

Éva Divéki and Dániel Listár: Better safe than sorry: views of the Hungarian public on the security of payment instruments*

Our survey found that the Hungarian public considers bank cards to be the most secure electronic payment instrument. The positive perception of the bank card ranks immediately behind the perceived security of traditional payment instruments: the yellow cheque and cash. Nevertheless, one of the key findings of our article is that the less intensive use of state-of-the-art electronic payment instruments is not due primarily to security reasons, although such concerns may play a certain role, particularly in the case of online payment instruments. The sense of security in payment instruments relates mainly to familiarity and use. That is, consumers consider payment instruments they know and use to be safe, while lesser known and little used ones are perceived as less secure. Consequently, the use of cashless electronic payment instruments can be intensified mostly through the dissemination of information, which will elevate the sense of security in consumers as well. The majority of the population expects their own account keeping bank to convey information relating to payment instruments.

INTRODUCTION

The increased use of state-of-the-art cashless electronic payment instruments may be hindered by the public's perception that they are not secure enough and by consumers' lack of awareness of their rights, duties and options in the event of fraud. Media news and hearsay may also influence users of payment instruments and determine the attitude of potential users.

Therefore, the Magyar Nemzeti Bank (MNB, the central bank of Hungary) initiated a broad-based consumer survey to assess consumers' specific security-related knowledge about various payment instruments (mainly electronic payment instruments) and to find out the attitudes of potential users to such instruments. One of the survey's objectives was to determine the reasons for not using electronic payment instruments, and to determine whether security-related expectations featured among these.

In this study, we present a brief overview of the international literature of payment instruments, the issues raised and the conclusions that can be drawn. This is followed by a discussion of the survey's methodology, and then the description of our main findings. We analyse the opinions of

respondents on the security of the various electronic payment instruments, in particular payment cards (hereinafter: bank cards or cards) and online payment solutions as well as payment accounts (hereinafter: bank accounts). Furthermore, we elaborate on the relationship between awareness and use of the various payment instruments and their perceived security. In these sections, we also discuss data obtained from other data sources of the central bank, in particular official reporting of payment service providers (hereinafter: banks) that are relevant for our purposes. We also highlight differences between the findings of the survey and the data from other sources. We point out the security considerations that should be taken into account when using the various electronic payment instruments. Finally, we end with a summary of the key conclusions of the survey.

HOW DOES THE SENSE OF SECURITY AFFECT THE USE OF PAYMENT INSTRUMENTS?

There is no consensus in the international literature on whether consumers' perception of security affects the choice between payment instruments, and if so, how and to what extent. Until now, no study had investigated these issues in detail in Hungary.

* The views expressed in this article are those of the author(s) and do not necessarily reflect the official view of the Magyar Nemzeti Bank.

In their theoretical model, Bolt and Chakravorti (2008) contrast the cost of the loss of cash (e.g. robbery) with the cost of bank cards, which are considered much safer, and they conclude: from the aspect of consumers, the probability of the loss of cash determines the optimum level of bank card fees.

Yin and DeVaney (2001) use empirical methods to analyse in detail the relationship between consumers' sense of security and the choice between payment instruments, but they find no empirical evidence that consumers who consider security more important would be more inclined to choose (debit) cards over cash. Schuh and Stavins (2009) rely on the data of a consumer survey on the choice between payment instruments and use an econometric model to conclude that safety orientation has only a limited role in consumer decisions.

Cheney (2006) arrives at a different conclusion; drawing on the results of a survey explained in a workshop she claims that for consumers, security and convenience are the two most important factors when choosing between payment instruments. Several surveys conducted in the US (Eisenstein, 2008; Federal Trade Commission, 2007; Unisys, 2009) conclude that Americans claim to be concerned about the safety of payment instruments and potential fraud, and this concern is stronger than fears of terrorism, personal safety and various viruses.

The study by Kosse (2012) relies on daily transaction data and newspaper articles on the subject to examine the effects of newspaper articles about bank card fraud on bank card usage. The author concludes that the effect is small and short term compared to other factors; still, he thinks that the impact on the efficiency of low-value payments must not be underestimated.

Regarding Hungary, the study looking at the payment habits of Hungarian households (Takács, 2011) establishes that more intensive usage of electronic channels is now a possibility, instead of the heavily cash-oriented Hungarian payment methods, so that the majority of households could execute their payment transactions more efficiently. Despite this, four fifths of typical retail transactions occur in cash.

In light of the above, it is worth considering the role which the perception of the various payment instruments, in particular the sense of security, plays in the decisions of the Hungarian public in addition to the other factors identified in literature (see Chart 1).

Chart 1
Major factors of choice among payment instruments



The sense of security is the consumer's subjective perception of the level of his concern about suffering a (financial) loss when using various payment instruments. One element of this is whether the consumer is concerned that he will not receive the product or service, the other element is the fear of falling victim to some kind of fraud when using the payment instrument. A high degree of a sense of security means that the consumer has no concerns relating to the payment instruments and is not afraid of suffering any (financial) loss by using the payment instrument; a low sense of security means the opposite. As the sense of security is a subjective judgement, it is irrelevant which payment instrument experts consider the most secure at the current level of technology.

THE FRAMEWORK OF THE CONSUMER SURVEY

The consumer survey was conducted in the spring of 2012 by GfK Hungária Kft. on behalf of the Magyar Nemzeti Bank. The sample of one thousand interviewees is representative of the Hungarian population aged 15–69, in terms of gender, age, type of settlement and region. The methodology and the summary of the responses to questions is attached in the Appendix; the body of the article contains the analyses and calculations based on the detailed responses as well as other information related to the subject.

OPINIONS OF RESPONDENTS ON THE SECURITY OF PAYMENT INSTRUMENTS

The first important question relating to the outcome of our survey is how secure respondents consider the various electronic payment instruments and to what extent that subjective perception corresponds to reality. To this end, we compare below the responses to the questionnaire with the fraud statistics available to the MNB. In the analysis, we first focus on the security of bank cards as the best known and most widely used electronic payment instrument and then turn our attention to online payments.

Fraud events relating to electronic transactions

Interviewees reported few actual losses relating to electronic payments, but the MNB statistics show that the real value is an order of magnitude smaller than the responses would have us believe.

Compared to the total number of payment transactions, the annual ratio of fraud events relating to bank cards, online banking, telebanking and mobile banking was very low, at around 0.003 per cent in the period examined (between 2007 and 2011). Thus, according to the statistical data, electronic payments are very safe.

Nevertheless, 6 per cent of the participants claimed that they or a familiarity of theirs had suffered financial losses in connection with bank card usage. The ratio is 3 per cent for online credit transfers and 1 per cent for other electronic payment options. Even though the fraud ratios calculated from the MNB data are not fully comparable with the charts from the survey (which also has an error margin), on the whole we can conclude that the subjective sense of security of the population is somewhat worse than the real situation.

This may be attributable to the following factors:

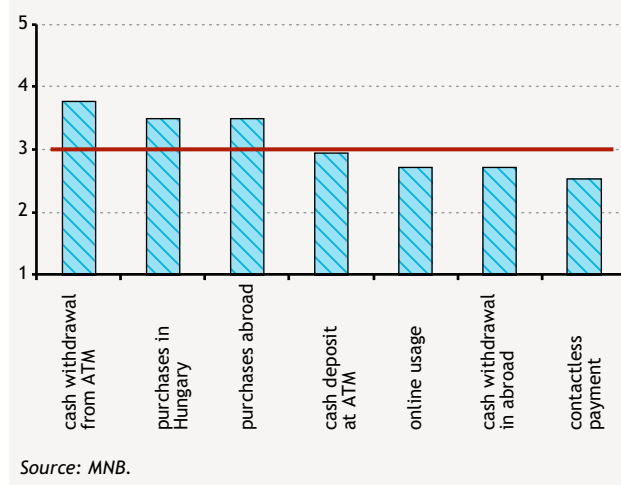
- the questions asked ('Have you or a personal familiarity of yours suffered a financial loss while using the following payment instruments?') had no time horizon;
- the range of fraud perceived by the public is wider than the coverage of the MNB data collection;
- in general, people have an exaggerated view of fraud, which may be partly due to the negative information published in the press and various online media.

Safety of bank card usage

64 per cent of respondents feel that bank cards are very safe or fairly safe payment instruments. Only 7 per cent think that bank cards are not at all safe or rather unsafe.

In respect of bank card transactions (see Chart 2), respondents considered that cash withdrawal from ATMs is the safest (on a scale of 5, the average is 3.78), followed by purchases in Hungary and abroad (no difference between the two, at 3.50). They deem that contactless payment is the least safe (2.54), preceded by online use and cash withdrawal abroad (2.7).

Chart 2
Perception of the security of various forms of bank card payments, on a scale of one to five



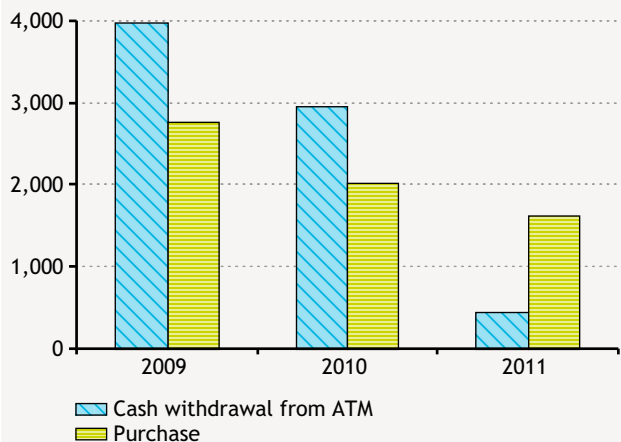
The statistics collected by the MNB indicate that fraud relating to cash withdrawal from ATMs and purchases using bank cards has declined significantly in recent years (see Chart 3). While fraud related to cash withdrawal from ATMs used to be more common than fraud relating to purchases up to 2010, the situation had reversed by 2011.

Only one third of cardholders (33 per cent) think that chip cards are safer than magnetic stripe cards even though chip technology was introduced on bank cards for considerations of safety. As a result, the number of fraud events declined, as evidenced by statistics.¹ Every third cardholder considers both solutions safe (35 per cent), while 8 per cent think that magnetic stripe cards are safer (see Chart 4).

Almost every second cardholder thinks that the use of the PIN is safer than signature, but 28 per cent consider both to

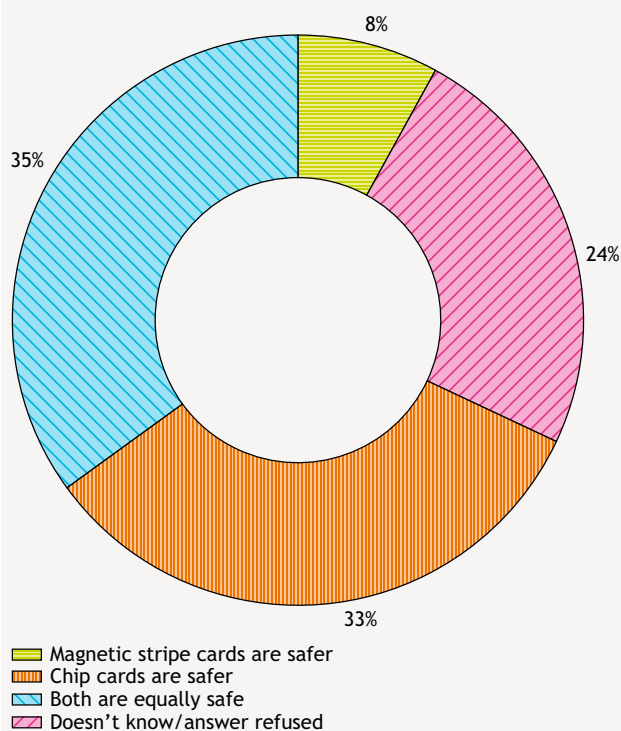
¹ This issue is discussed in detail in section 2.2.1 of the MNB publication 'Report on Payment Systems 2012'.

Chart 3
Number of bank card related fraud events



Source: MNB.

Chart 4
Perceived security of chip cards and magnetic stripe cards among cardholders

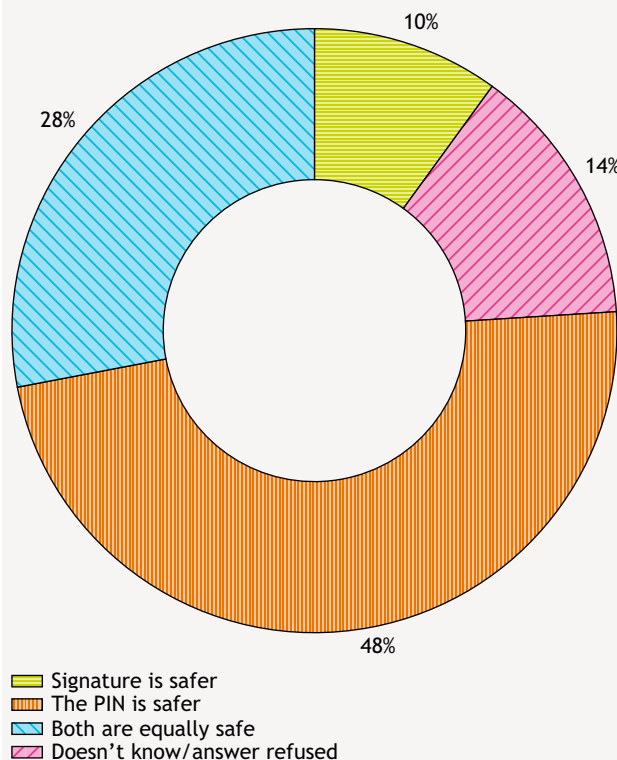


Source: MNB.

be equally safe (see Chart 5). In reality, the use of the PIN is safer than signatures.

Every cardholder agreement provides that if the cardholder becomes aware of transactions indicative of unauthorised card use (for instance from a text message from its bank

Chart 5
Perceived security of PIN and signature secured bank cards among cardholders



Source: MNB.

or an entry in the bank statement), or his card or the PIN has been lost or stolen, he must notify the issuer without delay.

If the lost or stolen bank card is used without authorisation, any loss incurred before such notification is borne by the cardholder up to HUF 45,000 (assuming that the loss was not the result of the intentional conduct or gross negligence of the cardholder); any additional loss is borne by the issuing bank. Any loss incurred after notification must be borne by the issuing bank.

None of the respondents was aware of this 'forty-five thousand rule'. Only 7 per cent of the public (one tenth of cardholders) knew that the loss is shared by the bank and the cardholder and that there is a cap on the loss to the customer. In view of this, it is a positive aspect that 96 per cent of cardholders would report any suspicion of bank card fraud as soon as possible, and 90 per cent of them would notify their issuing bank.

In any event, banks have considerable responsibility relating to the security of payment instruments as 76 per cent of the respondents expect their own account keeping bank to inform them about security issues too.

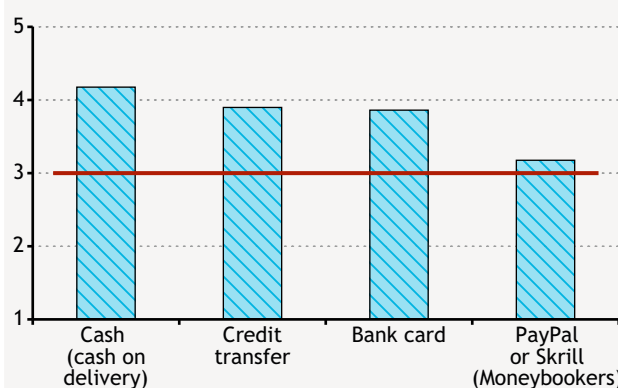
One lesson from the focus groups was that knowledge transfer and personal example stimulate usage. That is, if consumers use the various payment instruments, they have information and practical experience about them and they exchange these with their peers, the use of such solutions will be more intensive – this is true not only for bank cards but for other electronic payment instruments as well.

Security of online payment instruments

Of the survey participants, 65 per cent claimed to have internet access (this result is broadly similar to the findings of other similar surveys²). The ratio of persons using the internet for payments is much smaller: online credit transfers are used by 19 per cent of respondents, online purchases with electronic payments by 11 per cent, and internet purchases with cash payments by 21 per cent.

For purchases made on the internet, cash arrangements (e.g. cash on delivery) are considered to safest, with a score of 4.18 on a scale of 1-5. For internet purchases, credit transfers (3.89) and online bank card usage (3.86) are deemed to be safer than average. Payment via PayPal or

Chart 6
Security of payment instruments for purchases on the internet, on a scale of five

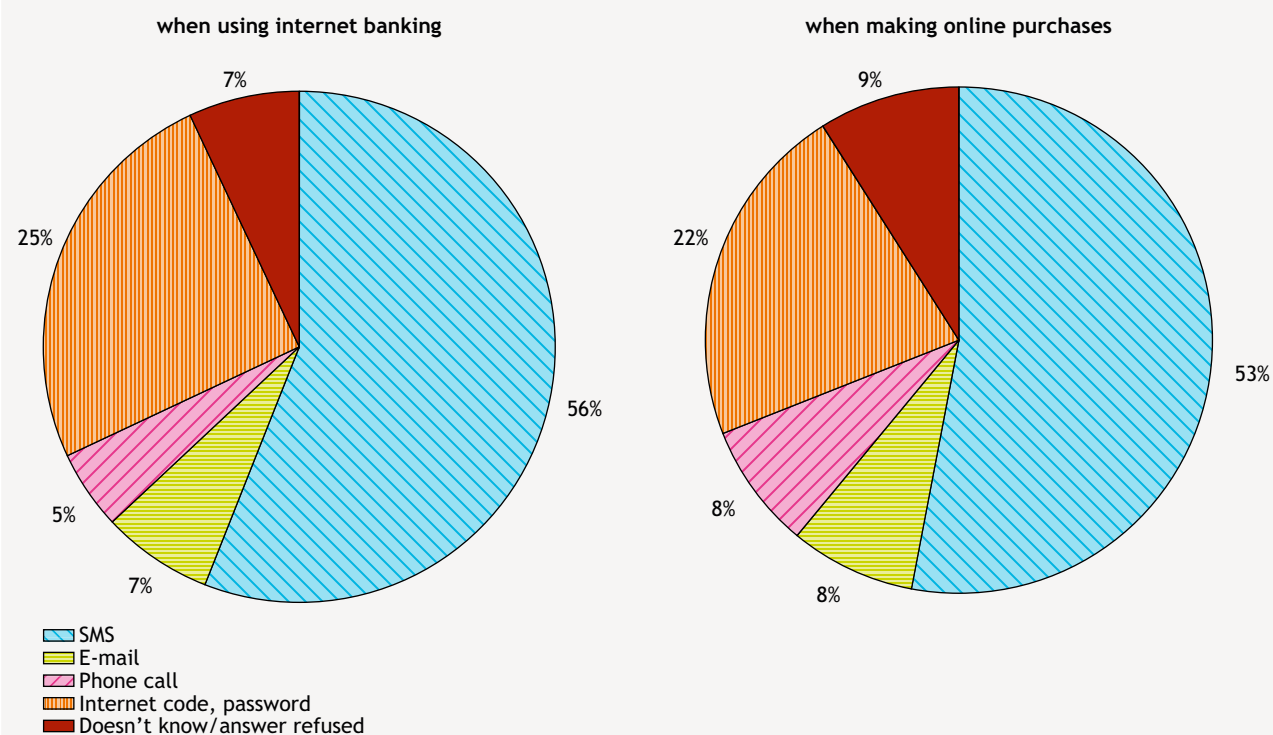


Source: MNB.

Skrill (Moneybookers)³ is considered to be the least safe (3.18 – average safety), (see Chart 6).

It is also important to find out what confirmation respondents consider reassuring when making purchases via the internet. More or less the same types of confirmation are considered

Chart 7
Security features considered satisfactory for internet banking and online purchases



Source: MNB.

² <http://www.internetworldstats.com/eu/hu.htm>

³ PayPal and Skrill (Moneybookers) are payment systems facilitating online credit transfer from accounts opened with them.

satisfactory when using internet banking or making internet purchases. More than half of the respondents consider confirmation through text messages (SMS) adequate, while every fourth or fifth persons favours internet codes or passwords. Less than 10 per cent each mentioned e-mails or phone calls.

It is also important what persons making online payments do for the security of the computer they use. Only 14 per cent of interviewees admitted to doing nothing for security. Others (53 per cent) mentioned the use of security software (e.g. firewall, antivirus software), or the fact that they would not use computers in public places (e.g. internet cafés) for such purposes (45 per cent).

RELATIONSHIP BETWEEN THE FAMILIARITY AND USE OF PAYMENT INSTRUMENTS AND THEIR PERCEIVED SECURITY

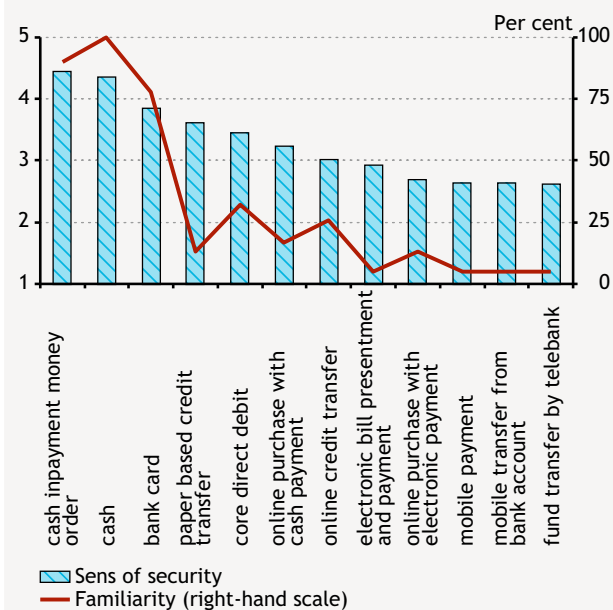
One objective of our analysis was to find out if there is any relationship between the awareness and usage of various payment instruments and their security, if there is, in what direction and what role the sense of security plays in consumer decisions when choosing between payment instruments.

Relationship between the familiarity of payment instruments and their perceived security

Based on the indicator measuring the familiarity of payment instruments (spontaneous recall, or marked 'very well known' from a list), the best known payment instrument is cash (100 per cent), followed by the postal inpayment money order – generally known as the 'yellow cheque' – (90 per cent) and bank cards (78 per cent), while other instruments of payments are much less known. It should be noted that core direct debit (31 per cent) and online credit transfer (26 per cent) have a considerably higher profile than paper-based credit transfer (13 per cent), which may indicate that even if slowly, more modern payment instruments are increasingly recognised.

There is close interdependence between the familiarity of a payment instrument and its perceived security. The more respondents are acquainted with a payment method, the safer they consider it to be and vice versa.

Chart 8
Relationship between the familiarity of payment instruments and their perceived security



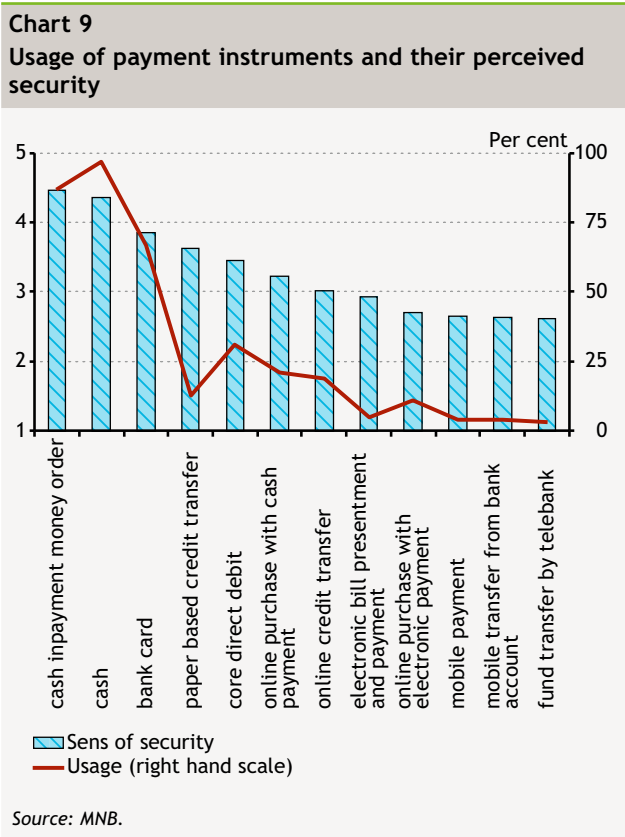
Source: MNB.

Relationship between the usage of various payment instruments and their perceived security

The ratio of use of the various payment instruments is very similar to the familiarity ratios discussed above. Of the respondents, 97 per cent use cash at least once a year, 87 per cent use yellow cheques and 67 per cent bank cards, while the use rate of other payment instruments is much lower. It is worth noting that the use of core direct debit (31 per cent) and online credit transfer (19 per cent) is higher than that of printed paper-based credit transfer (13 per cent).

There is also close interdependence between the use of a payment instrument and its perceived security. The more respondents use the payment instrument, the safer they consider it to be and vice versa (see Chart 9).

In summary: there is close interdependence between the familiarity and use of various payment instruments and their perceived security. The next step is to establish the direction of the dependence: is the non-use of certain

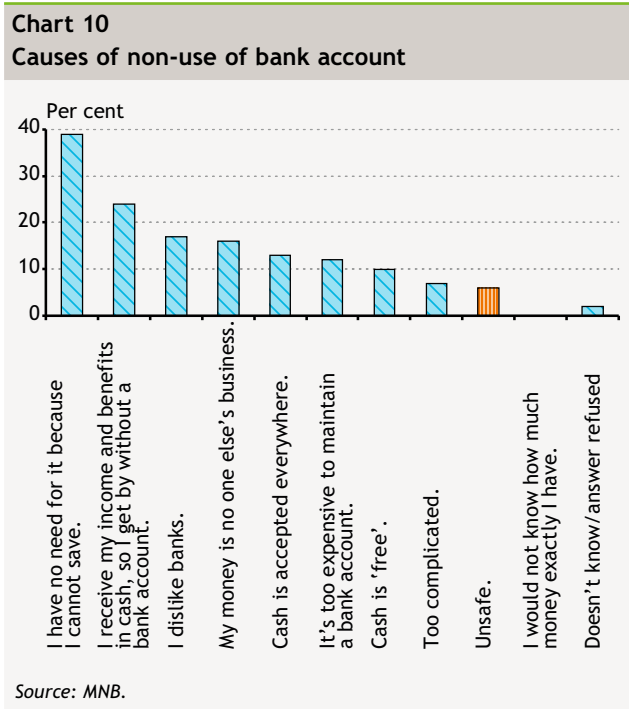


payment instruments attributable primarily to security concerns or to other factors.

Factors hindering the wide-spread use of payment instruments

It is worth examining why some respondents have no bank accounts, as the existence of a bank account is a kind of 'entrance ticket' to state-of-the-art electronic payment instruments.

Our survey revealed that 76 per cent of the respondents have bank accounts. It is mostly due to financial considerations that some people do not use bank accounts. 39 per cent of persons without bank accounts claimed that they did not need one as they spend all their money and are unable to save. The main demographic characteristics of persons without bank accounts: average age of 40 years, not employed⁴ (76 per cent), highest school qualification not exceeding secondary school (99 per cent), low net income of HUF 0-60,000 (61 per cent), live in villages or small towns (72 per cent). A high percentage, 24 per cent responded that they received their income in cash. Only 6

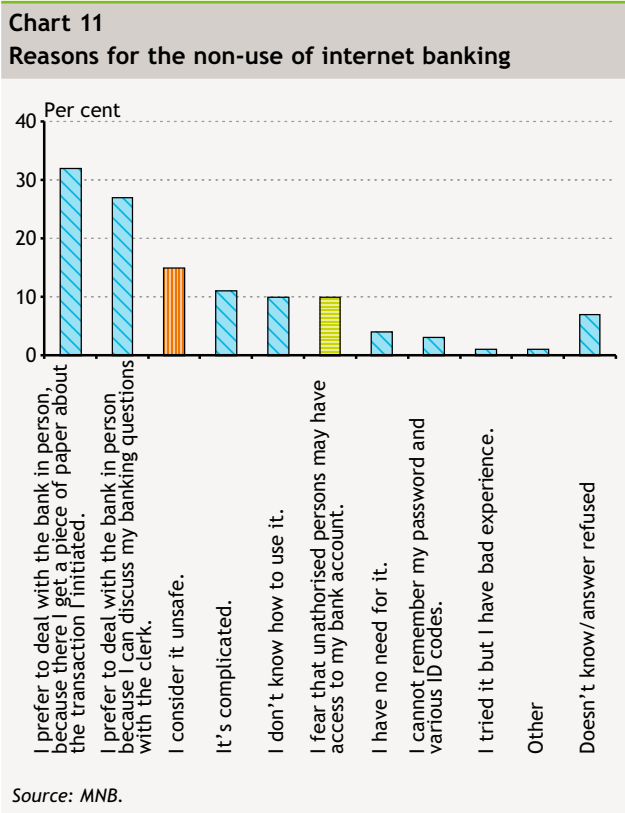


per cent answered that they did not open a bank account because they consider it unsafe.

The non-use of internet banking (also known as e-banking) is mostly due to reasons other than security concerns. Respondents do not use e-banking because they prefer to do their banking in person because they 'receive a piece of paper' about the transaction (32 per cent) or they can discuss their banking issues (27 per cent). Clear-cut security concerns were only cited by 15 per cent of respondents. If we add to this the essentially similar statement 'I fear that unauthorised persons may have access to my bank account', we find that the ratio of persons who selected at least one of the security concerns is 23 per cent on aggregate, but still lower than the causes mentioned in first and second place.

In the group that uses the internet for making purchases but does not choose modern electronic payment instruments but rather settles payment with cash on delivery, an outstanding 62 per cent responded that 'because I am sure to receive the goods, I only pay when the product is delivered'. This shows mistrust in the merchant rather than concern about the payment instrument. Thus, the increased use of electronic payments for purchases through the internet cannot be expected to occur automatically. A solution to this problem could be an

⁴ Unemployed, housewife, child care benefit recipient, pensioner or student.

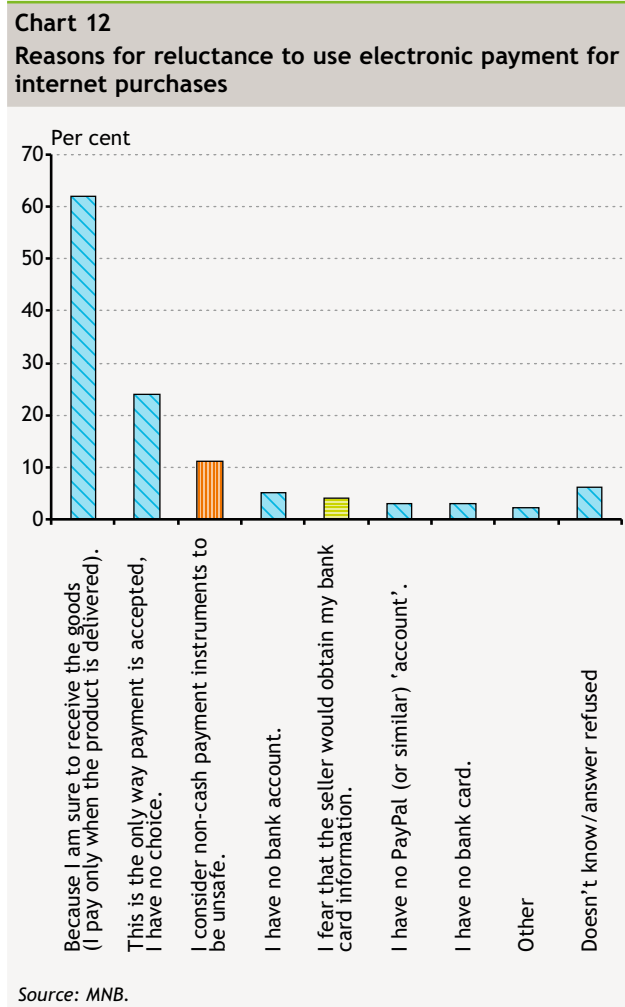


arrangement where the couriers delivering the products had mobile POS devices that would facilitate bank card payment upon receipt of the goods. Among the reasons for reluctance to use electronic payment for internet purchases, the ratio of security concerns is 11 per cent. If we add the responses of those who fear that the vendor would obtain bank card information, the two considerations together make up only 15 per cent.

CONCLUSIONS

One of the main conclusions of the analysis is that the less intensive use of modern, electronic payment instruments is primarily not due to security concerns. The sense of security relating to payment instruments relates mostly to familiarity, and concerns about the security of payment instruments tend to arise from lack of information. That is, consumers consider the solutions they know and use to be safer while the lesser known and little used ones are perceived as less secure. Consequently, the use of cashless electronic payment instruments can be intensified primarily through the dissemination of relevant information, which will elevate the sense of security in consumers as well.

As to the payment related knowledge of the population, there is room for improvement, which places considerable responsibility on the experts and institutions working in the



area of payments. The survey highlighted that the majority of the population expects their own account keeping bank to convey information related to payment instruments.

Another conclusion of the survey is that personal example and the effect of opinion leaders encourages use. That is, if consumers use the various payment instruments, they have knowledge and practical experience about them and they exchange these with their peers, the use of such solutions will be more intensive.

The use of cashless electronic payment instruments can be intensified if we make people better informed, including information about security, and if their use is linked with some personal benefit.

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APPENDIX

SURVEY METHODOLOGY, DETAILS OF ALL THE RESPONSES TO THE QUESTIONS

- The survey was conducted by GfK Hungária Kft. on behalf of the Magyar Nemzeti Bank, using computer-assisted personal interviewing (CAPI) in the framework of the regular omnibus survey.
- Sample size: 1000 interviews.
- The sample is representative of the Hungarian population aged 15–69 in terms of gender, age, type of settlement and region.
- The interviews were conducted between 16 and 25 April 2012.
- The focus group interviews were conducted on 26 March 2012 in two target groups of 8 persons each (aged 25–45 and 45–59, respectively).

Which of the following payment instruments have you heard of, and how acquainted are you with them?

(n = 1000, multiple answers allowed)

	Unaided recall	Knows this payment method very well	Has some knowledge of this payment method	Has heard the name of this payment method	Never heard of it
Cash	97%	3%	0%	0%	0%
Bank card	70%	8%	10%	12%	1%
Yellow cheque	60%	30%	7%	3%	0%
Online credit transfer	20%	6%	13%	48%	13%
Core direct debit	18%	14%	19%	37%	12%
Online purchase with cash payment (e.g. cash on delivery, postal payment)	7%	10%	20%	49%	14%
Online purchase with electronic payment	7%	6%	15%	51%	21%
Paper based credit transfer	7%	6%	15%	40%	31%
Fund transfer by telebank	3%	2%	11%	52%	32%
Mobile transfer from bank account	3%	2%	10%	51%	34%
Mobile payment from the pre-paid balance or settled on the phone bill	2%	3%	11%	50%	33%
Electronic bill presentment and payment	1%	4%	9%	41%	45%

Which of the following online payment instruments have you heard of, and how acquainted are you with them?

(n=1000, multiple answers allowed)

	Unaided recall	Knows this payment method very well	Has some knowledge of this payment method	Has heard the name of this payment method	Never heard of it
Cash (cash on delivery)	69%	8%	8%	12%	3%
Bank credit transfer	57%	5%	11%	22%	5%
Bank card	47%	9%	11%	26%	8%
PayPal or Skrill (Moneybookers)	8%	0%	3%	16%	73%

How often do you use the following payment instruments or solutions in your day-to-day life?
(n = 1000)

	Daily	More than three times a month	Up to three times a month	A few times a year	Does not use it at all	Never heard of it
Cash	72%	22%	2%	1%	2%	0%
Bank card	8%	31%	20%	8%	34%	1%
Yellow cheque	2%	42%	37%	6%	12%	0%
Core direct debit	1%	8%	18%	4%	58%	12%
Online credit transfer	0%	4%	6%	9%	67%	13%
Paper based credit transfer	0%	1%	4%	8%	56%	31%
Online purchase with cash payment (e.g. cash on delivery, postal payment)	0%	1%	3%	17%	64%	14%
Online purchase with electronic payment	0%	1%	2%	8%	68%	21%
Electronic bill presentment and payment	0%	1%	2%	2%	50%	45%
Mobile payment from the pre-paid balance or settled on the phone bill	0%	0%	1%	3%	63%	33%
Mobile transfer from bank account	0%	0%	1%	3%	62%	34%
Fund transfer by telebank	0%	0%	1%	2%	65%	32%

Which of the following devices or instruments do you have?
(n = 1000)

	Yes	No
Mobile phone	89%	11%
Bank account	76%	24%
Bank card	72%	28%
Internet access (uses the Internet)	65%	35%

How often do you do banking through the following channels?
(n = 760, those who have bank accounts)

	Daily	More than three times a month	Up to three times a month	A few times a year	Does not use it at all
Online ('Internet bank', 'e-bank')	1%	7%	11%	9%	72%
Personally in the bank	0%	4%	19%	64%	13%
Over the phone, with a bank clerk ('telebank', 'call centre')	0%	1%	5%	17%	77%
Mobile phone application on the mobile phone display ('mobile bank')	0%	1%	2%	5%	93%

For which of the following purposes do you use your bank card and how often?
(n = 719, those who have a bank card)

	Daily	More than three times a month	Up to three times a month	A few times a year	Does not use it at all
Purchases in Hungary	8%	34%	22%	15%	22%
Online use	2%	4%	4%	11%	79%
Cash withdrawal from ATM in Hungary	0%	21%	64%	9%	5%
Cash deposit at ATM	0%	3%	5%	5%	87%
Contactless payment	0%	1%	1%	2%	96%
Purchases abroad	0%	1%	1%	9%	90%
Cash withdrawal abroad	0%	0%	0%	7%	92%

How do you use your bank card to withdraw cash?
(n = 682, those who use their bank card for cash withdrawal)

I aim for free withdrawal, but I withdraw cash more often if I need it	43%
As often as withdrawal is free	30%
Frequently, I withdraw cash any time I need it	26%
DK/AR*	1%
* Unable or unwilling to answer (doesn't know/answer refused).	

How do you use your bank card to make purchases?
(n = 576, those who use their bank card for purchases)

If I have enough cash on me, I prefer to pay cash	49%
I prefer to use a bank card if possible	34%
Up to a certain amount I prefer cash, for higher sums, bank card	16%
<i>What is that amount?</i>	Average: HUF 15,232 Median: HUF 10,000
DK/AR	1%

How often do you use the following payment instruments for online purchases?
(n = 241, those who purchase on the internet)

	Daily	More than three times a month	Up to three times a month	A few times a year	Does not use it at all
Cash (cash on delivery)	9%	9%	7%	58%	17%
Bank card	2%	14%	11%	20%	52%
Credit transfer	0%	8%	15%	31%	46%
PayPal or Skrill (Moneybookers)	0%	1%	2%	16%	80%

**How often do you use mobile payment for the following purposes?
(n = 40, those who use mobile payment)***

	Daily	More than three times a month	Up to three times a month	A few times a year	Does not use it at all
Purchase of other goods and services	2%	5%	4%	30%	59%
Highway toll, parking	0%	7%	4%	48%	40%
SMS voting (premium SMS service)	0%	0%	2%	21%	77%
Mobile phone related purchases (ring tone, logo)	0%	0%	0%	21%	79%

* Indicative information due to the small sample size.

**Why do you not have a bank account?
(n = 246, those who have no bank account; multiple answers allowed)**

I have no need for it because I cannot save.	39%
I receive my income and benefits in cash, so I get by without a bank account.	24%
I dislike banks.	17%
My money is no one else's business.	16%
Cash is accepted everywhere.	13%
It's too expensive to maintain a bank account.	12%
Cash is 'free'.	10%
Too complicated.	7%
Unsafe.	6%
I would not know how much money exactly I have.	0%
DK/AR	2%

**Why don't you use your bank card for purchases?
(n = 143, those who do not use their bank cards for making purchases, multiple answers allowed)**

I consider it unsafe.	32%
I do not have enough money on it.	22%
Payment with a card is too slow.	19%
I do not know how much money I can spend.	14%
It's complicated to use, I don't know how to use it.	11%
I cannot remember so many codes/identifiers.	3%
I did not know that you could pay with it.	0%
Other*	11%
DK/AR	9%

* Typically: I prefer cash.

**Why don't you use the telebank (call centre) to manage your account?
(n = 580, those who do not use telebank, multiple answers allowed)**

I prefer to deal with the bank in person.	39%
I do not like making phone calls.	24%
I don't know how.	17%
It's complicated.	16%
I prefer internet banking.	13%
I consider it unsafe.	9%
I have no need for it.	3%
I tried it, but I had bad experiences.	2%
I cannot remember my password and various ID codes.	2%
I don't have a telephone.	1%
I prefer mobile banking.	1%
Other	2%
DK/AR	5%

**Why don't you use the internet bank (e-bank) to manage your account?
(n = 330, those who use the internet but not the internet bank, multiple answers allowed)**

I prefer to deal with the bank in person because at the bank I get a piece of paper about the transaction I initiated.	32%
I prefer to deal with the bank in person because I can discuss my banking questions with the clerk.	27%
I consider it unsafe.	15%
It's complicated.	11%
I don't know how to use it.	10%
I'm afraid that unauthorised persons would gain access to my bank account.	10%
I have no need for it.	4%
I cannot remember my password and various ID codes.	3%
I tried it, but I had bad experiences.	1%
Other	1%
DK/AR	7%

**Why don't you use the mobile bank to manage your account?
(n = 656, those who do not use mobile banking, multiple answers allowed)**

I prefer to deal with the bank in person.	39%
I consider it unsafe.	24%
I prefer internet banking (e-banking).	17%
I don't know how.	16%
It's complicated.	13%
The telephone display is too small.	4%
I have no need for it.	2%
I tried it, but I had bad experiences.	1%
Other	2%
DK/AR	4%

Why do you pay in cash when making purchases through the internet?

(n = 199, those who pay cash for online purchases, multiple answers allowed)

Because I am sure to receive the goods (I pay only when the product is delivered).	62%
This is the only way payment is accepted, I have no choice.	24%
I consider non-cash payment instruments to be unsafe.	11%
I have no bank account.	5%
I fear that the seller would obtain my bank card information.	4%
I have no PayPal (or similar) 'account'.	3%
I have no bank card.	3%
Other	2%
DK/AR	6%

Why don't you use core direct debit for payment?

(n = 579, those who have heard of core direct debit but are not using it, multiple answers allowed)

I use the yellow cheque to pay whenever I want.	50%
I do not see the invoice in advance, so I cannot verify the amount.	20%
I'm afraid that the payee (company) will debit my account by more than they are owed.	12%
I do not want them to have access to my bank account.	9%
I am not the one responsible for these things.	6%
I do not know the details of this payment solution.	5%
I have no bank account.	4%
I receive yellow cheques, but I make the transfer through the internet rather than paying in the post office.	3%
I have given a mandate for core direct debit, but eventually my account was not debited, I did not investigate why.	1%
I receive bills electronically and pay using one of the options offered there.	0%
Other	3%
DK/AR	7%

For core direct debits, do you set a limit above which you bank refuses the direct debit?

(n = 298, those who use core direct debit)

Yes	42%
No	51%
DK/AR	7%

Do you know that the settlement of core direct debit can be blocked?

(n = 1000)

Yes	36%
No	64%

By which date can you block the payment if you see from the bill that the payee wants to debit more than the legitimate amount?

(n = 360, those who know about the possibility of blocking)

By the end of the day preceding settlement	42%
Other	5%
DK/AR	53%

What is the maximum amount that you consider it safe...

(n = 1000)

	Average (among those who stated a sum)	Median (among those who stated a sum)	Any amount	DK/AR	No amount (HUF 0)	Average (among those who stated a sum other than 0)	Median (among those who stated a sum other than 0)
...to use a bank card for purchases?	HUF 39,171	HUF 20,000	45%	29%	3%	HUF 44,649	HUF 20,000
...to pay through paper based credit transfer?	HUF 41,163	HUF 10,000	40%	46%	5%	HUF 66,608	HUF 20,000
...to use a bank card for cash withdrawal?	HUF 55,452	HUF 50,000	32%	24%	2%	HUF 57,785	HUF 50,000
...to use core direct debit for payment?	HUF 27,640	HUF 15,000	31%	45%	7%	HUF 40,231	HUF 20,000
...to transfer funds through an internet bank?	HUF 21,337	HUF 0	29%	51%	10%	HUF 43,333	HUF 20,000
...to carry cash on you?	HUF 16,199	HUF 10,000	18%	14%	1%	HUF 16,474	HUF 10,000
...to use bank cards for online purchases?	HUF 12,607	HUF 0	18%	54%	15%	HUF 27,905	HUF 12,500
...to pay online for products or services purchased through the internet?	HUF 17,238	HUF 1,000	17%	52%	15%	HUF 33,247	HUF 10,000
...to pay using a mobile phone?	HUF 3,820	HUF 0	11%	62%	14%	HUF 8,095	HUF 5,000

How secure do you consider the following payment instruments or solutions?

(n = 1000)

	Average (on a scale of 5)	Very safe (5)	Fairly safe (4)	Medium safe (3)	Rather unsafe (2)	Very unsafe (1)	DK/AR	Never heard of the payment method
Yellow cheque	4.46	56%	34%	6%	1%	1%	2%	0%
Cash	4.35	52%	33%	12%	1%	1%	2%	0%
Bank card	3.85	24%	40%	21%	4%	3%	7%	1%
Paper based credit transfer	3.63	15%	22%	12%	5%	5%	10%	31%
Core direct debit	3.46	15%	25%	23%	6%	7%	12%	12%
Online credit transfer	3.01	9%	19%	21%	12%	12%	15%	13%
Mobile transfer from bank account	2.64	2%	10%	19%	11%	11%	14%	34%
Fund transfer by telebank	2.63	2%	11%	18%	14%	11%	13%	32%

**How secure do you consider the following bank card based payment instruments or solutions?
(n = 1000)**

	Average (on a scale of 5)	Very safe (5)	Fairly safe (4)	Medium safe (3)	Rather unsafe (2)	Very unsafe (1)	DK/AR	Never heard of payment with bank card
Cash withdrawal from ATM	3.78	19%	42%	24%	3%	3%	8%	1%
Purchases in Hungary (POS terminal)	3.50	15%	30%	22%	6%	7%	19%	1%
Purchases abroad	3.50	15%	30%	22%	6%	7%	19%	1%
Cash deposit at ATM	2.96	8%	18%	22%	11%	13%	27%	1%
Cash withdrawal abroad	2.71	6%	15%	20%	14%	17%	28%	1%
Online use	2.71	5%	16%	23%	16%	16%	23%	1%
Contactless payment	2.54	4%	10%	14%	12%	16%	43%	1%

**How secure do you consider the following online payment instruments or solutions?
(n=1000)**

	Average (on a scale of 5)	Very safe (5)	Fairly safe (4)	Medium safe (3)	Rather unsafe (2)	Very unsafe (1)	DK/AR	Never heard of the payment method
Cash (cash on delivery)	4.18	36%	41%	14%	1%	1%	3%	3%
Credit transfer	3.89	23%	41%	18%	3%	3%	7%	5%
Bank card	3.86	20%	41%	20%	3%	2%	5%	8%
Paypal or Skrill (Moneybookers)	3.18	2%	5%	6%	2%	2%	10%	73%

**Have you or a personal familiarity of yours suffered a financial loss while using the following payment instruments? Have you heard that anyone has suffered a financial loss...
(n = 1000)**

	Yes, I have suffered a loss	Yes, an acquaintance has suffered a loss	I have heard of this, but know of no specific incidents	No	Never heard of the payment method
...using cash?	3%	5%	19%	73%	0%
...using bank cards?	1%	5%	29%	65%	1%
...using core direct debit?	1%	4%	16%	67%	12%
...using online credit transfer?	0%	3%	18%	66%	13%
...using electronic payment for online purchases through the internet?	0%	2%	17%	60%	21%
...using cash payment for online purchases through the internet? (e.g. cash on delivery, postal payment)	0%	2%	15%	68%	14%
...using yellow cheques?	0%	2%	13%	84%	0%
...using mobile banking, when payment is made from the pre-paid balance or settled on the phone bill?	0%	1%	12%	53%	33%
...using telephone credit transfer?	0%	1%	11%	56%	32%
...using mobile banking to the debit of a bank account?	0%	1%	11%	54%	34%
...using paper based credit transfer on a printed form?	0%	0%	8%	60%	31%
...using electronic bill presentment and payment?	0%	0%	8%	46%	45%

What would you consider to be a safe, reassuring confirmation in the course of the following online activities?

(n = 314, those who use the internet for banking or purchases)

	SMS	E-mail	Phone call	Internet code, password	DK/AR
When using internet banking	56%	7%	5%	25%	7%
When making online purchases	53%	8%	8%	22%	9%

What is your most important expectation from the selected payment method when you next encounter a purchasing/payment situation and you choose between payment alternatives?

(n = 1000)

	Speed	Convenience	Security (no possibility of fraud)	Reclaimability	Low cost (of payment)
For low-value purchases or payments (up to HUF 1000)	44%	14%	27%	5%	11%
For medium-value purchases or payments (up to HUF 10,000)	25%	20%	42%	5%	8%
For high-value purchases or payments (over HUF 10,000)	13%	12%	60%	7%	8%
For settling utility bills	13%	14%	52%	10%	12%

When making online payments or using internet banking, what measures do you take for the safety of your computer and data?

(n = 314, those who use internet banking or online purchases, multiple answers allowed)

Uses security software (e.g. firewall, antivirus software, etc.).	53%
Do not use computers in public places (e.g. internet cafés) for such purposes.	45%
None	14%
Other	1%
DK/AR	8%

What do you watch out for when using ATMs?

(n = 687, those who use their cards in ATMs, multiple answers allowed)

The safety of the neighbourhood	57%
Persons nearby	43%
Only uses it in the daytime	35%
Condition of the ATM	25%
Only uses it in a bank (within the building)	22%
Never uses it in busy locations	10%
None of these	8%
Never uses it in the street, outdoors	6%
DK/AR	1%

From among bank cards, which solution do you consider to be safer?
(n = 719, those who have bank cards)

Chip cards are safer.	33%
Magnetic stripe cards are safer.	8%
Both are equally safe.	35%
DK/AR	24%

When using bank cards for payment, which solution do you consider to be safer?
(n = 719, those who have bank cards)

The PIN is safer.	48%
Signature is safer.	10%
Both are equally safe.	28%
DK/AR	14%

If you must enter a PIN when making a purchase, what do you watch out for?
(n = 719, those who have bank cards)

I try to conceal my hand so that it is not visible.	70%
I would try to conceal it, but it is impossible.	11%
I ask the cashier to look away.	1%
Nothing	13%
Other	2%
DK/AR	3%

As far as you know, to whom can you disclose the PIN of your bank card?
(n = 719, those who have bank cards, multiple answers allowed)

No one	58%
Family members	36%
The bank	4%
The police or other official bodies	2%
Friends, acquaintances	1%
DK/AR	3%

As far as you know, to whom can you give your bank card when making purchases?
(n = 719, those who have bank cards, multiple answers allowed)

Any cashier, but only if you can clearly see all the time what s/he is doing with the card.	57%
No one	34%
Any cashier without any restriction	9%
DK/AR	1%

As far as you know, to whom can you give you bank card for their use?
(n = 719, those who have bank cards, multiple answers allowed)

No one	59%
Family members	40%
Friends, acquaintances	1%
DK/AR	1%

Do you know the purpose of the three-digit code at the back of every bank card, next to the signature field?
(n = 1000)

Yes, it is used for online payment with bank cards.	17%
Yes, other.	1%
No	82%

If you suffer a loss due to bank card fraud or if your card is lost or stolen, who do (would) you contact first?
(n = 719, those who have bank cards)

The bank	90%
The police	10%
The Hungarian Financial Supervisory Authority	0%
No one	0%

If you suffer a loss due to bank card fraud or if your card is lost or stolen, how soon would you report it?
(n = 719, those who have bank cards)

As soon as possible	96%
The same day	4%
When I have time	0%
Never	0%

If you suffer a loss due to bank card fraud (assuming that it is not your fault), how do you think is the loss divided between the cardholder and the bank?
(n = 719, those who have bank cards)

The entire loss is borne by the cardholder (client).	22%
The loss is borne by the cardholder (client) up to a certain amount, the remaining part by the bank.	10%
The loss is borne by the bank up to a certain amount, the remaining part by the cardholder (client).	8%
The entire loss is borne by the bank.	34%
DK/AR	26%

The loss is borne by the cardholder (client) up to a certain amount, the remaining part by the bank:
Can you specify the amount above which the bank bears the loss?

(n = 74, those who have bank cards and know that the loss is borne by the cardholder [client] up to a certain amount, the remaining part by the bank)

HUF 45,000	0%
Other (median: HUF 30,000, average: HUF 130,731)	100%

Who would you like to inform you about the safe use of various payment instruments?

(n = 1000, multiple answers allowed)

My own account keeping bank	76%
Acquaintances, friends, family members	13%
Hungarian Financial Supervisory Authority	4%
Other banks, financial enterprises	3%
Magyar Nemzeti Bank	3%
The police	3%
IT companies	2%
Other	1%
DK/AR	14%