

Checkout Turbulence: Ingenico and FreedomPay Study Reveals Shoppers' Frustrations and Desires at the Point of Sale

Ground-breaking study reveals more than half of consumers have encountered technical issues at checkout; shoppers' desire for simple, secure transactions and maximized loyalty benefits is driving adoption of contactless

Atlanta, Ga. – January 13, 2020 – [Ingenico Group](#) (Euronext: FR0000125346 - ING), the global leader in seamless payment, and [FreedomPay](#), the world's leading consumer-centric commerce platform, revealed the results of a survey on merchant and consumer perceptions about payment technologies used as part of the customer experience in retail stores. The study showed that while technology is indeed quickly evolving for the better with more payment options, there is still frustration for consumers at checkout. More than half of shoppers have experienced a technical issue at checkout at some point, demonstrating a disconnect between merchants' efforts and the shopper's actual experience. The good news for retailers is that the numbers show they can quickly close the gap with contactless payment, as 75% of shoppers find the technology easy to use for purchases and loyalty programs.

The study, "[Emerging Trends at the Point of Sale](#)," conducted by Hanover Research, takes a deeper look into understanding what consumers are thinking when it comes time to pay in retail stores and what technologies merchants are implementing to enable their customers to check out quickly. The findings reveal opportunities for retailers to build loyalty with their increasingly-digitally native consumer base by offering them the security and ease-of-use they require in a payment method, paired with the digital capabilities they prefer for tracking purchases and rewards. Key findings of the survey include:

2020 will finally be the year of contactless, and age is a factor

- Age is a huge factor in driving contactless adoption: Gen-Z (70%) and Millennials (75%) report satisfaction with contactless payments and 65% of Gen-Z consider it a "must have" of merchants.
- Consumers are satisfied with contactless: 72% say it is easy to learn and 74% say it is convenient.
- About a third of consumers under 35 predict that merchants will become 100% cashless in the next five years.
- 84% of businesses accept debit or credit card EMV contactless payments, but only 37% of consumers are aware of the option.
- Ease of use could be a large contributing factor for adoption, particularly for transactions under \$25, 80% of which are currently made with cash.

Loyalty: Give shoppers rewards on everything

- The most important aspect of loyalty programs for consumers is earning rewards on everything they purchase.
- 70% of consumers want to earn or redeem rewards without providing sensitive information.
- About half of consumers have reported experiencing challenges such as too many restrictions on spending rewards.

Conflicting privacy response: Consumers and merchants require security, yet shoppers want to be tracked

- 87% of consumers and merchants identify security as the top attribute when choosing a payment method.
- Younger consumers that are digital natives, however, use credit or debit cards because they like that it enables them to track their purchases.

"Even as shoppers are becoming savvier with technology today, the majority don't necessarily know what to expect when they arrive at checkout because it's not the same experience everywhere they go," said Mark Bunney, director of go-to-market strategy, Ingenico Group, North America. "Retailers are battling a series of information gaps with their consumers, as they try to offer them the latest capabilities for contactless cards and mobile wallets while also correcting the perceptions they're developing about security and ease-of-use for these technologies."

“Consumers in the U.S are growing increasingly frustrated at the slow progress that has been made in addressing the acceleration of technology at the point of sale. Whether it be unclear or inconsistent messaging (e.g., contactless), disjointed back-end systems, rapidly evolving and expanding payment options, or a continued lack of properly-implemented payment security solutions – consumers do not appreciate, and will not remain loyal to, ‘the friction,’” said Chris Kronenthal, CTO and president, FreedomPay. “This report gives a clear warning to retailers to remain focused on using the latest payment technologies to build the most customer-centric experience they can and best-in-class commerce capabilities.”

Methodology

The survey was conducted in Q4 2019 by Hanover Research and includes the responses of over 350 merchants and 1,350 consumers in the U.S.

For more details on the full findings of the study, please find additional resources [here](#).

About Ingenico Group

Ingenico Group (Euronext: FR0000125346 – ING) is the global leader in seamless payment, providing smart, trusted and secure solutions to empower commerce across all channels, in-store, online and mobile. With the world’s largest payment acceptance network, we deliver secure payment solutions with a local, national and international scope. We are the trusted world-class partner for financial institutions and retailers, from small merchants to several of the world’s best known global brands. Our solutions enable merchants to simplify payment and deliver their brand promise.

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About FreedomPay

The FreedomPay Commerce Platform is the technology of choice for many of the largest companies across the globe in retail, hospitality, lodging, gaming, sports and entertainment, foodservice, education, healthcare and financial services. FreedomPay’s technology has been purposely built to deliver rock solid performance in the highly complex environment of global commerce. The company maintains a world-class security environment and was first to earn the coveted validation by the PCI Security Standards Council against Point-to-Point Encryption (P2PE/EMV) standard in North America. FreedomPay’s robust solutions across payments, security, identity and data analytics are available in-store, online and on-mobile and are supported by rapid API adoption. The award winning FreedomPay Commerce Platform operates on a single, unified technology stack across multiple continents allowing enterprises to deliver a consistent, repeatable experience on a global scale.

Find out more, please visit: www.freedompay.com.

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