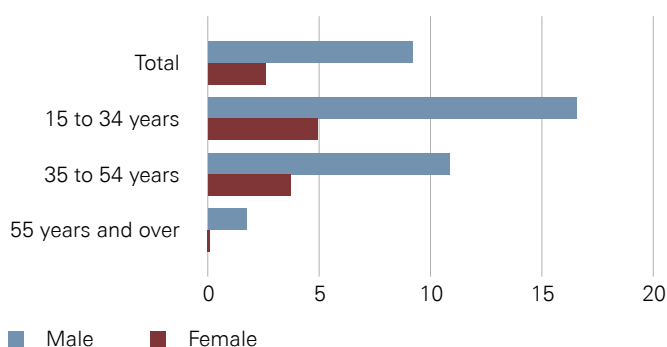
Use of cryptocurrencies as a payment method

In the 2022 payment methods survey, information was collected for the first time on the use of cryptocurrencies (e.g. Bitcoin) and stablecoins (e.g. Tether) as payment methods.¹³

The results reveal a certain level of awareness of cryptocurrencies and stablecoins. In an open-ended question about awareness of payment methods other than cash, as many as 7% of respondents spontaneously mention cryptocurrencies and stablecoins. Around 6% of respondents say that they own cryptocurrencies or stablecoins. About 60% of these own just cryptocurrencies, such as Bitcoin or Ether, 5% own only stablecoins, and 32% of respondents own both cryptocurrencies and stablecoins. When asked about their uses, it appears that cryptocurrencies and stablecoins are only used as a payment method extremely rarely. In the few cases where they are used for payment purposes, they are mainly used for online payments (68%). They are rarely used for payments at a point of sale (12%) or for P2P payments (12%). Cryptocurrencies and stablecoins are thus used much more as a store of value, and less so as a payment method. Ownership of cryptocurrencies and cryptoassets varies considerably across the different socio-demographic groups. Ownership is higher than average among the younger age groups and among men. The share is highest among male respondents aged between 15 and 34 years, with 17% of this group stating that they own cryptocurrencies.

OWNERSHIP OF CRYPTOCURRENCIES OR STABLECOINS BY AGE AND GENDER

Shares of relevant basis in percent; from personal interview



Question: Other than cash, numerous (cashless) payment instruments are also available. Do you personally own cryptocurrencies or stablecoins?

Basis: All respondents (2,022 people)

Source(s): SNB

¹³ A stablecoin is a cryptocurrency designed to maintain a stable value relative to a specific asset (e.g. a currency or basket of currencies).

3.1.3 CONCLUSION

Overall, cash remains the most prevalent method of payment in Switzerland in terms of ownership. The debit card follows closely in second place, with widespread distribution in practically every population group. The signs of saturation evident in the card market stand in contrast to the dynamic growth of mobile payment apps, which are now achieving a level of distribution similar to that of the more established methods of payment. As a result of these developments, an increasingly large proportion of the population owns a range of different payment instruments. This allows consumers to choose a payment method that is ideally suited to the payment situation and their individual preferences and needs. Chapter 4 shows how this is reflected in actual payment behaviour and in the choice of payment method on a day-to-day basis. Subsequently, chapter 5 discusses the importance of the availability of various payment instruments from the perspective of the payments infrastructure.

3.2 ASSESSMENT OF PAYMENT INSTRUMENT ATTRIBUTES

In addition to ownership of payment instruments, respondents were also asked about their overall assessment of payment methods with respect to security, acceptance, ease of use, speed, costs and expenses management.¹⁴ The questions here are focused on the more widespread methods of payment which can be used directly at the physical point of sale – cash, debit and credit cards, and mobile payment apps.

In most cases, the various payment instruments were rated as good to very good with respect to these attributes, although there were some noticeable differences compared with the previous two surveys. These relate not only to the evaluation of the individual payment methods in absolute terms, but also to their ranking and to their evaluation in relative terms (cf. chart 3.6). In the overall ranking, cash and the debit card were level in 2022, having both been rated best on separate occasions in the previous survey years – cash in 2017 and the debit card in 2020 (cf. chart 3.7).¹⁵ While the overall ranking for the debit card remained unchanged, the rating for cash, which was significantly worse in 2020, improved again slightly in 2022.¹⁶ The credit card has seen virtually no change in its overall ranking during this time. Mobile payment apps, by contrast, have caught up significantly and are now rated

¹⁴ The criterion 'hygiene' was only included in the 2020 survey in view of the coronavirus pandemic.

¹⁵ The overall ranking corresponds to the average rating of the six criteria surveyed.

¹⁶ In view of the timeline, the deterioration in the overall ranking of cash is probably partly attributable to the coronavirus pandemic. However, given the sustained poorer rating compared with the 2017 survey, other factors are also likely to be playing a role. Cash is consistently ranked lower, particularly in terms of speed and ease of use. It can be assumed that this is a consequence of the increased use of the contactless function in payment cards and the growing familiarity with mobile payment apps. Even if this does not necessarily improve the ranking of these methods of payment, the bar by which cash is measured now appears to be higher.

better than the credit card, but still worse than cash and the debit card.

Looking at the individual criteria, the debit card performs the best in four out of six assessment categories. Having already led the way with regard to security, ease of use and speed in 2020, the debit card has now also narrowly received the best rating for expenses management. This is due to some extent to a slightly improved score for the debit card itself, but is largely attributable to a poorer evaluation of cash, which was the best-rated payment method in this assessment category in 2020. In particular, respondents in the two younger age groups as well as in French-speaking and Italian-speaking Switzerland ranked cash lower in terms of expenses management than in the 2020 survey. As in the previous two surveys, cash once again got the best rating for acceptance and costs.

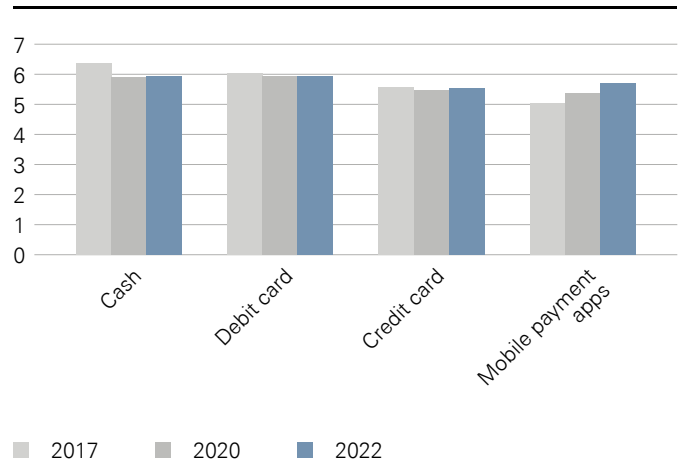
The credit card's ranking in the individual categories has remained virtually unchanged. In terms of ease of use and speed, for example, it has retained its rating as the second-best payment method after the debit card, which it achieved in the wake of the coronavirus pandemic. The credit card continues to be ranked worst in terms of costs, and has also slipped to last place with regard to security. This is largely due to a marked improvement in the assessment of mobile payment apps, which narrowly took second place for security. The evaluation of mobile payment apps has also improved considerably with respect to acceptance and ease of use, despite still having the worst ratings in these categories. However, the growing prevalence and better understanding of this payment method seem to be having a positive impact on its rankings.

In this year's survey, the various payment instruments were also evaluated in terms of anonymity (cf. chart 3.8). Unsurprisingly, cash scores by far the best here due to its physical properties and the corresponding absence of

Chart 3.7

OVERALL EVALUATION OF VARIOUS PAYMENT INSTRUMENTS

Rating¹ on a scale of 1 (very poor) to 7 (very good); from personal interview



Basis: All respondents – 1,968 people (2017), 2,126 people (2020), 2,022 people (2022)

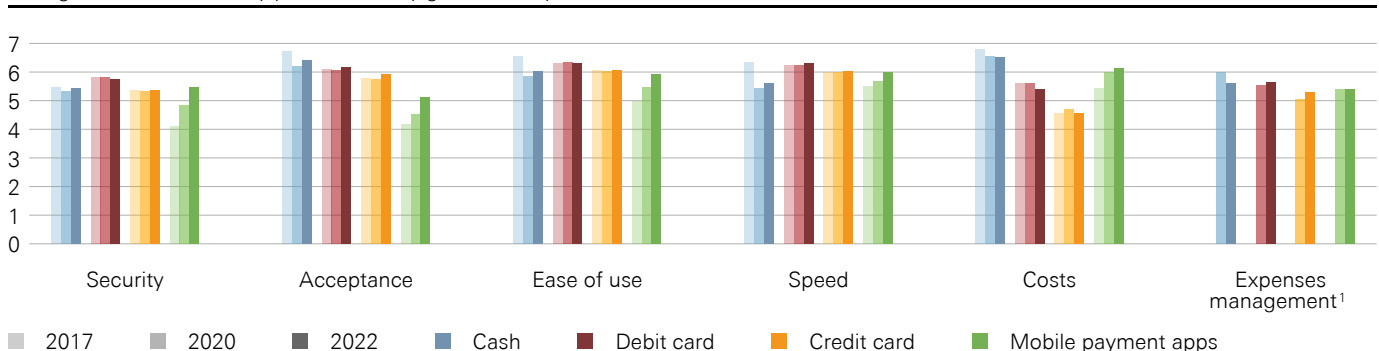
¹ The overall evaluation corresponds to the average ranking with respect to the six attributes surveyed: security, acceptance, ease of use, speed, costs and expenses management (2017: excluding expenses management).

Source(s): SNB

Chart 3.6

ASSESSMENT OF ATTRIBUTES BY PAYMENT INSTRUMENT

Rating on a scale of 1 (very poor) to 7 (very good); from personal interview



Question: How do you assess the various payment instruments with regard to the following aspects? It is irrelevant to your answer whether or not you own these payment instruments.

Basis: All respondents – 1,968 people (2017), 2,126 people (2020), 2,022 people (2022)

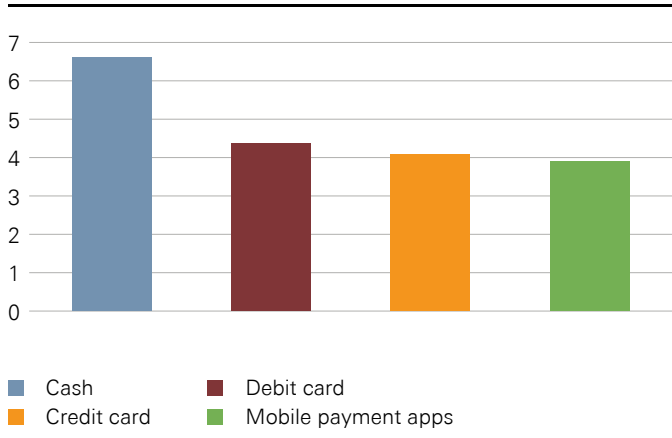
¹ The 2017 payment methods survey did not include a question on the assessment of the expenses management attribute.

Source(s): SNB

Chart 3.8

ASSESSMENT OF ANONYMITY ATTRIBUTE

Rating on a scale of 1 (very poor) to 7 (very good); from personal interview



Question: How do you assess the various payment instruments with regard to anonymity? It is irrelevant to your answer whether or not you own these payment instruments.
 Basis: All respondents (2,022 people)
 Source(s): SNB

a data trail. The debit card ranks second, followed by the credit card and mobile payment apps.

In addition to evaluating the different payment methods, respondents were asked for their assessment of the relative importance of the various payment instrument attributes. Specifically, they were asked to rank twelve such attributes.¹⁷

Security is cited by half of the respondents as being the most important attribute of a payment method and also typically ranks in one of the top positions for the other respondents. As a result, security also has the best average ranking of all twelve attributes. Speed of use, ease of use, acceptance, costs, expenses management and anonymity follow in descending order of importance. At 42%, hygiene is rated as the least important attribute of a payment method and also has the lowest average ranking.¹⁸ As the coronavirus pandemic subsides, there appears to be less focus on the hygiene of payment methods.¹⁹ In terms of the payment types (cash consumer, cashless consumer, situational consumer, cf. chapter 4.3.1), certain characteristics can be identified. For instance, compared with their peer groups, cashless consumers tend to rank speed as the most important attribute. For cash consumers, meanwhile, expenses management is more of a priority. Furthermore, acceptance and hygiene are less relevant for cash consumers than for cashless consumers, while the reverse is true with regard to anonymity and resilience to technical disruptions.

17 The twelve attributes are: security, acceptance, speed of use, ease of use, costs, expenses management, anonymity, offline usability, immediate transfer to payment recipient, issuance by a government body or the SNB, hygiene, and resilience to technical disruptions.
 18 The full ranking by average position is: 1. Security, 2. Speed of use, 3. Ease of use, 4. Acceptance, 5. Costs, 6. Expenses management, 7. Anonymity, 8. Immediate transfer to payment recipient, 9. Resilience to technical disruptions, 10. Offline usability, 11. Issuance by a government body or the SNB, 12. Hygiene.
 19 Furthermore, a number of studies have shown that cash does not pose a greater infection risk than other surfaces which are frequently touched (e.g. E. Caswell, M. Hewkin Smith, D. Learmonth and G. Pearce (2020), Cash in the time of Covid, *Bank of England, Quarterly Bulletin, Q4* and B. Tamele, A. Zamora-Pérez, C. Litardi, J. Howes, E. Steinmann and D. Todt (2021), Catch me (if you can): assessing the risk of SARS-CoV-2 transmission via euro cash, *ECB Occasional Paper Series No. 259*).

Key points

- Cash remains the most commonly used method of payment in Switzerland for settling non-recurring payments on a day-to-day basis, accounting for 36% of the transactions recorded in the payment diaries.
- Although the usage share of cash continued to fall between 2020 and 2022, the decline has slowed considerably compared with the period between 2017 and 2020.
- The volume shares of debit and credit cards have changed little in the last two years; the large majority of card payments are touch-free. Overall, 34% of all transactions are paid using the contactless function.
- The usage share of mobile payment apps has increased markedly. Their volume share has risen from 5% to 11% since 2020.
- As in 2020, the debit card continues to account for the largest share in terms of transaction value (33%), followed by cash (20%) and the credit card (17%). The value share of mobile payment apps has doubled since 2020 and now stands at 8%.
- In the case of recurring payments, results indicate that payment behaviour is more stable than for non-recurring payments. With a value share of 52%, online banking remains the most popular method of payment, while eBill has gained slightly in significance.
- The majority of the population always or usually uses cashless payment methods; their number is increasing while there is a decline in those making either cash or cashless payments depending on the situation. The share of the population predominantly paying in cash has changed little since 2020.
- According to respondents' self-assessments, the willingness to change payment behaviour remains high overall. Mobile payment apps are increasingly regarded as the preferred alternative to cash.

This chapter first looks at the methods used in Switzerland for non-recurring payments (cf. chapter 4.1). These include all types of everyday expenses (e.g. food, clothes and restaurant visits), irrespective of whether these payments were conducted at a physical point of sale or remotely (online, for instance). The evaluations are based on information recorded by respondents over the space of one week in a payment diary. In addition to an overview of general usage behaviour, chapter 4.1 focuses on the extent to which differences in payment method use can be attributed to the payment amount, payment location and socio-demographic characteristics.

Non-recurring payments are distinct from recurring payments, such as for rent or health insurance premiums. Recurring payments were recorded once by respondents at the end of the diary week. The use of payment methods for these recurring payments is described in chapter 4.2.

Chapter 4.3 classifies the changes in payment method use observed since 2020. It explores the reasons behind situational choices of payment method in everyday life and describes respondents' self-assessment of previous and expected changes to their own payment behaviour.

4.1 PAYMENT METHOD USE FOR NON-RECURRING PAYMENTS

4.1.1 OVERVIEW

A total of 22,355 non-recurring payments were recorded by respondents in around 2,000 diaries. Table 4.1 provides an overview of the average number of these transactions as well as the amounts. Respondents made an average of 1.58 payments per day, slightly higher than in 2020 (2020: 1.47; 2017: 1.65). The average transaction amount stood at CHF 50 and was thus unchanged compared with 2020 (2020: CHF 50; 2017: CHF 41). The median value of payments has fallen again slightly since 2020, from CHF 19 to CHF 17 (2017: CHF 16).

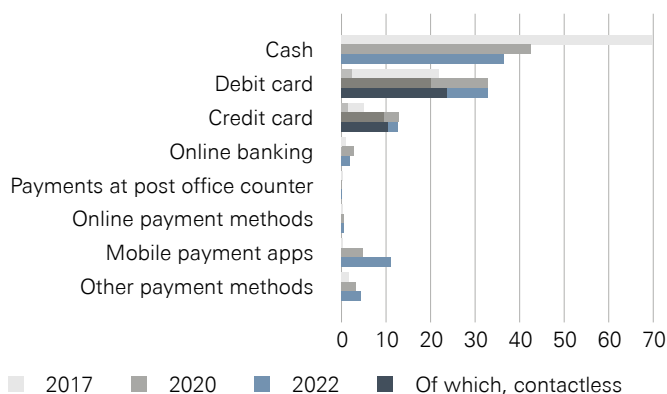
In terms of the number of transactions, cash remains the payment method most used by Switzerland's resident population (cf. chart 4.1). Some 36% of the recorded non-recurring payments were made in cash. The cash share has fallen by 6 percentage points¹ since 2020, representing the largest decline of all payment methods. However, the decrease in cash usage has slowed considerably. Between 2017 and 2020, the volume share of cash had receded by 27 percentage points, or an average of 9 percentage points per year, while the decline over the last two years has averaged 3 percentage points per year.

¹ For the purposes of this report on the payment methods survey, all values are rounded to whole figures. Since unrounded values are used to calculate the differences between two shares, these sometimes do not match the differences between the rounded figures. In this instance, the difference of 6 percentage points between the volume shares of cash results from the unrounded volume shares: 42.627% (2020) – 36.455% (2022) = 6.172 percentage points.

Charts 4.1

VOLUME SHARE BY PAYMENT METHOD

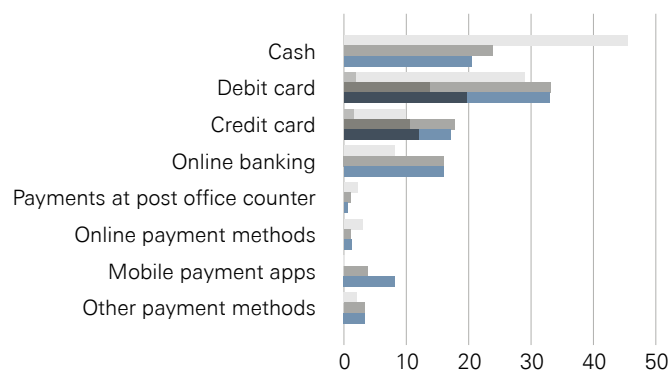
Shares of basis in percent; from payment diary



Basis: 22,517 transactions (2017); 21,853 transactions (2020); 22,355 transactions (2022)
Source(s): SNB

VALUE SHARE BY PAYMENT METHOD

Shares of basis in percent; from payment diary

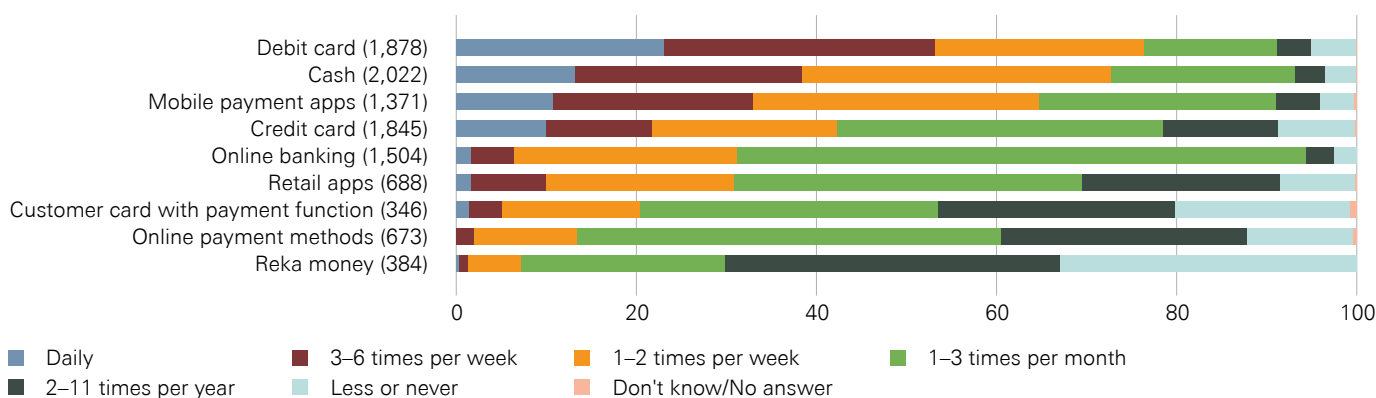


Basis: CHF 916,617 (2017); CHF 1,094,780 (2020); CHF 1,107,930 (2022)
Source(s): SNB

Chart 4.2

USAGE FREQUENCY OF CASH AND CASHLESS PAYMENT METHODS

Shares of relevant basis in percent; from personal interview



Question: How often do you generally use the following payment methods?
Basis: Respondents who own the respective payment instrument (cf. figures in brackets above)
Source(s): SNB

At around 33%, the volume share of the debit card is virtually unchanged compared with 2020, thus remaining the second most frequently used payment method. In line with expectations, the share of touch-free debit card payments has continued to grow, with 72% of all such payments being contactless (2020: 62%; 2017: 11%). In terms of the number of transactions, the credit card (including prepaid card payments) once again occupies third place, as was already the case in 2017 and 2020. Its volume share, too, has changed little since 2020 and still accounts for around 13% of transactions. The contactless function on credit cards was also used more frequently. Overall, touch-free payments made with credit, debit and prepaid cards now account for 34% of all payments (cf. chapter 6).

As in 2020, the debit card is the most frequently used payment method, with a value share of 33%, followed in second place by cash, at 20%. The reduction in cash usage is also evident in its value share, which has fallen by 3 percentage points in the last two years. Here, too, the pace of decline has slowed, however; between 2017 and 2020, the value share of cash had almost halved, from 45% to 24%.

A remarkable trend can be observed with regard to mobile payment apps.² For non-recurring payments, these apps have continued to grow substantially in significance, with usage shares in terms of both volume and value roughly doubling since 2020. The volume share has risen from 5% to 11%, while the value share has advanced from 4% to 8%. The use of mobile payment apps and developments in this area are explored in chapter 6.

² In addition to mobile payment apps (such as Twint), retail apps tailored to specific merchants (such as SBB Mobile) and mobile banking apps also enable payment via smartphone (cf. glossary).

Changes can mainly be observed in relation to payment methods that are used at the physical point of sale (POS). By contrast, the use of online payment methods and online banking for card-not-present transactions has remained virtually unchanged since 2020. With a value share of 16%, online banking continues to be one of the most prevalent payment methods (2020: 16%). Transfers at post office counters, which were already at a low level, have declined slightly further.

According to respondents, the frequency of cash use has decreased further, with just 13% of respondents stating that they use cash on a daily basis (2020: 17%; 2017: 32%; cf. chart 4.2). A majority of 73%, however, still use cash at least once a week (2020: 82%; 2017: 95%). The corresponding share for the debit card has remained almost unchanged, with 76% of respondents saying they pay by debit card at least once a week (2020: 77%; 2017: 73%). The share of those who report using a credit card daily has risen slightly from 8% to 10%. According to respondents' self-assessments, too, the frequency of mobile payment app use has increased substantially. Some 65% of respondents cite using these apps at least once a week (2020: 48%).

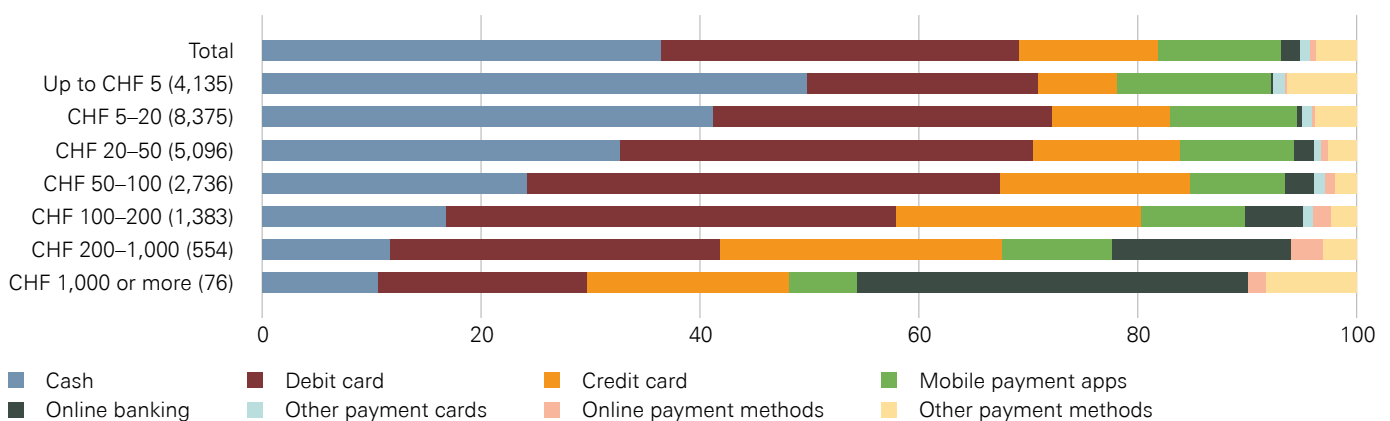
4.1.2 KEY FACTOR: PAYMENT AMOUNT

In 2022, the payment amount again remains an influencing factor in selecting the payment method (cf. chart 4.3). As already noted in 2020 and 2017, the cash share decreases continuously as the payment amount increases, but stays relatively constant in the two highest amount categories. Compared with the previous two surveys, the usage share of cash has declined for small payment amounts in particular (cf. chart 4.4). While 63% of payments up to CHF 5 were still made in cash in 2020, this figure was just 50% in 2022. For amounts from CHF 20 upwards, the cash share has hardly changed in the last two years.

Chart 4.3

VOLUME SHARES OF PAYMENT METHOD BY VALUE RANGE

Shares of relevant value range in percent; from payment diary



Basis: 22,355 transactions amounting to CHF 1,107,930 (in total) or transactions by value range (cf. figures in brackets above)

Source(s): SNB

Table 4.1

TRANSACTIONS RECORDED BY SOCIO-DEMOGRAPHIC CHARACTERISTIC

From payment diary

| | Number of transactions | Average number of transactions per person per day | Average amount per transaction in CHF |
|---------------------------------|------------------------|---|---------------------------------------|
| Total | | | |
| Total | 22 355 | 1.58 | 49.56 |
| Gender | | | |
| Male | 11 709 | 1.67 | 49.55 |
| Female | 10 645 | 1.49 | 49.58 |
| Age | | | |
| 15 to 34 years | 5 857 | 1.46 | 36.70 |
| 35 to 54 years | 8 210 | 1.74 | 50.67 |
| 55 years and over | 8 288 | 1.53 | 57.55 |
| Language region | | | |
| German-speaking Switzerland | 15 965 | 1.59 | 47.88 |
| French-speaking Switzerland | 5 464 | 1.57 | 54.97 |
| Italian-speaking Switzerland | 926 | 1.43 | 46.63 |
| Residential environment | | | |
| City/town (urban) | 14 218 | 1.66 | 45.04 |
| Agglomeration (peri-urban) | 5 120 | 1.53 | 49.10 |
| Country (rural) | 3 017 | 1.36 | 71.66 |
| Level of education | | | |
| Tertiary | 12 139 | 1.72 | 52.44 |
| Upper secondary | 8 822 | 1.48 | 48.88 |
| Compulsory | 1 381 | 1.24 | 28.75 |
| Monthly household income | | | |
| Less than CHF 4,000 | 1 806 | 1.26 | 34.20 |
| CHF 4,000 to 5,999 | 2 954 | 1.52 | 52.76 |
| CHF 6,000 to 7,999 | 3 627 | 1.53 | 45.77 |
| CHF 8,000 to 9,999 | 3 248 | 1.62 | 46.99 |
| CHF 10,000 or more | 9 073 | 1.66 | 53.41 |
| Employment status | | | |
| Employed | 15 317 | 1.67 | 48.47 |
| Unemployed | 372 | 1.50 | 36.91 |
| In training/education | 1 367 | 1.22 | 17.80 |
| Retired | 4 806 | 1.50 | 63.08 |

Source(s): SNB

As in the previous years, cash is the payment method used most for amounts up to CHF 20. Meanwhile, for amounts between CHF 20 to CHF 1,000, payments are most frequently settled by debit card. Online banking is the most commonly used method of payment for amounts in excess of CHF 1,000. Credit cards are rarely used for amounts under CHF 5, but become more relevant in the higher amount categories. In the case of mobile payment apps, the differences in usage shares across the various amount categories are less pronounced, suggesting that they are used for a range of application areas (cf. chapter 6). In 2020, just 6% of payments up to CHF 5 were made with mobile payment apps, whereas in 2022, 14% of payments in this amount category were being settled with these apps.

The influence that the amount has on the payment method used can also be seen in the respective median amounts settled with the individual payment methods (cf. chart 4.5).³ As in 2017 and 2020, the median amount for cash payments is CHF 12, significantly lower than the median recorded for all payments (CHF 17).

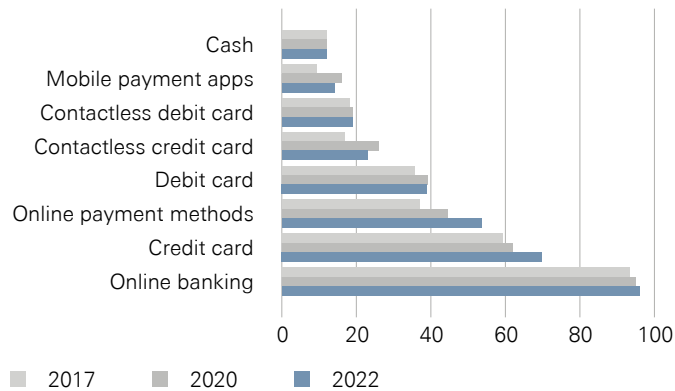
The median amount for mobile payment apps decreased from CHF 16 in 2020 to CHF 14. This indicates that these apps are being used more for smaller amounts. Meanwhile, for credit cards, the median amount rose, up from CHF 62 to CHF 70 for credit card payments. Overall, the traditional pattern for debit and credit cards has continued. Credit cards are increasingly being used in larger amount categories and debit cards are being used more frequently for smaller amounts. The introduction of debit cards that can also be used for online transactions does not currently appear to be having any impact on this pattern (cf. chapter 6).

³ The median is used in this analysis in order to reduce distortions owing to outliers resulting from the less frequently used payment methods.

Chart 4.5

MEDIAN AMOUNT BY PAYMENT METHOD

Median of relevant basis in CHF; from payment diary

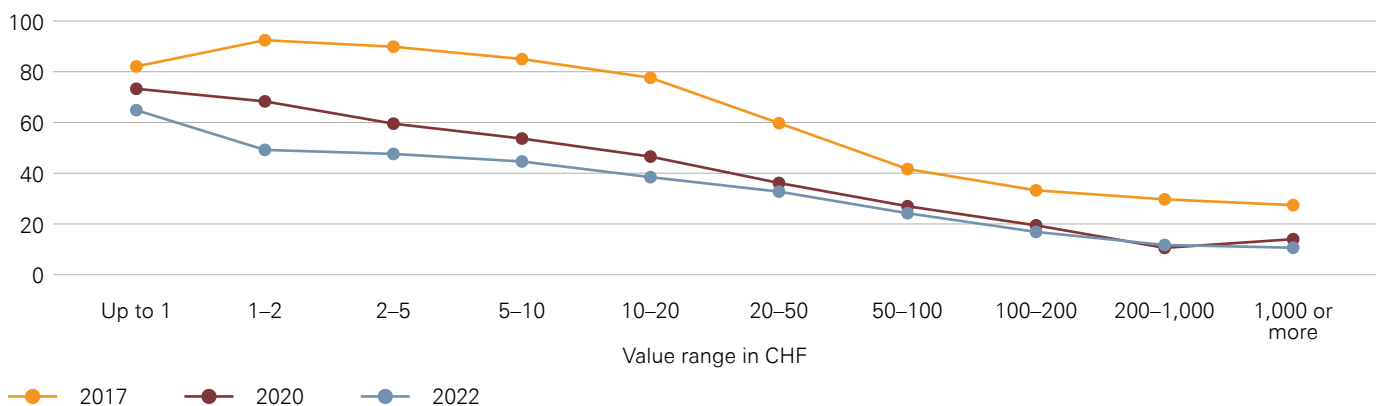


Basis: 22,355 transactions (22,495 in 2017; 21,853 in 2020) with a total value of CHF 1,107,930 (CHF 915,948 in 2017; CHF 1,094,780 in 2020)
Source(s): SNB

Chart 4.4

VOLUME SHARES OF CASH BY VALUE RANGE

Shares of relevant value range in percent; from payment diary



Basis: 22,517 transactions (2017); 21,853 transactions (2020); 22,355 transactions (2022).
Source(s): SNB

4.1.3 KEY FACTOR: PAYMENT LOCATION

In line with the previous surveys, the payment location is a relevant factor in the choice of payment method (cf. chart 4.6). As in 2017 and 2020, the majority of non-recurring payments are made in shops selling day-to-day items, followed by payments for eating and drinking out.

Having decreased in 2020, the share of payments for eating and drinking out rose again in 2022, but remains lower than in 2017. The share for recreation activities is also up on 2020. These developments are likely due, at least to some degree, to the coronavirus pandemic. In the reporting period for the 2020 survey, there were still significant pandemic-related changes in behaviour and restrictions on public life, which were no longer relevant in the 2022 reporting period.

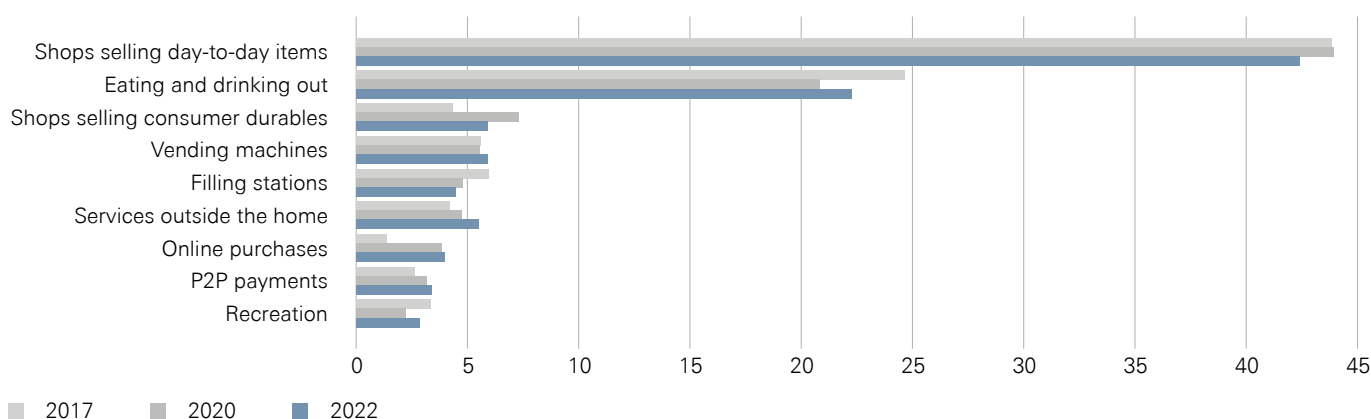
By contrast, the shares of transactions made in shops selling consumer durables and shops selling day-to-day items declined slightly. It is interesting to note that the share of online purchases has only increased marginally over the last two years.

The choice of payment method varies considerably depending on the payment location (cf. chart 4.7). In terms of volume, the share of cash has decreased further across all payment locations. The decline was particularly pronounced with regard to payments at vending machines and P2P payments. This is likely due in large part to the prevalence of mobile payment apps (cf. chapter 6). Overall, 58% of P2P payments continue to be settled in cash, however (2020: 74%).

Chart 4.6

VOLUME SHARE AT SELECTED PAYMENT LOCATIONS

Shares of relevant basis in percent; from payment diary



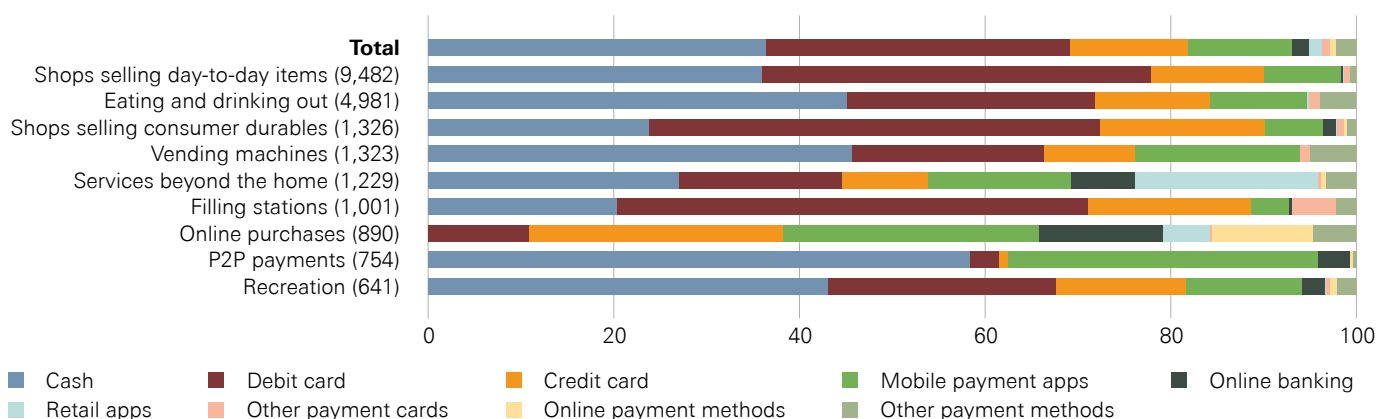
Basis: 22,531 transactions (2017); 21,853 transactions (2020); 22,355 transactions (2022)

Source(s): SNB

Chart 4.7

VOLUME SHARE BY PAYMENT METHOD AT SELECTED PAYMENT LOCATIONS

Shares of relevant basis in percent; from payment diary



Basis: 22,355 transactions (in total) or by payment location (cf. figures in brackets above)

Source(s): SNB

In the case of online purchases, the significance of debit cards has increased, now accounting for 11% of transactions (2020: 6%). This can be attributed to the increased use of debit cards enabled for online transactions (cf. chapter 6). The volume share of mobile payment apps for online purchases has also risen significantly. While, in 2020, around 11% of online purchases were made with mobile payment apps, this figure was up to 28% in 2022. By contrast, the volume shares of online banking and credit cards decreased.

Compared with 2020, the volume share of mobile payment apps increased across all payment locations, particularly with regard to P2P payments (from 16% to 33%), payments at vending machines (from 8% to 18%) and payments for eating and drinking out (from 5% to 10%). Retail apps (e.g. SBB Mobile) have also become more significant. Used primarily for services outside the home, these apps now account for 20% of transactions (2020: 15%).

Aside from online purchases, the usage share of credit cards has changed little compared with 2020. Similarly, the use of debit cards has remained relatively stable across most payment locations. However, they appear to have become more significant for payments at vending machines, at filling stations and for recreation, with cash declining correspondingly.

4.1.4 KEY FACTOR: SOCIO-DEMOGRAPHIC CHARACTERISTICS

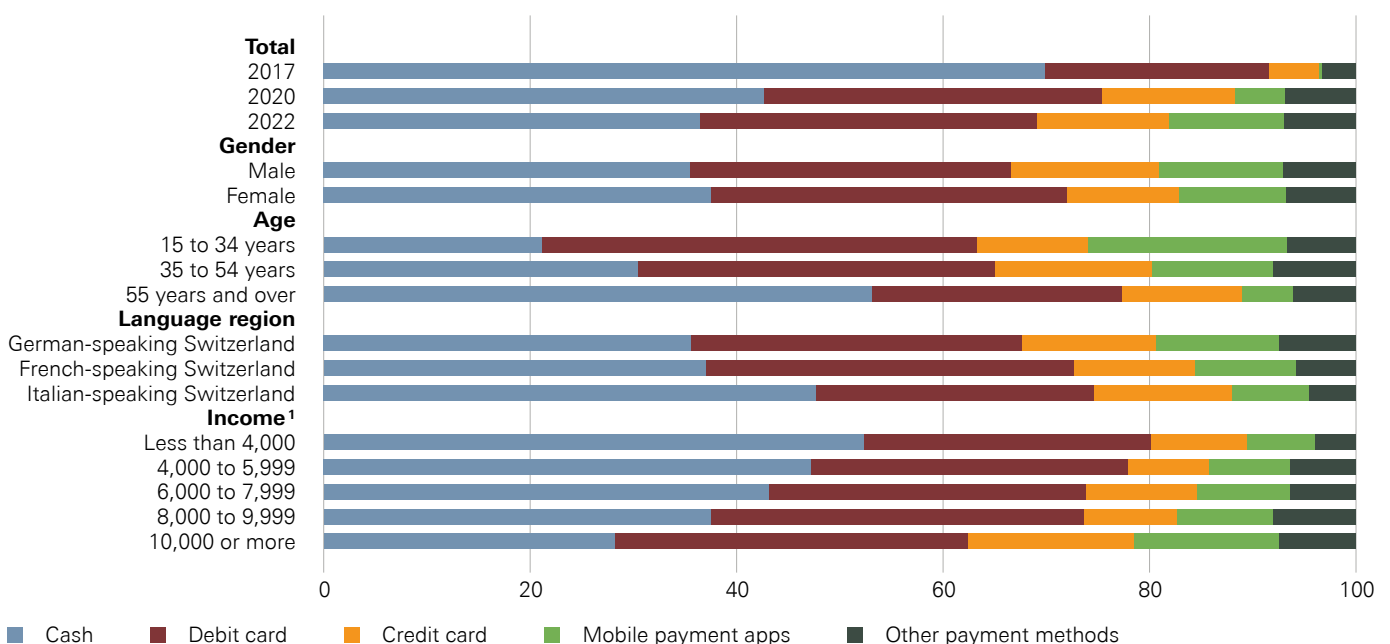
The 2022 survey reveals, once again, substantial differences between the socio-demographic groups as regards the use of individual payment methods (cf. chart 4.8). As in 2017 and 2020, the age of respondents has a strong influence on payment behaviour. Respondents in the 55-and-over age group settle an above-average share of their transactions with cash (53%), while those aged 15 to 34 have the smallest cash share (21%). Instead, the youngest age group uses debit cards and mobile payment apps more often than average; their credit card usage, by contrast, is below the average of the population as a whole. This is likely related to the lower level of credit card ownership in the youngest age group (cf. chapter 3). Mobile payment apps are now the third most prevalent payment method in this age group, with a volume share of 19%.

Household income, too, continues to have an influence on payment method use. As in 2017 and 2020, it is evident that cash usage declines considerably as incomes rise, while usage of mobile payment apps, in particular, grows at a steady rate. Debit card usage shares continue to exhibit only small differences across the various income groups.

Chart 4.8

VOLUME SHARE BY PAYMENT METHOD AND SOCIO-DEMOGRAPHIC CHARACTERISTIC

Shares of relevant basis in percent; from payment diary



Basis: 22,355 transactions or number of transactions by socio-demographic group (cf. table 4.1)

1 The income indicated is the monthly gross household income of respondents in Swiss francs.

Source(s): SNB

In terms of gender and language region, too, a similar pattern as in the previous surveys can be seen. For non-recurring payments, women tend to use cash and debit cards somewhat more frequently, while men opt more often for credit cards and mobile payment apps. In the Italian-speaking part of Switzerland, the usage share of cash remains well above the national average. There too, however, the cash share has decreased since 2020, down from 57% to 48%. Payment method use among the resident populations in German-speaking and French-speaking Switzerland is very similar.

4.1.5 CONCLUSION

An analysis of the payment diaries shows that the existing trends in payment method use have continued since 2020. In particular, cash usage has fallen further, while the use of mobile payment apps is on the rise. Although cash has shown the biggest decrease in use of any payment method, the pace of decline has slowed considerably. While the share of transactions settled in cash receded by 27 percentage points between 2017 and 2020, it contracted by just 6 percentage points in the last two years.

Mobile payment apps saw a marked rise in usage between 2020 and 2022. Their volume and value shares doubled and their use increased across all payment locations and amount ranges, indicating that respondents are using these apps for a variety of payment purposes. Usage shares for debit and credit cards remained virtually unchanged compared with 2020, suggesting the market for payment cards is saturated.

Overall, it is apparent that the factors influencing the choice of payment method have hardly changed over the years. In particular, payment method use among individual socio-demographic groups remains noticeably consistent. For instance, usage of payment method apps and credit cards increases as incomes rise, while cash usage is

consistently higher than the average for all respondents in the older age groups and in Italian-speaking Switzerland.

4.2 PAYMENT METHOD USE FOR RECURRING PAYMENTS

In addition to providing information on the non-recurring payments made during the one-week diary period, respondents were asked to indicate, on a one-off basis, the payment methods used for recurring payments. These payments are typically made with varying frequency, for instance rent or telephone bills are usually settled on a monthly basis, while insurance premiums generally tend to be paid annually.

The findings show that the choice of payment method for settling recurring payments differs from those for the non-recurring payments described in chapter 4.1 (cf. chart 4.9). Somewhat more than one-third of the recurring payments – to the value of 52% of all transactions – are settled via online banking. Measured in terms of both the number of transactions and the value, direct debit and eBill are used for around one-fifth of payments. The debit card is used for 6% of recurring payments and accounts for a value share of 4%. Cash is used to settle 9% of these payments, representing a value share of 4%.

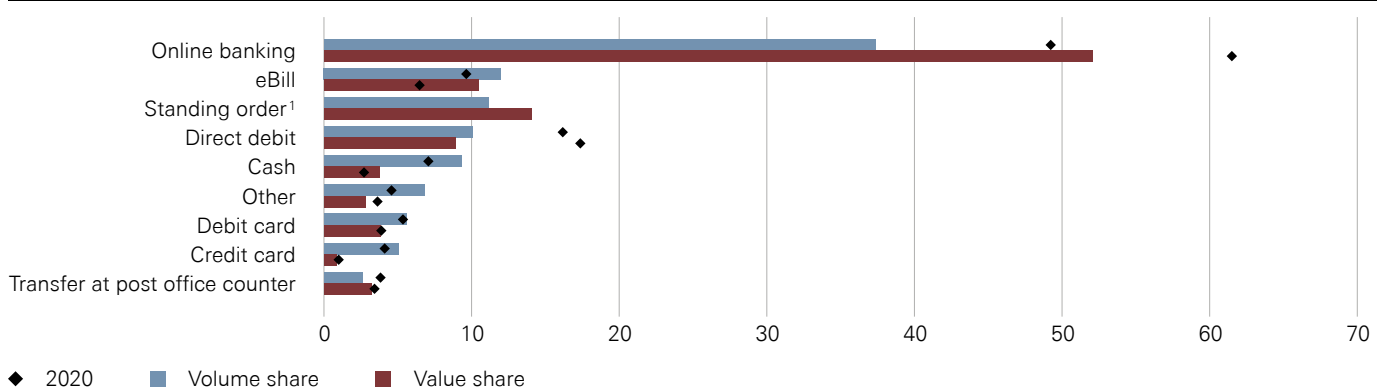
The results of the current survey do not indicate any major changes over the past two years.⁴ This suggests that payment behaviour is generally much more consistent for recurring payments than for non-recurring payments (cf. chapter 4.1). Compared with 2020, eBill has gained in significance as a means of settling recurring payments, its volume share accounting for 12% (2020: 10%) and its

4 In the 2020 survey, recurring payments were recorded in greater detail for the first time.

Chart 4.9

VOLUME AND VALUE SHARES BY PAYMENT METHOD: RECURRING PAYMENTS

Shares of relevant basis in percent; from responses on recurring payments



Basis: 103,781 (106,767 in 2020) transactions carried out annually (volume share) with a total value of CHF 77,844,650 (95,500,259 in 2020) (value share)

1 The standing order was included as a separate payment method for the first time in the 2022 payment methods survey; in 2020, it was still recorded under online banking.

Source(s): SNB

value share for 10% (2020: 7%). Direct debit, by contrast, is being used less, with a volume share of just 10% (2020: 16%) and a value share of 9% (2020: 17%). Both eBill and direct debit are digital options for the approval of invoices. In the case of direct debit, the amount is debited directly from an account by the invoicing party, while with eBill, invoices are received via a bank's online banking solution. As eBill was only introduced in 2018, the trend away from direct debit towards this relatively new payment method looks set to continue. In the 2022 payment methods survey, the standing order was included as a new category. In the 2020 survey, standing orders were still included under online banking. This explains the decline in online banking, its volume share now accounting for 37% (2020: 49%) and its value share for 52% (2020: 61%).

The main reason for the pronounced difference in payment method use compared with non-recurring payments is that the underlying payment purposes are generally not linked to a physical POS and that the amount can sometimes differ significantly. As in 2020, the majority of recurring payments are related to a means of communication (e.g. telephone, internet connection and television) and account for a volume share of 20%. 17% of payments are made to settle bills for health insurance premiums and 15% for gross rent⁵ or mortgage interest. Media and entertainment subscriptions account for 9% of recurring payments. In terms of value, payments for rent or mortgage interest and for taxes are the most significant at 29% and 31%

respectively. Health insurance premiums account for a value share of 16%.

The significance of the individual payment methods differs for recurring payments depending on the payment purpose (cf. chart 4.10). Transfers via online banking are the most prevalent payment instrument across almost all payment purposes, albeit with a few exceptions as in 2020. In the case of pocket money, cash is used for two-thirds of payments, while media and entertainment subscriptions are most frequently paid for with debit and credit cards. These subscriptions are often purchased online from foreign providers. Travelcards for public transport, meanwhile, are purchased more often than average with debit and credit cards. This is likely due to the fact that, in many cases, these purchases are made at a counter.

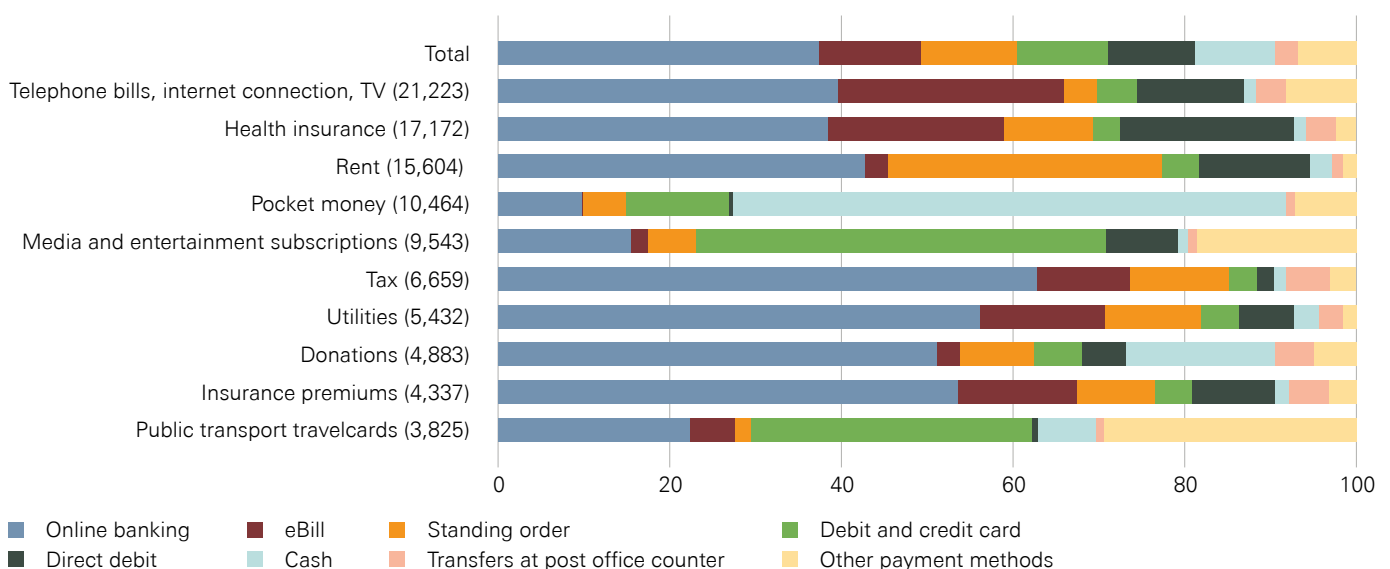
As in 2020, differences in payment method use for recurring payments can be observed in the context of socio-demographic characteristics. Respondents aged 55 and over use online banking transfers somewhat less frequently, opting instead more often for direct debits and payments at post office counters. Payments with eBill are less common in this age group. As with non-recurring payments, people in Italian-speaking Switzerland tend to be more cash oriented.

5 Gross rent is comprised of net rent and utilities expenses.

Chart 4.10

VOLUME SHARE BY PAYMENT METHOD: RECURRING PAYMENTS

Shares of relevant basis in percent; from responses on recurring payments



Basis: 103,781 recurring transactions¹ (in total) and by recurring expense (cf. figures in brackets above)

1 Transactions refer to the annual total of all transactions carried out. Details provided for monthly payments were annualised.

Source(s): SNB

4.3 INDIVIDUAL FACTORS INFLUENCING CHOICE OF PAYMENT METHOD

Individual preferences and needs – as well as the assessment of how certain payment methods meet these needs – influence the choice of payment method (cf. chapter 4.3.1). The significance of these aspects is also evident in the self-assessment of future payment behaviour (cf. chapter 4.3.2).

4.3.1 INDIVIDUAL PREFERENCES AND NEEDS

Provided that the conditions for a free choice between the various payment methods are met, subjective factors play a key role in the choice of payment method in everyday life (cf. chapter 5.1 for an analysis of the availability and acceptance of payment methods). Most of the respondents have different preferences for one form of payment (cash or cashless). These preferences are influenced by an assessment of the extent to which a particular payment method fulfils individual needs (such as security, speed, convenience) in a given payment situation.

Considering their preferences, respondents can be assigned to one of three payment types – the cash consumer, the cashless consumer and the situational consumer. Respondents are referred to as cash consumers if they state that they always or usually use cash to make their payments, with cashless consumers being those who say they opt for cashless payment methods. Meanwhile, the situational consumer includes all those who indicate that

they make both cash or cashless payments, depending on the situation.

Cashless consumers represent a growing majority of the population. In 2022, the share of respondents who always or usually use cashless payment methods stood at 61%, higher than in 2020 (53%) and in 2017 (26%). This increase was largely offset by situational consumers, whose share declined to 23% (2020: 28%; 2017: 34%). Since 2020, cash consumers have made up a relatively stable share of respondents (2022: 16%; 2020: 19%; 2017: 39%). The preference for predominantly making cashless payments can be observed across all age groups, but is most pronounced in the youngest age group (cf. chart 4.11). This shift is less striking, however, in a multi-year comparison, especially among the middle and older age groups.

At the same time, according to diary entries, the differences between the various payment types in terms of the frequency of cash payments have become more pronounced. While the frequency with which cash consumers pay in cash has remained unchanged, cashless consumers and situational consumers use cash less often than in 2020.

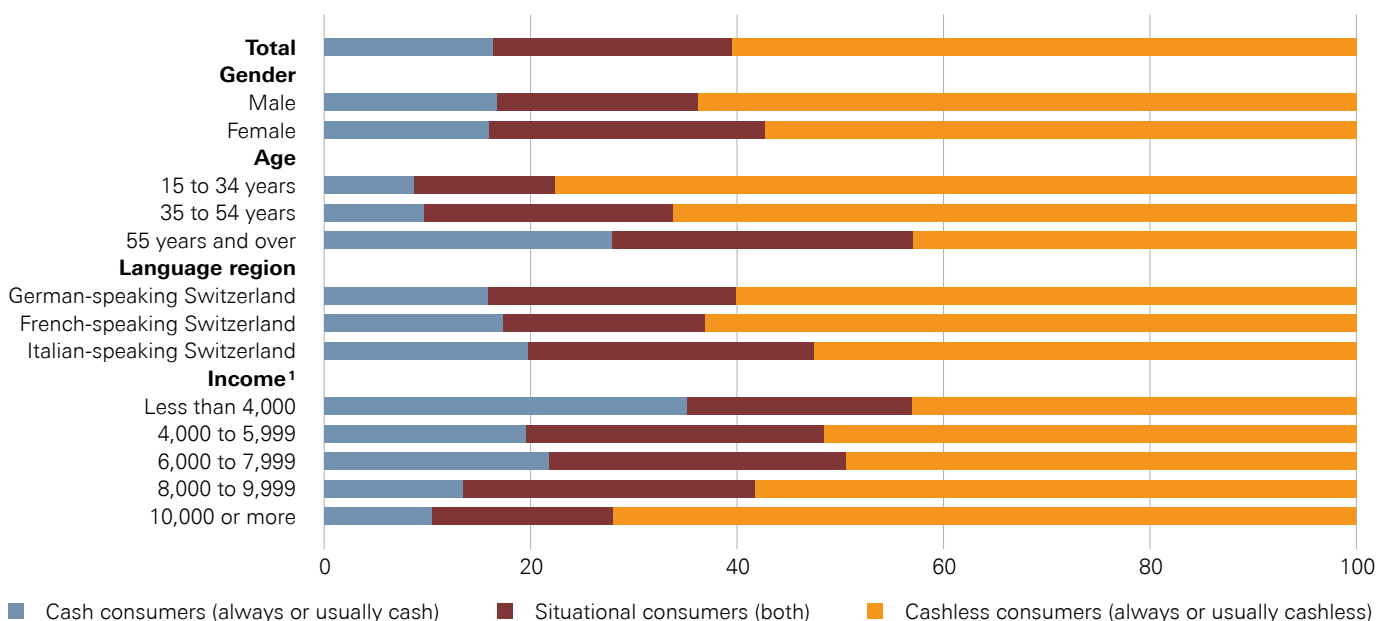
When it comes to explaining payment behaviour, two aspects stand out.

First, the preferences are an expression of different needs that are brought to bear on the choice of payment method used most frequently. This is evidenced by a type-specific

Chart 4.11

PAYMENT TYPES BY SOCIO-DEMOGRAPHIC CHARACTERISTIC

Shares of relevant basis in percent; from personal interview



Question: How do you generally pay for everyday expenses (e.g. food shopping)?

Basis: All respondents (2,022 people) or respondents by socio-demographic group (cf. appendix 2)

¹ The income indicated is the monthly gross household income of respondents in Swiss francs.

Source(s): SNB

analysis of the responses to the question as to which is the most important reason for using a payment method. For cashless consumers, the convenience of using cashless payment methods (53%) is the most cited reason. Cash consumers place emphasis on other reasons, namely the management of expenses through cash (27%) and the habit of cash usage (27%). Key considerations for situational consumers when deciding whether to pay cash or cashless for a purchase are the amount to be paid (49%) and the immediate availability of cash (22%).

Second, the choice of payment method depends to a large extent on how well the individual payment methods actually meet the respondents' needs in a given payment situation. This assessment varies depending on the payment location, as shown in chart 4.12. On the one hand, it becomes clear that the frequently cited need for security does not figure prominently in the actual payment situation. The security of a payment method is not a key factor for its use at a payment location, which could be related to the fact that the security of payment methods in Switzerland is generally perceived as good (cf. chapter 3.2). On the other hand, it is evident that convenience is by far the most frequently cited reason for choosing a payment method at a given payment location. This is followed by speed at most payment locations. Exceptions to this are payments in hotels and online purchases, for which acceptance and security are cited far more often as key decision criteria than for the other payment locations.

4.3.2 SELF-ASSESSMENT OF CHANGES IN PAYMENT BEHAVIOUR

The conclusions so far show the individual preferences regarding the choice of payment method and that a proportion of the population has further changed its preferences since 2020. The respondents' self-assessment of their past and expected payment behaviour also confirms that the willingness to change payment behaviour remains high.

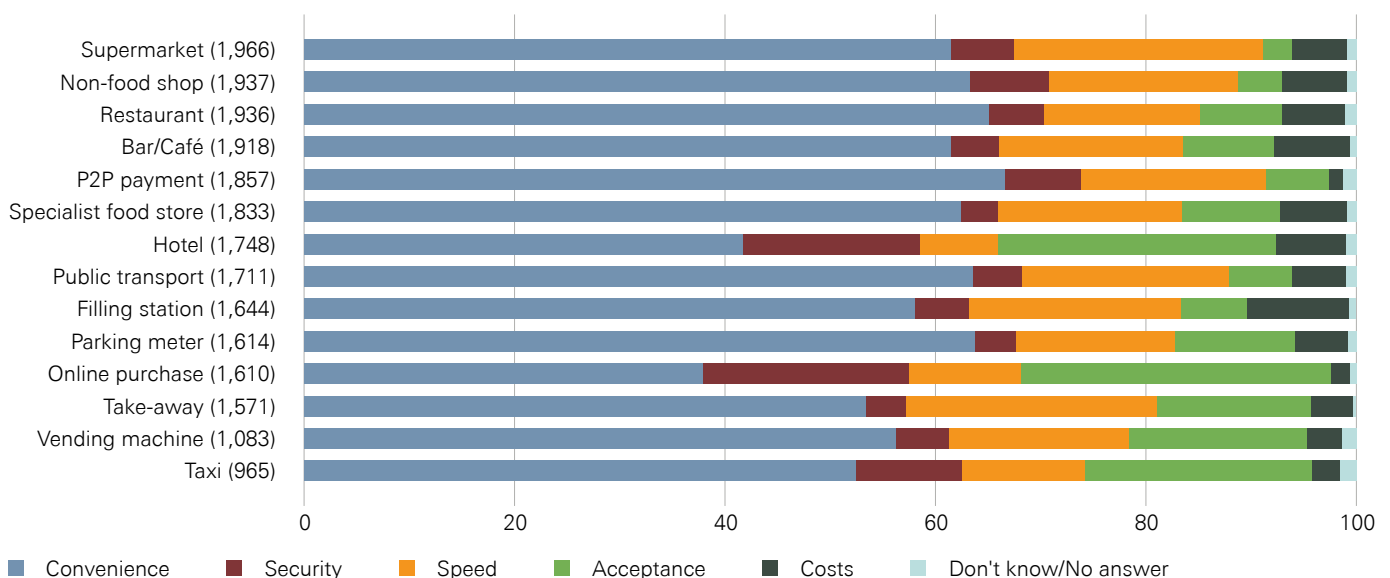
In the present survey, 58% of respondents say they currently pay less frequently in cash than they did two years previously. What is remarkable is that, in 2020, virtually the same proportion of respondents (57%) expected their cash payment frequency to decline. In addition, 39% of respondents report that they pay just as often now in cash as they did two years ago. However, there are significant differences between the payment types. While 72% of cash consumers state that their payment behaviour has not changed in the last two years, the corresponding shares are considerably lower for situational consumers (31%) and cashless consumers (33%).

Going forward, the shift towards an increased use of cashless payment methods is likely to continue, albeit at a somewhat slower pace. Around half of respondents (51%) expect that they will pay less frequently in cash in the future (2020: 57%). This intention to change is particularly pronounced among the younger and middle

Chart 4.12

KEY DECISION CRITERION IN PAYMENT METHOD CHOICE BY PAYMENT LOCATION

Shares of relevant basis in percent; from personal interview



Question: Why do you most frequently use this particular payment method at the respective point of sale?

Basis: Respondents who pay at the respective payment location (cf. figures in brackets above; total number of respondents: 1,992 people)

Source(s): SNB

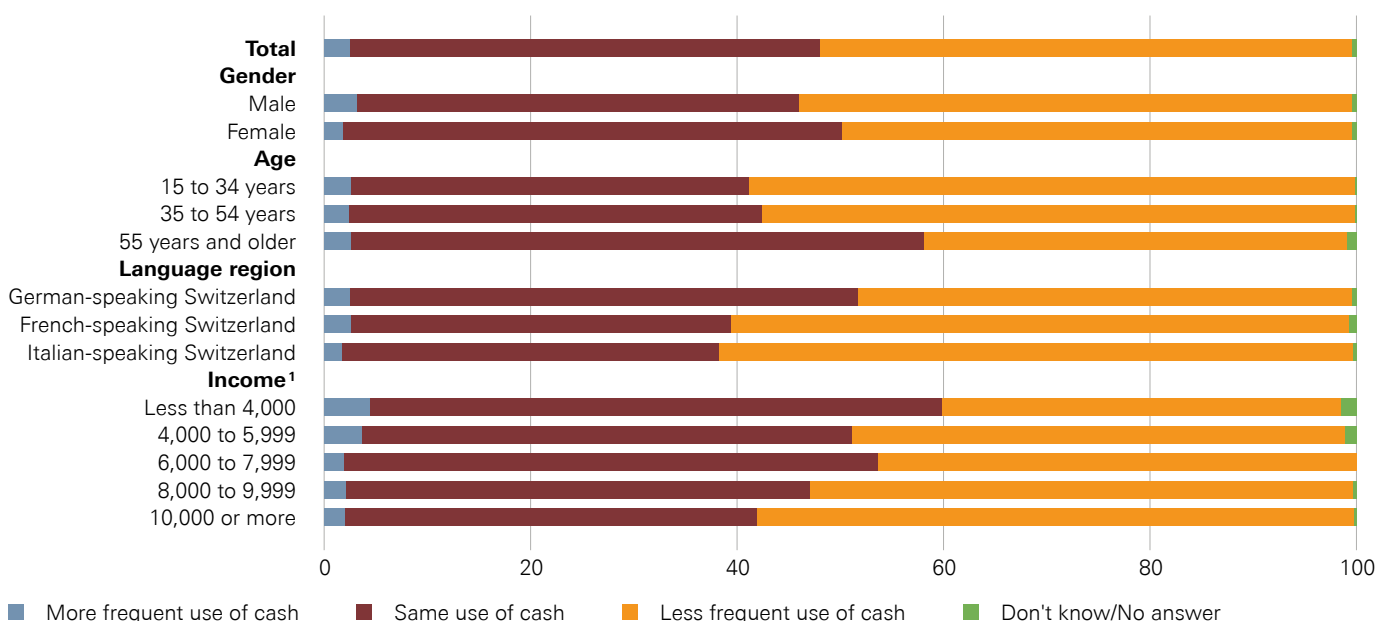
age groups, as well as among respondents from French-speaking and Italian-speaking Switzerland. By contrast, slightly less than half of respondents (46%) anticipate no change in cash usage, although this is primarily in the 55-and-over age group (cf. chart 4.13).

Expected changes in the relative acceptance of the various payment methods are cited as the primary reason for increased cashless payments in the future. A significant proportion of respondents (34%) feel that cashless payment methods will become even more widely accepted. Furthermore, 14% of respondents expect that cash payments will not be – or will no longer be – desired in the future. As was already the case in 2020, respondents also cited the social trend away from cash (33%) as well as the convenience of cashless payments (30%) as reasons.

Chart 4.13

EXPECTED FUTURE PAYMENT BEHAVIOUR

Shares of relevant basis in percent; from personal interview



Question: Compared with today, do you think that in two years' time you will be paying with cash more often or less often than you do at present, or the same?

Basis: All respondents (2,022 people) or respondents by socio-demographic group (cf. appendix 2)

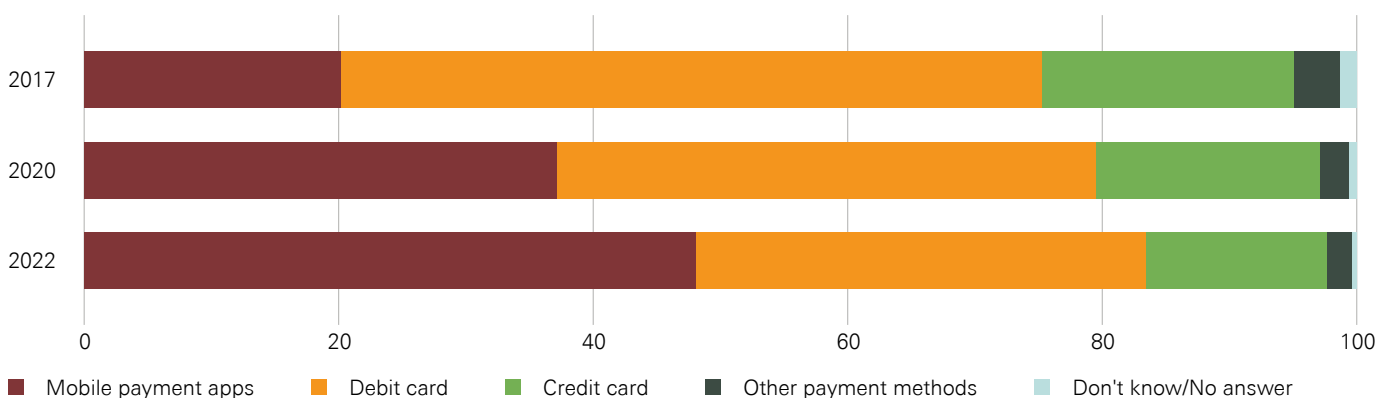
¹ The income indicated is the monthly gross household income of respondents in Swiss francs.

Source(s): SNB

Chart 4.14

INCREASINGLY USED PAYMENT METHODS IN FUTURE

Shares of relevant basis in percent; from personal interview



Which of today's cashless payment methods do you think you will use more in the future instead of cash?

Basis: Respondents who will increasingly use cashless payment methods in the future – 906 people (2017), 1,222 people (2020), 1,040 people (2022)

Source(s): SNB

In line with developments in volume shares, mobile payment apps take the lead in the current survey when it comes to identifying which payment methods will be used more in the future, whereas in 2020 they were still mentioned in second place, behind debit cards (cf. chart 4.14). 48% of respondents who expect to make greater use of cashless payment methods in the future think that they will do so using mobile payment apps (2020: 37%). This view is expressed more often than average by the younger and middle age groups and among the German-speaking population. Debit cards are the second most cited payment method (35%) and credit cards follow in third place (14%).

From a longer-term perspective, the decreasing usage of cash does not mean for respondents that it could become superfluous at some point. A clear majority (61%) would like the option of using cash to remain unchanged in the future. A significant proportion of respondents (36%) responded that while they themselves will no longer need cash, its availability should nevertheless be ensured. Cash could thus still be used when required. Just 3% of respondents are in favour of cash being discontinued. Consequently, the current freedom of choice between cash and cashless payment methods is likely to continue to be of great importance to the population in the future.

Key points

- Restrictions affecting the use of payment methods only very rarely mean that a payment process cannot be completed. The population does not feel particularly restricted in their choice of payment method.
- In the last twelve months, around half of the population has experienced a situation in which their chosen method of payment was not accepted or not desired. In addition, about half of the population has experienced a payment process not being possible due to a technical disruption.
- Relatively speaking, cashless payment methods are more frequently affected by such restrictions. In most cases, however, the payment process could be completed using an alternative method of payment. Cash is often used in such instances.
- Despite a growing number of situations in which cash acceptance is restricted, virtually all respondents are satisfied with the acceptance of cash in Switzerland.
- The majority of the population (92%) is of the view that there are sufficient cash access points in Switzerland. However, a reduction in access points or an increase in withdrawal charges could cause the population to curb their cash use. There already appear to be some gaps for cash deposit points, as only 70% of respondents are satisfied in this regard.

In order for a payment to be carried out successfully, a number of conditions need to be met. The individual making the payment must first have the required payment instrument (cf. chapter 3). Then the desired payment instrument has to be accepted by the payment recipient. In addition, the technical infrastructure required for the payment process must function smoothly. Payment method acceptance and reliability of the payments infrastructure are thus key factors in ensuring the free choice of payment instrument according to personal preference (cf. chapter 4.3). Should these conditions not be met, the result is a restriction of payment method choice and transactions cannot be completed as desired or, in the worst case, cannot be completed at all (cf. chapter 5.1).

Where cash is concerned, the difference to other payment methods is that it needs to be obtained again regularly in order for it to be used as a payment instrument. A cash payment involves the physical transfer of money directly from the payer to the recipient. In the case of a cashless payment, by contrast, an instrument such as a debit card is used to transfer the money. The debit card remains in the payer's possession and can be used repeatedly for new payments. Having the freedom to use cash as the chosen method of payment therefore also depends on having good access to cash (cf. chapter 5.2).

5.1 RESTRICTIONS ON PAYMENT METHOD CHOICE

5.1.1 RESTRICTIONS ON PAYMENT METHOD ACCEPTANCE

A payment instrument may be restricted in its use if it is not accepted or desired by the payment recipient. Non-acceptance means that the recipient refuses the method of payment provided and the payment process cannot be completed using that method. A payment instrument is deemed not desired when the recipient expresses their reluctance to accept a particular payment method or explicitly indicates which payment instruments are preferred. Such a situation is also considered a restriction on payment method acceptance. Although payment is not rendered impossible due to a payment instrument not being desired, it may nonetheless result in a transaction not being completed or may restrict the payer's freedom of choice.

In the last twelve months, 47% of respondents experienced at least one instance where their preferred method of payment was either not accepted or not desired (cf. chart 5.1).¹ However, 43% stated that the payment process could nevertheless be completed using an alternative payment method. This means that just 3% of respondents experienced a situation in which a payment was not possible. Thus, while issues with regard to acceptance and desirability do occur, they very rarely result in a transaction not taking place.

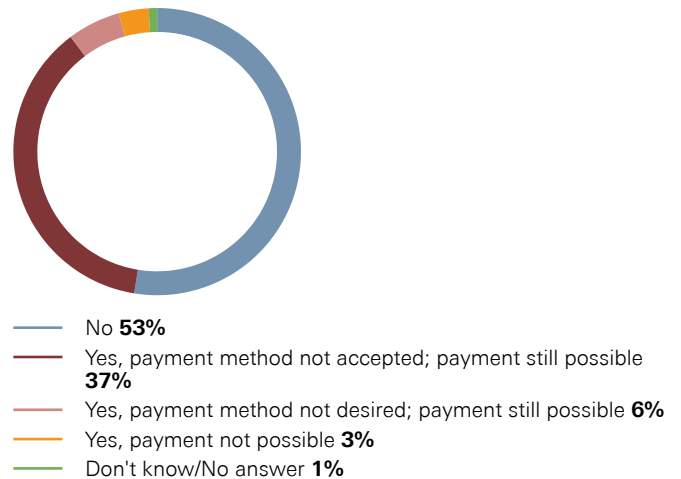
The majority of payment instruments that were not accepted or desired were cashless payment methods, namely the debit card (48%), credit card (22%) and mobile payment apps (16%). Given that young people tend to use debit cards and mobile payment apps more frequently than the older generations do (cf. chapter 4), they are also more often affected by acceptance constraints. Relative to its usage share, the credit card is the payment method that is most commonly not accepted or desired. This may be due to the fact that credit cards usually entail higher costs for the payment recipient than other methods of payment. Cash, on the other hand, is rarely affected by acceptance constraints, especially in relation to its high usage share compared to cashless payment methods.

However, compared with 2017 and 2020, the acceptance of cash is on the decline. While just 11% of respondents had experienced acceptance constraints in 2020,² this figure had risen to 24% in 2022, with the majority of the respondents recalling a situation in which their use of cash was an issue (19% not accepted; 5% not desired). When asked about the payment location or situation, it appears that non-acceptance of cash acceptance primarily occurred with regard to payments for eating and drinking out (32%), for trade fairs/festivals/concerts (24%) or in general stores (18%). Nevertheless, the population seems satisfied with the extent of cash acceptance in Switzerland. In response to the corresponding question, 98% of all respondents said they were either satisfied (86%) or mostly satisfied (13%).

Chart 5.1

ACCEPTANCE CONSTRAINTS

Shares of basis in percent; from personal interview



Question: Can you recall a situation in the last twelve months in Switzerland in which it was not possible to pay with your preferred method of payment because it was either not accepted or not desired by the retailer?

Basis: All respondents (2,022 people)

Source(s): SNB

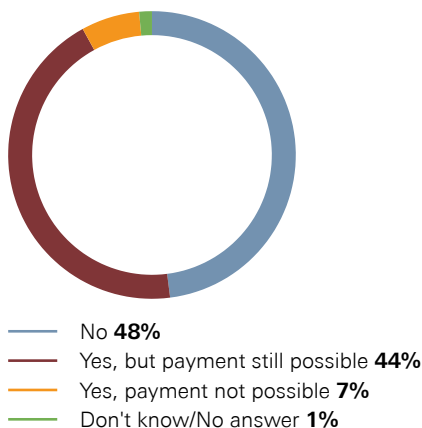
¹ The question was asked for the first time for all payment methods in the 2022 survey. As a result, comparisons over time are only possible for cash.

² The formulation of the question was changed slightly between 2020 and 2022. In 2020, the question asked was: "Have you experienced a situation in recent years in Switzerland – not counting the coronavirus pandemic – in which you were unable to pay with cash?" Meanwhile, in 2022, the question was formulated as follows: "Can you recall a situation in the last twelve months in Switzerland in which you were unable to pay with cash because it was either not accepted or not desired by the retailer?" It cannot be ruled out that more respondents were able to recall such a situation as a result of the more specific formulation.

Chart 5.2

TECHNICAL DISRUPTIONS

Share of basis in percent; from personal interview



Question: Can you recall a situation in the last 12 months in Switzerland where you were unable to pay with your preferred method of payment because of a technical disruption during the payment process?

Basis: All respondents (2,022 people)

Source(s): SNB

5.1.2 TECHNICAL DISRUPTIONS

In addition to acceptance issues, technical disruptions – such as the failure of a terminal, POS system or mobile payment app – may also prevent a transaction or restrict freedom of choice. Over the last twelve months, 52% of respondents experienced such a situation. However, 44% stated that the payment process could nevertheless be completed using an alternative payment method. Overall, 7% of respondents experienced a situation in the last twelve months in which the payment process was not possible due to a technical disruption with the payment method (cf. chart 5.2). Compared with the aforementioned acceptance issues, technical disruptions thus appear to be a greater restriction on payments, as they are more than twice as likely to completely prevent a transaction from taking place.

As with acceptance issues, technical disruptions primarily affect cashless payment methods, although cash payments can also be affected, for instance in the event of a POS system failing. Situations where the payment method did not work most frequently involved debit cards (52%), mobile payment apps (22%) and credit cards (17%). Relative to their usage share, mobile payment apps are the worst affected by technical disruptions.

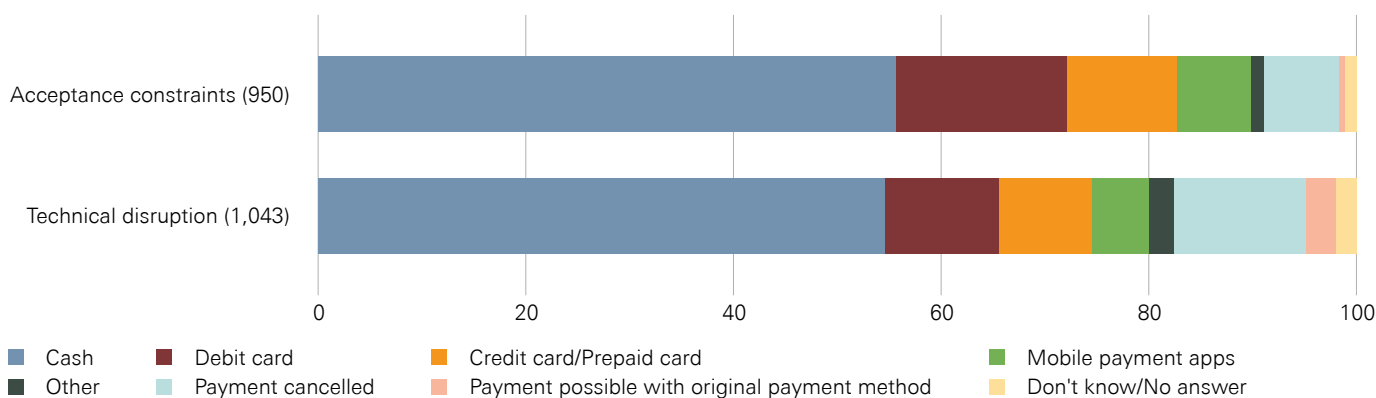
5.1.3 ALTERNATIVE PAYMENT METHODS IN THE EVENT OF RESTRICTIONS

Given that alternative payment methods are often available as substitutes, there were rarely situations in which a transaction could not be processed due to acceptance constraints or technical disruptions. In most cases, cash was then the alternative payment instrument used. Respondents reported that in 56% of cases where a payment method was not accepted or not desired, and in 55% of cases where there was a technical disruption, they were able to complete the payment process with cash (cf. chart 5.3). Moreover, the significance of cash is

Chart 5.3

ALTERNATIVE PAYMENT METHOD IN THE EVENT OF PAYMENT RESTRICTIONS

Shares of relevant basis in percent; from personal interview



Question: Were you able to pay using a different method of payment? If so, with which one?

Basis: Respondents who experienced acceptance constraints or technical disruptions during a payment (cf. figures in brackets above)

Source(s): SNB

evidenced by the fact that transactions quite frequently failed to be completed when cash itself was affected by acceptance issues or technical disruptions. In situations such as these, there was often no alternative payment method available.

5.1.4 CONCLUSION

Restrictions in payments only rarely prevent the completion of a transaction. This is despite the fact that half of the population has experienced situations in which their chosen method of payment could not be used due to acceptance constraints or technical disruptions. Owing to the ownership of multiple payment instruments, payments can still be carried out in most cases. A comparison of cash and cashless payment methods shows that cashless payment instruments are more frequently affected by restrictions and that cash in particular is often used as the substitute for other payment methods. If payment is only possible with an alternative method of payment, it can be considered a sporadic restriction of the freedom of choice in payment method use. Overall, however, freedom of choice in payment method use does not appear to be at risk. In total, 95% of respondents indicate that they generally do not feel restricted in their freedom of choice.

5.2 CASH INFRASTRUCTURE

As discussed in the introduction to this chapter, cash is unlike other payment instruments such as debit and credit cards in that it needs to be obtained again regularly. The prerequisite for the use of cash as a payment instrument is therefore an infrastructure that provides good access to cash.

Chapter 3 has already described the cash access points and the frequency with which the population obtains cash. A large majority of the population (92%) is of the view that there are sufficient possibilities to access cash

(cf. chart 5.4). This assessment applies irrespective of personal cash usage: 93% of cash consumers and 92% of cashless consumers hold this view. Small differences are discernible between the language regions. A slightly smaller proportion of respondents from French-speaking Switzerland (87%), for instance, feel that there are sufficient cash access points.

While respondents are satisfied on the whole with options for cash withdrawal, their satisfaction with regard to cash deposits is considerably lower. Just 70% of respondents find that there are sufficient options for depositing cash into their own accounts or settling bills with cash, while one-fifth (21%) are of the opinion that there are too few possibilities.³

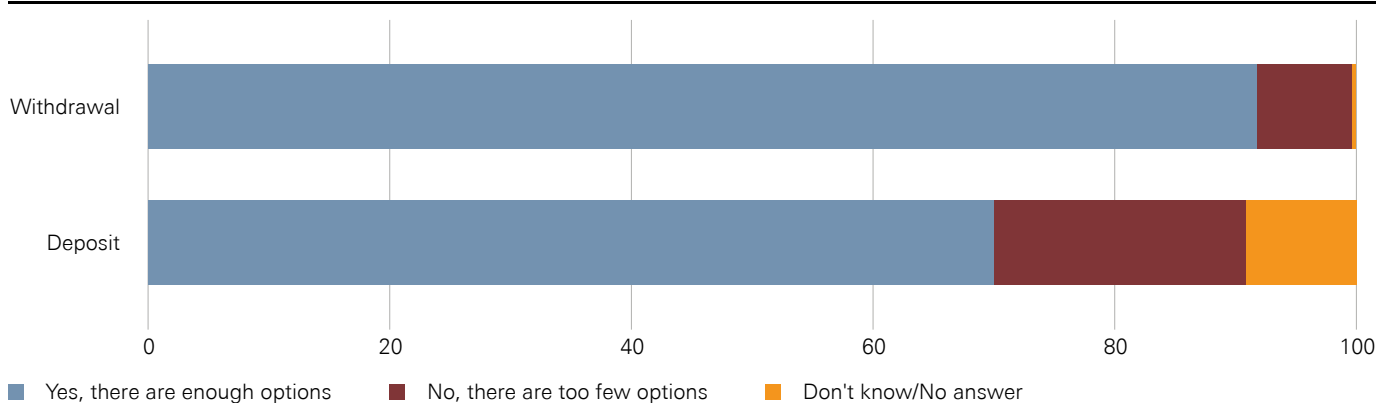
The share of respondents who feel there are sufficient cash withdrawal options has remained unchanged since the last survey (2020: 92%). Meanwhile, one-third of respondents find that the number of cash access points has decreased over the last two years. It would appear, however, that this reduction has not had a negative impact on the population's satisfaction. This may be attributable to changes in payment method preferences (cf. chapter 4.3) and to the existing network of cash access points, which still provides good access despite the slight decrease.

³ 9% of respondents answered these questions with "Don't know/No answer". This is likely due to the fact that this proportion of respondents have never used cash deposit services and are therefore not in a position to answer this question. In the case of cash withdrawals, just 0.34% of respondents were unable to answer the question.

Chart 5.4

SATISFACTION WITH CASH INFRASTRUCTURE

Shares of relevant basis in percent; from personal interview



Question: Do you think there are enough cash withdrawal/deposit options for your own account or for paying bills with cash?

Basis: Respondents who have a bank or postal account (2,015 people)

Source(s): SNB

The fact that Switzerland still has a highly concentrated network of cash access points despite the reduction is evidenced by the question relating to the effort associated with withdrawing cash. The majority of respondents (92%) state that they need only make a small effort to get to the cash access point they regularly use. In this regard, there are no significant differences between language regions or residential environments. This suggests that Switzerland currently has an appropriate cash infrastructure, irrespective of place of residence.

However, a further reduction in the number of cash access points could have an adverse effect on payment behaviour and especially on the freedom of choice in selecting a payment method, with 28% of respondents stating that their cash usage would decrease if the cash access point they generally use were to be removed. The remaining respondents indicate they would switch to a different cash access point and would either not change their withdrawal behaviour (43%) or would withdraw cash less frequently but in larger amounts (25%). What is striking is the reaction of the youngest age group, with 39% of respondents aged 15 to 34 saying they would lower their cash usage as a result. In addition to a reduction in the infrastructure, an increase in fees could also affect payment behaviour. In fact, more than one-third of the population (36%) would reduce their cash usage in favour of cashless payments in response to higher fees for cash withdrawals.⁴ This would have an even greater impact on cash usage than a decrease in the number of cash access points. Here, too, the youngest age group would react more strongly (43%).

⁴ In each interview, the fees per withdrawal were selected at random between CHF 1, CHF 3 and CHF 5.

Key points

- Almost all respondents own a payment card with a contactless function, the use of which has also become well established.
- With the introduction of debit cards enabled for online transactions, the potential uses of debit cards and credit cards have converged markedly. Such debit cards are already being used relatively frequently in new areas of application, such as for online purchases or as the instrument underlying mobile payment apps, and respondents expect to see them being used somewhat more in the future instead of credit cards.
- With regard to mobile payment apps, the strong momentum in terms of ownership, use and popularity looks set to continue. These apps are gaining in significance, particularly for payments at points of sale and for online purchases, and are replacing both cash and cashless payment instruments.
- With the introduction of the QR-bill, invoices can be paid by scanning a QR code. This new functionality is widely used by the population.

In 2022, payment cards were once again among the most frequently used payment instruments, accounting for almost half of all non-recurring payments. Contactless payment plays a major role in payment card usage and has become well established among Switzerland's resident population. At the same time, the introduction of debit cards enabled for online transactions has resulted in the potential uses of debit cards and credit cards being virtually equivalent. Unlike previous debit cards, this new form can be used for making online purchases or as the instrument underlying mobile payment apps. Although payment card usage shares have been stagnating since 2020, the introduction of these new debit cards could potentially change usage shares within the payment card market (cf. chapter 6.1). Furthermore, mobile payment apps are – as was already the case in the 2020 survey – proving to be a key driver of usage dynamics in the payments market. With a volume share of 11%, they are now being used almost as often as the credit card (cf. chapter 6.2). In invoicing, the new QR-bill is making the scanning of payment data for online banking more convenient. However, given that bill payers may also continue to enter billing data in the conventional way, it is unclear to what extent the new QR functionality is already being used (cf. chapter 6.3).

6.1 DEVELOPMENTS IN PAYMENT CARD MARKET

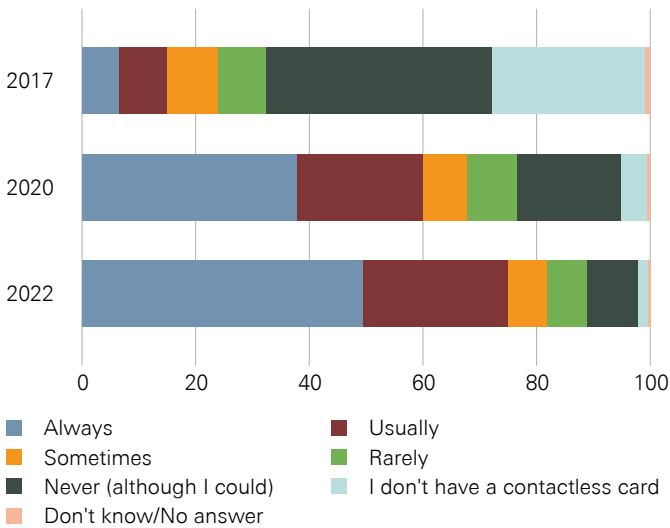
6.1.1 CONTACTLESS PAYMENTS BY CARD

Contactless payments are already widespread in Switzerland. Just 2% of respondents say they do not have a card with this functionality, indicating that its use is determined much less by availability than by payment behaviour. According to the self-assessment of respondents who own a payment card, 75% say they always or usually use the contactless function on their debit or credit card at a payment terminal (cf. chart 6.1). This represents a further increase on 2017 (15%) and 2020 (60%). By definition, use of the contactless function is only relevant for non-recurring payments at a physical POS, such as at a retail outlet. According to payment diary entries, 75% of non-recurring payments with a payment card are made using the contactless function (2020: 65%). A more pronounced increase can be seen when looking at the value share. In terms of transaction amount, 48% of non-recurring payments made with payment cards were contactless in 2020, whereas in 2022, this figure was up to 64%. This is attributable to the fact that this function is increasingly being used for higher-value payments as well.

Chart 6.1

USE OF CONTACTLESS FUNCTION

Shares of relevant basis in percent; from personal interview



Question: When you pay with your card, how often do you use the contactless payment function?
 Basis: Respondents with a debit or credit card – 1,843 people (2017), 2,062 people (2020), 1,979 people (2022)
 Source(s): SNB

Reasons for and against using contactless function

As in 2017 and 2020, the main reasons given for using the contactless function are speed (57%) and convenience (49%). In contrast to 2020, hygiene concerns were cited far less frequently in 2022 (7% vs 28% in 2020), which is likely due to the waning of the coronavirus pandemic. Aside from habit (35%), key reasons for not using the contactless function are lack of confidence in the technology (27%) and concerns about fraud (22%). While lack of engagement with the new technology still played a greater role in 2020, this is now only rarely mentioned as a reason for not using it (2022: 9%; 2020: 21%).

6.1.2 DEBIT CARDS ENABLED FOR ONLINE USE

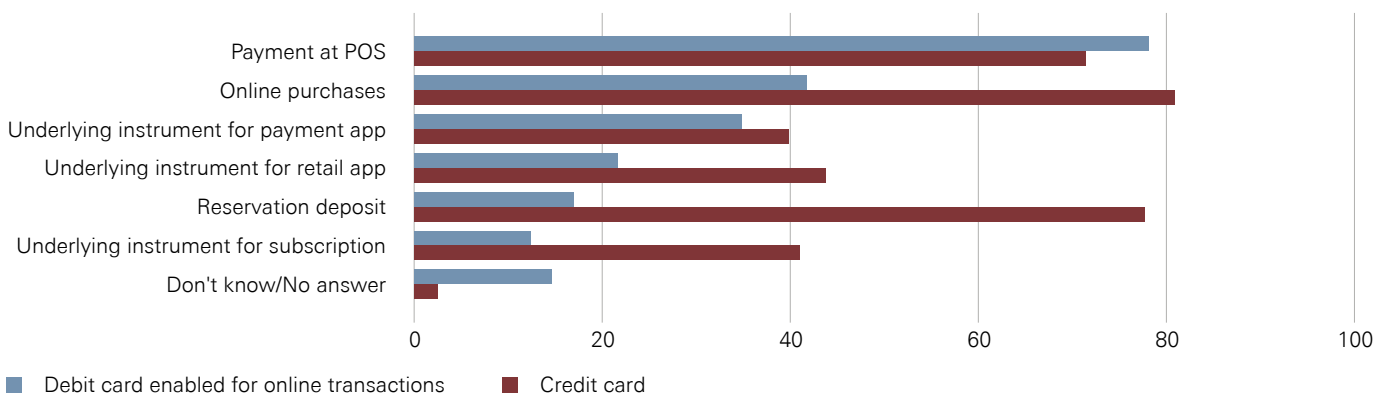
Debit cards enabled for online transactions can now be used in areas of application that previously required a credit card. While the conventional debit card was predominantly restricted to use at a physical POS, the credit card lent itself to being used in e-commerce, as the underlying instrument for mobile payment apps, and for making reservations. Depending on the card issuer, the introduction of debit cards enabled for online transactions is expanding the range of possible uses to include these areas of application, with debit cards and credit cards thus converging in this respect. However, debit cards are still different in that the amount to be paid is immediately debited from the cardholder's account, while with a credit card payment, a short-term loan is granted. The availability of debit cards enabled for online use is already relatively high, with 62% of respondents saying they own one.¹

¹ The card-issuing financial institution is responsible for the changeover from conventional debit cards to debit cards enabled for online use.

Chart 6.2

USE OF CREDIT CARD OR DEBIT CARD ENABLED FOR ONLINE TRANSACTIONS

Shares of relevant basis in percent (multiple answers possible); from personal interview



Question: For which of the following functions have you ever used a credit card or debit card enabled for online transactions?
 Basis: Respondents who own a credit card and a debit card enabled for online transactions (868 people)
 Source(s): SNB

Debit card and credit card use by area of application

Credit cards and debit cards enabled for online transactions are frequently used at points of sale; of respondents who hold both, 71% report having already used the former at a POS and 78% the latter (cf. chart 6.2). More pronounced differences are seen in areas of application that were reserved for the credit card prior to the introduction of debit cards that are enabled for online use. For instance, 86% of respondents who own both types of card have already used the credit card for online purchases, while just 42% have used the new form of debit card for this purpose. The findings show that in areas of application previously exclusively restricted to credit cards, it is credit cards that are still predominantly being used. One exception is with regard to serving as the underlying instrument for mobile payment apps, with both card types already being used in virtually equal measure for this purpose (debit cards enabled for online use: 35%; credit card: 40%).

Future use of payment cards

Debit cards enabled for online use and credit cards essentially cover the same areas of application, the primary difference being whether the amount is debited from the bank account immediately or with a delay. This poses the question as to whether holders of both cards will favour one over the other in the future. 47% of such respondents say they will pay only or more frequently with the debit card going forward, while 30% say the same of the credit card. Just 17% of those who hold both cards say they do not intend to adjust their usage behaviour. Following the introduction of debit cards enabled for online transactions, there was thus a tendency towards increased use of one of the two payment cards, with a stronger tendency towards the debit card. The most frequently cited reasons for favouring such debit cards in the future are the immediate debiting of the amount from the bank account (35%) and the lower fees (28%). Reasons for choosing the credit card are habit (33%) and the bonus programmes (21%), which the respondents regarded as being more attractive.

6.2 MOBILE PAYMENT APPS

Mobile payment apps, which facilitate payments via smartphones, have a broad range of possible application areas. They are used, for example, for online purchases and for POS payments, but can now also be used at payment locations such as farm shops, vending machines and parking meters, for which there was often no cashless infrastructure previously. Furthermore, apps such as Twint can be used to settle P2P payments. A transaction with a mobile payment app is generally made by bank transfer (if linked to an account), payment by credit card or debit card enabled for online use (if paired with a payment card), or e-money (if a prepaid app or prepaid card is used).

Prevalence and use of mobile payment apps

Popularity, ownership and use of mobile payment apps have seen a further strong increase in the past two years. According to the survey interviews, 68% of respondents now own such an app (2020: 48%), while in an open-ended question, 81% spontaneously cited these apps as one of the cashless payment methods with which they are familiar (2020: 69%). Thus, for the first time, mobile payment apps are the most frequently cited alternative to cash, ahead of debit cards and credit cards. As regards non-recurring payments, mobile payment apps have a volume share of 11% (2020: 5%) and a value share of 8% (2020: 4%). Mobile payment app usage has therefore roughly doubled in the space of two years.

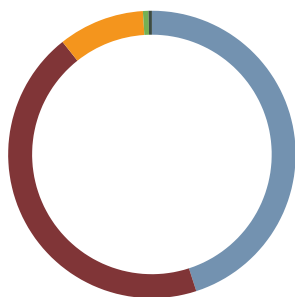
The mobile payment app of choice in this regard is Twint. With a share of 78% of all mobile payment apps installed by respondents, this Swiss app is by far the most prevalent solution, as was already the case in 2020 (77%). Other apps such as Apple Pay or Google Pay have considerably lower shares. Furthermore, mobile payment apps are more or less equally often linked to a bank account (2022: 45%; 2020: 61%) or paired with a credit card or debit card enabled for online use (2022: 44%; 2020: 28%). Only 10% of mobile payment apps have a prepaid balance (e-money) as the underlying instrument (2020: 10%, cf. chart 6.3).² The increase in pairing with payment cards is attributable in part to the fact that the average number of underlying payment instruments per mobile payment app increased by 8% compared with the 2020 survey (2022: 1.13; 2020: 1.05) and this is almost entirely due to additionally paired payment cards. Furthermore, the introduction of debit cards that can be used for online transactions provides an alternative payment instrument, in addition to the credit card, which can be stored in mobile payment apps. Chapter 6.1.2 shows that such debit cards are already being used for this purpose with similar frequency to the credit card.

² These values were not presented correctly in the 2020 survey report.

Chart 6.3

PAYMENT METHODS LINKED TO MOBILE PAYMENT APPS

Shares of basis in percent; from responses on payment instrument ownership



- Bank account **45%**
- All payment cards **44%**
- e-money **10%**
- Other **1%**
- Don't know/No answer **0%**

Basis: All mobile payment apps owned and recorded by respondents (1,361 people with 1,938 mobile payment apps)

Source(s): SNB

Chart 6.4

AREAS OF APPLICATION OF MOBILE PAYMENT APPS

Shares of basis in percent (multiple answers possible); from personal interview



Question: Do you use mobile payment apps at the following locations and/or for the following areas of application?

Basis: Respondents who own and use payment apps (1,372 people)

Source(s): SNB

Areas of application of mobile payment apps

The survey interviews reveal that 90% of respondents who own a mobile payment app use it for P2P payments (2020: 85%), 58% for online purchases (2020: 48%) and 51% for payments at a point of sale (2020: 44%; cf. chart 6.4). P2P payments thus remain the most prevalent area of application for mobile payment apps.³ At the same time, these apps are steadily gaining in significance for payments at physical and virtual POS. Other application areas include POS that were served only to a limited extent by a cashless payments infrastructure before the advent of mobile payment apps, such as parking meters (51%), farm shops and flower fields (48%), and vending machines (34%).

At these three POS in particular, and for P2P payments, mobile payment apps frequently replace cash as the payment method. For instance, 98% of respondents say that, prior to using mobile payment apps, they paid predominantly with cash at farm stores and flower fields. In the case of online purchases, meanwhile, mobile payment apps are replacing other cashless payment instruments (cf. chart 6.5), with 63% of respondents reporting that they predominantly paid for such purchases with credit cards or prepaid cards prior to using mobile payment apps. At points of sale – the payment location with the highest volume share (cf. chapter 4) – payments now made by mobile payment apps were previously made with cash (44%) and debit cards (45%).

Reasons for and against using mobile payment apps

The reasons for and against using mobile payment apps have not changed significantly compared with the 2020 survey. The majority of respondents (68%) continue to cite simplicity and the speed of the payment process as the main reason for use. This reason, which is strongly linked to ease of use, has gained further in significance compared with 2020 (57%). Furthermore, 11% of respondents highlight that they always have their smartphone on them and thus also the mobile payment apps, which is very practical (2020: 14%). Moreover, the areas of application discussed in the previous section were also cited. Overall, 19% of respondents (2020: 22%) report using a mobile payment app because they are used for payments among their friends and family (e.g. bill-splitting after dining out together). Meanwhile, 9% (2020: 11%) use these apps in situations where the correct amount had previously been required in cash (e.g. for vending machines, parking meters and P2P payments). Lastly, 11% cite the immediate transfer of money from the payer to the payee as a reason for use (2020: 13%).

³ P2P payments via mobile payment app are currently only possible with Twint.

Security concerns remain a prominent reason for not owning and using mobile payment apps, albeit with diminishing importance. Of the respondents who do not have a mobile payment app installed, 17% (2020: 21%) are concerned about financial loss, while a further 17% (2020: 20%) expressed reservations with regard to data protection. However, the main reason for not owning and using mobile payment apps is habit/lack of engagement with such apps (24%), a factor that was almost insignificant in the last survey at 2%. Mobile payment apps are considered by 14% of these respondents to be inconvenient and impractical (2020: 16%), while 13% (2020: 13%) say they do not use them because their smartphone is too old or they do not own a smartphone. Lastly, 11% (2020: 20%) do not use a mobile payment app because it offers no added value or their needs are covered by other payment instruments.

6.3 QR-BILL

The option of using QR codes on invoices was introduced in Switzerland back in 2020. From October 2022, financial institutions replaced the payment slip on invoices with the QR-bill – the payment slip is no longer accepted. As a result, both financial institutions and invoicing parties had to change their procedures for generating and settling invoices. For the payer, the switch to the QR-bill represents an additional payment option. Invoices can now be paid by scanning a QR code.⁴ Overall, 72% of respondents have already used the QR code functionality via online banking or Twint.⁵ Alternatively, QR-bills can also be paid in the conventional way. Just under one-fifth of respondents (18%) do not use the QR code functionality, at least in part, and have sometimes or always manually entered QR-bill data in online banking. The additional option of paying at a bank or post office was used by 12% of respondents.

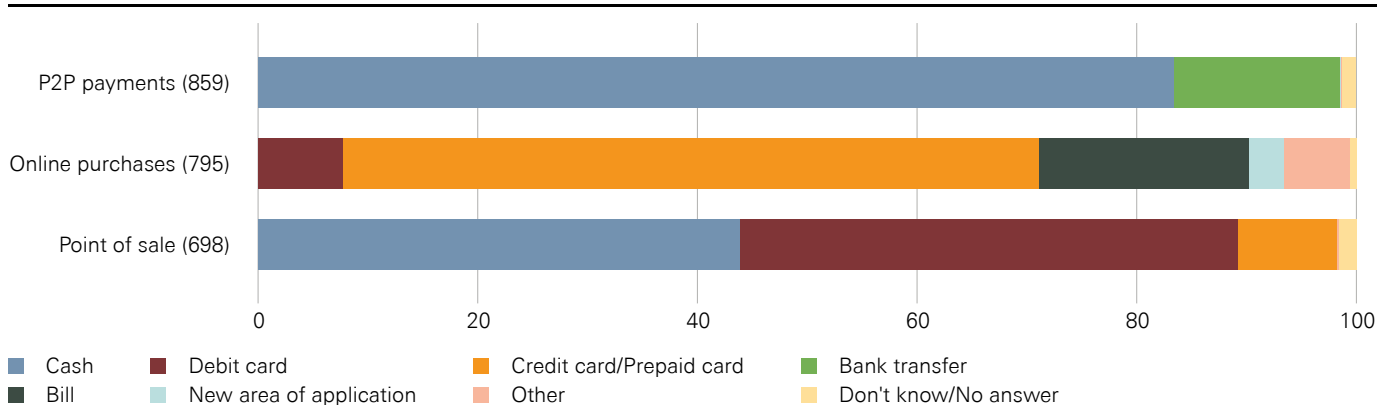
⁴ Even before the introduction of the QR-bill, some financial institutions gave their customers the option of scanning payment information on payment slips.

⁵ Twint is currently the only mobile payment app to support the payment of QR-bills.

Chart 6.5

PAYMENT METHODS REPLACED BY MOBILE PAYMENT APPS

Shares of relevant basis in percent; from personal interview



Question: Which payment method did you previously use in the areas of application where you are now using a mobile payment app?
 Basis: Respondents using mobile payment apps for respective area of application (cf. figures in brackets above)

Source(s): SNB

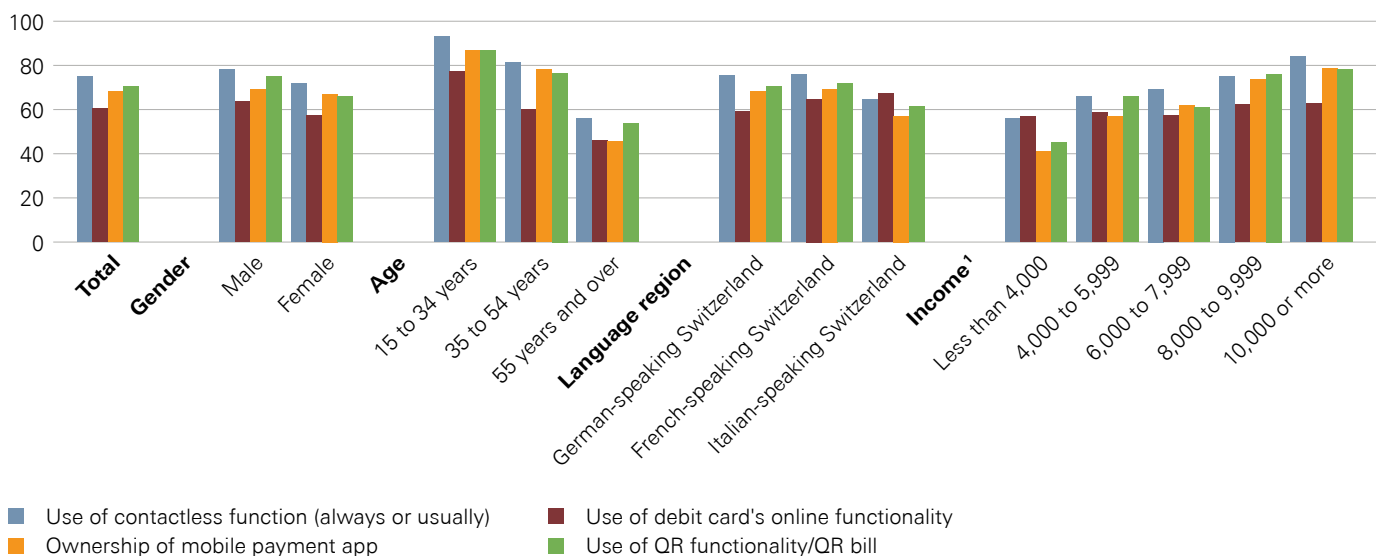
6.4 SOCIO-DEMOGRAPHIC ASPECTS

As in the 2020 survey, social-demographic differences have an influence on the use of innovations in cashless payments. These differences are particularly pronounced across the various age groups (cf. chart 6.6). For instance, respondents from the two younger age groups are significantly more likely to use their payment card's contactless function and own a mobile payment app. Furthermore, the newly introduced innovations such as the debit card enabled for online transactions or the QR functionality in billing are used more often by younger respondents. Looking at all innovations in the area of cashless payments, it is evident that they tend to be used more by men and by younger people, and – with the exception of debit cards enabled for online transactions – to a lesser degree by the Italian-speaking resident population. As in the 2020 survey, the ownership of mobile payment apps and the use of the contactless function are more widespread among people with higher incomes. When it comes to the use of the newly introduced innovations – debit cards enabled for online transactions and the QR functionality – there is no recognisable pattern with regard to respondent income.

Chart 6.6

INNOVATION-DRIVEN PAYMENT METHODS BY SOCIO-DEMOGRAPHIC CHARACTERISTIC

Share of respective basis in percent; from personal interview



Basis: All respondents who answered the section on mobile payment apps, i.e. those who own the corresponding payment instrument

¹ The income indicated is the monthly gross household income of respondents in Swiss francs.

Source(s): SNB

Survey methodology

The participants in the payment methods survey were interviewed between the beginning of August and mid-November 2022. The sampling frame for person and household surveys used by the Swiss Federal Statistical Office (SFSO) served as the basis for the sampling procedure. The sampling frame uses data on residents from cantonal and communal population registers, which are updated every quarter. A stratified random sample was drawn from it for the 2022 payment methods survey, based on the characteristics of language region, gender and age.

The vast majority of the personal interviews for the survey – comprising some 200 questions – were conducted in the form of computer-assisted telephone interviews (CATI).¹ The second part of the survey involved keeping a payment diary, for which respondents had the choice of entering their data digitally (via browser access) or on paper. Three-quarters of the respondents opted for the digital diary, which could be accessed via internet-enabled devices, such as a PC, laptop, smartphone or similar. For the paper version, respondents received a payment diary plus a small notebook for recording expenses on an ongoing basis.

By way of compensation, the respondents received CHF 100 after completing their participation in the survey. In addition to a thank-you letter, respondents were also sent a small package of shredded Swiss banknotes withdrawn from circulation. Compensation of this size is appropriate and in line with market norms for surveys that take up a comparable amount of participants' time.

A total of 2,260 people were interviewed during the field phase, of which 2,036 returned a fully completed payment diary. The high response rate of 89% can be attributed to a number of different factors. First, respondents were reminded about the payment diary by telephone or email and, second, compensation was only paid following submission of a fully completed diary.

After concluding the survey, DemoSCOPE then cleansed the data. This ensured that interviews not conducted according to specifications or with an excessively high item non-response rate were removed from the dataset. Furthermore, only those interviews that could be paired with a completed diary were included in the dataset. In total, 14 diaries that were only submitted to DemoSCOPE after the conclusion of the survey period were removed from the dataset. Overall, there were a total of 238 eliminations, leaving 2,022 valid sets of responses (interview and diary) for evaluation. All entries in the payment diaries were also assessed for plausibility in order to rectify any misstatements or oversights during the recording.

The adjusted dataset was weighted according to the structural characteristics of the statistical population, so as to be able to draw representative conclusions about Switzerland's resident population aged 15 and over. Post-stratification weights were calculated for the dataset. Specifically, all interviews and payment diaries were weighted according to language region, age and gender, in line with the actual proportions found in the population as a whole. In the report, all data on the number of respondents, number of transactions or total value of transactions represent weighted totals.

¹ Only three interviews took place face-to-face in respondents' homes, at their request.

Distribution of sample by socio-demographic characteristics

SOCIO-DEMOGRAPHIC CHARACTERISTICS

| | Number in sample | Description |
|--|------------------|--|
| Total | | |
| All respondents | 2,022 | Size of adjusted sample with all respondents |
| Gender | | |
| Male | 1,000 | Male participants in payment methods survey |
| Female | 1,022 | Female participants in payment methods survey |
| Age | | |
| 15 to 34 years | 571 | Respondents aged between 15 and 34 years |
| 35 to 54 years | 675 | Respondents aged between 35 and 54 years |
| 55 years and over | 775 | Respondents aged at least 55 years |
| Language region¹ | | |
| German-speaking Switzerland | 1,432 | Respondents resident in German-speaking Switzerland |
| French-speaking Switzerland | 497 | Respondents resident in French-speaking Switzerland |
| Italian-speaking Switzerland | 93 | Respondents resident in Italian-speaking Switzerland |
| Residential environment² | | |
| City/town (urban) | 1,226 | Respondents resident in the category 'urban centre' |
| Agglomeration (peri-urban) | 479 | Respondents resident in the category 'area under influence of urban centres' |
| Country (rural) | 317 | Respondents resident in the category 'areas not under influence of urban centres' |
| Level of education³ | | |
| Tertiary | 1,008 | Respondents with final education qualification from a university of applied sciences ('Fachhochschule'), higher technical school ('Höhere Technische Lehranstalt'), business school, college of education, university or the Swiss Federal Institute of Technology (ETH) |
| Upper secondary | 854 | Respondents with a final school-leaving certificate from a high school ('Mittelschule'), vocational high school ('Berufsmittelschule') or grammar school ('Gymnasium') |
| Compulsory | 159 | Respondents having completed primary school, lower secondary level, or no education |
| Income | | |
| Less than CHF 4,000 | 204 | Respondents with monthly gross household income of less than CHF 4,000 |
| CHF 4,000 to CHF 5,999 | 278 | Respondents with monthly gross household income of between CHF 4,000 and CHF 5,999 |
| CHF 6,000 to CHF 7,999 | 339 | Respondents with monthly gross household income of between CHF 6,000 and CHF 7,999 |
| CHF 8,000 to CHF 9,999 | 286 | Respondents with monthly gross household income of between CHF 8,000 and CHF 9,999 |
| CHF 10,000 or more | 779 | Respondents with monthly gross household income of at least CHF 10,000 |
| Employment status | | |
| Employed | 1,314 | Respondents in employment (full-time, part-time, self-employed) |
| Unemployed | 35 | Respondents (temporarily) without employment |
| In training/education | 161 | Respondents in training/education, including apprentices |
| Retired | 457 | Respondents in retirement |

¹ 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): www.bfs.admin.ch, Statistiken finden/Regionalstatistik/Atlanten/Statistischer Atlas der Schweiz/Statatlas Schweiz 01 – Bevölkerung/Räumliche Gliederungen der Schweiz/Analyseregionen/Sprachgebiete 2020/Stand 2022/Politische Gemeinden. For purposes of presentation, Italian-speaking municipalities outside Canton Ticino are included in the category 'Italian-speaking Switzerland'.

² The breakdown by residential environment is based on the system applied by the SFSO (available in German and French only): www.bfs.admin.ch/bfs/de/home/statistiken/querschnittsthemen/raeumliche-analysen/raeumliche-gliederungen/raeumliche-typologien.html

³ Due to a lack of information on level of education, income and employment status, or due to rounding, the totals of the socio-demographic categories do not necessarily correspond to the total.

Source(s): SNB

Glossary

| | |
|--|---|
| 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, cf. payment location) without the need for any physical contact between the device and the terminal. Contactless payments are typically transferred using near field communication (NFC) or bluetooth low energy (BLE) technology, or by scanning a quick response code (QR code). |
| Credit card | Payment card that enables the holder to make payments or cash withdrawals on credit up to an agreed threshold. Interest is generally not charged until expiry of the deadline specified in the invoice (usually one month). Thereafter, the cardholder has the option to pay in instalments, upon which interest is levied. |
| Cryptocurrency | A cryptocurrency is a digital representation of value and is traded on the internet. It performs functions of money, but is only accepted as a method of payment in isolated cases. This form of currency is issued and controlled by an unregulated institution or network of computers. One such example is Bitcoin. A special type of cryptocurrency is the stablecoin (cf. Stablecoins). |
| Debit card | Payment card tied to a bank or postal account that enables the cardholder to charge payments and cash withdrawals directly to their account (Maestro and PostFinance card). |
| Direct debit | Direct debit is a payment procedure used to settle and approve invoices. In the case of direct debit, the invoicing party (payment recipient) directly charges the account for which the invoice recipient (payer) has issued a debit authorisation. |
| eBill | With eBill, invoices can be received and settled directly through online banking. Individual invoices can then be approved or rejected. It is also possible to set up a standing approval function with eBill for the automatic approval of invoices. This function in eBill thus corresponds to a digital version of the consent given through direct debit for the periodic collection of amounts due and can be considered as an alternative to direct debit (cf. direct debit). |
| e-money | e-money describes any electronically stored monetary value in the form of a claim against the issuer, which is issued in exchange for the payment of funds in order to carry out transactions. This includes prepaid credit and prepaid cards with a wide range of uses. |
| Mobile payment apps | Mobile payment apps represent a form of mobile payment. These apps can be used not only to buy goods and services (at physical points of sale or remotely), but also to settle P2P payments. A transaction with a mobile payment app is generally made by bank 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 works by scanning a QR code, or via BLE or NFC (cf. contactless function), and in the case of P2P payments, by entering a telephone number. In Switzerland, the most prevalent mobile payment app is Twint (cf. chapter 6.2). |
| Online banking (e-banking and m-banking) | Online banking refers to the conduct of banking transactions via the internet, irrespective of location or opening hours. Banks offer their customers the corresponding websites or portals (e-banking), as well as specific apps (mobile banking or m-banking), through which customers can conduct their banking business online. |
| Online payment method | Payment methods via the internet that are usually paired with a payment card and are used primarily to settle online purchases (e.g. PayPal). The term is used throughout this report to encompass all payments made via the internet that are not executed through a specific online banking application (cf. online banking), a specific mobile payment app (cf. mobile payment apps) or a retail app (cf. retail apps). |
| Other payment cards | Retailer cards with a payment function (e.g. those of filling stations or retailers) as well as prepaid cards that can only be used with certain retailers (e.g. voucher cards) or in a restricted way (university, canteen, laundry cards, etc.). |
| Payment instrument | These include cash, payment cards (debit, credit, prepaid and other payment cards), (online banking) transfers, direct debits and e-money. In addition, mobile payment apps and online payment methods are also covered by this term for the purposes of this report. |
| Payment location | Refers to the point of sale (POS) where goods or services are purchased and paid for. For the purposes of this report, the term 'payment location' covers specific POS (e.g. supermarkets, restaurants and online platforms) as well as counterparties (e.g. P2P) and payment purposes (e.g. eating and drinking out). |
| Payment method | Cf. payment instrument |
| Point of sale (POS) | Cf. payment location |
| Retail apps | Similar to mobile payment apps (cf. mobile payment apps), retail apps facilitate payments via smartphone. In contrast to mobile payment apps, however, retail apps are specific to the retailer. They make the purchase of goods and services with the relevant retailer possible. An example of a widely used retail app in Switzerland is SBB Mobile. A payment with a retail app may be based on a credit card payment, e-money (usually prepaid card payment, cf. e-money) or a bank transfer. In addition, a retail app may also be linked to a mobile payment app so that payments with the retail app are in turn indirectly based on the underlying payment instrument of the mobile payment app. |
| Stablecoins | Stablecoins are cryptocurrencies whose value is to be kept stable relative to national currencies (or other specific assets) by means of a stabilisation mechanism. |

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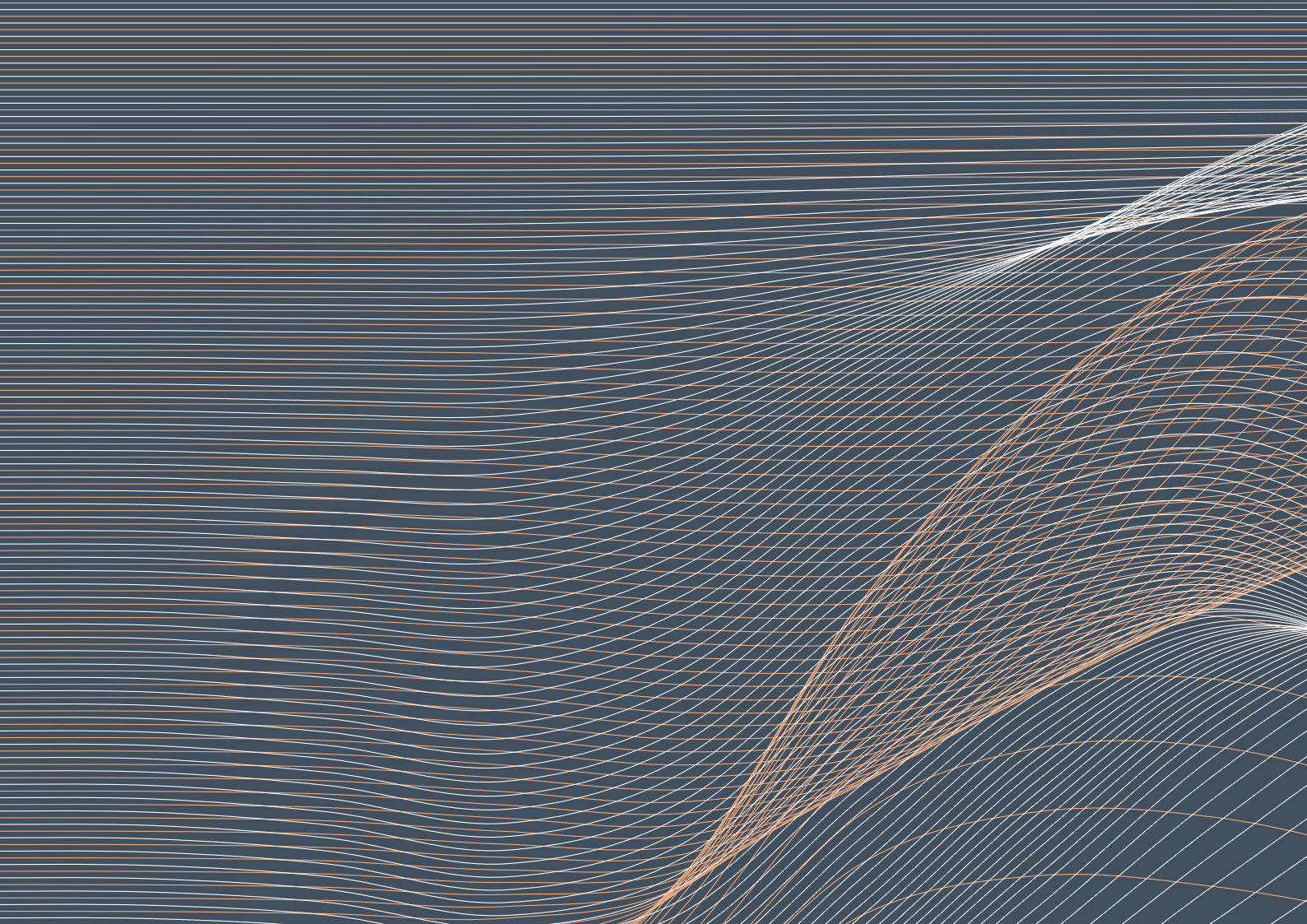
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