EXAMINING THE CONSUMER PAYMENT PREFERENCES IN THE UK: A PRIMARY SURVEY-BASED STUDY

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Abstract

Present research work has shed light on examining the consumer payment preferences in the UK, with the support of primary survey-based study. This study has discussed the background of the research in brief and the problems that are associated with the research have been mentioned in this chapter as well. Based on that research objectives have been set and research questions have been developed. The detailed structure of this research work has been included in this chapter as well. The researcher has clearly discussed the significance of this research in this chapter too. There are various aspect associated with the payment methods that are used and preferred by the consumers in the nation of the UK and pointed the advantages and element of the different techniques and methods of payment. Different concepts that are associated with this research have been taken into consideration in this chapter and discussion has been done in brief. Different theories and models that are related with consumer behaviour have been mentioned in the portion of literature review. Based on that, a conceptual framework has been formed by the researcher. It can be found that, the dissertation needs a proper methodological framework, which helps to meet the objectives and answer all the research questions. All of these are followed by the researcher, while conducting this study in detail and this will help to understand different methods that have been followed by the researcher in order to collect data. At the same time, the process of data analysis has a great significance for completing this research perfectly. Primary quantitative data analysis process has been used by the researcher and this chapter will enable to have a clear overview of the sampling technique thus used by the researcher in this case. The findings and analysis associated with the topic of study matters a lot. In this part of the dissertation, the research has conducted a primary survey through the aid of a questionnaire that consists of vital questions associated with the research study and gathered the views as well as response of the various people. All of the questions have been generated based on preferred payment method of consumers, such as Cash, Debit card, Credit/charge card, online wallet (PayPal), Mobile wallet. The consideration, while choosing a payment method is also important in this pattern. It is therefore necessary to access to all payment options and get alert of bank/card provider. In addition to this, the SPSS software has been employed to undertake an effective analysis of the gathered and arrive at proper conclusion as well as outcomes of the study. In conclusion, the dependency of consumers of UK on cash payment has been declining sharply. Still now, individual the methods of payment have been used by the individual persons. Moreover, it gives description about the limitations of this research.

DECLARATION

The work being submitted for examination is wholly my own work and that all materials consulted and ideas garnered in the process of researching the dissertation have been properly and accurately acknowledged.

ACKNOWLEDGEMENT

It provides me immense pleasure to present my dissertation entitled as "EXAMINING THE CONSUMER PAYMENT PREFERENCES IN THE UK: A PRIMARY SURVEY-BASED STUDY". This topic of research has helped me to gather immense knowledge about consumers' payment as well as the role of media in the same.

I wish to extend most sincere gratitude for those who have helped me to lead this research work towards a reality. Firstly, I thank those who have helped me to gather data throughout the research. I would like to like to present heartiest thanks towards my professors who have helped me to understand this topic and have also helped me to land into a conclusion in this study. I would also like to thank my fellow mates as well as friends who provided me with enough assistance to reach a definite goal. I acknowledge support of batch mates, supervisors as well as professors for this study and I declare to be solely responsible for shortcomings of this research.

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Chapter 1: Introduction

1.0 Chapter preface

This chapter has briefly discussed the background of the research topic and different modes of payment used by the customers in the UK have been illustrated in this chapter. Problem statement associated with the research topic has been included in this chapter as well and this will help to understand the most convenient method that is used by the consumers in the UK for paying. Based on the problems of the research, some research questions have been developed and the same has been included in this chapter. Significance of the study has been mentioned in this chapter by the researcher and the researcher has also illustrated the structure of this research paper in brief in this chapter.

1.1 Background of the topic

Like other countries, different payment methods are used by the customers of the UK, but due to the development of technology, dependency of people on technology is increasing day by day. Due to that reason, it has been seen that dependency of people on cash payment is decreasing. "Bank to bank payment" methods such as "direct debit", "bank transfer" and so on are highly preferred by the consumers in the UK (ECB, 2022). It has also been seen that more than half of the business organizations in the UK prefer "direct debit method" to pay off the regular bills related to business and less than half of the businesses in the UK choose instalments and more or less the same numbers of businesses choose to pay through different digital platforms. As suggested by Litsiou and Nikolopoulos, (2019), if the number of general consumers of the UK is taken into consideration, then it can be seen that more than half of the customers are dependent on direct payment methods while one third of the consumers prefer to pay via debit card. From recent reports it has been found that almost 12% of the consumers of the UK choose to pay through other digital wallet that is available within the country.

If the time period of Covid outbreak is taken into consideration, then it can be seen that most of the retailers encouraged contactless payment methods and in 2020, a 52% surge in the card payment can be observed in the UK (UK Finance, 2022). On the contrary, dependency of people on cash payment has decreased drastically during this period. If the data of 2019 and 2020 is compared, then it can be found that the cash payments by the consumers of the UK have declined by 35% from the previous year. As per Sadowski, (2021), during the pandemic

period, it has also been seen that 44% of the payments thus made by the consumers of the UK were through debit cards. During this period, a decrease in the volume of overall payment can be noticed in the UK and despite this fact; it can be observed that both the "online payment" and "Mobile Banking" usage has increased significantly during this time.

Increased dependency of both the consumers and the businesses on these fast payment modes has been noticed during this time. In the near future it is expected that new modes of payment like *"Open Banking", the advent of "Payment Services Directive 2 (PSD2)"*will be introduced in the market of the UK (Huterska*et al.* 2021). These methods will bring significant changes in the payment methods of the UK. a 7% decline in the payment volume has been noticed during the pandemic and it resulted in 15.8 billion.

From recent reports, data has been received and as per that most of the consumers of the UK (almost 98%) hold a debit card and most of them also use them in order to make daily payments. Another mode of payment is paying using credit cards and almost 69% of the adults in the UK hold a credit card (UK finance, 2022). In 2020, nearly 2.8 billion payments have been made by the consumers of the UK using a credit card which is 18% less than the payments thus made by using credit card in 2019. As per Mwebaze*et al.* (2018), there could be multiple factors behind the decline in the payment volume using credit cards and one of the most common reasons can be the closure of high spending sectors like hotels, entertainment, shopping and so on.

Despite the decline in the payment volume through credit cards, it has been seen that the rate of paying back the debt has increased throughout the entire year. As mentioned by Chen *et al.* (2022), on the other hand, an increase by 75% in mobile payment in 2020 can be seen while comparing the same data of 2019. More 7.4 million people started to use mobile payment methods and different types of "payment interphases" have been used by the consumers during this period like *"Apple Pay, Google Pay or Samsung Pay".* In this research, the researcher aims to conduct a primary research and data will be gathered so that the payment preferences by the consumers of the UK can be understood.
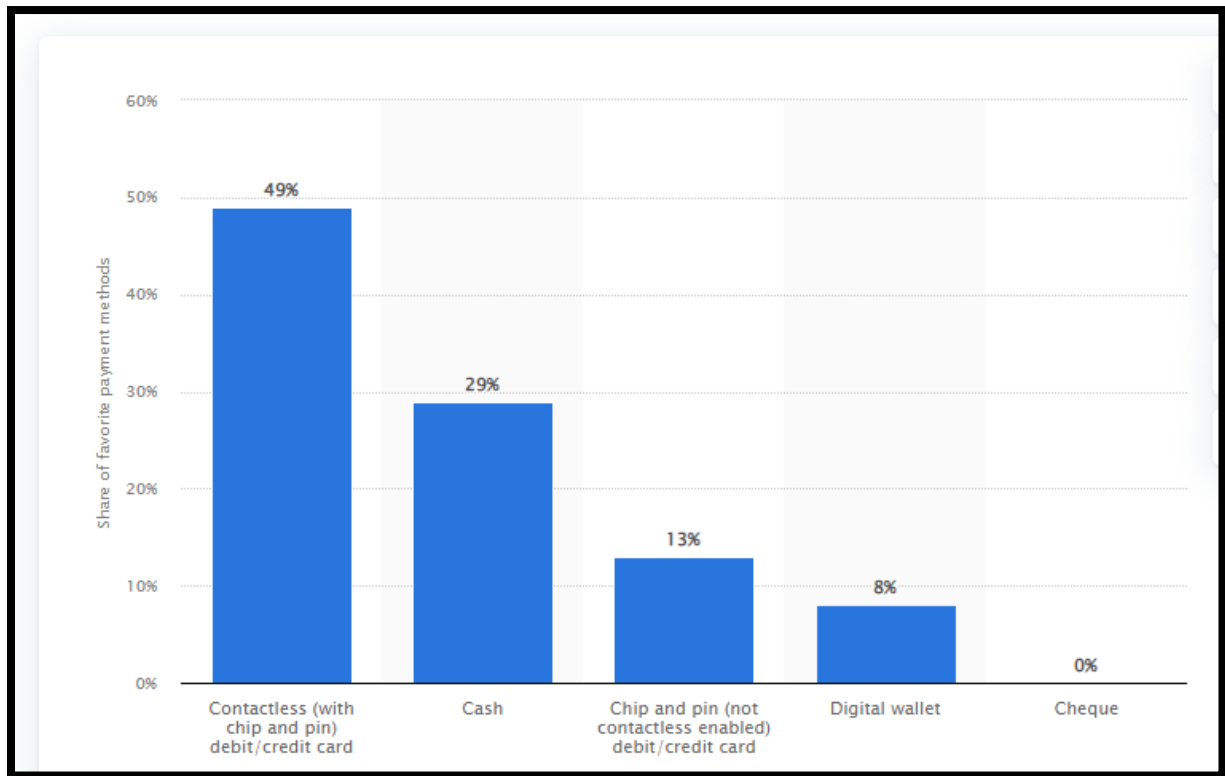
Figure 1.1: Different modes of payment used by the consumers in the UK

(Source: Statista, 2022)

1.2 Problem statement of the research

During the outbreak of Covid 19 pandemic, it has been seen that dependency of the consumers of the UK on CVS payment has dropped significantly. On the other hand, 27% of the payments across the country have been made using "contactless cards"; while only 17% of the total payments have been done using cash. As per Wisniewski *et al.* (2021), if the data of 2010 is taken into consideration, then it can be seen that 56% of the payments were made by using cash. Usage of other modes of payments like "online banking", "mobile banking", "remote banking" are most preferred options for payment among the consumers of the UK. 54% of the adults of the UK are dependent on mobile banking which was very low before the pandemic situation.

However, all of these payment interphases are not convenient for the old population of the country. The major shift that has been noticed during the pandemic in the preference of payment method can be identified as the major problem as the flow of liquid assets is being disrupted due to such behaviour of the consumers (Gainsbury and Blaszczynski, 2020). The

researcher in this research aims to identify the present trend in the payment preferences of the consumers of the UK and recommendations will be developed so that the above mentioned problems can be mitigated.

Chart 1.1 Payment volumes (millions) 2010 to 2020
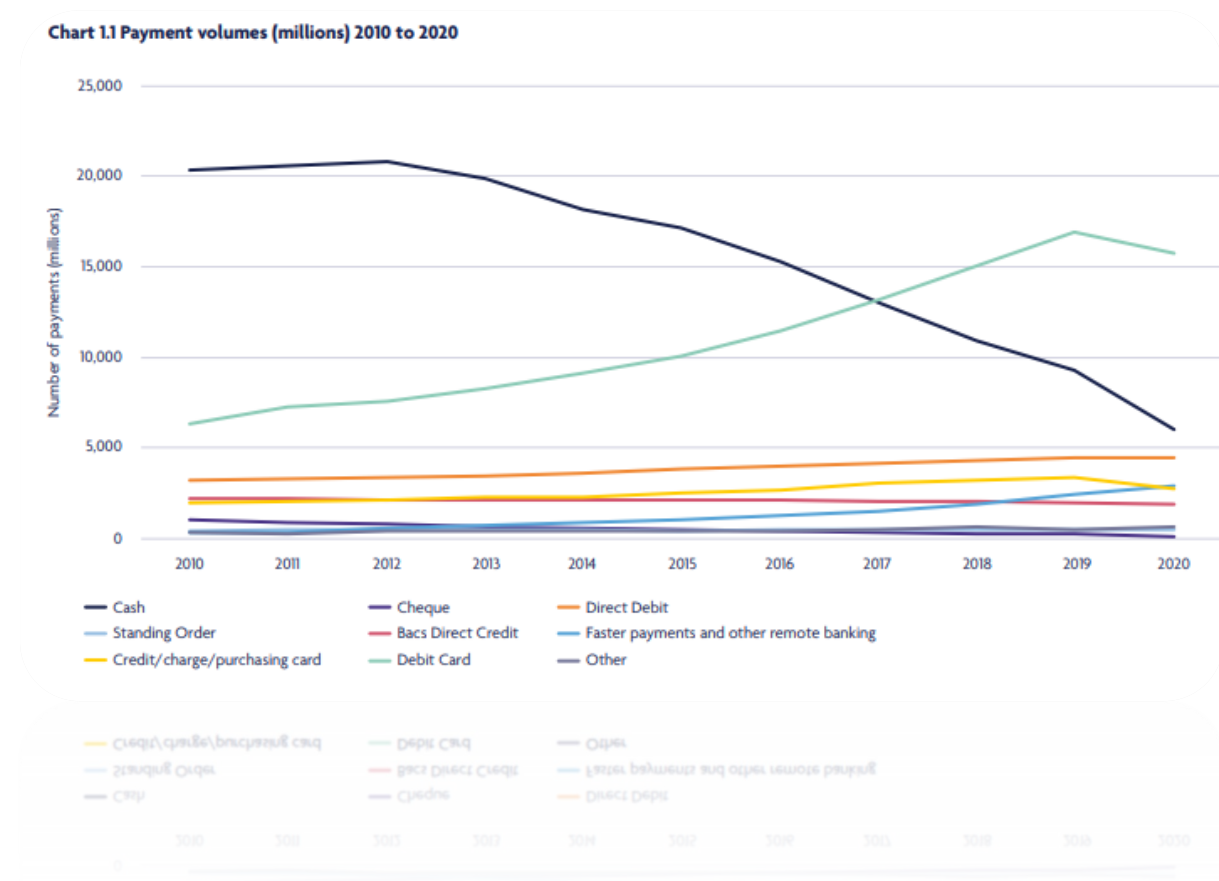
Figure 1.2: Decline of the dependency on cash payment in the UK

(Source:www.ukfinance.org.uk, 2022)

1.3 Rationale of the research

The issue is during the pandemic situation, retailers across the UK influenced contactless payment methods and due to that reason, dependency of the consumers on cash payment has decreased drastically which is disrupting the liquid cash flow in the market.

This is an issue because with the help of liquid funds, more profit can be generated by the banks and more stability can be acquired as well. As per Świecka*et al.* (2021), due to the lack of liquid cash flow in the market it is being difficult to achieve all the above mentioned purposes. Apart from that the low income group is highly dependent on liquid cash.

This is an issue now because due to the outbreak of covid 19, a major shift in the payment behaviour of the consumers has been observed and in future more payment methods are expected to be included in the economy of the UK which will reduce dependency on cash (Andrews *et al.* 2021).

This research will shed light on the payment preferences of the consumers of the UK and present trends in this aspect will be investigated.
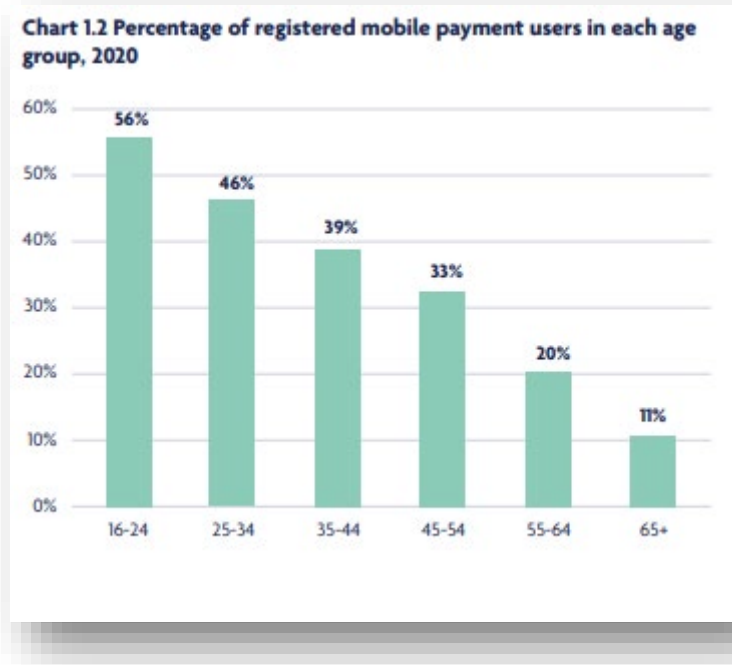
Figure 1.3: Usage of mobile payment among different age group of the UK

(Source:www.ukfinance.org.uk, 2022)

1.4 Aim and objectives of the research

Aim

This study intends to examine consumer payment preferences in the UK. The growing preference for contactless payments, BNPL and cryptocurrency shall be explored to formulate recommendations for innovations in the consumer payment sector.

Objectives

The objective of this research paper is

1. To identify the payment methods used by individuals in the UK over one year

2. To determine the factors taken into consideration when choosing the method of payment

3. To explore the attitudes of individuals towards payment methods

1.5 Research questions

Depending on the above mentioned objectives of the research, certain research questions have been developed and they are as follows-

1. Which methods of payment are preferred by individuals in the UK?

2. What important factors do these individuals in the UK consider when choosing a payment method?

3. What are the attitudes of individuals in the UK towards payment methods?

1.6 Significance of the study

This research paper is of high significance as the researcher aims to identify the payment preferences of the consumers of the UK through primary data collection. The current trends in this aspect have been identified by the researcher and it has been seen that the dependency of people is decreasing on cash payment. As per Deufel *et al.* (2019), the reasons behind the declining dependency of the consumers of the UK on cash payment has been discussed in brief in this research paper. In the survey questionnaire different modes of payment have been included and the respondents were asked how often they use those methods. Also the researcher has identified the motive of the consumers behind choosing a specific payment method. The data thus collected through survey has been analysed using SPSS software which has helped in quantitative measurement of the collected data. With this approach, the researcher has been able to identify the present trends of payment methods thus used by the consumers in the UK.

1.7 Structure of the research

In Chapter 1 of this research paper, a brief introduction of the topic has been given and problems associated with the research have been stated clearly in this chapter. Based on the research problem, objectives of the research have been set by the researcher and based on that

research questions have been developed. Significance of the entire study has been mentioned in this chapter as well.

In Chapter 2 of this research paper, literature review has been done and existing literature in this field has been evaluated by the researcher. Different concepts associated with the research topic have been discussed in this chapter in brief and theories and models related to the research topic have been mentioned here as well. Based on the concepts, a conceptual framework has been developed by the researcher in this chapter.

In Chapter 3 of this research, the methodological framework that the researcher has followed throughout the entire research has been discussed. This chapter will help to have a clear overview of the data collection, data analysis method. Apart from that the approach that has been followed by the researcher in this case can be understood from this chapter.

In Chapter 4, the collected data has been analysed using SPSS software and interpretation of the collected data will help to understand the payment preferences of the consumers of the UK. Brief discussion has been done on the interpretation of the data and present trends of the UK consumers in this aspect can be understood from this chapter.

In Chapter 5 of this research paper, conclusion on the entire research has been included and based on that some recommendations have been developed by the researcher so that present problems regarding the payment preferences of the consumers of the UK could be mitigated.

1.8 Summary

This chapter has given a clear overview of the payment preferences of the consumers of the UK and relevant data in this aspect has been mentioned in this chapter as well. The problems that have been faced by the UK market due to the shift of payment methods has been highlighted in this chapter. The aim of the research has been mentioned here too along with the research objectives and research questions. This chapter will help to have a clear overview of the research topic.

Chapter 2: Literature Review

2.1 Chapter Preface

This chapter has elucidated various pieces of literature that are significant in understanding the different aspects and components of the topic that has been considered. The chapter consists of the various crucial components of payment preferences among the consumers in the UK and explores the same with the vital input of quality literary pieces from different sources.

2.2 Mode of payments utilized in the UK

A cursory look into the present day economy would reveal that the "mode of payment" has undergone a significant transformation over the decades, especially in the recent few years (Kazan *et al.*2018). The different payment modes have emerged in the world, especially in the advanced economies such as the UK that is running the entire financial system. Gone are the days when people used to rely on traditional modes of payments such as cash or kind in order to facilitate trade and daily transactions. A journey through the financial history of the UK would elucidate the evolution of the payment methods and mode and depict an evolutionary transformation that has been followed by the financial and payment related sector (Ogbanufe and Kim, 2018). The UK economy is turning into a cashless one and defining the various finance and payment related aspects in an influential manner. A significant change could be envisaged in the change of preference of the consumer with respect to the payment in the UK.
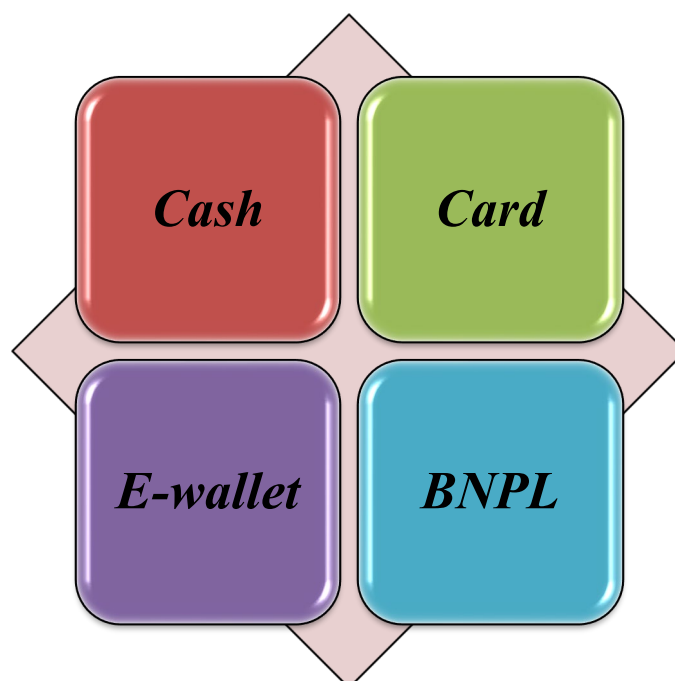
Figure 2.1: Different mode of payments used in the UK

(Source: Ogbanufe and Kim, 2018)

At present, the popular modes of payment in the economy are *"cards, digital wallet, cash, BNPL (buy now, pay later), bank transfer"*, etc. These modes of payments have taken over the payment behaviour of the consumers in the UK and drive their preference to different extent (Anshari *et al*.2019). It can be pointed out that the diversity of the payment preferences has led to the provision of choice to the ultimate consumer. At the time, the economies around the world are dealing with payment related issues; the UK has significantly grown in terms of payment modes and driven the preferences of the customers accordingly. With dynamic changes in the sector like e-commerce and AI, the financial sector has also grown, incorporating the different payment methods to aid growth and prosperity of the UK economy (Khiaonarong and Humphrey, 2019). The popular modes of payment in the UK economy has been depicted and elaborated with significant detail further in the research.

Cards: The payment through card occupied the top most preference among the UK consumers and in the UK economy. As per the reports of JP Morgan, around 53% of the online sales are done through cards (Khiaonarong and Humphrey, 2019). Hence, there exists no ambiguity in saying that cards are the most preferred payment modes in the UK, among the consumers.

Digital Wallets: As far as this payment mode is concerned, the preference of the consumers is highly influenced by the scope and benefits of contactless payments (Patil *et al*.2020). With the emergence of evolutionary financial technology coupled with the strong push created by the pandemic situation, the preference for the contactless payments has grown among the consumers of the UK.

Cash: Although cash payments were considered effective in olden days, it has lost its prominence over the years, to the alternate "mode of payments". This can be substantiated by the fact that a bare 17% of the consumers made payments through cash in the UK, in 2020 (Arner *et al*.2020). The popularity of cash transactions has dropped due to the various limitations suffered by it, especially after the situation of the pandemic, Covid-19.

Bank transfer: Bank transfers have always been on the list payment preferences among the consumers in the UK. With the evolution of the service sector, bank transfers have been a popular mode of making payment for salaried accounts and making official transactions involving companies and institutions.

BNPL (buy now, pay later): The growth and rise of the e-commerce industry in the UK has led to the increasing preference of the customers for BNPL (Pandey and Pal, 2020). This payment method serves the consumption as well as financial needs of the consumers and enables them to access the immediate payment for a small fee or interest.

2.3 Attitudes of the consumers to different payments methods

A surge and shift of the attitude of the consumers can be observed in the users and consumers of the UK. The changes in the attitudes of the people, in terms of the payment methods can be categorized on the basis of merits and demerits (moneyfit,2022). The shift of preferences and attitudes are by changes in the economy and the financial elements that are in work. For instance, the faults in the payment process could influence the attitudes of the consumers and make drastic transformation in the preference related to it (insiderintelligence,2022). For payment in cash, it is usually found that people have to carry a certain amount of baggage that is subject to both risks of theft as well as ruin. Hence, this fault of cash influences the attitude of the in a negative and hence, consumers become averse to its use. The experiences of the people as well as the economy point to a similar aspect (Doshi *et al*.2019). The cash payment mode was already facing a decline when a severe crisis, in the form pandemic, Covid-19 hit the world.

The people in the UK faced severe consequences because of the pandemic. Cash payment modes were discouraged due to fear of virus transmission via cash or the paper currency (Hodson, 2021). This situation influenced the attitude of the consumers and they were increasingly drawn to other modes of payment. The situation of pandemic influenced the attitude of the individuals, positively, in context to the contactless payments. Seeing the imminent threat in the form of virus and the slower pace of the economy, the contactless payments were promoted, to reduce the adverse effects (Leong and Sung, 2018). This influenced the attitude of the people significantly and changed the preference of the consumers towards different payment methods and techniques. The interface of the different payment modes is also a significant aspect in influencing the attitudes of the people in a dynamic and conclusive way

2.4 Factors impacting on the preferences of the customers towards payment methods

A number of factors influence the preferences of the customers with regards to the payment methods. The factors such as technology, role of government, economic crisis, mode of conduct, ease of accessibility, and so forth are vital and significant in this context (Kazan *et al*.2018). These factors have different extent of impact on the preferences of the consumers and hence, vitally govern the dynamics of finance and transaction sector. Each of the factors have been further elucidated and elaborated in great detail ahead in the chapter.

Role of the technology

It is said that innovation is part of evolution. It is true for the technologies that are used in carrying out payment nowadays. The modern world is driven by innovation and advancement in technology. It is this technology that has given rise to various modes of payments (Ogbanufe and Kim, 2018).Improvement in technology, the desire for more convenience, security, and so forth has led to the growth of contactless payments such as online payment. The technology has made the payments more convenient, secured, "mobile point of sale", etc. The use of AI has also triggered significant progress in the payment convenience and security and these are the significant factors that influence the preference as well as attitudes.

Technology

Economic crises

Safety, security and convenience
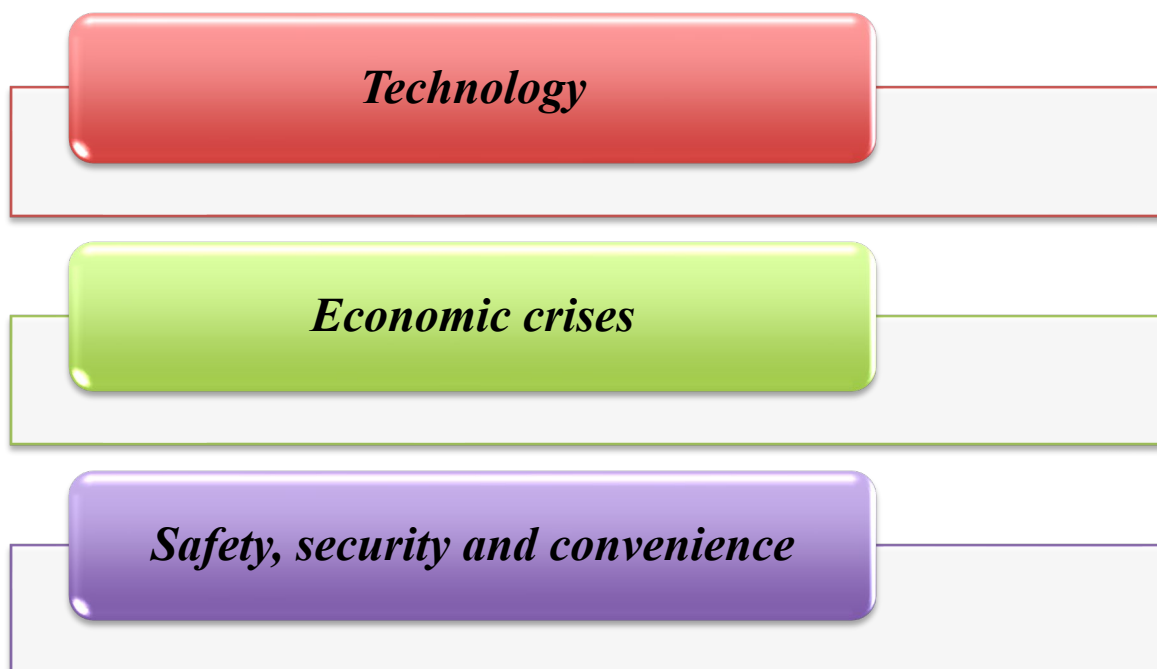
Figure 2.2: Factors impacting the payment preferences

(Source: Ogbanufe and Kim, 2018)

Role of government

Government has a huge role in stimulating the preferences of the consumers towards certain payment methods. This is true for almost all the economies around the world. The experience of UK history also depicts the same thing (Anshari *et al.*2019). When a pandemic hits the economy, the government advises the nation to switch to contactless payment modes. This influenced the attitude of the people and drove their preference positively towards the suggested payment techniques and measures. As a result, the use of online payment surged all of a sudden in the UK and the trend seems to have been in prevalence till date.

Economic crises

The economic crises are major influencers of financial attitudes of the people. Economic history shows that excessive printing of cash is associated with rising inflation. People have learnt from their experiences about the suitability of the various payment methods and demerits and merits possessed by them (Khiaonarong and Humphrey, 2019). A special reference to the pandemic must also be added here. In the times of pandemic, when the entire nation was in lockdown, it was the contactless method of payment that offered relief to the people. Hence, it must be stated that the economic experience of a country impacts and causes change in preference and attitudes commanded by the consumer and hence, is considered to be important with the respect to the topic chosen.

Safety, security and convenience

Safety, security and convenience are the prime aspects associated with any payment method. It is a universal fact that payment methods that offer maximum safety and security and are convenient to undertake are more preferred by the users as compared to their alternatives or counterparts (Patil *et al.*2020). The enhanced growth of security and privacy systems associated with certain payment modes have made them appealing to the users and hence, can be ascertained as a crucial factor determining the attitude as well as preference of the consumers. This is therefore considered to be significant governing the dynamics aspect of the financial environment of the UK.

2.5 Implications payment modes on businesses and lives of the consumers

The roles of payment methods are not limited to the transaction process only. They have a lot of influence and have several crucial implications on the lives of people as well as the business carried out by them (Arner *et al.*2020). With the use of different payment modes, people have

come to understand the advantages as well as the disadvantages commended by them. In the lieu of this statement, several examples could be provided. For instance, the use of BNPL has influenced the buying and shopping habits of the consumers in the UK, to a significant extent. The use of this payment option drove up the expenditure function of the UK economy and propelled the growth of the credit system of the country on which the payment method, BNPL is based (Pandey and Pal, 2020). Additionally, it could also be pointed out that different methods produced different effects on the consumption as well as consumption behaviour of the people and hence, it can be stated that that has significant implications on the lives of the people.

Improved Productivity

Enhanced Security

Widened Scope

Figure 2.3: Impact of business

(Source: Pandey and Pal, 2020)

Discussing the business implication, the mode of payment impacts the ease of doing business. If cash payments are involved, the business transactions take place at a slower pace and could slow the progress of the financial activity that has been undertaken (moneyfit,2022). In addition to this, it should be pointed out that the security aspect also determines the business implication. If the payment modes are secure, it tends to enhance the trust between the parties and business translations provide a great boost. As such, the economy as well as all the parties involved is benefitted and the impacts are long lasting and positive in nature (insiderintelligence, 2022).

Due to this very reason, it is observed that advanced economies around the world use payment methods that are more secure and convenient to use and have a positive impact on the business as well as associated aspects.

2.6 Critical analysis of shift in the payment preferences of the consumers in the UK

Covid 19 had an immense impact on the lives of people across the world and it has changed the way of living and working around the globe as well. As per John, (2019), the GDP of different countries had been affected by this pandemic and its adverse effect can be noticed in the payment volume too. If the data of the UK is taken into consideration, then it can be seen that there was an 11% decline in the payment volume and this resulted in 35.6 billion payments in 2020. Due to the shutdown of the economy of the UK, it has been seen that discretionary spending of the consumers reduced significantly and also low investment in the business can be noticed during this time. As suggested by Spartano and Grasso, (2021), this resulted in the fall of total payment volume across the country. During this time, people were more aware of the transmission of the virus through human contact and due to this reason, most of the businesses across the country that remained operational during this period encouraged contactless payment methods and in 2020, it has been seen that more than half of the total payment volumes were paid by the consumers using cards. Due to the closure of the shops during this period, people tend to shop online than from the offline stores and this has significantly increased the card payments and online payments. Usage of cash in this year reduced by 35% and apart from that since 2017, decline in the cash payment can be noticed across the country (Kemper and Deufel, 2020). It has been found that less than one fifth of the total payments that have been made in the UK in 2020, has been done by using cash.

Despite the fall in the payment volume across the country, it has been seen that dependency of the consumers and the businesses across the country on fast paying options increased by multiple times. As per Herbes *et al.* (2020), more specifically, increased usage of mobile banking during this period can be observed in the UK in 2020. Mobile banking is convenient to use for the consumers across the UK and it not only helps the consumers to pay for different purposes, but also it helps the consumers in checking their bank account transactions and managing other financial activities can be done easily with the help of this mode. It is expected that in upcoming years extensive changes will be introduced in the payment modes thus used by the consumers in the UK and it is important to examine different aspects of the economy of

the country to forecast the future payment modes (Litsiou and Nikolopoulos, 2019). Along with mobile banking, it has also been seen that dependency of people on debit cards has increased during pandemic and this is one of the major payment methods that have been used by the consumers during pandemic.

Figure 2.4: Decrease in the cash payment across the UK

(Source: ukfinance.org.uk, 2022)

But in 2020, decrease in the payment using credit cards has been noticed and due to the closure of high paying sectors, people refrain themselves from using credit cards. It has been seen that in 2016, only 7% consumers of the UK used contactless payment options and in 2020 almost 274% of the consumers opted for contactless payment services. In April 2020, the limit for contactless transactions increased to £45. As per Loh *et al.* (2021), this enabled the small firms across the country to include card acceptance devices and this helped the consumers across the country in being comfortable with the new contactless payment methods. At the end of 2020, it has been seen that there were 135 million cards that circulated across the country and out of that 88% of the debit cards thus used by the consumers and 81% of the credit cards could function contactless. Apart from that *"Apple pay", "google pay", "Samsung pay"* and so on are mostly used payment interphases by the consumers of the UK (Brown *et al.* 2020). Nearly 17.3 million adult population of the country have registered themselves for different mobile payment interphases and 75% increase in the mobile payment from 2019 can be seen across the country.

On the other hand, in 2010, almost 56% of the transactions took place in the country were through cash and in 2020, only 17% of the transactions have been done using cash. From this data, significant changes in the payment preferences of the consumers of the UK could be noticed and this is reducing the liquid cash flow in the market. Dependency of the consumers

on cheque payments has reduced as well and 1050 millions cheque payments were done in 2010 and this decreased to 185 million payments in 2020.

Figure 2.5: Decline in the payments through cheque in the UK

(Source: ukfinance.org.uk, 2022)

Thus, it can be said that significant changes in the behaviour of the consumers of the UK has been noticed which resulted in decrease in the liquid cash flow in the market. But, cash can be considered as one of the most important parts of the economy of a country and payment through cash is the easiest and convenient for the lower income group as well. Although with the development of technology, dependency of people on online payment methods is increasing day by day, it is important to increase the cash payments so that circulation of money can be done within the market.

2.7 Critical analysis of new payment methods that have been introduced in the financial system of the UK

As it has been discussed earlier that dependency of people on technology is increasing day by day and this has a major role in the changing payment preferences of the consumers in the UK. People prefer faster payment options than cash payments or payment through cheques. There are multiple faster payment options available for the consumers of the UK like remote banking, mobile banking and so on. In 2010, usage of remote banking across the consumers of the UK was not so popular; only 422 million payments were made through this system and if the data of 2020 is taken into consideration, then it can be seen that 2952 million payments were made using the remote banking system (Khan *et al.* 2020). The concept of using digital wallet for purchasing things was so common for the young consumers and it became popular among the adults as well during the pandemic period. Another payment method that is being preferred by the consumers of the UK is "Buy now, pay later". In this method, the service provider pays the total bills of the consumers and the customers can pay it later to the service provider without

paying extra interest. In this case, the customer can also avail payment through instalment service and there is no requirement of inputting the credit card details. In 2020, 200% growth of this payment method can be seen across the country. Thus, it can be said that digital framework of the payment system of the UK is changing constantly and dependency of people on the digital modes of payment is increasing drastically and it is expected that in near future people will be heavily dependent on these new modes of payment which may affect the liquid cash flow in the market.
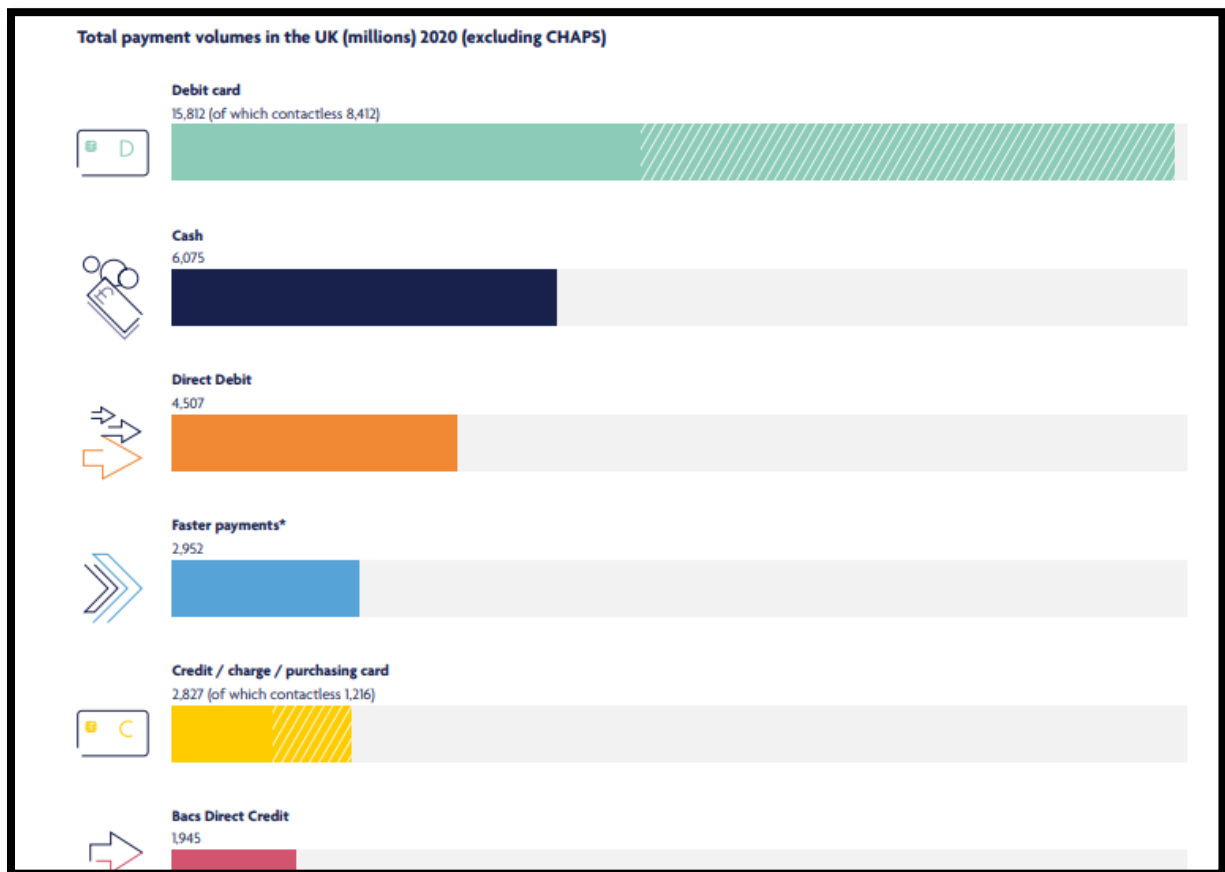
Figure 2.6: Different modes of payment used by the consumers of the UK

(Source: ukfinance.org.uk, 2022)

2.8 Theories and models

In this aspect different theories and models can be mentioned which will help to understand the changing behaviour of the consumers of the UK and their payment preferences can be understood better.

"Maslow's hierarchy of needs theory"

This theory describes different types of needs of humans and based on that their behaviours identified easily. As per this theory, there are five different needs of human and they are "psychological needs", "safety needs", "love and belonging needs", "esteem needs" and "self-actualization needs". As per Wisniewski *et al.* (2021), all of these needs can be placed in a pyramid structure and in the first place it is important to satisfy the psychological needs, safety needs of the consumers. It is important for the marketers to understand these needs of the consumers and this will be helpful for them in understanding the changing payment preferences.
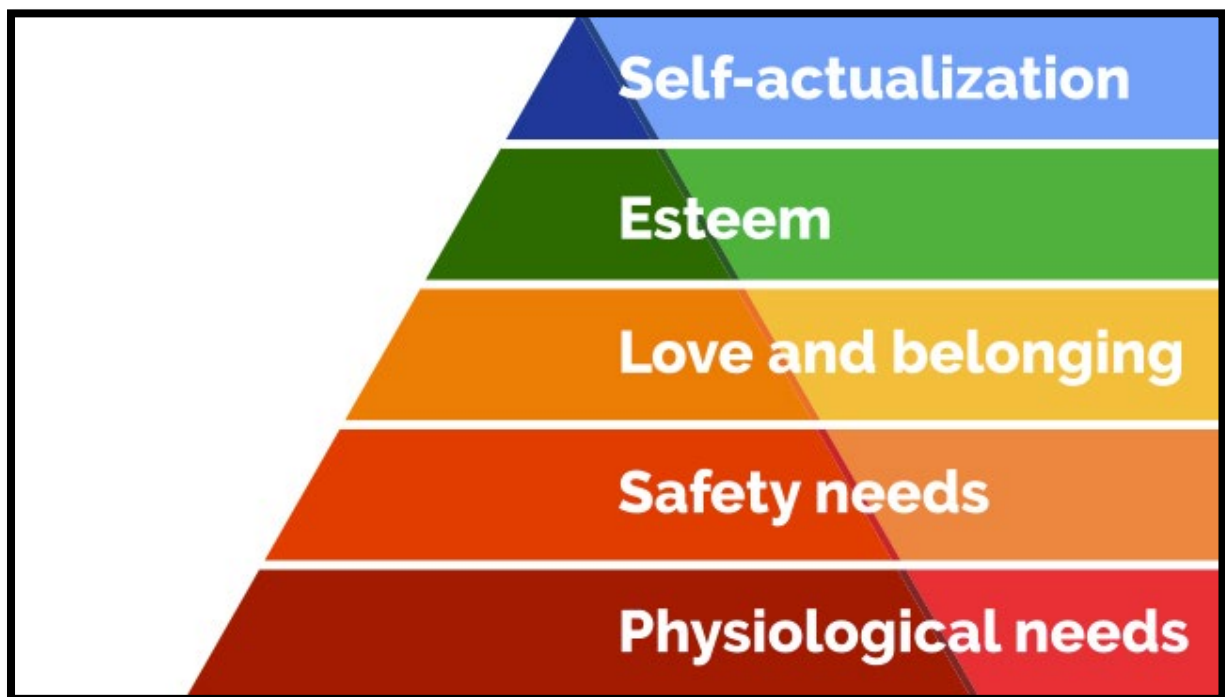
Figure 2.7: "Maslow's hierarchy of needs theory"

(Source: i4biz.com, 2022)

"Engel Kollat Blackwell Model"

This model is one of the important models that help to understand the behaviour of the consumers in brief. As per this model, there are a total four steps based on which the consumers make their decisions and these steps are ***"input, processing information, decision stages, and variables in the decision-making process".*** The decision making process also consists of five different phases and they are ***"recognition of need, information searching, evaluating alternatives, purchasing (or choosing), and post-purchase outcomes".*** As per this theory, input is considered as the most valuable part which later helps to identify the preferences of the

consumers. Based on this theory, the changing payment preferences of the consumers of the UK can be identified easily and steps can be taken in order to mitigate the present challenges that have been faced by the financial market of the UK at present.
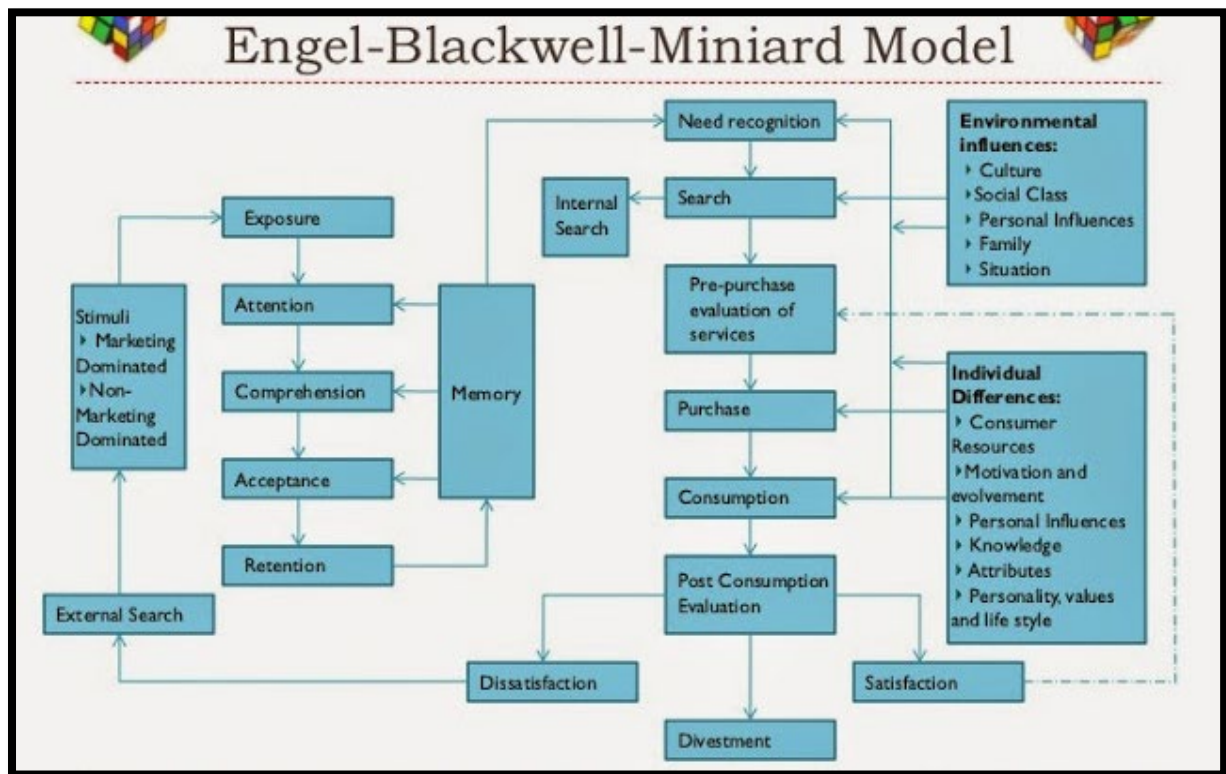
Figure 2.8: "Engel Kollat Blackwell Model"

(Source: theintactone.com, 2022)

2.9 Conceptual framework

EXAMINING THE CONSUMER PAYMENT PREFERENCES IN THE UK: A PRIMARY SURVEY-

Mode of payments

Attitudes of the consumers to different payments

Factors impacting on the preferences of the customers towards payment methods

Cards

Cash

BNPL

Mobile banking

Adoption of

Shift in the payment preferences of consumers of UK

Demographic factors

Safety, security and convenience

Maslow's hierarchy of needs theory

Engel Kollat Blackwell Model

Increasing cash flow in market along with new payment modes usage

Figure 2.9: Conceptual framework

2.10 Chapter Summary

This chapter has discussed the various aspect associated with the payment methods that are used and preferred by the consumers in the nation of the UK and pointed the advantages and element of the different techniques and methods of payment. Different concepts associated with the research topic have been discussed in this chapter in brief and how the payment preferences of the consumers are changing across the country has been highlighted in this chapter based on existing literature. The researcher has also incorporated different theories and models in this chapter which will be helpful in understanding the changing payment preferences of the consumers in the UK.

Chapter 3: Research Methodology

3.0 Chapter Preface

This chapter has discussed the methodological framework thus followed by the researcher while conducting this study in detail and this will help to understand different methods that have been followed by the researcher in order to collect data. Also this chapter has discussed the data analysis process that has been used by the researcher and this chapter will enable to have a clear overview of the sampling technique thus used by the researcher in this case. Apart from that the philosophical approach that has been followed by the researcher can be understood from this chapter.

3.1 Research Onion
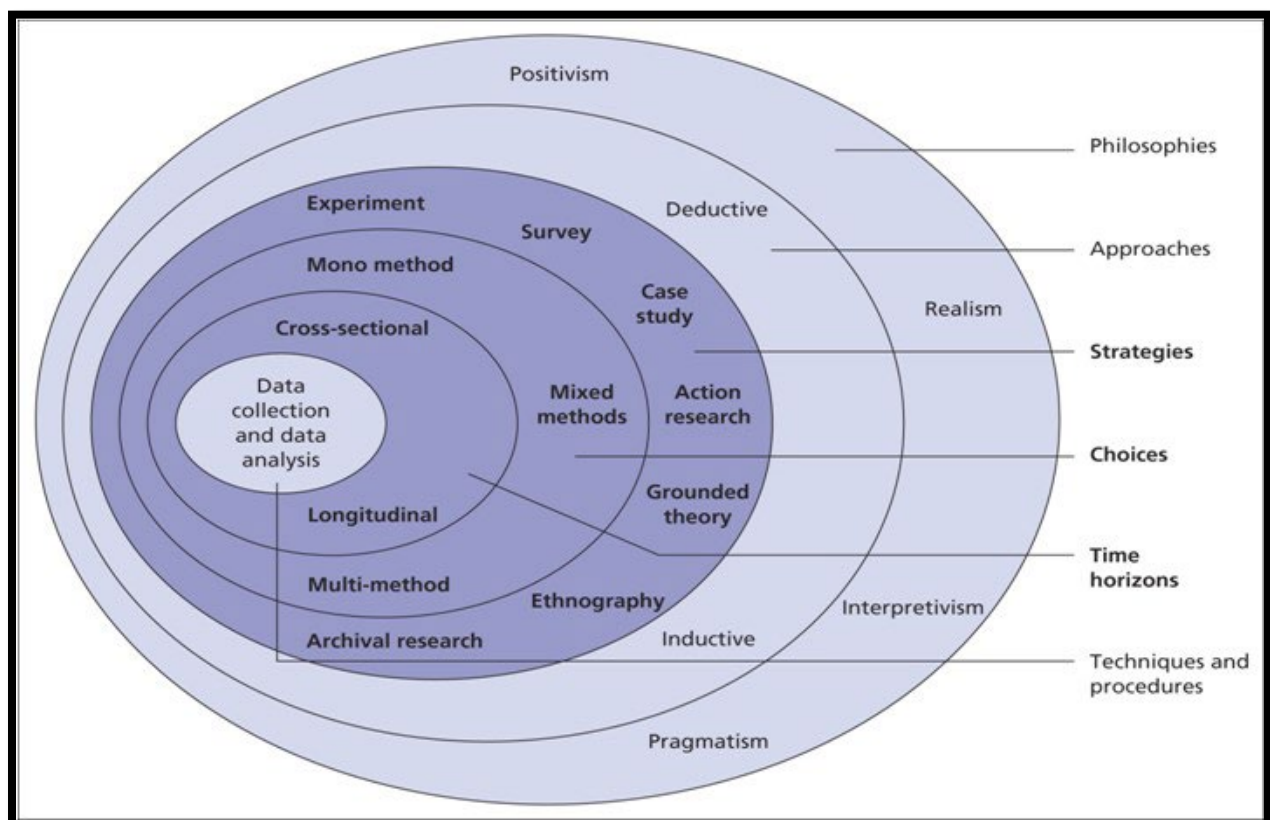
Figure 3.1: Research Onion

(Source: Melnikovas, 2018)

The research onion in a research study acts as a guide for proper and systematic conduction of the study. The research onion has various layers, each depicting an essential aspect of the stage

of the research methodology. The research onion allows the researcher to have an overview of the entire study and conduct it effectively so as to improve the quality and comprehensiveness of the study undertaken (Melnikovas, 2018). In the absence of research onion, a study tends to go disarray and end up in turmoil. As such, it is very advantageous to use research onion for reckless choice of method and techniques and conducting the study effectively.

3.2 Research Philosophy

In the current piece of research study, the researcher has adopted positivism research philosophy. There are various types of research philosophy such as positivism, pragmatism, realism, interpretivism, and others (Alharahsheh and Pius, 2020). Each of these philosophies has their own advantages as well as disadvantages. For the purpose of conducting the undertaken piece of study, the researcher has selected positivism research.
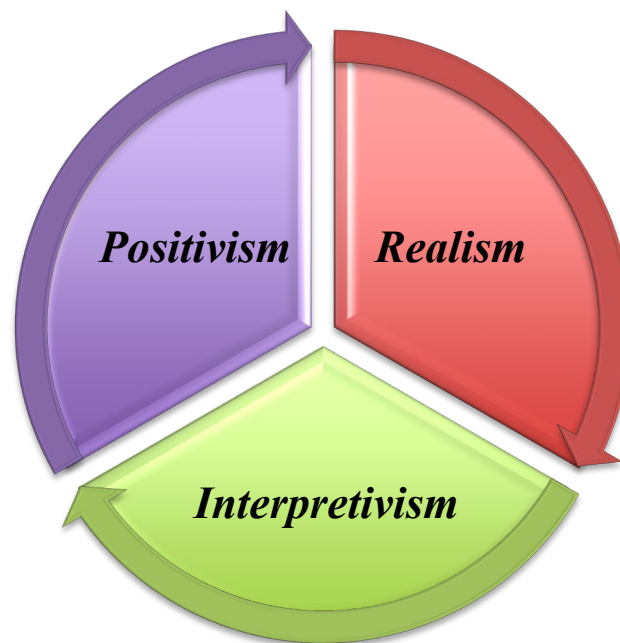
Figure 3.2: Types of research philosophy

(Source: Alharahsheh and Pius, 2020)

Justification: The selection of positivism research philosophy has allowed the researcher to make use of the quantitative data that has been gathered through the use of surveys. This particular philosophy has allowed the researcher to conduct the research scientifically and with much significance. With the employment of this research philosophy, the quality of research

can be improved and scientific touch can be imparted to it. Hence, the use of positivism has fared well with respect to the undertaken piece of study.

3.3 Research Approach

In this research, the research has applied a deductive research approach. There are various research approaches such as *"Inductive, Deductive and Abductive"*. These approaches have different principles and approaches to conducting a study (Pearse, 2019). The use of deductive research has been selected for the effectiveness it has on the quality of research conducted.
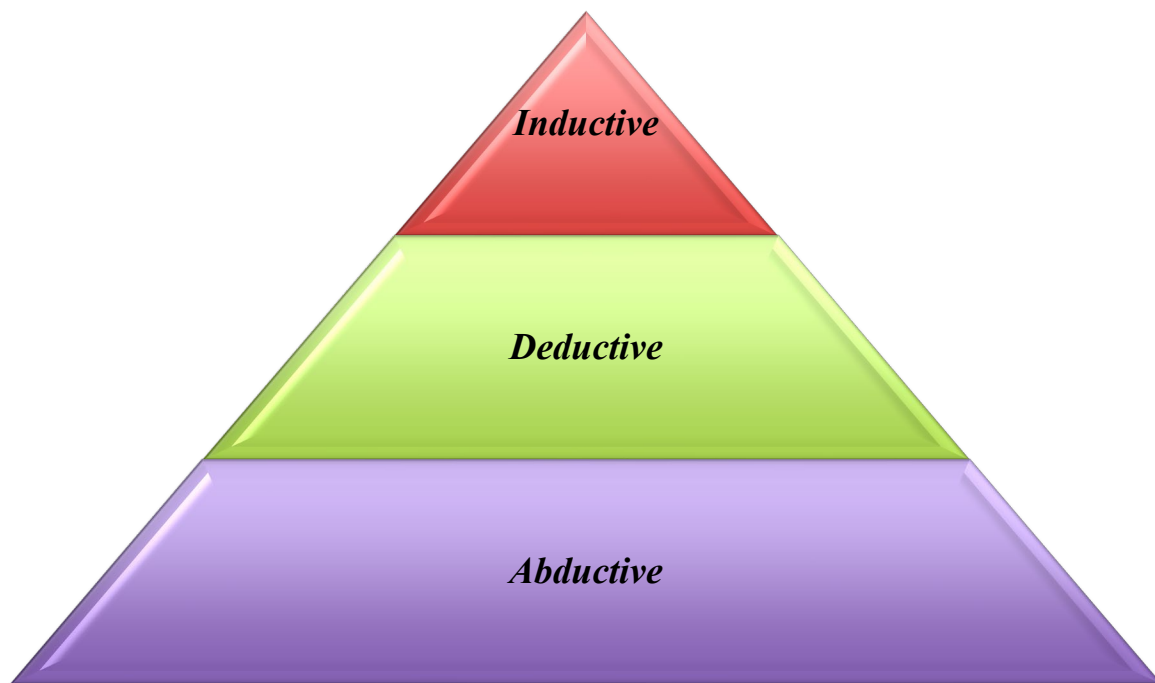
Figure 3.3: Types of research approach

(Source: Pearse, 2019)

Justification: The use of deductive allows scientific investigation of the topic in hand and improves the research appeal of the study. A number of existing theories can be added through the aid of deductive research approaches and ease the process of conduction of study. The importance of this can be well evaluated with the aid of deductive approach.

3.4 Research design

Research design helps to understand the methods and framework that have been allowed by the researcher in order to conduct the research. Different types of research designs are there and they are "descriptive research design", "experimental research design", "correlational research design", "explanatory research design" and so on. In this research, the researcher has used *"explanatory research design"*.

Justification- The researcher has used "explanatory research design" in this study as it helps to assess the characteristics of different variables associated with the research and the nature of demographic can be studied easily with the help of this research design. As per Bentouhami *et al.* (2021), while following this research design, it gets easier for the researcher to study different patterns associated with the research and in this case, this research design has helped the researcher to study the changing payment preferences of the consumers across the UK.
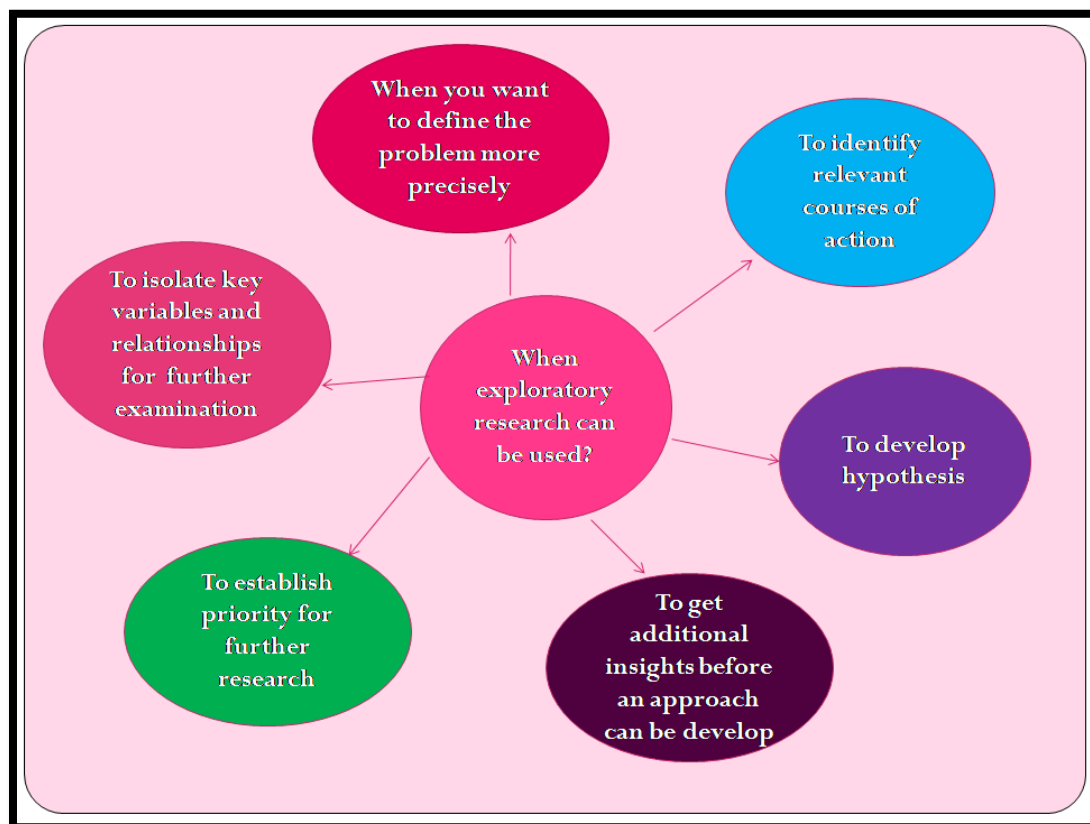
Figure 3.4: Purposes of using explanatory research design

(Source: researchgate.net, 2022)

3.5 Method of collecting data

Data collection process can be described as one of the important processes of the research and based on the collected data and its interpretation; the researcher can reach the conclusion. There are mainly three types of data collection methods that are used in the research and they are "primary data collection", "secondary data collection" and "mixed data collection" (Mazhar *et al.* 2021). In this research the researcher has used a "primary data collection" method and data has been collected through survey questionnaires from the respondents.

[Refer to Appendix 1]

Justification- In this research, the researcher has used "primary data collection" technique because updated information can be incorporated in the research with the help of this data collection method. Apart from that the data that is gathered through primary data collection are highly reliable too (Heap and Water, 2019). This data collection method provides a high degree of control to the researcher and this is one of the advantages of this data collection process. Primary data can be helpful for the researcher in resolving any specific issue associated with the research and in this case, it has helped the researcher to understand the changing payment preferences of the consumers of the UK.

3.6 Method of data sampling

Data sampling is also important for dealing with large populations. Subsets of the collected data can be created using sampling techniques and it becomes easier for the researcher to deal with the data subset. There are different types of data sampling techniques that are used by the researchers in order to conduct different researches and some of them are "simple random sampling", "systematic sampling", "stratified sampling", "clustered sampling", "snowball sampling" and so on (Pal *et al*. 2018). In this research, the researcher has used "simple random sampling" to create data subsets.

Justification- This data sampling method has a lot of advantages such as this sampling technique is helpful in avoiding any kind of bias while creating data subsets and the probability for all the data to get selected is equal in this sampling technique. As per Jiang *et al.* (2020), this sampling method is easy to use as well and if there is any error while creating the data subsets it can be identified easily as well. Due to all the above mentioned reasons, this sampling technique has been used by the researcher in this case.

3.7 Sample size

Sample size plays an important role in the research and from the large population, it is required to create a small sample which eases the process of dealing with collected data and it gets easier for the researcher to understand the trends associated with the research topic. There is less chance of having an error while dealing with a small sample size. In this research, the sample size is 100 and data thus collected from these 100 participants has been included in this research and this has helped the researcher to understand the changing payment preferences of the consumers across the UK.

3.8 Method for data analysis

Along with data collection and sampling of the collected data, it is important to analyse the collected data properly so that the researcher can solve the issues associated with the research. Different types of data analysis methods are used by the researchers for conducting the research and "qualitative analysis" and "quantitative analysis" are the mainly used analytical processes by the researcher. In this research, the researcher has used ***"quantitative data analysis"*** technique in order to analyse the collected data and this has helped the researcher to understand the present payment preferences of the consumers of the UK.

Justification- The researcher has used "quantitative data analysis" in this case and the responses thus gathered by the researcher have been analysed using SPSS software. The analysed data has been represented in the forms of tables and charts which will be helpful in understanding the payment preferences of the consumers across the UK. As mentioned by Clark and Vealé, (2018), with the help of this data analysis process, more reliable data can be acquired by the researcher and the findings of the research can be generalised to some certain extent as well. Also while conducting quantitative analysis of collected data, any kind of bias can be avoided by the researcher. This data analysis process is also helpful for the researcher while dealing with a large number of samples. Due to the above mentioned reasons, this data analysis process has been used by the researcher in this case.

3.9 Reliability and validity

The reliability and validity of the collected data has been checked by the researcher and data collected from primary sources is authentic. As per Fuller *et al.* (2020), the collected data has not been manipulated by the researcher and this has helped to understand the present trends of payment preferences of the customers across the UK. Consistency of the collected data has

been checked by the researcher and from that it can be said that the data that has been used in this research is reliable enough.

3.10 Ethical consideration

The data that has been collected by the researcher in this case has been used only for this research purpose and this data is not sold or used for other purposes which serve personal benefits for the researcher. Consent of the respondents was collected in this case and the researcher will maintain anonymity of the identity of the respondents. The researcher has not done any kind of manipulation in the collected data and confidentiality of the data will be maintained by the researcher in this case. All the compliances of *"Data protection act, 2018"* of the UK have been followed by the researcher and all the ethical standards have been followed by the researcher strictly (Gov.UK, 2022).

3.11 Research timeline

[Refer to appendix 2]

3.12 Chapter summary

This chapter has discussed the methodological framework that has been followed by the researcher in order to conduct this study and the philosophical approach that has been followed by the researcher has been mentioned clearly in this chapter. The approach that has been followed by the researcher in this case has been stated in this chapter as well and the researcher has also discussed the method of data collection in brief in this chapter. The data sampling technique and methods of analysis of collected data has been discussed in this chapter as well. All the ethical standards thus followed by the researcher has been discussed in this chapter as well.

Chapter 4: RESULT AND DISCUSSION

4.1 Chapter preface

This chapter has focused on the analysis of the findings and results associated with the topic of research. In this part of the dissertation, the research has conducted a primary survey through the aid of a questionnaire that consists of vital questions associated with the research study and gathered the views as well as response of the various people. In addition to this, the SPSS software has been employed to undertake an effective analysis of the gathered and arrive at proper conclusion as well as outcomes of the study.

4.2 Primary research analysis

1. "How often do you typically use the various payment methods"?

Table 4.1: Frequency of the use of payment methods

	Weekly	Monthly	Every few months	Yearly	Less than yearly	Never
Cash	50%	25%	15%	2%	3%	4%
Debit card	56%	21%	12%	2%	3%	5%
Credit/charge card	31%	21%	13%	3%	5%	27%
Prepaid/gift card/voucher	7%	14%	22%	12%	14%	32%
Cheque	4%	9%	12%	9%	17%	48%
Bank transfer	18%	31%	23%	5%	8%	14%
Direct debit	20%	65%	6%	2%	2%	6%
Standing order	11%	45%	8%	4%	5%	27%
Online wallet (eg PayPal)	18%	25%	17%	3%	3%	34%
Mobile wallet (eg Apple Pay, Google Pay)	15%	11%	8%	2%	4%	61%
Buy Now Pay Later (eg Klarna, Clearpay)	5%	10%	9%	4%	6%	66%
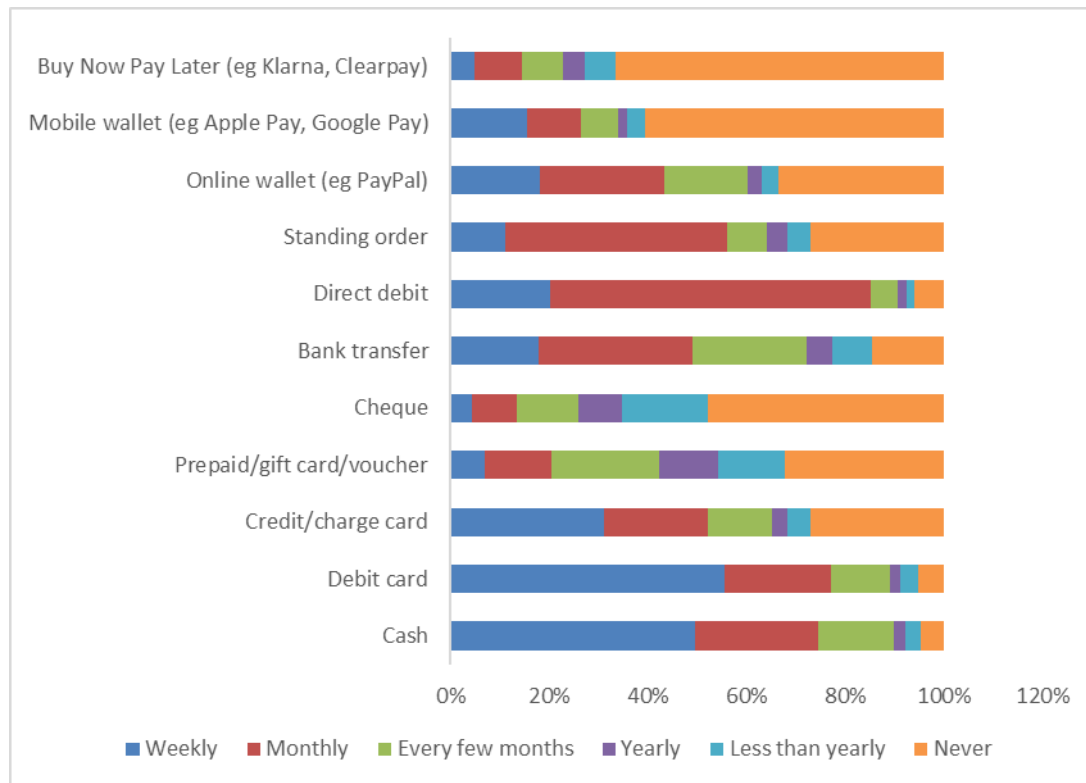
Figure 4.1: Frequency of the use of payment methods

Analysis

The data above shows the frequency of the use of different modes of payment by the users in the UK. The data explain the frequency of use of each of the methods and are well supported by the view of the respondents. Through the survey, it has been gathered that cash is the most common payment modes discussed in the survey on a weekly basis. This signifies that despite alternate payment options, cash has not lost popularity. On the other hand, when it comes to virtual money preferences, direct debit emerges as the most preferred mode on a monthly basis. Moreover, BNPL mode is the least preferred method by frequency of usage.

2. "Which of the following would be your preferred payment method when buying something from a business (eg shop, restaurant) for the following types of transactions"?

Activity	Percentage	"Number of Respondents"	"Total Respondents"
Cash	15	15	100
Debit Card	22	22	
"Credit/charge card"	9	9	
"Online wallet (eg PayPal"	18	18	
"Mobile wallet (eg Apple Pay, Google Pay)"	23	23	
"Buy Now, Pay Later (egKlarna, Clearpay")"	13	13	
None of these	0	0	

Table 4.2: Modes of payments for carrying out various transactions
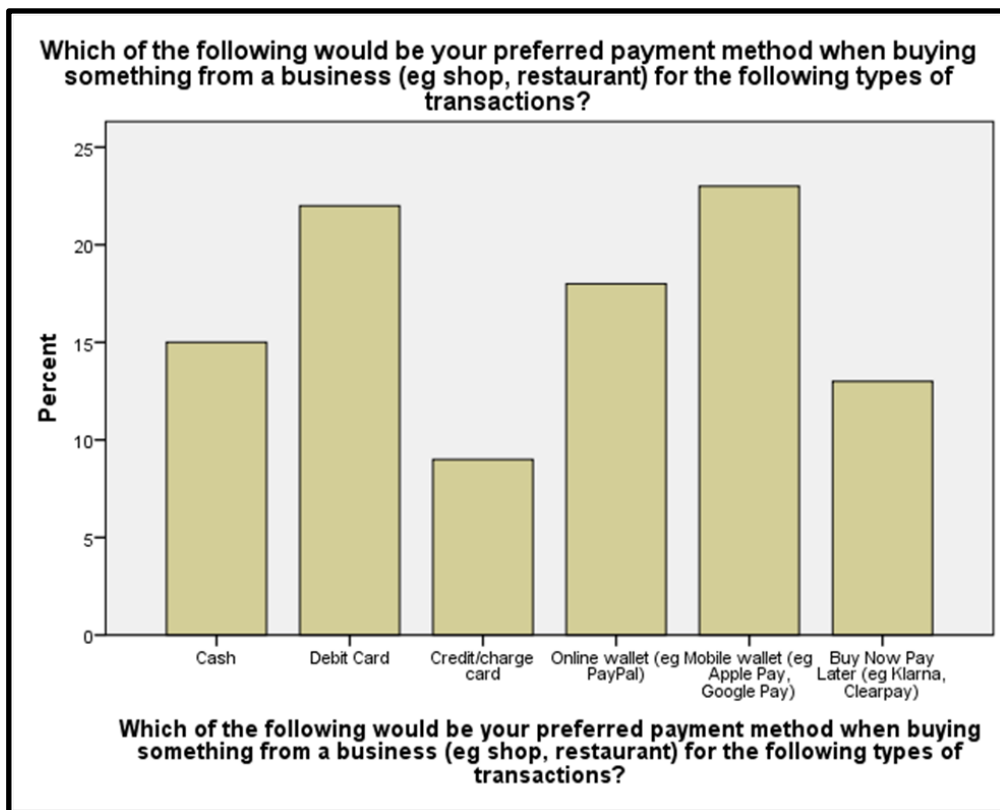
Figure 4.2: Modes of payments for carrying out various transactions

Analysis

The data above depicts the information associated with the preferred payment methods of the respondents that had been surveyed. In this survey, it has been found that 15% of the respondents preferred cash as a payment method while 22% made use of debit cards for undertaking payment transactions. A significant majority also used mobile wallets such as Apple Pay and Google Pay and the figure stood at 23%. In addition to this, it can also be interpreted from the data that 13% of the participants show a significant degree of affinity towards BNPL methods, thus, proving to be one of the popular methods in the nation of the UK.

3. "Which of the following would be your preferred payment method when paying a person for the various types of transactions"?

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Cash	10	10	100
Bank transfer (ie "transfer of money between two accounts")	25	25	
"Online wallet (eg PayPal"	29	29	
"Mobile wallet (eg Apple Pay, Google Pay)"	19	19	
Standing order (ie regular payment set up by you for a certain amount")	11	11	
None of these	6	6	

Table 4.3: Preferred mode of payment for peer to peer transactions
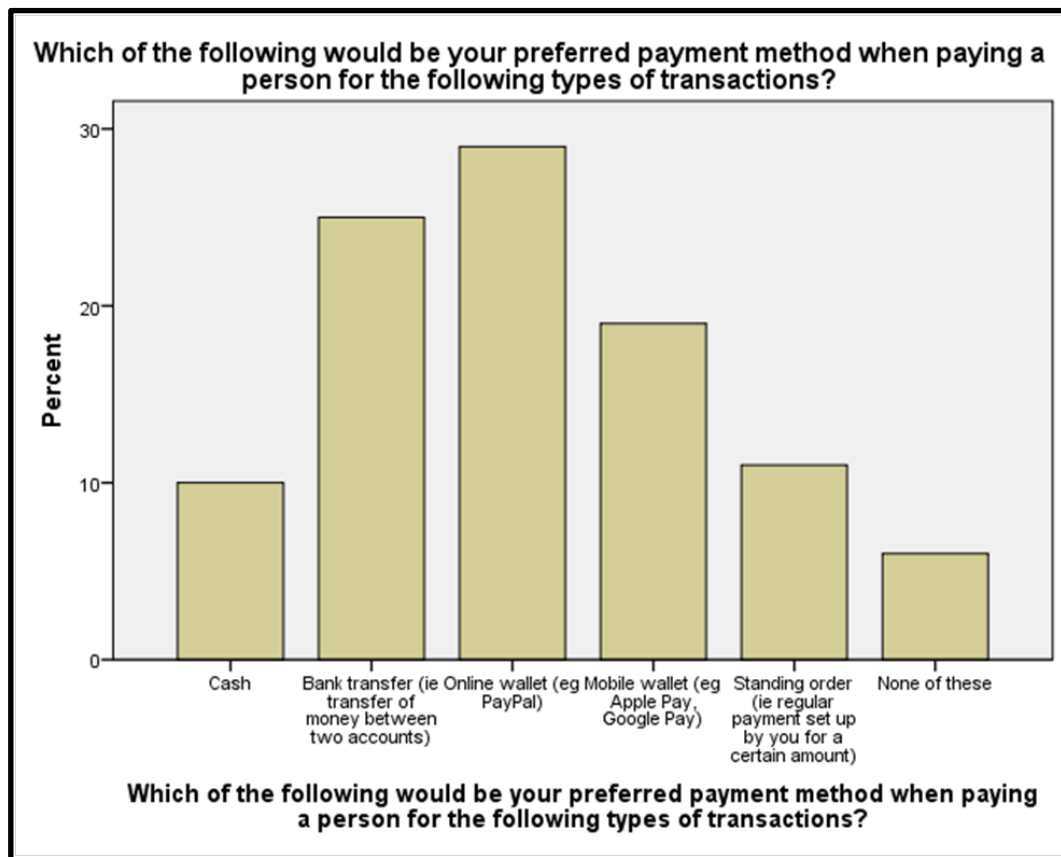
Figure 4.3: Preferred mode of payment for peer to peer transactions

Analysis

The data above reflect the information related to the preferred mode of payments among the person to person in the nation. In the graph above, it can be noticed that most of the people, around 23%, preferred the use of mobile wallets for making payments, followed by the 22% of the people who used debit for making financial transactions. The gathered data also signifies that 15% of the people also used cash for payment aspects. These data are suggestive of the fact that people in the UK still prefer traditional mode of payment while dominantly using the contactless payment methods. In addition to this, BNPL is a popular method, with response accounting for 13%of the respondents.

4. "Which of the following do you typically take into consideration when choosing a payment method? Please select all that apply".

Activity	Percentage	"Number of Respondents"	"Total Respondents"
Payment method I'm familiar with	5	5	100
Speed of payment	6	6	
Protection for purchases (eg if goods are faulty, if the retailer goes bust")	12	12	
Security features (ie requires a secure authorisation")	16	16	
"Ease of keeping track of my spending (eg notifications, budgeting")	14	14	
Wide acceptance (ie "can use at majority of businesses")	14	14	
Rewards/discounts	13	13	
Privacy concerns (eg "anonymity of payments")	7	7	
Options to spread cost (eg pay in instalments")	7	7	
None of these	6	6	

Table 4.4: Vital considerations for selection of payment methods

Which of the following do you typically take into consideration when choosing a payment method? Please select all that apply.
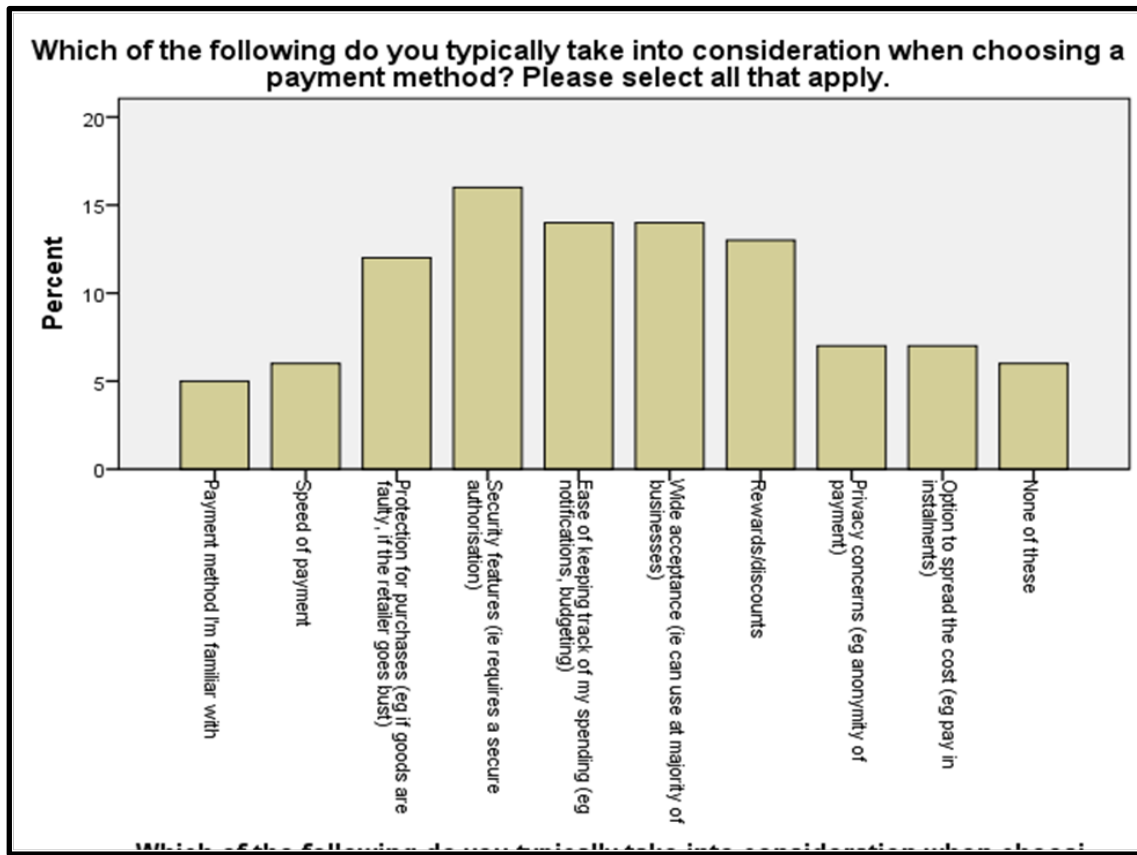
Figure 4.4: Vital considerations for selection of payment methods

Analysis

The data above show the vital considerations that are undertaken while choosing a particular mode of payment. In the graph above, it can be noticed that 14% of the people agreed to find wide acceptance as prime consideration. 14% of the respondents also agreed that ease of account tracking is another consideration that they look for while making a payment. Besides these, 6% of the people considered payment speed as primary consideration and 16% valued security as a prime aspect. The 12% of the people participating in the survey looked for security features while 13% looked for discount associated options while choosing a payment method option.

5. "I have access to all of the payment options I need"

Activity	Percentage	"Number of Respondents"	"Total Respondents"
Yes	49	49	100
No	32	32	
Don't Know	19	19	

Table 4.5: Degree of access to the payment options
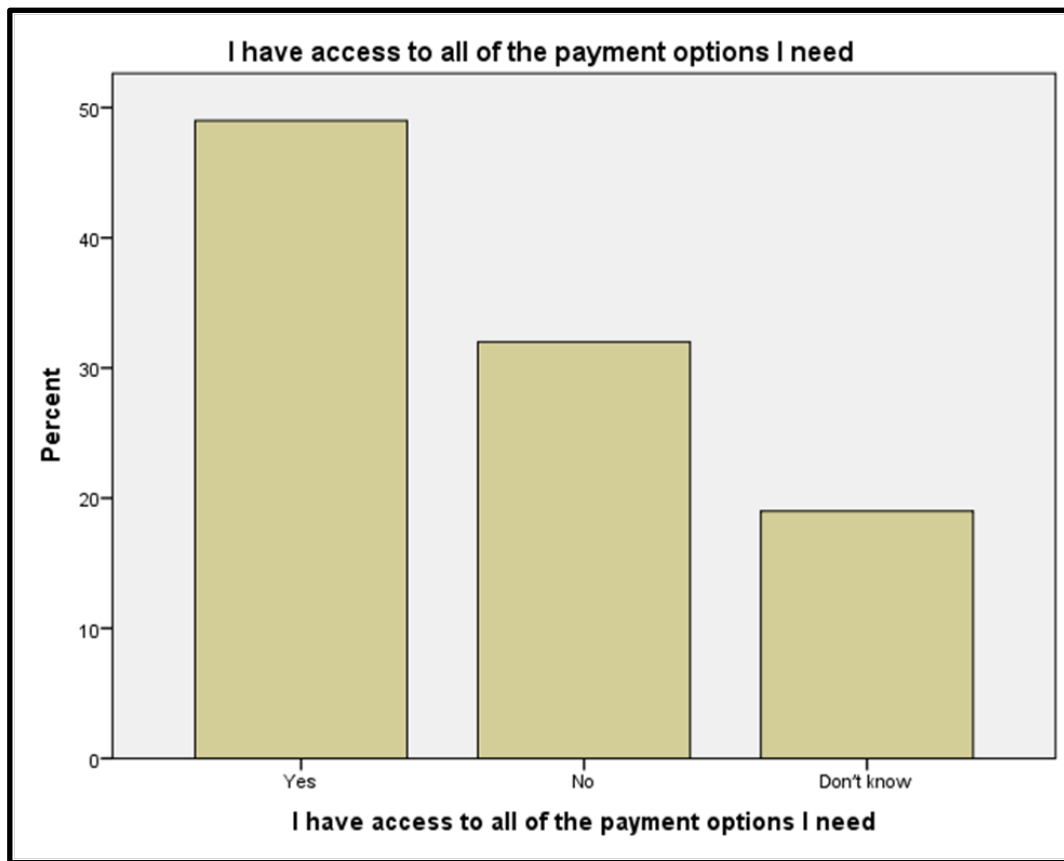
Figure 4.5: Degree of access to the payment options

Analysis

The data gathered above and the results of it are depictive of the fact that 49% of the people agreed that they had adequate access to the payment option that they required. Another set of respondents, around 32% that were surveyed, negated the fact that they had proper access to the various payment options and methods. In addition to this, a significant number of the respondents did not have a proper idea about the elements of the questions that had been asked.

This section accounted for 19% of the total respondents. Hence, on a majority, people had access to the various options of payment available in the UK economy.

6. "I prefer to pay bills by direct debit"

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Yes	43	43	100
No	39	39	
Don't Know	18	18	

Table 4.6: Preference for payment of bills through a direct debit
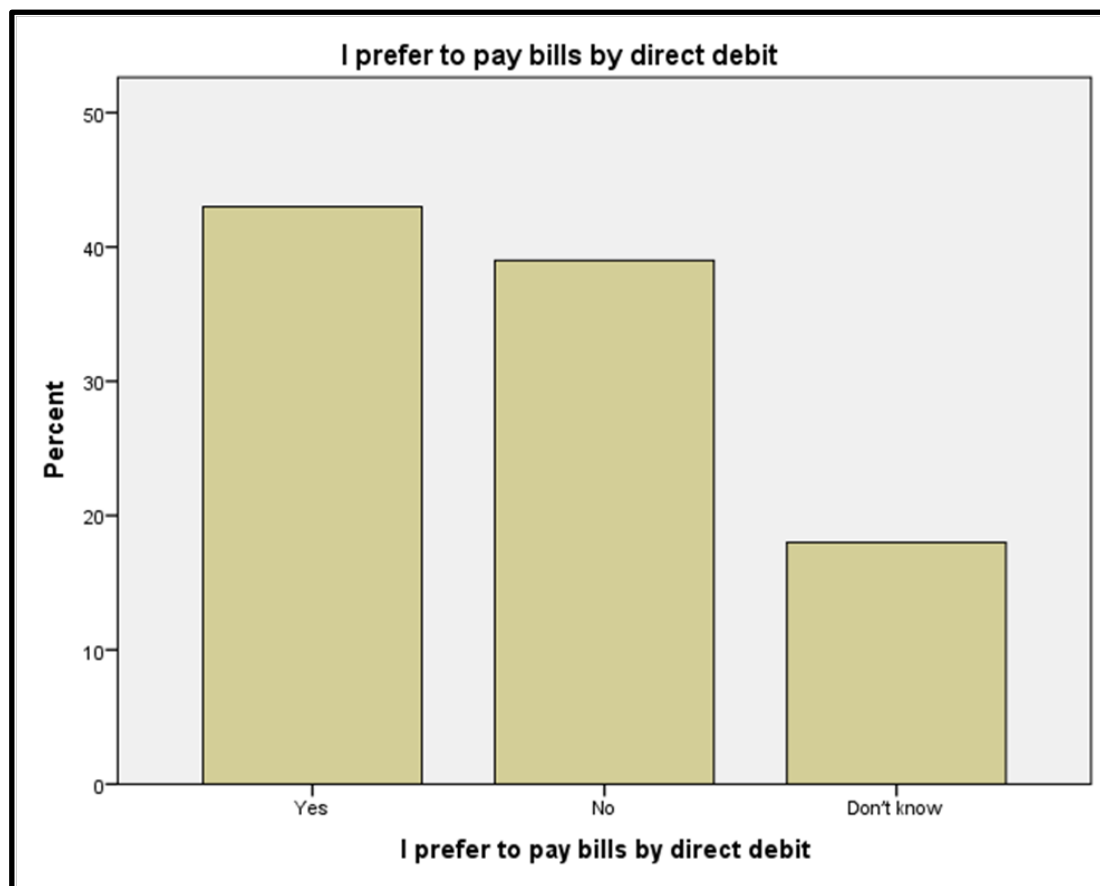
Figure 4.6: Preference for payment of bills through a direct debit

Analysis

The graph above shows the number of people who preferred and did not prefer the payment conducted through a direct debit. The results show that 43% of the people preferred to pay their bills by a direct debit method. As against this, 39% of the respondents taking part did not roper to make bill payment through the way of direct debit. In addition to this, there were a few percentages of people such as 18% who did not have any idea about the question laid before them. Hence, most of the respondents preferred direct debit as a mode of payment of bills in the nation of the UK.

7. "I know how to alert my bank/card provider of any concerns I have about fraud/scams"

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Yes	50	50	100
No	29	29	
Don't Know	21	21	

Table 4.7: Knowledge of alerting the banks about possible scam/frauds
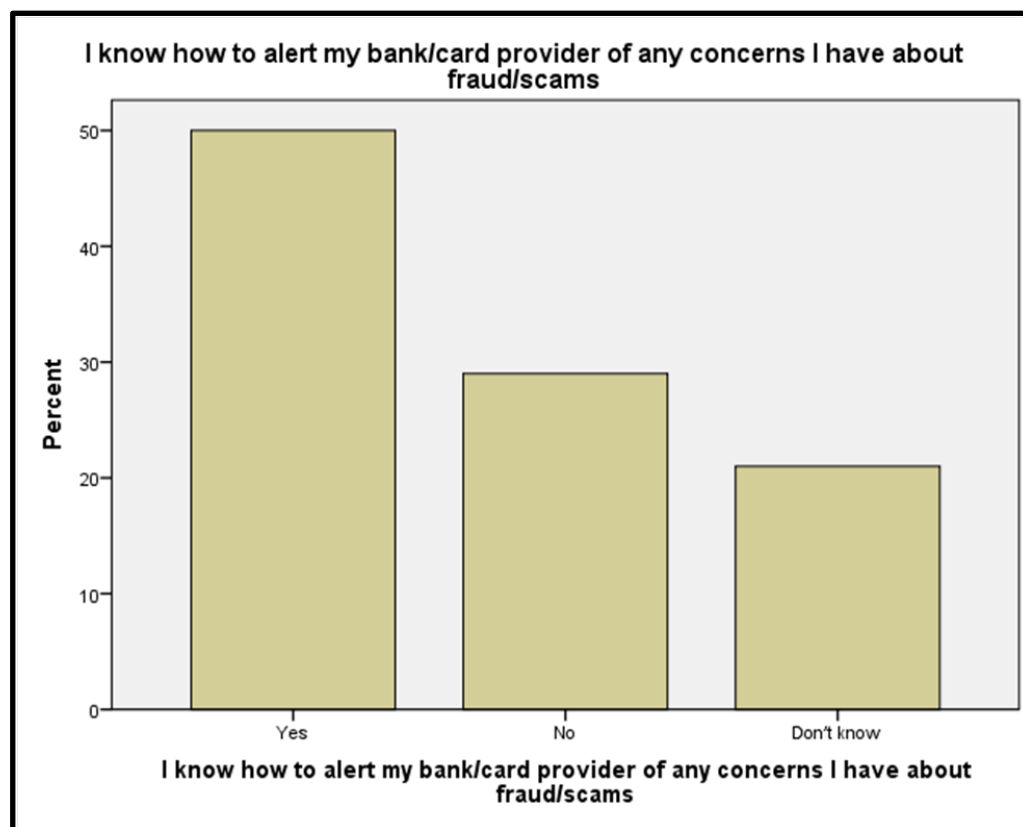
Figure 4.7: Knowledge of alerting the banks about possible scam/frauds

Analysis

Around 50% of the people taking part in the survey had the knowledge of alerting the concerned banks or card providers about the occurrence of possible scams and frauds. 29% of the respondents taking part in the survey agreed to the fact that they did not possess any knowledge of informing the banks or the concerned card providers about the instances of frauds and scams. Around 21% of the participants were confused regarding the question. Hence, it can be evaluated that most of them had sufficient ideas or knowledge about fraud and scam related aspects.

8. "I am confident I know the best payment option when paying for goods and services"

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Yes	51	51	100
No	28	28	
Don't Know	21	21	

Table 4.8: Confidence about the use

Figure 4.8: Confidence about the use

Analysis

The data above show the number of people who felt confident about the payment methods while buying or selling things. The graph reflects that most of the participants, around 51% agreed or said yes to the statement put forth to them. 51% of respondents were confident about payment options. On the other hand, around 28% of the people are not confident about the different payment options when buying or selling. In addition to a significant percentage of the people, around 21% did not know the aspects related to the questions.

9. "I keep some cash at home for emergencies"

Activity	Percentage	"Number of Respondents"	"Total Respondents"
Yes	41	41	100
No	36	36	
Don't Know	23	23	

Table 4.9: Keeping cash for emergency
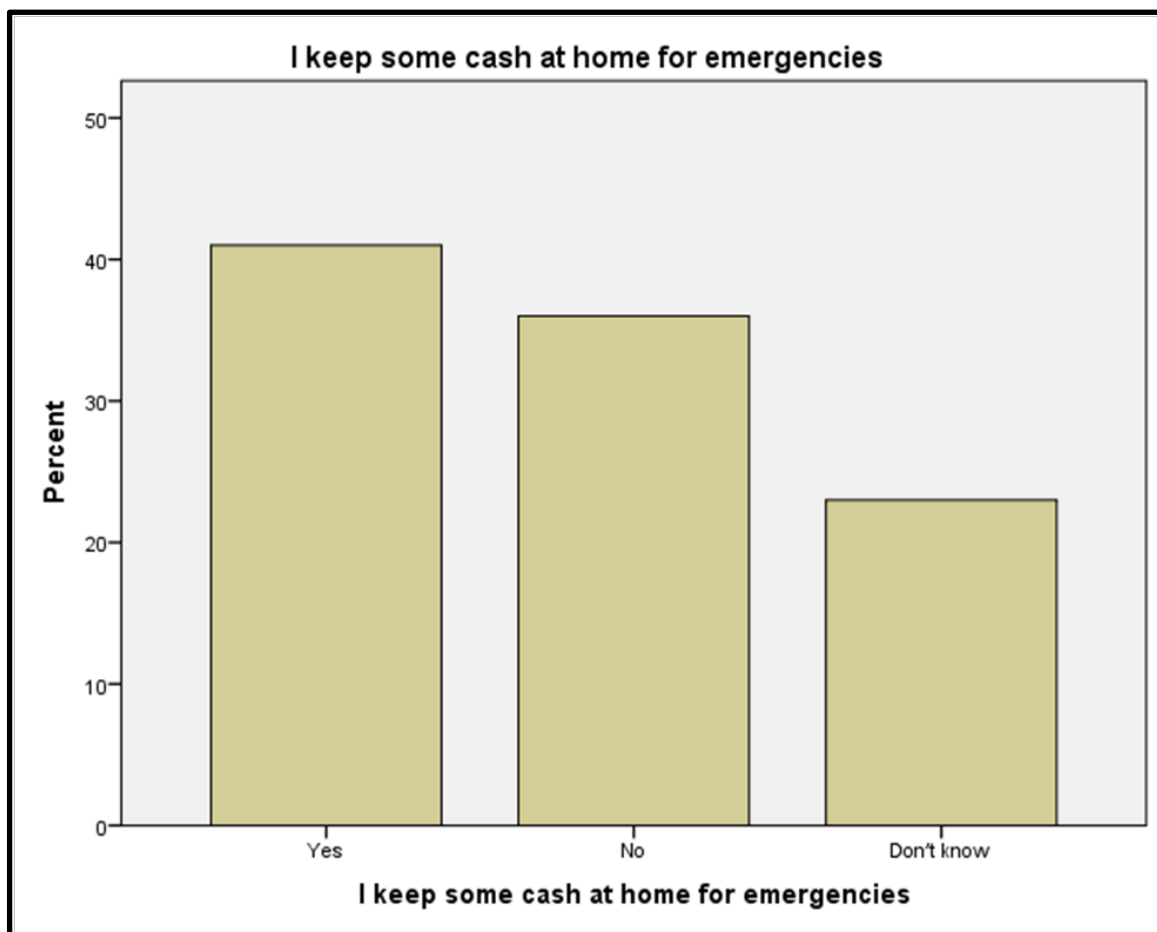
Figure 4.9: Keeping cash for emergency

Analysis

41% of the respondents said that they preferred keeping cash at home for emergency purposes. In addition to this, around 36% of the people participating in the survey negated the fact that they keep some cash at home for emergency purposes. In addition to this, around 23% of the respondents did not know or have an idea about the facts stated to them.

10. "I always carry some cash with me"

Activity	Percentage	"Number of Respondents"	"Total Respondents"
Yes	58	58	100
No	26	26	
Don't Know	16	16	

Table 4.10: Practice of carrying cash
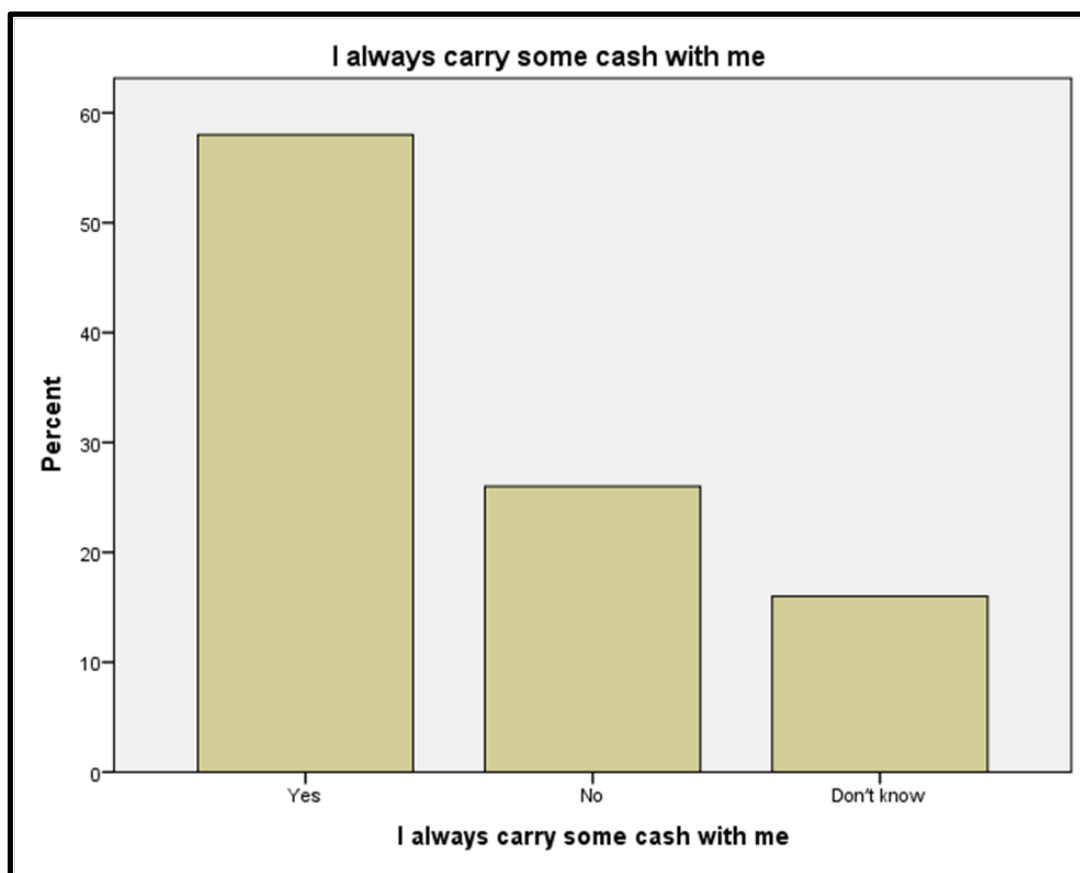
Figure 4.10: Practice of carrying cash

Analysis

The data above show that around 58% of the respondents said yes to the fact that they carried some cash with them on a regular basis. As against this, 26% of the people said not to the fact that they carried cash with them regularly. A significant percentage, around 16% did not possess any idea about the question that was being discussed.

11. "I want the option to set up my own limit for contactless card payments"

Activity	Percentage	"Number of Respondents"	"Total Respondents"
Yes	60	60	100
No	24	24	
Don't Know	16	16	

Table 4.11: Limits on contactless payments
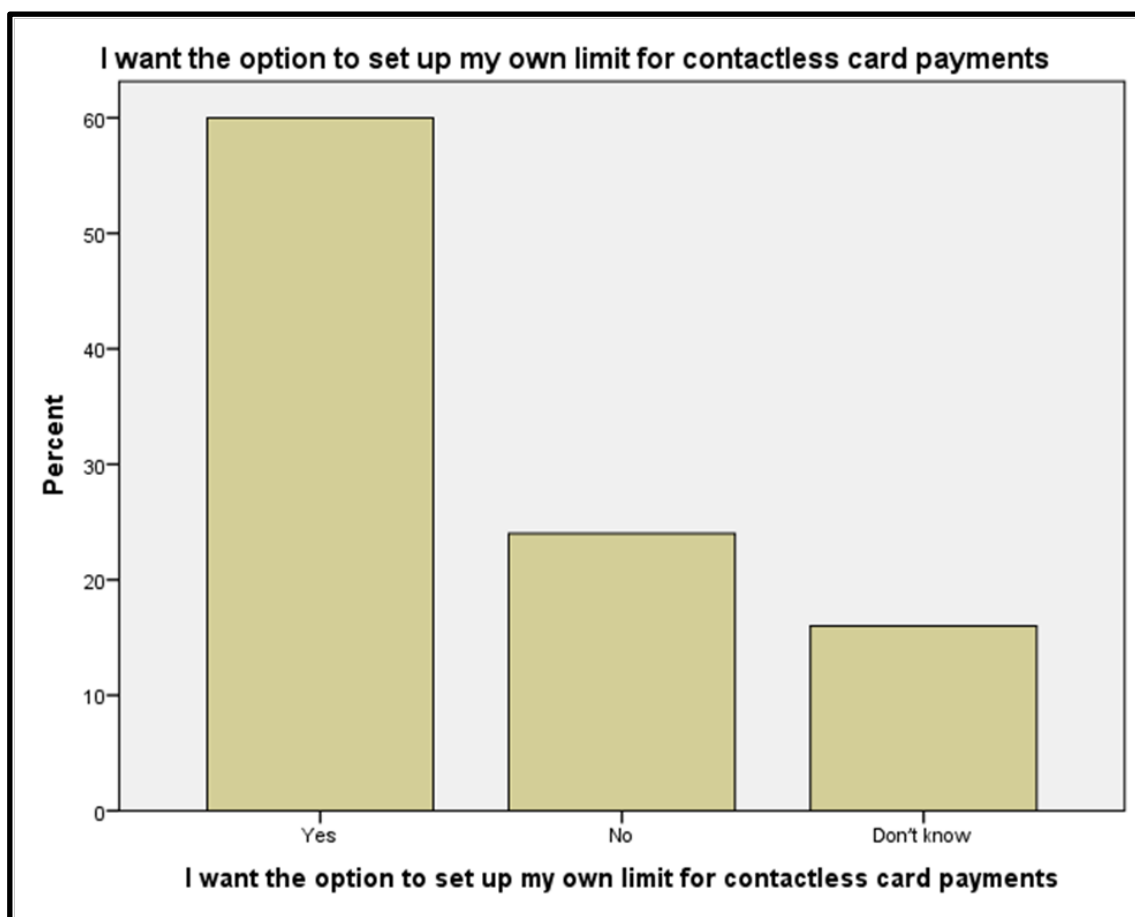
Figure 4.11: Limits on contactless payments

Analysis

60% of the respondents wanted to set limits for the contactless payments carried out by them. As against this, 24% of the people taking part in the survey disagreed with the fact stated in the

adobe question. In addition to this, around 16% of the individuals taking part in the survey did have an idea about the question that was being asked to them.

12. "I think using a smart phone to pay in-person is a hassle"

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Yes	21	21	100
No	60	60	
Don't Know	19	19	

Table 4.12: Smartphone as a hassle for payment
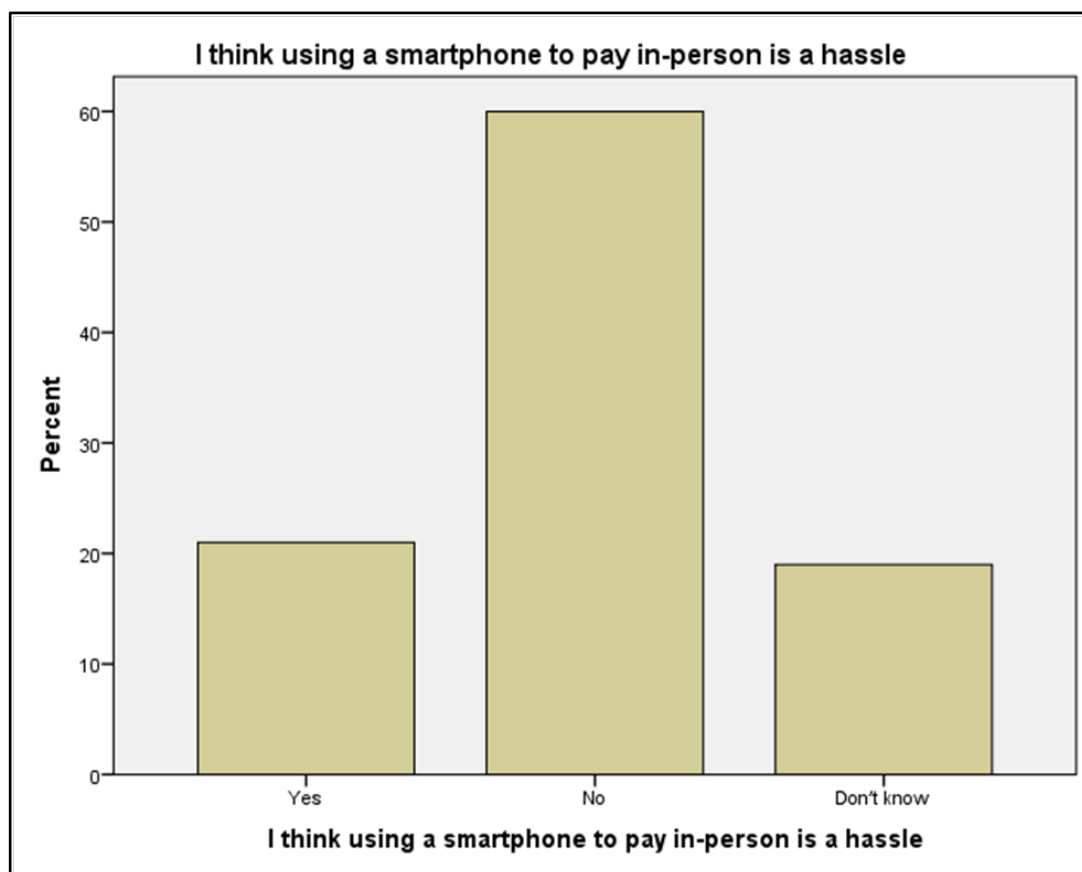
Figure 4.12: Smartphone as a hassle for payment

Analysis

The data and results gathered above depict that 60% of the people said no to the statement put forth to them. They were against the fact that smart phones led to hassle payments to different people. A small percentage, 21% believed, agreed or said yes while 19% of the respondents did not have any idea. Hence, smart phones do not lead to hassle.

13. *"I think the contactless payment limit increasing to £100 is a good thing"*

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Yes	60	60	100
No	21	21	
Don't Know	19	19	

Table 4.13: Increasing the limit to £100
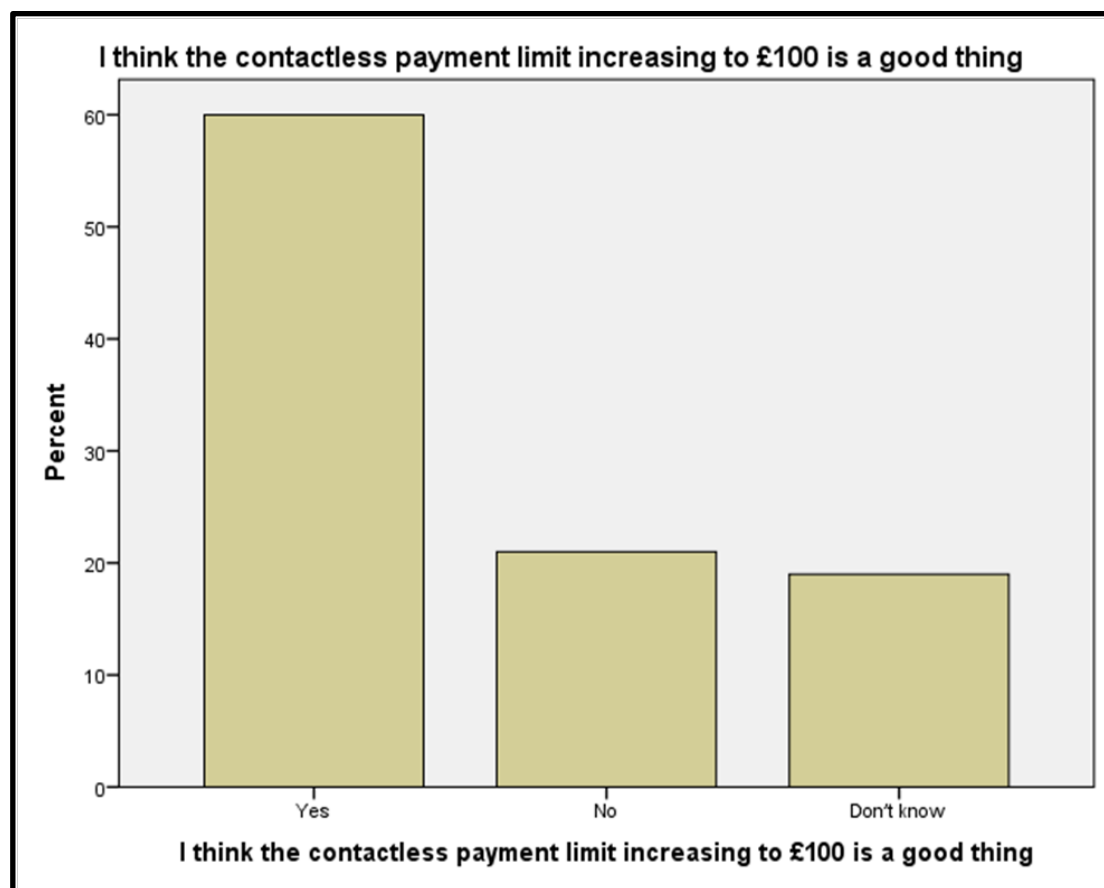
Figure 4.13: Increasing the limit to £100

Analysis

The data above show that most of the people, around 60%of the people, think that increasing contactless payment is a good move, with people saying yes. 21% of the people said no and thought that increasing the limits of payment was not a good idea. 19% of people participating in the survey did not have any idea about the question asked to them.

14. "My payment habits have permanently changed following the COVID-19/coronavirus pandemic"

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Yes	40	40	100
No	40	40	
Don't Know	20	20	

Table 4.14: Impact of pandemic of payment habits on a permanent basis
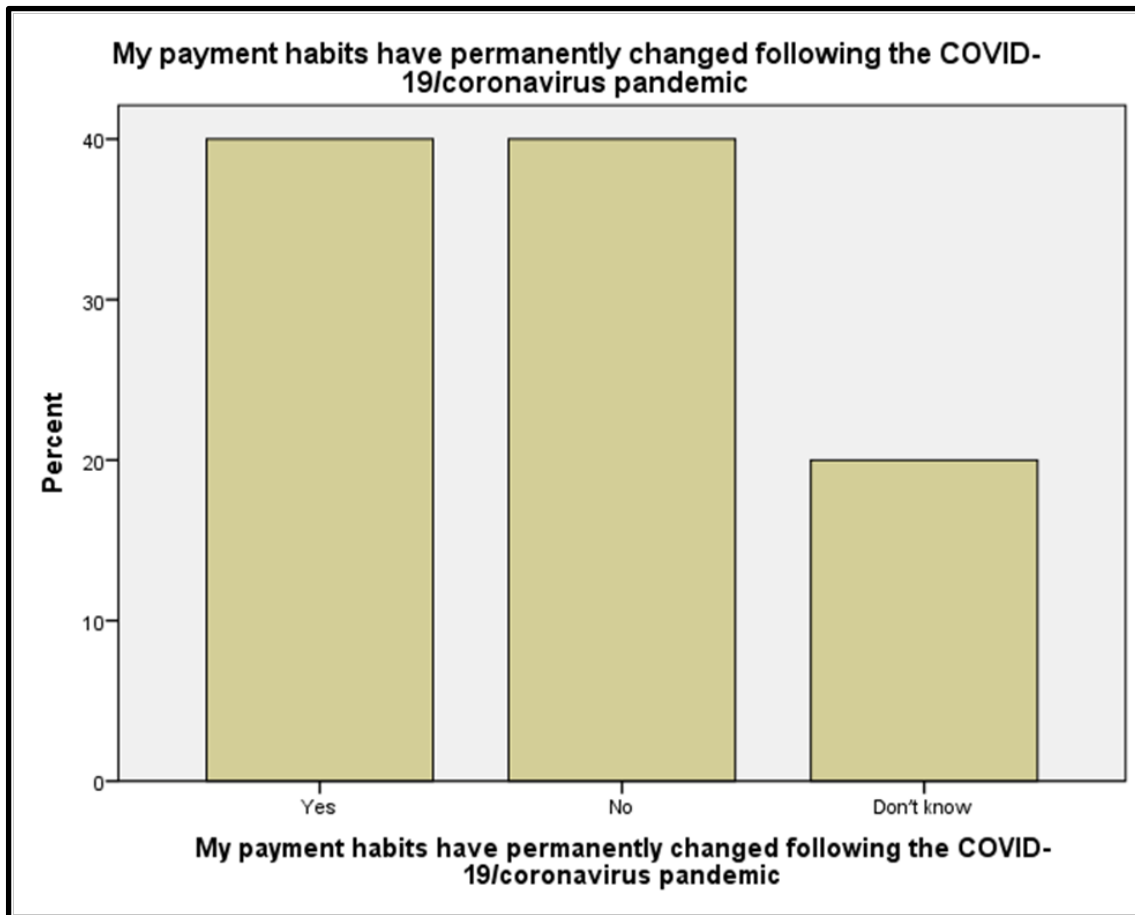
Figure 4.14: Impact of pandemic of payment habits on a permanent basis

Analysis

The data above show that people had a mixed view about the impact of pandemic on their payment habits on permanent habits. 40% of the people said yes to the fact while 40% of the people were against the question put forth to them. 20% did not have any idea about it. Hence, no conclusion can be arrived at with regards to this topic.

15. "I would like to learn more about paying for goods and services with QR codes"

Activity	Percentage	"Number of Respondents"	"Total Respondents"
Yes	59	59	100
No	24	24	
Don't Know	17	17	

Table 4.15: Payment for goods and services with the aid of QR
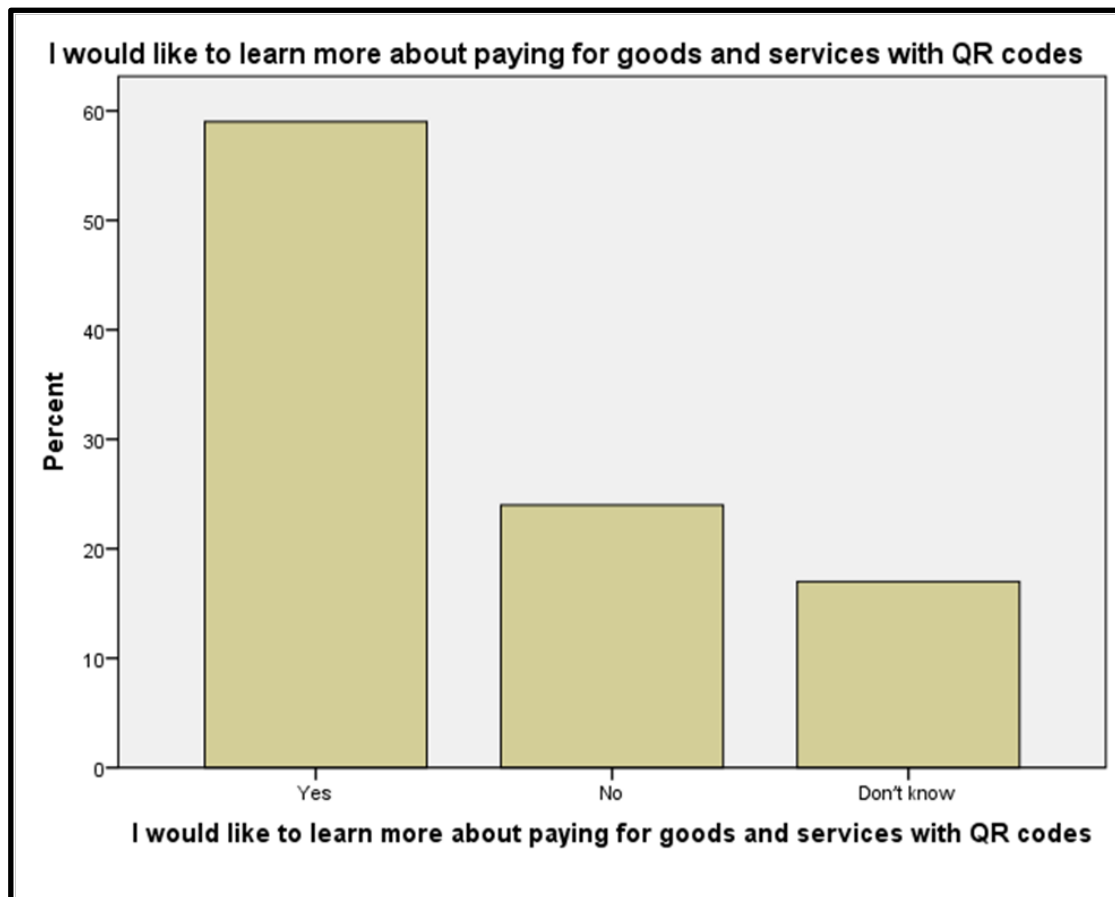
Figure 4.15: Payment for goods and services with the aid of QR

Analysis

Around 59% of the people said yes to the fact that they would like to explore QR payment related options for making payments. 24% of the people said no to the fact stated above while 17% of the respondents did not have any idea about the question. Hence, a majority responded in favour of exploring the QR mode of payment for making various transactions.

16. "I would like to learn more about paying for goods and services with crypto currencies"

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Yes	54	54	100
No	25	25	
Don't Know	21	21	

Table 4.16: Payment through crypto currencies
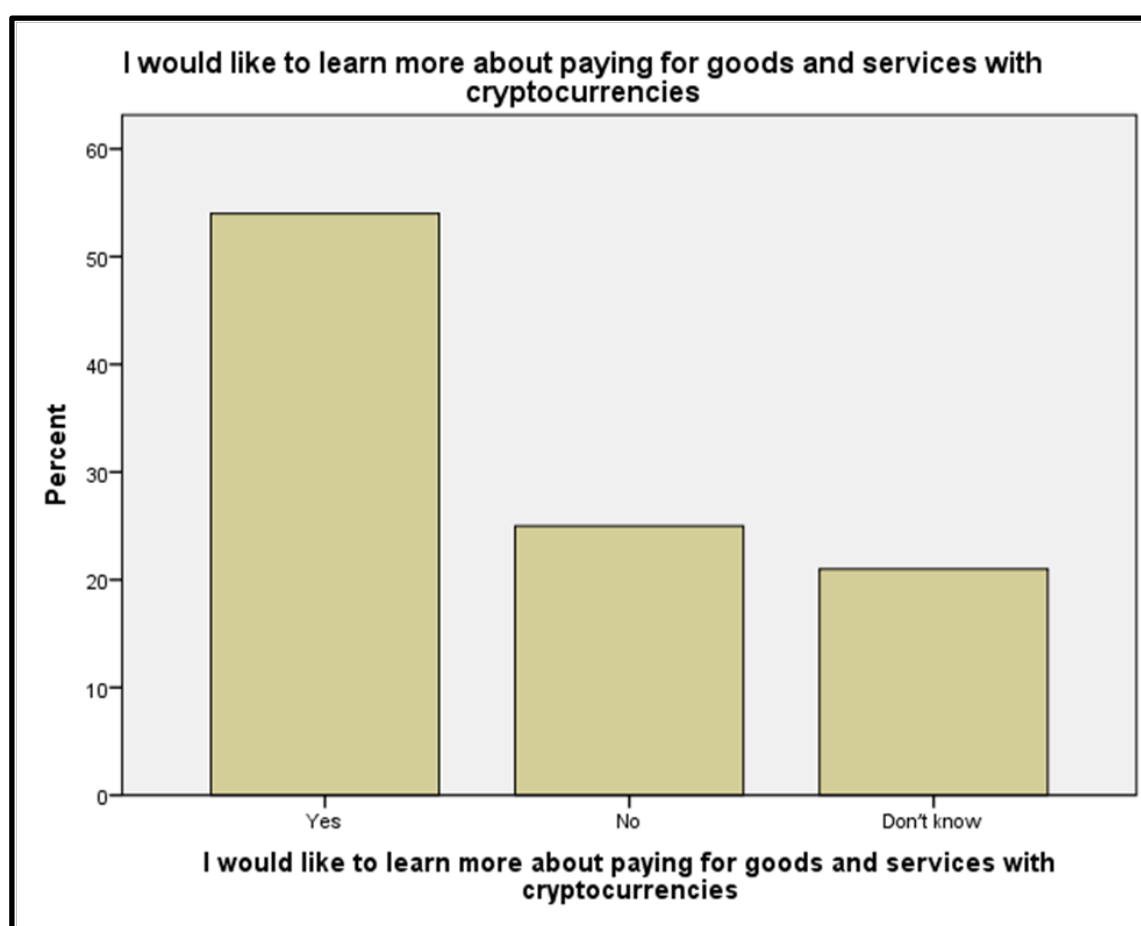
Figure 4.16: Payment through crypto currencies

Analysis

The data above reflect the tendencies of the respondents for learning the payment through crypto currencies. The graph shows that 54% of the people said yes to learning crypto related payments while 25% of the people said to the learning of payment via crypto currencies. In

addition to this, 21% of the people did not have any idea about the question that had been asked to them.

17. "What is your age"?

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
18-25 years	30	30	100
26-35 years	25	25	
36-45 years	24	24	
46 years and above	21	21	

Table 4.17: Age-group of the participants
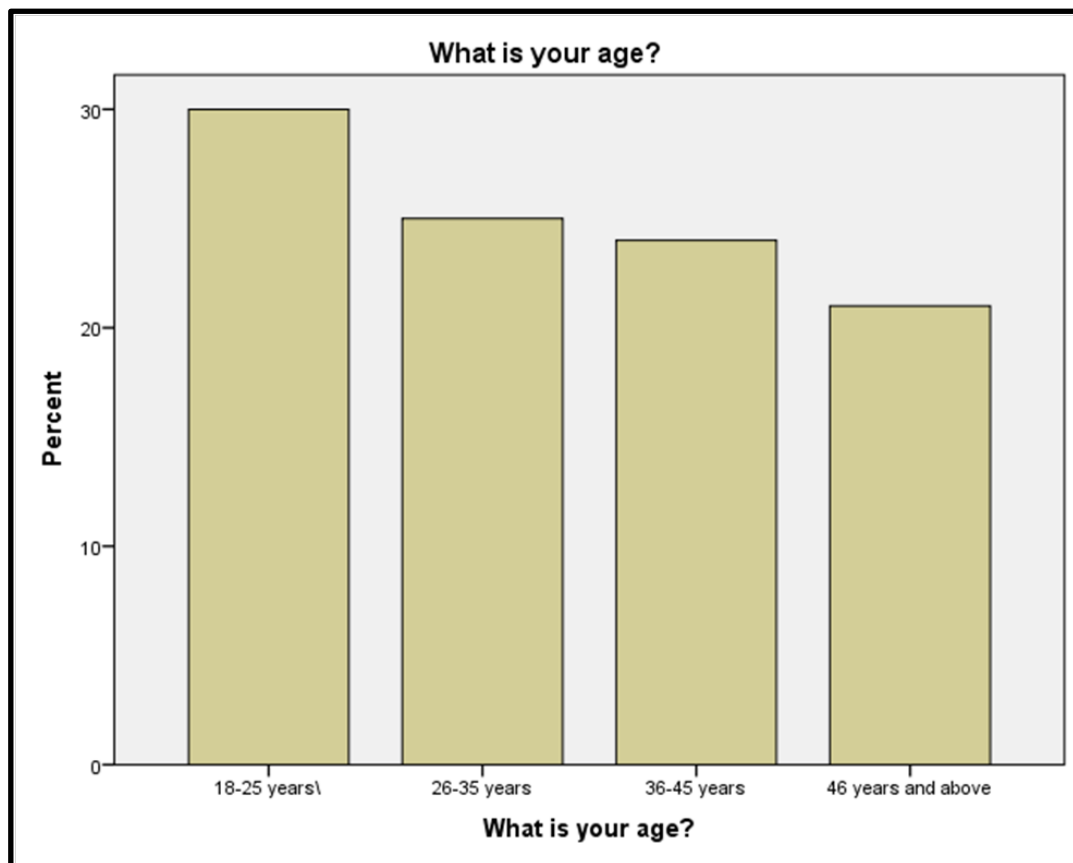
Figure 4.17: Age-group of the participants

Analysis

The data compiled above represent that 30% of the respondents belonged to the age category of 18 to 25 years, and 25% of them belonged to the age group of 26-35 years, 24% of the people belonged to 36-45 years and 21 of the respondents were 45 or above. Hence, it can be evaluated that the data had been influenced by the respondents belonging to multiple age groups.

18. *"What is your gender"?*

Activity	*Percentage*	*"Number of Respondents"*	*"Total Respondents"*
Male	44	44	100
Female	40	40	
Binary	16	16	
Prefer not to say	0	0	

Table 4.18: Gender of the respondents
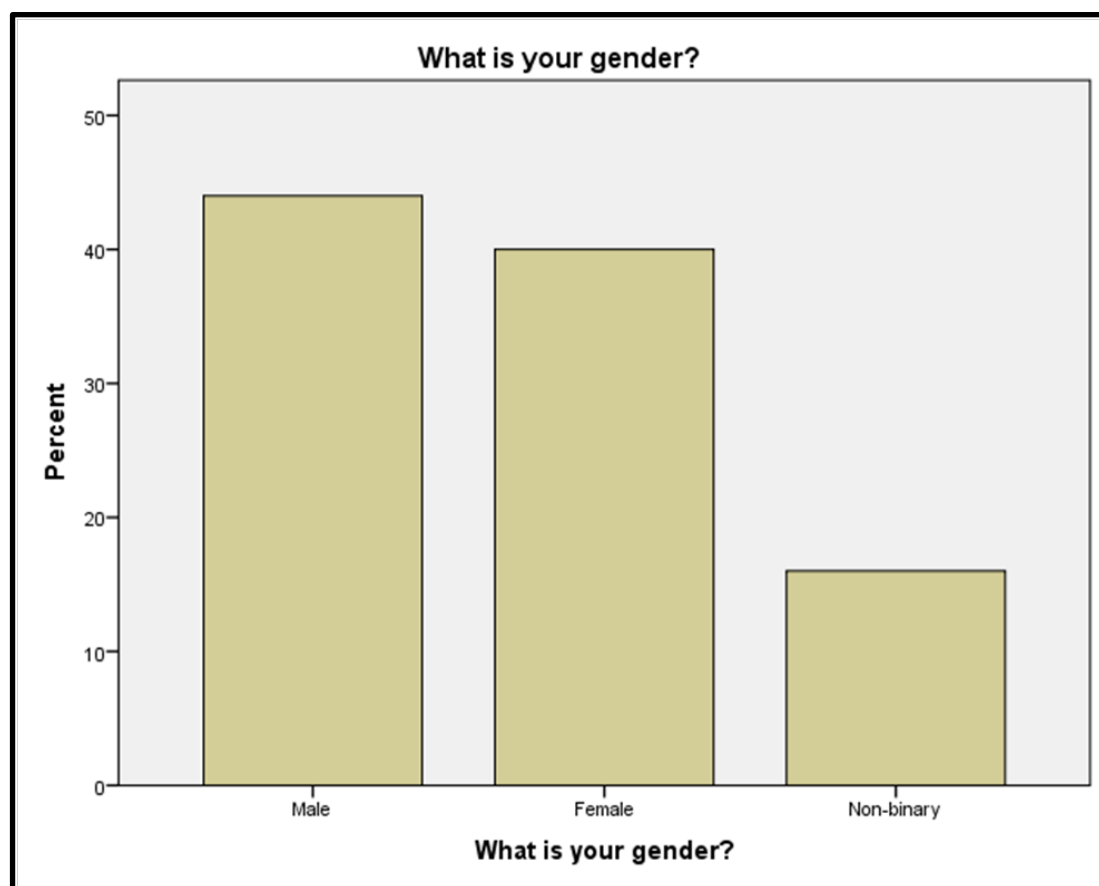
Figure 4.18: Gender of the respondents

Analysis

The data and the graph above show the fact that out of the 100 participants of the survey, 44% were male and 40% were females. 16% of the participants were binary and all the respondents reveal their gender orientation during the survey. Hence, the views are more influenced by the male participants.

[Referred to appendix 3]

4.3 Examination of the consumers' payment attitude

A comprehensive statistical tool named SPSS has been used in order to highlight the consumer payment attitude of all the prospective customers of the UK. It has been highlighted that numerous customers in the UK have already developed a positive attitude toward accepting these digital modes of payment for one reason or the other (Huterska*et al.* 2021). It has also been highlighted that ***approximately 8 percent*** of the people in this respective nation is still now willing to accept all these digital modes of payment in terms of carrying out different sets of day to day transaction. Some of these consumers are utilising these digital modes of transaction but are not willing to use them frequently. It has culminated that approximately 10 percent of the respective consumers are going to fall under this category.

It can be stipulated that there can be numerous reasons that are playing a key role in terms of hindering the acceptance of utilising these digital modes of payment. Lack of technological literacy within certain age groups can be presumed to be one of the primary causes in this regard. On top of that, a high level of insecurity regarding the security level associated with these digital modes of payment is likely to be involved as well (Deufel *et al.* 2019). Last but not least, lack of trust in digital payment can be presumed to play an extremely vital role that is preventing the respective groups of consumers from adapting these convenient modes of payment.

It has been critically analysed that the internet is still perceived as a risky interface despite all its effort in making life simpler. It is acting as a deal-breaker in this respective regard. This is due to the fact that numerous cyber frauds are still associated with digital transactions (Brown *et al.* 2020). Thus, certain groups of consumers in the UK are not willing to adapt to these digital modes of payments despite all the advantages associated with them.

4.4 Preference of consumers regarding payment

It has been critically analysed that a major percent of the respective consumers in the UK prefer to use various modes of payment for weekly shopping. It has also been highlighted that 21 per cent of the people in this respective nation uses \it in every few weeks. Only a hand full of *8 percent* of the respective consumers in this respective nation is not interested in shopping online. Leading to consequences digit6al modes of payment have already earned popularity in this respective nation. It has been found that only 15 percent of the respective shoppers in this country are willing to pay by cash (Wisniewski *et al.* 2021). Digital modes of payments such as the utilisation of Debit cards, credit cards, online wallets, and other UPIs are comparatively more preferred when it comes to shopping. It has been found that the elderly aged people and the technologically illiterate groups are the ones preferring cash over digital modes of payment.

Online shopping and factors such as buy now pay letter have made life comparatively simpler for these prospective groups of consumers in this respective nation. This can be presumed as one of the primary factors behind this respective payment mode preference. According to the words by Andreolli and Surico (2021), certain advantages associated with the utilization of online modes of the transaction have also played a key role in this regard. These respective contactless payments can be associated with an ease of use. Additionally, it is also making the entire shopping experience comparatively safer as well as convenient for all these prospective consumers.

This respective tendency of utilising different digital as well as contactless modes of payment earned popularity since the Covid 19 pandemic. It can be presumed that the utilization of these digital modes of payment is also saving time for these extremely busy customers. As per the words by Puschmann and Powell (2018), customers are no longer required to stand and wait in long queues in order to pay for their respective shopping. These digital modes of payment have made it easy to shop from home and pay online without the hassle of receiving chances. Other factors like the option of pick up or home delivery can be presumed to play a vital role in this regard as well.

4.5 Changing the behaviour of consumers toward payment

The Covid 19 pandemic can be stipulated to be one of the primary factors that played a key role in regards to this respective change in the behaviours of the consumers of the UK toward payment. As per the opinion by Shaw and Kesharwani (2019), all these respective digital, as

well as contactless modes of payment, kept the economy of this respective nation running during the Covid 109 pandemic. It also played a key role in regards to assisting all these prospective groups of consumers to reduce their contact with this fatal virus. This was the time these prospective consumers realised all the other respective benefits associated with these digital and contactless modes of payment.

The busy lifestyle of all these prospective groups of consumers in this respective nation also plays a significant part in this regard. It has culminated that the lifestyle of all the respective citizens in this respective nation is becoming comparatively more complex and difficult with every passing day. All these prospective consumers have to manage all their day to day tasks accordingly. Consequently, all these respective digital payment options played a key role in terms of making life simpler for these respective consumers in the UK. Digital payments can be made within a fraction of a second (Nicolini and Haupt, 2019). Larger transactions are likely to take a maximum of one to three wording dates depending on the pre-existing level of server competency. There will be no longer waiting in long queues for making payments. On top of that, facilities such as pick up or home delivery are also saving time in this busy and hectic daily schedule. All these respective factors boosted the tendency to utilise different digital as well as contactless modes of payment in this respective nation.

4.6 Factors affecting the consumers' behaviour toward payment

There can be numerous factors that can end up affecting the overall consumer behaviour towards these online payments. These respective factors can be inclusive of ***benefits, trust, ease of use, self-efficacy*** as well as ***transactional security***. It can be presumed that approximately 81 percent of the concerned in this respective nation feel concerned while shopping online through different websites. Familiarity with these online shopping websites plays a crucial role for these prospective groups of buyers. This is done in order to ensure a comparatively higher level of inclination toward online shopping that can be associated with online payment (Guttmann *et al.* 2021). On top of that, people would love to prefer websites that are user-friendly in nature to the utmost extent. The respective can be considered to be the fact that this directly impacts the overall shopping experiences of these prospective groups of consumers in the UK. All these people in the UK are living a busy life in this modern time. Thus time means a lot to them. As an outcome, a user-friendly website is likely to attract more prospective groups of customers compared to that attracted by any website associated with a complex interface.

An enhanced level of transactional security can also be considered to be one of the vital factors that are likely to affect consumer behaviours towards online transactions. As per the ideology of Andreolli and Surico (2021), an enhanced level of security with these online modes of payments will be likely to facilitate valuable pieces of information regarding the buyers. Otherwise, there can be enhanced chances of cyber fraud associated with these online transactions. Self-efficacy can also tend to play a key role in this regard. This is due to the fact that the utilisation of these digital modes of payments going to be associated with a high level of individual confidence toward technology. The ability to tactfully as well as effectively control one's emotions and cognition can also tend to affect the decision of utilizing these digital modes of payment

4.7 Importance of the consumers' behaviour for payment

It can be conjectured that studying as well as critically analysing the consumer behaviour of these respective nations in terms of utilising different digital payments will be beneficial. The reason for this can be considered to be the fact that it can help all the respective markets in this respective nation to highlight all the respective factors that can influence consumer buying as well as payment options. It can be conjectured that all these marketers will get a chance to fill the required gaps by analysing the preferred payment method utilised by most of these prospective consumers in this respective nation (Nicolini and Haupt, 2019). It can be summarised that the consumed behaviour of all these prospective consumers in the UK had an optimistic impact in regards to opting for these different types of digital transactional modes. This was due to better convenience, better service as well as better security associated with these respective transactions

4.8 Derivation of payment attitude of consumers in the UK

It has been critically analysed that a handful of people constituting *approximately 15 percent* of the total consumers in this respective nation are comfortable to carry out their respective transactions with cash. This is due to the fact that either they are not highly technologically literate or they lack the confidence of using these respective digital modes of payment in order to carry out their day to day transactions. Similarly, *approximately 22 percent* of the people of this respective nation are comfortable with different digital payments (Huterska*et al.* 2021). But these respective groups of people would prefer to use debit cards to carry out their required transactions. On the other hand, 9 percent of these people prefer credit cards.

It has been critically analysed that the maximum number of prospective buyers in this nation prefer to utilise different mobile wallets for their daily transactions. These respective groups of consumers make up *approximately 23 percent* of the overall consumers in the UK. They tend to use this mode of digital payment quite often like roughly every week. The reasons behind the utilization of this respective type of digital payment can be considered to be the different advantages associated with the use of mobile wallets (Deufel*et al.* 2019). One of the primary advantages can be stipulated to be its competency to save time. It also plates a key role in trimming down different unwanted materials that are generally carried on any traditional wallet other than cash. It can be used for shopping online as well as carrying out different day to day transactions. It is also presumed to be one of the most secure types of digital payment and is widely accepted throughout this respective nation.

4.9 Summary

It has culminated that various modes of digital payments have been earning popularity within all the prospective groups of consumers in this respective nation. Only a handful of these consumers are still preferring traditional modes of payment via cash. This is either due to the lack of technological literacy or the lack of confidence. Ultimately it has been critically analysed that the utilization of various mobile wallets such as *Gpay* as well as *Apple Pay* has gained the maximum popularity as an effective digital as well as a contactless mode of transaction in this respective nation. Thus it can be presumed that digital modes of payments can play a key role in terms of ease of access for these prospective consumers in the UK.

Chapter 5: Conclusion and Recommendations

5.1 Conclusion

It can be concluded that the payment methods in the UK have gone through a large number of transformations in recent times because of the outbreak of the pandemic situation. Moreover, there has been great devastation in the economy of the mentioned country in the prevalent period. The ways of payment that are being used in the mentioned country can include cash, card, digital wallet and BNPL. Therefore, it can be said that digital modes of payment are quite common in the mentioned country. However, it can be observed that there has been a decline in the mode of payment by the use of card methods in the year 2020. Positivism research philosophy has been used in this research and deductive approach has been used. Survey procedures have been used for the accumulation of all data and information for the execution of all the tasks of the research. SPSS tool has been used for the analysis of all the data that have been obtained in the research. SPSS can be described as the statistical tool and it can be used for the analysis of complex forms of data and information. Therefore, it can be described as the most significant tool for the determination of correct outputs of the research.

5.2 Linking with objectives

All the objectives of the research have been fulfilled by the tasks of the research.

Identification of the methods of payment by the individual persons in UK

One of the objectives of this research was to determine the modes of payment by the individual citizens of the UK. This objective has been fulfilled as all the payment methods have been identified by the method of survey procedure. For instance, questions have been asked to the participants of the research regarding the methods of payments that are used by the individual persons. In this manner, the preferred mode of payment has been known. According to the answers that have been given by the participants of the research, many people in the UK use digital wallets for making transactions and other people also use cash as the mode of payment. Therefore, it can be said that the online modes of payment and cash are being used by the citizens of the mentioned country as the method of transactions. Moreover, it can be observed that there has been degradation in the method of payment through the use of debit cards in the presence of the prevalent period. It has been analysed that online methods have been used by most of the people of the UK for making transactions. Therefore, it can be said that the modes of payment of the mentioned country have been identified in the research.

Determination of the factors that can be taken into during the selection of the payment methods

This objective has been fulfilled by the conduction of all the tasks of the research. The factors that can be taken into consideration to choose the mode of payment by the individual persons can include reliability and security. It can be said that these two factors are very much significant for the selection of the method of payment as the people always want a secured mode of transaction. Moreover, technology can be described as one of the most significant factors for the determination of payment procedure as online payment systems are dependent on the technology. Convenience in the mode of payment can also be considered as a factor for the determination of the payment method. The people can also select the mode of payment based on the advantages that can be obtained by the use of the mode of payment. Therefore, it can be said that convenience of a particular payment method can be considered as the most significant factor in the determination of the payment procedure of an individual person. Economic crisis can also be mentioned as the factor that can control the decision of the individual persons regarding the procedure of payment. Moreover, all the safety procedures are also considered as the factor for the determination of the technique of payment by the individual persons of the chosen country. .

Exploration of the attitudes of the individual citizens regarding the procedures of payments

The attitude of the individual citizen has been identified by the use of the survey procedure where questions have been asked to the individual regarding the methods of payment. Therefore, it can be described that this objective of the research has also been fulfilled. Most of the persons of the mentioned country prefer to use e wallets as the mode of payment. Moreover, the BNPL mode of transactions has also been used by the individual citizens. However, according to the analysis of the data that has been obtained in the research, cards are also being used by the citizens of the mentioned country as a mode of transaction. Therefore, it can be described that digital modes of payment are mostly used by the individual persons. Fewer people have responded in support of liquid cash as the technique of payment. Therefore, it can be seen that most of the people of the mentioned country use digital techniques for making payments rather than using cash as the payment method.

Hence, it can be seen that all the objectives of the research have been fulfilled by the procedure of survey and by the use of *SPSS tool* for analysis of all the data and information.

5.3 Research Gap

In this research, a secondary method has not been used for the collection of data and information. In the secondary method, information can be obtained regarding the topic of the research from the previously published journals and relevant websites. Therefore, it can be said that this research lacks information from the previously published journals which contain opinions of well-known authors. It can be described as the limitation of the research as information has not been obtained from the previously published journal articles. Thematic analysis has not been used in this research which has the advantage of maintenance of flexibility in the research. Therefore, it can also be considered as the disadvantage in his research.

5.4 Future scopes

The tendency of the respective customers to opt for various digital and contactless payment methods can be associated with numerous advantages. Thus it can be presumed that the digital payment market is likely to grow at a compound annual growth rate. This can signify the fact that an approximate growth rate of *13.7 percent* can be witnessed between the years *2021 and 2026*. According to the ideology of Huterska*et al.* (2021), this is due to the fact that the Covid 19 pandemic impacted the lifestyle of all the people around the world. As an outcome, the consumer behaviour of all these respective citizens in the UK ended up getting evolved.

It can be presumed that the utilization of various digital as well as contactless payment options will tend to play a vital role in regard to boosting employability within this respective nation. As per the views of Deufel *et al.* (2019), it will also tend to play an extremely prospective part in terms of reducing the risks associated with cash. This can be inclusive of risks such as carrying a bulk amount of cash, corruption, robbery as well as cash loss. Other risks such as returning changes and insecurities can be mitigated as well. On top of that, utilising different cashless modes of payment can also assist in transferring the money with safety and security at an extremely high speed.

It is likely to be stipulated that the tendency of people in this respective nation to opt for various digital commerce activities has grown from *3.36 percent* in the year *2017* to approximately *4.83 percent* by the end of *2021*. It is also likely to rise up to *13.85 percent* by the end of *2026*. Similarly, the tendency of mobile payment has also gained popularity. The utilization of mobile payment was hardly *0.33 percent* in the year *2017*. It rose to approximate to *approximately 2.46 percent* by the end of the year *2021*. It is likely to grow to approximately *5.39 percent* by

the year *2026* (Wisniewski *et al.* 2021). It can be presumed that Covid 19 played a key role in this regard.

Citizens of this respective nation also realised the fact that these cashless digital modes of payment, as well as contactless modes of payment, can be associated with a comparatively higher level of security. As per the words of Brown *et al.* (2020), these respective modes of payments are comparatively more seamless in nature. Organizations are also offering different discounts and offer in order to encourage the utilization of these digital modes of payment. It is playing a key role in terms of maintaining social distance despite not hindering the transaction. It is also letting these respective citizens of the UK to track their individual levels of spending more precisely. Due to all these reasons cashless modes of payment have already earned popularity in this respective nation and will end up becoming the most common mode of payment in this nation in the forthcoming future ahead.

5.5 Recommendations

This Covid 19 pandemic has already played a key role in terms of affecting the consumer behaviours of all the prospective customers in the UK. It has also affected the preference of all these consumers in terms of utilizing different digital modes of payment to complete all their respective day to day transactions. It can be recommended to these respective groups of consumers in the UK to continue utilizing different digital cashless payment options. This is due to the fact that these respective modes of payment can be associated with numerous advantages. These respective advantages will tend to make the life of these respective citizens comparatively simpler as well as secure at the same point in time. According to the views of Puschmann and Powell (2018), saving valuable time can be considered to be one of the primary reasons to encourage the utilization of different online payment modes. Additionally, it also plays a key role in terms of making the entire shopping experience comparatively simpler as well as convenient.

This is due to the fact that these prospective groups of customers will be ordering their respective requirements via their smart electronic gadgets and can get them delivered right at their doorstep. It can be presumed that approximately *79 percent* of the people in this respective nation utilise smart electronic devices for various online shopping (Shaw and Kesharwani, 2019). On top of that organizations also provide the option of pick up or home delivery in order to make the entire shopping experience of these prospective customers more personalised.

Thus, it can be presumed that most of the people in this respective nation can end up preferring this respective mode of payment in order to make shopping simpler in their busy life.

It can also be further recommended to utilise different digital modes of payment because of the reason that it will be associated with an additional layer of protection that can secure the respective transaction. According to the opinion of Nicolini and Haupt (2019), that will tend to play an extremely vital role in regards to securing the overall phenomenon of shopping., this can be done by resolving as well as securing all the currency-related issues that will be likely to occur in terms of using cash for payment. On top of that, it can be presumed that it will also boost control as well as hygiene of these prospective groups of shoppers. This is an extremely vital part of this present situation post the Covid 19 pandemic.

Other factors such as the low risk for theft despite having an extremely high level of reliability can be associated with this respective mode of payment. It can be considered to be one of the most effective modes of payment that can save time. Last but not least, these respective digital modes of payment are extremely easy to manage. Thus it can be subjected to the citizens of the UK. According to the views of Guttmann *et al.* (2021), the main objective of recommending digital transactions to the prospective groups of consumers in the UK can be considered to be an increased level of transparency as well as security-related to monetary transactions. This will tend to make the overall process of tracking as well as handling these respective transactions further convenient for these people in the UK.

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Appendix

Appendix 1: Information for participants

National College of Ireland

PARTICIPANT INFORMATION SHEET TEMPLATE

STUDY TITLE
EXAMINING THE CONSUMER PAYMENT PREFERENCES IN THE UK: A PRIMARY SURVEY-BASED STUDY

INVITATION PARAGRAPH
You are being invited to take part in a research study. Before you decide whether or not to take part, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.

WHAT IS THE PURPOSE OF THE STUDY?
This study intends to examine consumer payment preferences in the UK. The growing preference for contactless payments, BNPL (buy now pay later) and cryptocurrency shall be explored to formulate recommendations for innovations in the consumer payment sector.

WHY HAVE I BEEN INVITED TO PARTICIPATE?
You have been invited to take part in this study since you are 18 years or above in age, reside in UK and have done some kind of payment in the past 3 months.

DO I HAVE TO TAKE PART?
It is up to you to decide whether or not to take part. If you do decide to take part you will be given this information sheet to keep and be asked to sign a consent form. If you decide to take part you are still free to withdraw any time from the study without informing the researcher.

WHAT WILL HAPPEN TO ME IF I TAKE PART?
You will be asked to answer a few questions which do not require any specialised knowledge of sustainability. It will take 15 minutes to complete the survey. You may choose not to answer any question(s) if you feel so. There are no direct advantages of participating in the study, however your participation shall help the researcher in successfully completing the dissertation.

WILL MY INFORMATION IN THIS STUDY BE KEPT CONFIDENTIAL?
All information collected about the individual will be kept strictly confidential (subject to legal limitations). The confidentiality, privacy and anonymity of all participants will be ensured in the collection, storage and publication of research material.

WHAT SHOULD I DO IF I WANT TO TAKE PART?
If you decide to participate in the study, then provide the consent for the same and proceed with completing the survey on the subsequent pages.

WHAT WILL HAPPEN TO THE RESULTS OF THE RESEARCH STUDY?
The results from the research study will be used in the master's dissertation for Master of Science in Management Information degree. The results will be published as a dissertation and you can obtain a copy by requesting the researcher via email.

WHO IS ORGANISING AND FUNDING THE RESEARCH?
Researcher is conducting the research as a student at the National College of Ireland as a student pursuing Master of Science in Management Information.

WHO HAS APPROVED THIS STUDY?
The research has been approved by the Ethics Committee of the National College of Ireland.

CONTACT FOR FURTHER INFORMATION
If you have any concerns about the way in which the study has been conducted, you can contact my supervisor on the following

Researcher: Aditi Singh
Email: x20131127@student.ncirl.ie

Supervisor: Julius Nyiawung
Email: julius.nyiawung@ncirl.ie

THANK YOU FOR TAKING THE TIME TO READ THIS.

DATE
08 April 2022

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Appendix 2: Consent for participation

National College of Ireland
CONSENT FORM FOR RESEARCH PARTICIPANTS

**Title of Project: EXAMINING THE CONSUMER PAYMENT PREFERENCES IN THE UK:
A PRIMARY SURVEY-BASED STUDY**

Dear Participant:
You will be given a copy of this Consent Form to keep and refer to at any time.
Tick the appropriate column for each item if your answer is "yes" or "no"
Thank you.

	Statement	YES	NO
1	I have read and understood the Participant Information Sheet and know what the research involves.		
2	I have been given the opportunity to ask questions about the project and my participation.		
3	I voluntarily agree to participate in the project		
4	I understand that I have the right to withdraw at any time, without having to explain my reasons for doing so.		
5	The procedures regarding confidentiality have been clearly explained to me		
6	The use of the data in research, publications, sharing and archiving has been explained to me.		
7	I understand that the data will be kept at a secure location with the researcher and may be used for articles or reports as an output of this research project, but my confidentiality and anonymity will be maintained.		
8	I do not want to reveal my identity in this project and in any output of this research and understand that my identity will be kept anonymous.		
9	I agree to participate in this research procedure as outlined to me above		

Participant's Signature:

Researcher:

Appendix 3: Survey questionnaire

EXAMINING THE CONSUMER PAYMENT PREFERENCES IN THE UK: A PRIMARY
SURVEY-BASED STUDY

1. How often do you typically use the following payment methods?

   a) Weekly

   b) Monthly

   c) Every few months

   d) Yearly

   e) Less than yearly

   f) Never

2. Which of the following would be your preferred payment method when buying something
from a business (eg shop, restaurant) for the following types of transactions?

   a) Cash

   b) Debit card

   c) Credit/charge card

   d) Online wallet (eg PayPal)

   e) Mobile wallet (eg Apple Pay, Google Pay)

   f) Buy Now Pay Later (eg Klarna, Clearpay)

   g) None of these

3. Which of the following would be your preferred payment method when paying a person for
the following types of transactions?

a) Cash

b) Bank transfer (ie transfer of money between two accounts)

c) Online wallet (eg PayPal)

d) Mobile wallet (eg Apple Pay, Google Pay)

e) Standing order (ie regular payment set up by you for a certain amount)

f) None of these

4. Which of the following do you typically take into consideration when choosing a payment method? Please select all that apply.

a) Payment method I'm familiar with

b) Speed of payment

c) Protection for purchases (eg if goods are faulty, if the retailer goes bust)

d) Security features (ie requires a secure authorisation)

e) Ease of keeping track of my spending (eg notifications, budgeting)

f) Wide acceptance (ie can use at majority of businesses)

g) Rewards/discounts

h) Privacy concerns (eg anonymity of payment)

i) Option to spread the cost (eg pay in instalments)

j) None of these

5. I have access to all of the payment options I need

a) Yes

b) No

c) Don't know

6. I prefer to pay bills by direct debit

a) Yes

b) No

c) Don't know

7. I know how to alert my bank/card provider of any concerns I have about fraud/scams

a) Yes

b) No

c) Don't know

8. I am confident I know the best payment option when paying for goods and services

a) Yes

b) No

c) Don't know

9. I keep some cash at home for emergencies

a) Yes

b) No

c) Don't know

10. I always carry some cash with me

a) Yes

b) No

c) Don't know

11. I want the option to set up my own limit for contactless card payments [1]

   a) Yes

   b) No

   c) Don't know

12. I think using a smartphone to pay in-person is a hassle

   a) Yes

   b) No

   c) Don't know

13. I think the contactless payment limit increasing to £100 is a good thing

   a) Yes

   b) No

   c) Don't know

14. My payment habits have permanently changed following the COVID-19/coronavirus pandemic

   a) Yes

   b) No

   c) Don't know

15. I would like to learn more about paying for goods and services with QR codes

   a) Yes

   b) No

c) Don't know

16. I would like to learn more about paying for goods and services with cryptocurrencies

    a) Yes

    b) No

    c) Don't know

17. What is your age?

    a) 18-25 years

    b) 26-35 years

    c) 36-45 years

    d) 46 years and above

18. What is your gender?

    a) Male

    b) Female

    c) Non-binary

    d) Prefer not to say

Appendix 4: SPSS Tables

How often do you typically use the following payment methods?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Weekly	40	38.8	40.0	40.0
	Every few weeks	21	20.4	21.0	61.0
	Every few months	11	10.7	11.0	72.0
	Yearly	10	9.7	10.0	82.0
	Less than yearly	10	9.7	10.0	92.0
	Never	8	7.8	8.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

Which of the following would be your preferred payment method when buying something from a business (eg shop, restaurant) for the following types of transactions?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cash	15	14.6	15.0	15.0
	Debit Card	22	21.4	22.0	37.0
	Credit/charge card	9	8.7	9.0	46.0
	Online wallet (eg PayPal)	18	17.5	18.0	64.0
	Mobile wallet (eg Apple Pay, Google Pay)	23	22.3	23.0	87.0
	Buy Now Pay Later (egKlarna, Clearpay)	13	12.6	13.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

Which of the following would be your preferred payment method when paying a person for the following types of transactions?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cash	10	9.7	10.0	10.0

		Frequency	Percent	Valid Percent	Cumulative Percent
	Bank transfer (ie transfer of money between two accounts)	25	24.3	25.0	35.0
	Online wallet (eg PayPal)	29	28.2	29.0	64.0
	Mobile wallet (eg Apple Pay, Google Pay)	19	18.4	19.0	83.0
	Standing order (ie regular payment set up by you for a certain amount)	11	10.7	11.0	94.0
	None of these	6	5.8	6.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I have access to all of the payment options I need

		Frequency	Percent	Valid Percent	Cumulative Percent
	Yes	49	47.6	49.0	49.0
Valid	No	32	31.1	32.0	81.0
	Don't know	19	18.4	19.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I am confident I know the best payment option when paying for goods and services

		Frequency	Percent	Valid Percent	Cumulative Percent
	Yes	51	49.5	51.0	51.0
Valid	No	28	27.2	28.0	79.0
	Don't know	21	20.4	21.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

Which of the following do you typically take into consideration when choosing a payment method? Please select all that apply.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Payment method I'm familiar with	5	4.9	5.0	5.0
	Speed of payment	6	5.8	6.0	11.0
	Protection for purchases (eg if goods are faulty, if the retailer goes bust)	12	11.7	12.0	23.0
	Security features (ie requires a secure authorisation)	16	15.5	16.0	39.0
	Ease of keeping track of my spending (eg notifications, budgeting)	14	13.6	14.0	53.0
	Wide acceptance (ie can use at majority of businesses)	14	13.6	14.0	67.0
	Rewards/discounts	13	12.6	13.0	80.0
	Privacy concerns (eg anonymity of payment)	7	6.8	7.0	87.0
	Option to spread the cost (eg pay in instalments)	7	6.8	7.0	94.0
	None of these	6	5.8	6.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I prefer to pay bills by direct debit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	43	41.7	43.0	43.0
	No	39	37.9	39.0	82.0
	Don't know	18	17.5	18.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I know how to alert my bank/card provider of any concerns I have about fraud/scams

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	50	48.5	50.0	50.0
	No	29	28.2	29.0	79.0
	Don't know	21	20.4	21.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I keep some cash at home for emergencies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	41	39.8	41.0	41.0
	No	36	35.0	36.0	77.0
	Don't know	23	22.3	23.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I always carry some cash with me

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	58	56.3	58.0	58.0
	No	26	25.2	26.0	84.0
	Don't know	16	15.5	16.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I want the option to set up my own limit for contactless card payments

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	60	58.3	60.0	60.0
	No	24	23.3	24.0	84.0

		Frequency	Percent	Valid Percent	Cumulative Percent
	Don't know	16	15.5	16.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I think using a smartphone to pay in-person is a hassle

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	21	20.4	21.0	21.0
	No	60	58.3	60.0	81.0
	Don't know	19	18.4	19.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I think the contactless payment limit increasing to £100 is a good thing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	60	58.3	60.0	60.0
	No	21	20.4	21.0	81.0
	Don't know	19	18.4	19.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

My payment habits have permanently changed following the COVID-19/coronavirus pandemic

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	40	38.8	40.0	40.0
	No	40	38.8	40.0	80.0
	Don't know	20	19.4	20.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I would like to learn more about paying for goods and services with QR codes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	59	57.3	59.0	59.0
	No	24	23.3	24.0	83.0
	Don't know	17	16.5	17.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

I would like to learn more about paying for goods and services with cryptocurrencies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	54	52.4	54.0	54.0
	No	25	24.3	25.0	79.0
	Don't know	21	20.4	21.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

What is your age?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25 years\	30	29.1	30.0	30.0
	26-35 years	25	24.3	25.0	55.0
	36-45 years	24	23.3	24.0	79.0
	46 years and above	21	20.4	21.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		

What is your gender?

		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Male	44	42.7	44.0	44.0
	Female	40	38.8	40.0	84.0
	Non-binary	16	15.5	16.0	100.0
	Total	100	97.1	100.0	
Missing	System	3	2.9		
Total		103	100.0		