

Consumer Corner

Consumers Are Plugged Into Paying Electronically

(NAPSA)—When it comes to paying for goods and services, consumers want a choice of types of payments—like debit cards or credit cards—at the checkout. They also want their payment methods to be secure.

Those are two of the key findings of the most recent version of the STAR® Consumer Payments Usage Study, an annual survey.

In the survey, consumers reported using two to four payment types monthly, indicating that multiple payment types are favored based on individual preferences at the checkout.

The use of debit cards is on the rise. For instance, nearly half of consumers surveyed (47 percent) prefer to type in their PIN number when making purchases, compared to 30 percent of debit card users who prefer to use a signature at the checkout.

Survey respondents largely cite increased security as the number-one reason for choosing to use their PIN number to make purchases (46 percent).

More than five out of every six ATM/debit consumers surveyed had used their ATM/debit card at an ATM or at the checkout at least once in the 30 days prior to the survey. In addition to debit, whose popularity is especially strong among consumers between the ages of 21 and 54, consumers continue to use other electronic payment options regularly as well.

Twenty-nine percent of non-debit users surveyed say credit cards are their preferred means of payments, up 11 percent over 2003.

“The research indicates that consumers prefer to make payments with a debit card at the checkout counter because they



According to a recent survey, the use of electronic payment methods by consumers is on the rise.

like the security and convenience,” said Debra Janssen, president of First Data Debit Services, the survey sponsor. “STAR is addressing this preference by bringing PIN pads to new types of merchants such as quick-service restaurants, movie theaters, newspaper stands, laundries and parking facilities.”

The survey also showed that consumer use of store gift cards and prepaid cash cards is on the rise. The use of both kinds of cards increased by at least four percentage points in 2004 over 2003.

The use of online bill paying continues to grow as well, with 32 percent of consumers reporting they paid bills online, an increase of 5 percent over the previous year.

First Data Corp.’s STAR Network is a coast-to-coast electronic payments network and an expert in secure, real-time electronic transactions. The STAR Network serves more than 5,800 financial institutions across the U.S. and provides cardholders with account access at more than 1.7 million ATMs and retail locations.

Please visit www.STAR.com to find ATM and retail locations.