



Visa Consumer Payment Attitudes Study 3.0

The Digital Future of Payments and Commerce in Hong Kong, Macau, and Taiwan



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Introduction

Given how rapidly payment landscapes change and evolve in today's day and age, **keeping up with consumer behaviors and emerging trends is essential** to be able to deliver a better payment experience & a more elaborate network that's inclusive and for-all.

The **Visa Consumer Payment Attitudes** survey is done annually as a continuous effort to better understand the pulse of consumers and evolving payment behaviors when it comes to digital payments, digital banking and the future of commerce – in order to expand access and enable digital-first experiences. Visa continually works towards connectivity – operating a dynamic network of people, partnerships, and products within a trusted network that drives commerce forward and keeps money moving. Visa believes that economies include everyone everywhere, uplifts everyone everywhere.

Introduction

In this third edition of the annual research, we take a deeper dive into:



The effects of the pandemic, one year later, on consumer sentiments and category dynamics



The continually evolving payment landscape - how cashless continues to break through ingrained habits of cash payments



How contactless and digital payments continue to be a force to be reckoned with, dominating in-store payments across categories



The importance of value & relationships for customer retention through loyalty programs & rewards



The ever-growing digital banking space and views on open data & data privacy

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Mood of the region

1.1 Vaccination drives comfort & confidence

More than one year living with coronavirus, consumers have been 'languishing' – living in a state of stagnation and decreasing vitality.¹ Consumers are struggling with the emotional long-haul of the pandemic, and are finding numerous ways to cope.

However, there is light at the end of the tunnel: vaccination. Not only does it drive physical immunity and provide protection from the virus; it also impacts emotional and mental wellbeing and ultimately consumption behavior – driving confidence to participate in activities that were put on hold over the last year. Many out-of-home categories that had slowed down will re-surge and businesses should gear up to tap these opportunities.

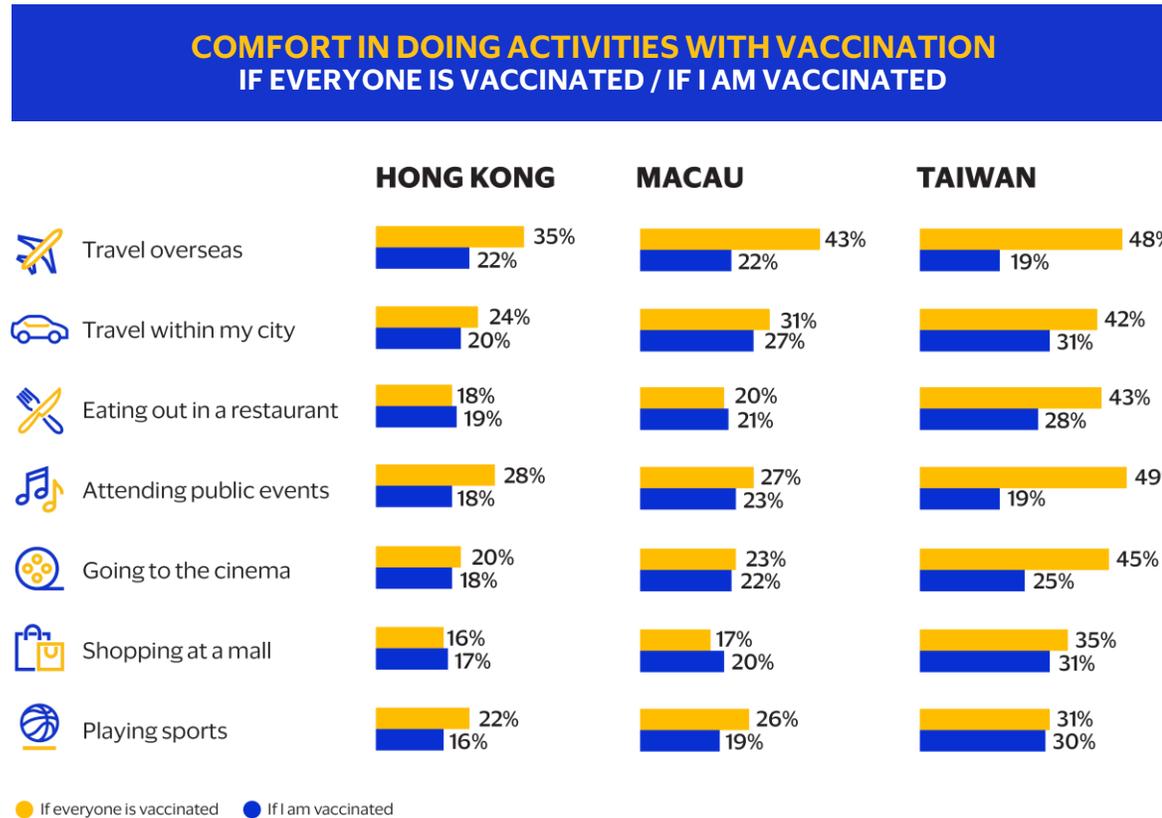


Mood of the region

1.1 Vaccination drives comfort & confidence

Vaccination is the key to unlock comfort levels around travel, whether domestic or overseas, for both Hong Kong and Macau.

It will also influence other activities that involve large groups of people, such as attending public events and playing sports. Comfort levels around local activities such as eating out in a restaurant, going to the cinema, and domestic travel are more likely to experience the impact of vaccination in Taiwan.



Mood of the region

1.2 The rebound of consumer spending

Given the financial impact of the pandemic, it comes to no surprise that there has been a significant increase in spend for essential categories e.g. utility bills, daily living expenses.

However, at the same time consumers are still spending on categories otherwise deemed as 'non-essential'. In fact, spend on leisure activities & entertainment is the second highest in Macau, with 1 out of 5 consumers having increased spend since pre-COVID times.

There has also been growth of investments given the uncertainty of the future, especially in Hong Kong and Taiwan where 1 out of 4 consumers had increased in spending. Shares and stocks and fixed time deposits have the biggest share currently and is expected to grow further. While cryptocurrency is not as common, there is high awareness and future intention to invest – especially in Hong Kong and Taiwan.

CHANGE IN SPENDING PER CATEGORY COMPARED TO PRE-COVID – INCREASE IN SPENDING OFFLINE / ONLINE (TOP 5)

HONG KONG

Home utility bills	39%
Daily living expenses	35%
Online subscriptions	27%
Investment	27%
Education	20%

MACAU

Daily living expenses	23%
Leisure activities & entertainment	21%
Investment	18%
Enrichment programs	17%
Home utility bills	17%

TAIWAN

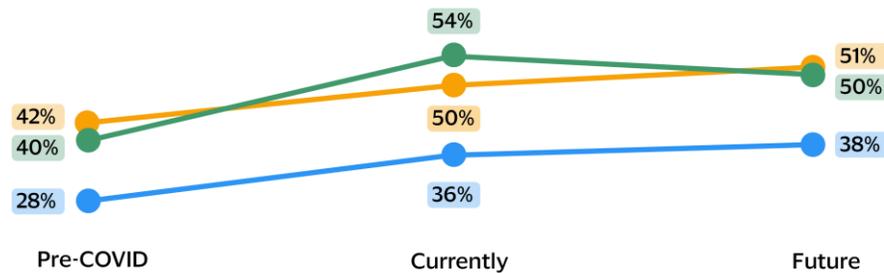
Home utility bills	54%
Daily living expenses	42%
Computers & other peripherals	28%
Education	27%
Investment	26%

Mood of the region

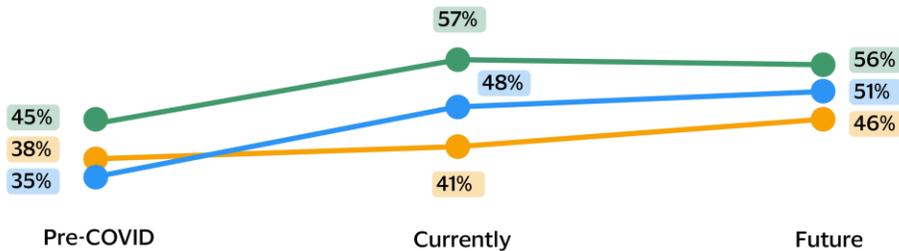
1.3 Sustainable growth for e-Commerce

ONLINE SHOPPING FREQUENCY & SHOPPING EXPENSES BREAKDOWN

Frequency - % who shop online at least once a week or more often



Shopping breakdown - % of total expenses paid for online



● Hong Kong ● Macau ● Taiwan

With the fluid lockdown situation across the three markets during the pandemic, many consumers turned to online shopping for their needs and wants.

This has helped in accelerating the growth of e-Commerce compared to pre-COVID times. All three markets experienced an increase in frequency of online shopping as well as an increase in the total expenses paid for online - but growth in Taiwan was more prevalent.



Mood of the region

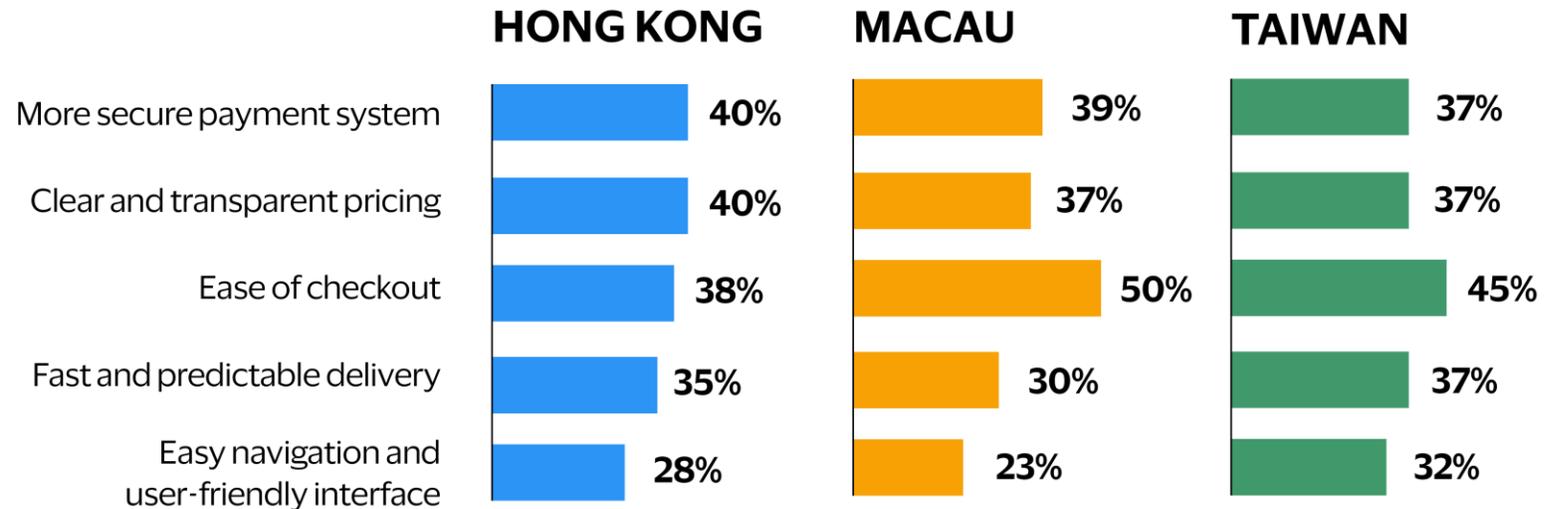
1.3 Sustainable growth for e-Commerce



As the situation stabilizes in the next 12 months, the growth of online shopping is expected to level off – however, it will still be the norm as consumers expect to balance both online vs. offline shopping.

To continue to drive sustainable growth for e-Commerce, it's important to continually improve the online shopping experience by focusing on the following factors as considered important by consumers: a secure payment system, easy checkout, and transparent pricing.

IMPORTANT FACTORS FOR E-COMMERCE (TOP 5)



Cashless momentum

2.1 Evolving payment landscapes

The pandemic's impact on consumer payments and the growth of cashless is still apparent more than one year later. However, the markets are at different levels of maturity when it comes to cashless usage.

Hong Kong and Taiwan have a similar payment landscape, where credit/ debit cards lead as the most used payment method. Contactless card payments are also prevalent, while stored-value cards such as Octopus, Macau Pass, and EasyCard are widespread for the purpose of daily transport. Macau shows a different scenario, still in a cashless development phase with lower usage of contactless, store-valued, and credit/ debit cards. However, mobile payments with card as a funding source has shown significant growth over the past year.



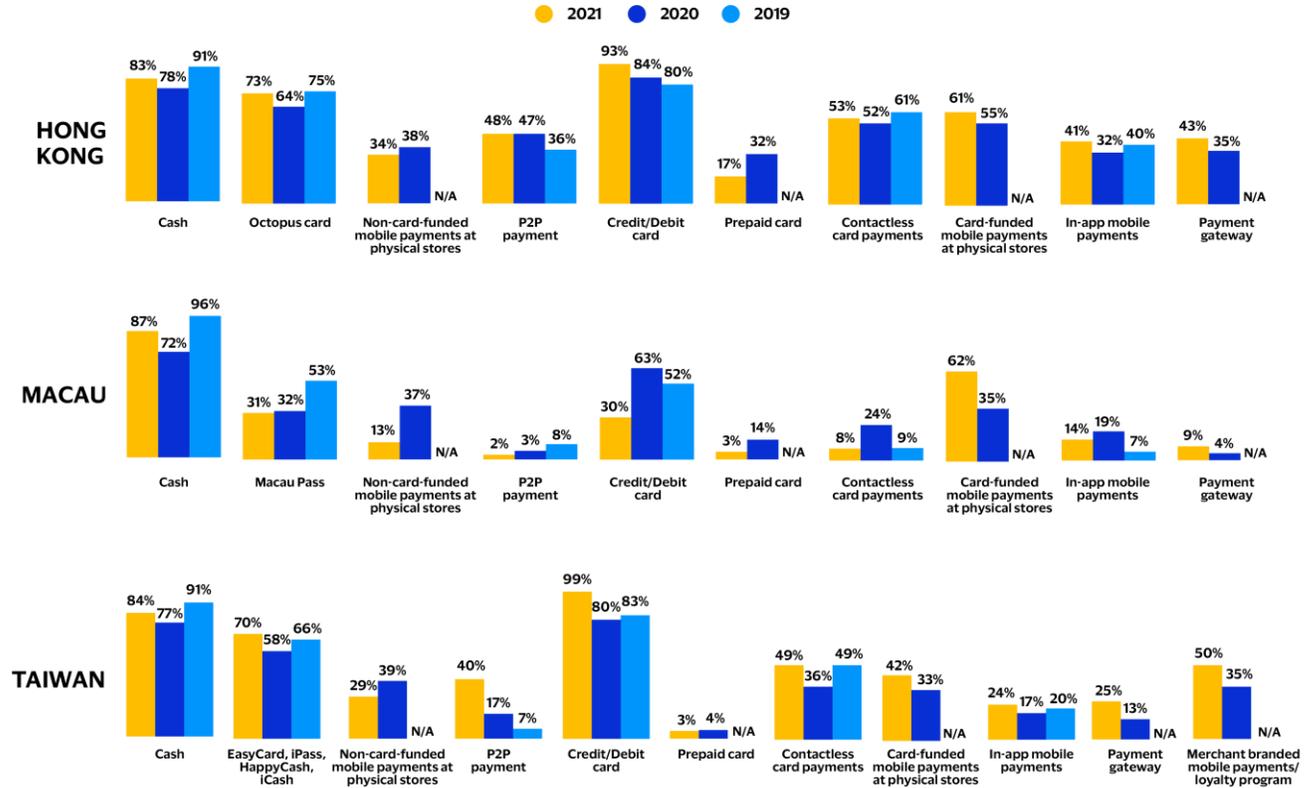
Cashless momentum

2.1 Evolving payment landscapes



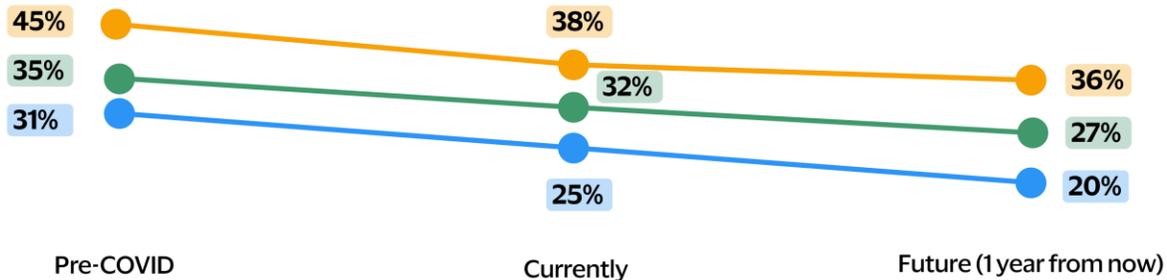
Initial panic during the onset of COVID in 2020 saw a slight decrease across most methods of payment likely driven by decreased transactions due to social and travel restrictions. As the economy opened out in 2021, usage generally increased – including cash. But overall, there is increasing use and preference for digital payments across card & mobile.

PAYMENT METHOD USAGE

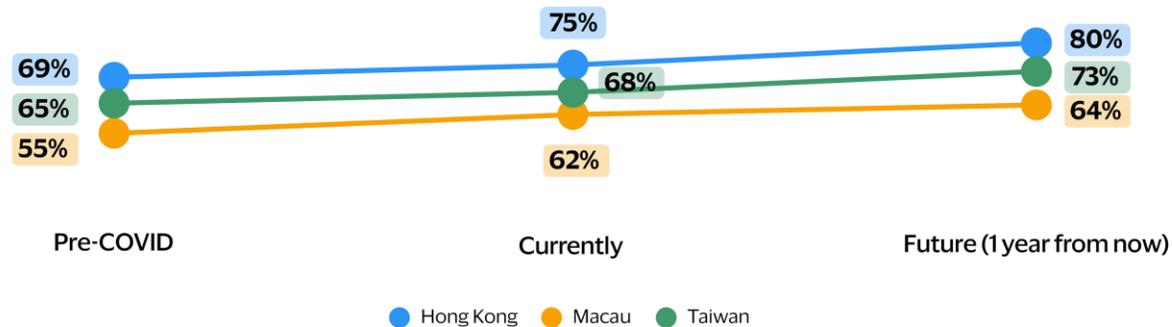


MONTHLY EXPENSES BREAKDOWN – SHARE OF CASH VS. CASHLESS

Share of cash in monthly payments



Share of cashless in monthly payments



When it comes to the breakdown of monthly expenses, cash previously ruled but is now losing its share in the payment landscape. For every opportunity to pay with either cash or cashless methods, consumers are increasingly preferring cashless payments. From pre-COVID to current times – the three markets have shown exciting growth in share of cashless methods and this is expected to continue over the next year. A good majority of consumers in Hong Kong and Taiwan will have most of their expenses paid with cashless methods, while at least 6 out of 10 in Macau will do so.

Continuing efforts to displace cash in the future or next few months, even as life goes back to normal, is key to make this growth sustainable.



Cashless momentum

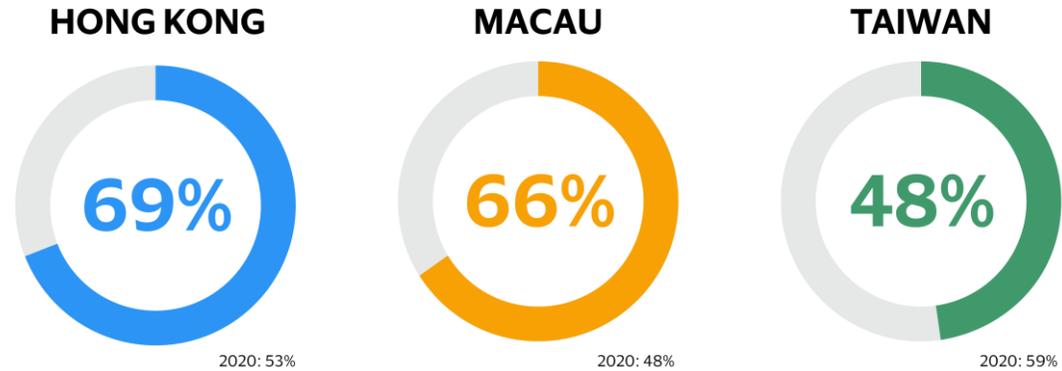
2.2 Transition towards a fully cashless society

The use of cashless is becoming more universal, as a higher percentage of consumers have attempted to get by without cash in their wallets this year in Hong Kong and Macau.

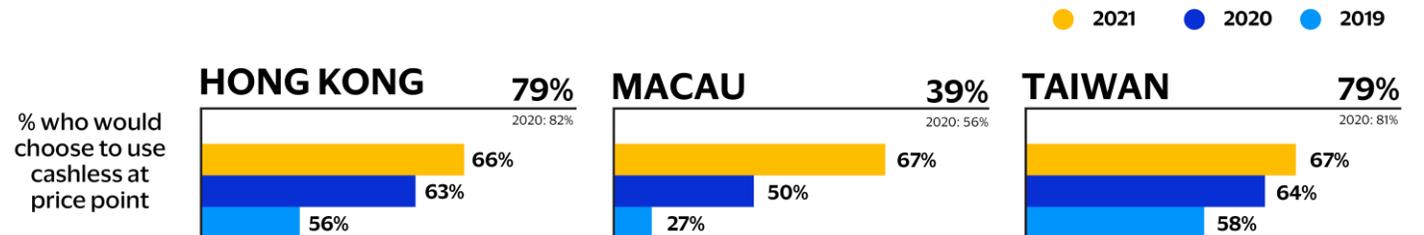
However, across the board the use of cash becomes less dependent on transaction value, losing reign over smaller amounts as there is growing openness to go cashless at lower thresholds. A good majority of consumers across the three markets would go as low as HKD 100/ MOP 100/ NTD 400 and not hesitate to use cashless forms of payment. The biggest jump is witnessed in Macau, where just 1 out of 4 of consumers would be willing to use cashless methods for an amount this low in 2019 vs. 67% in 2021.



ATTEMPTS TO GO CASHLESS (% TRIED TO CARRY NO CASH AND RELY ON OTHER MEANS OF PAYMENT)



% THAT SAYS THEY DECIDE BETWEEN CASH VS. CASHLESS PAYMENT METHOD BASED ON VALUE



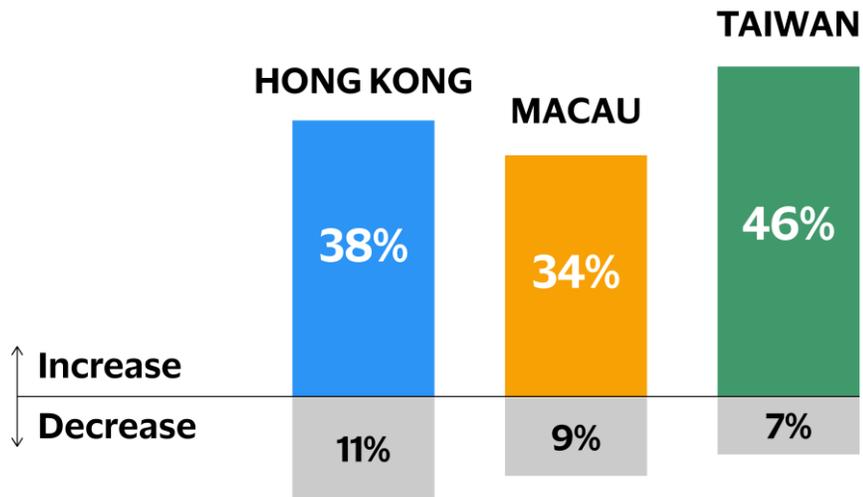
A close-up photograph of a person's hand holding a smartwatch over a payment terminal. The watch face displays a Visa logo. The terminal has a 'PLEASE PLACE' label and a contactless payment symbol. The background is blurred, showing what appears to be a retail or service environment.

Almost 4 in every 10 consumers in Hong Kong, Macau, and Taiwan are expected to increase their use of cashless payments in the next year.

Reasons for this expected increase in usage in Hong Kong and Taiwan include appealing rewards & discounts, the hygiene and safety factors.

As for Macau, the biggest influencers is the speed of cashless transactions. Across the three markets, the growing acceptance of cashless methods in the market coupled with the eroding habit of carrying physical cash around are major factors contributing to the potential increase in cashless usage.

CHANGE IN USE OF CASHLESS PAYMENTS IN THE FUTURE*



*Next 12 months



Reasons for expected increase in cashless use



I can earn more rewards and discounts with cashless methods



Cashless payments are more hygienic



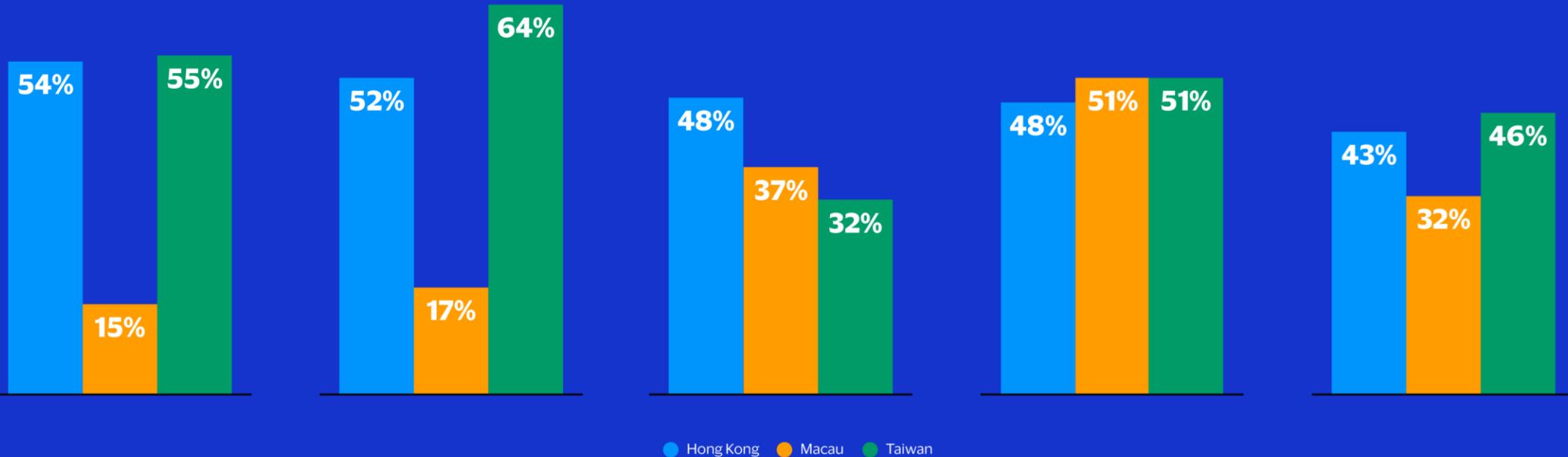
It is more widely accepted



It is the quickest form of transaction



It is more convenient to manage all payments through mobile phone



Reasons for expected increase in cashless use



I feel more comfortable paying with cashless methods nowadays



I don't carry much cash anymore



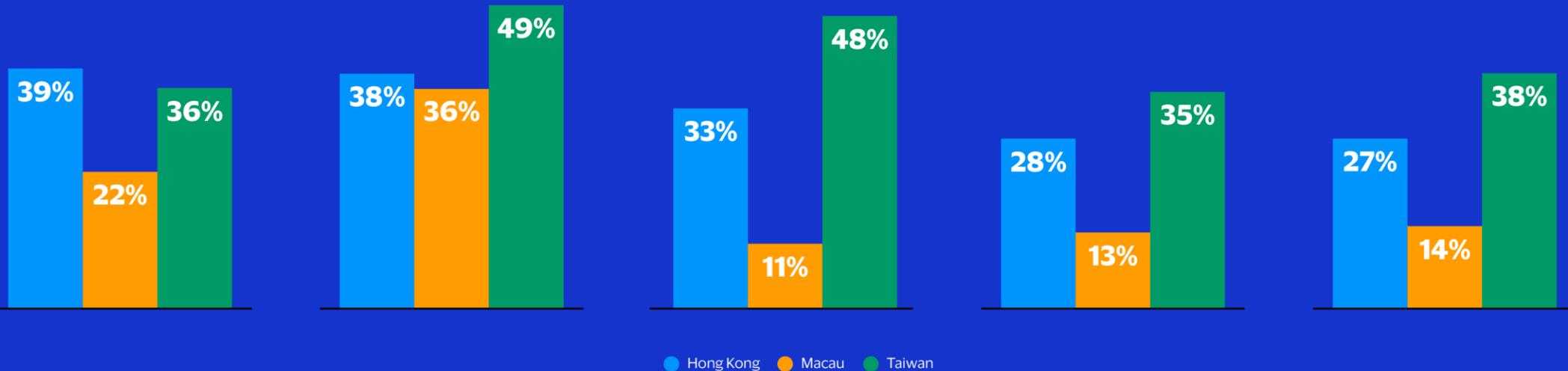
It takes me the least amount of effort



When using digital payments, I can be sure that the amount being charged is always correct



It is a safer, more secure (less prone to theft) form of transaction



Cashless momentum

2.3 Cashless payment trends of the future

The move to cashless is not only going to result in the decline of cash, but in the emergence of several key trends and innovations in the payment & retail landscape. Automated and seamless processes are increasingly becoming needs consumers have when it comes to payments.

A more efficient, paper-less, and hygienic society is what's coming as consumers find several upcoming trends attractive, such as: paperless receipts, automatic alerts for payment method promotions, in-app ordering & payment at a restaurant.



ATTRACTIVENESS OF PAYMENT TRENDS			
(% finding it very / extremely attractive)	HONG KONG	MACAU	TAIWAN
 Payment provider to automatically send you tips and information on promotions , so you know which payment method to use when you are at the retail outlet	53%	46%	57%
 Ordering and paying through an app at a restaurant	53%	58%	51%
 Auto pay for things I buy through biometrics , without having to physically initiate checkout or stop at a counter in a store to do so	47%	43%	48%
 Automatically analyze your payment behavior with the payment platform so you can manage your finances better	44%	41%	47%
 Paperless receipts on physical transactions (e.g. receipts are sent to your email)	41%	41%	51%

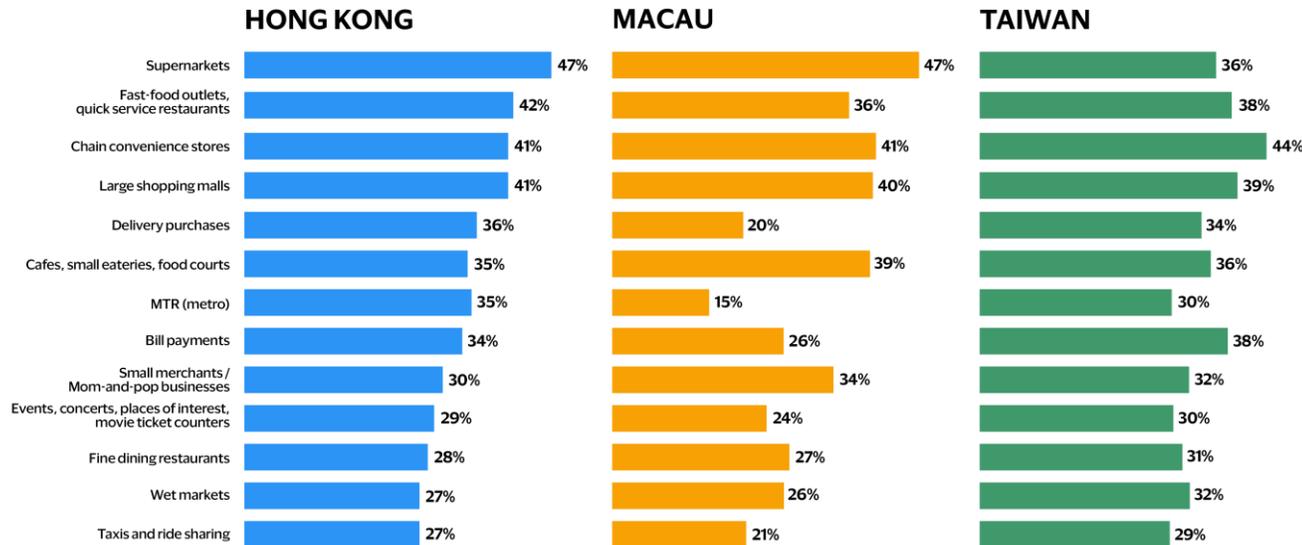
Digital payments in-store

3.1 The rise of contactless & QR codes

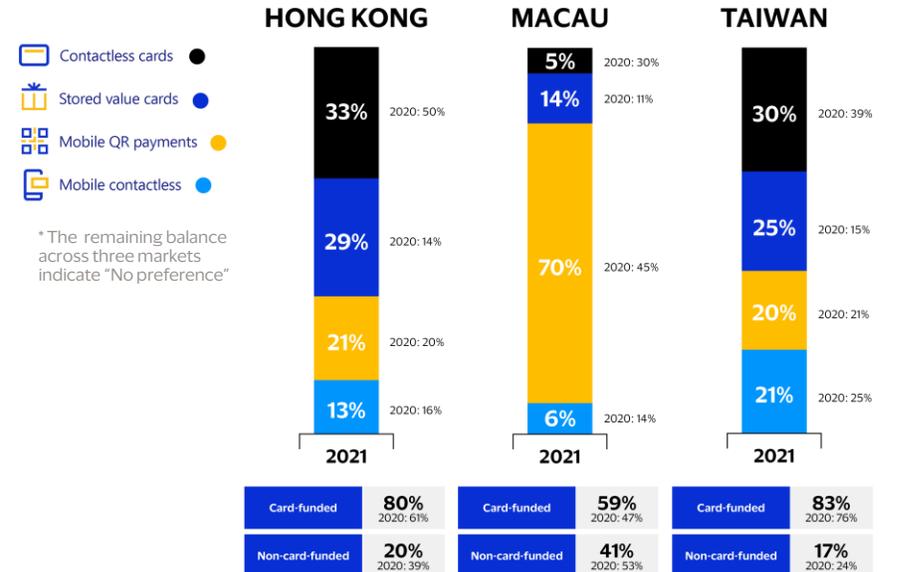
Digital payments are on the way to displacing cash for in-store purchases across categories. This is especially true for categories such as supermarkets, fast food outlets, and chain convenience stores, where consumers in Hong Kong, Macau, and Taiwan expect digital usage to increase by an average of 40% in the next 12 months.

Across the different digital options, contactless is the most common in Hong Kong and Taiwan, with contactless cards as the preferred digital method for in-store payments across consumers. Stored-value cards also garner high scores as the second preferred digital method in these markets, likely driven by daily use of this method for transport. Meanwhile in Macau, mobile QR payments are preferred by the majority – growing significantly from 45% in 2020 to 70% in 2021.

IN-STORE CATEGORIES – EXPECTED INCREASE IN USAGE OF CASHLESS METHODS



PREFERENCE BETWEEN DIGITAL PAYMENT METHODS*





Across the different digital payment methods, the strongest preference driver is the speed of transactions and payments.

In Hong Kong and Taiwan where contactless cards are the most preferred payment, other reasons for preference include better offers and rewards provided by using this payment method, the ease of use or the little effort required to make payments, and to some extent the already ingrained habit of using this tap-to-pay method.

On the other hand, in Macau where mobile QR payments are on the rise, apart from the speed of transactions, the ease of use and the perceived safety of this payment method are the main drivers for preference.

REASONS FOR MOST PREFERRED DIGITAL PAYMENT METHOD (TOP 5)

HONG KONG

Most preferred method:

Contactless cards

68%

52% Faster transactions

48% Better offers and rewards

44% Takes little effort to use

29% Out of habit

27% Wider acceptance among merchants in this category

MACAU

Most preferred method:

Mobile QR payments

70%

50% Faster transactions

31% Takes little effort to use

30% Safer in terms of the payment transaction itself

30% Better offers and rewards

30% Out of habit

TAIWAN

Most preferred method:

Contactless cards

30%

59% Faster transactions

40% Out of habit

40% Takes little effort to use

34% I don't have to worry about not enough funds for these payment types/save the hassle of manually top up wallet

33% Better offers and rewards

Digital payments in-store

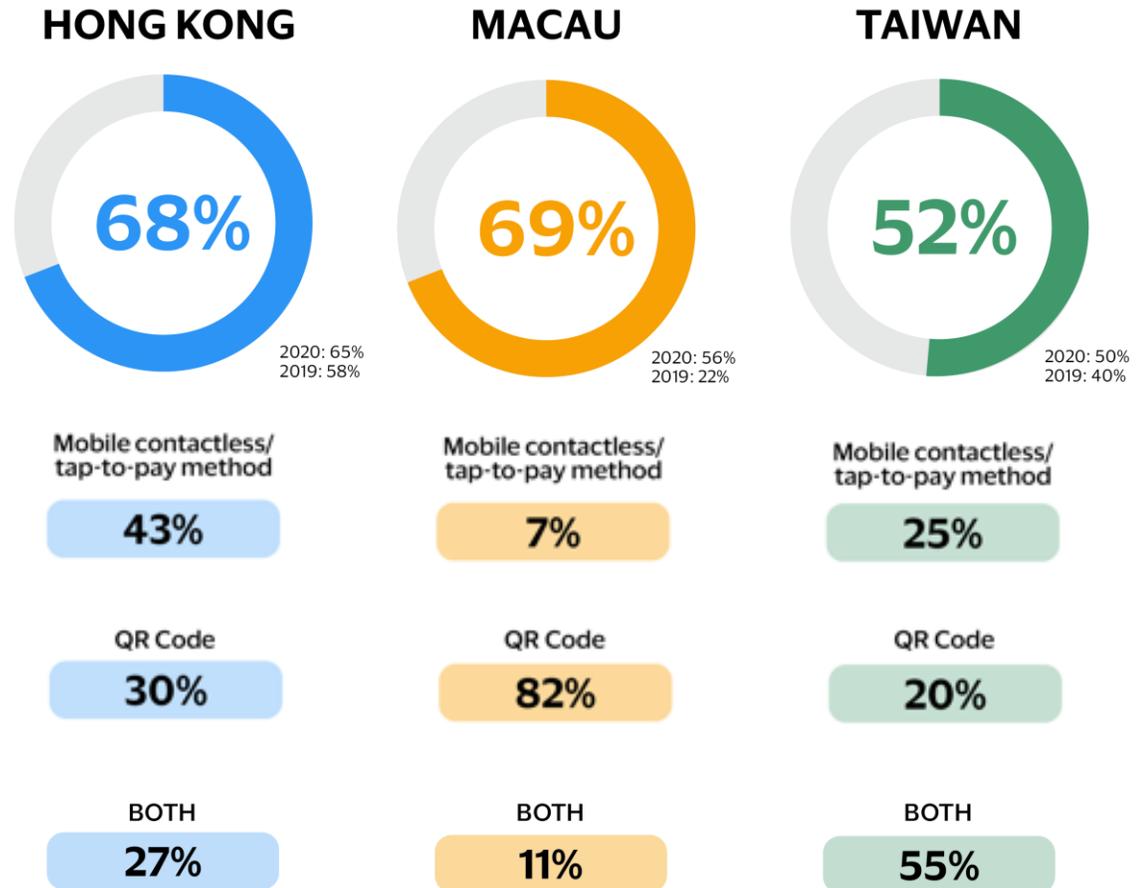
3.2 The mobile wallet wave



Mobile wallet usage has increased significantly during the pandemic, making it nearly widespread across the three markets. Growth is most apparent in Macau, jumping from less than 1/4 of consumers in 2019 to close to 70% usage in just a span of two years.

When it comes to the method of payment, mobile contactless or tap-to-pay is most prevalent in Hong Kong and Taiwan – with at least half of consumers in Taiwan using it together with QR code payments. A different scenario unfolds in Macau as QR code is used by most consumers, and contactless or tap-to-pay limited to less than 1/4 of consumers.

MOBILE WALLET USAGE

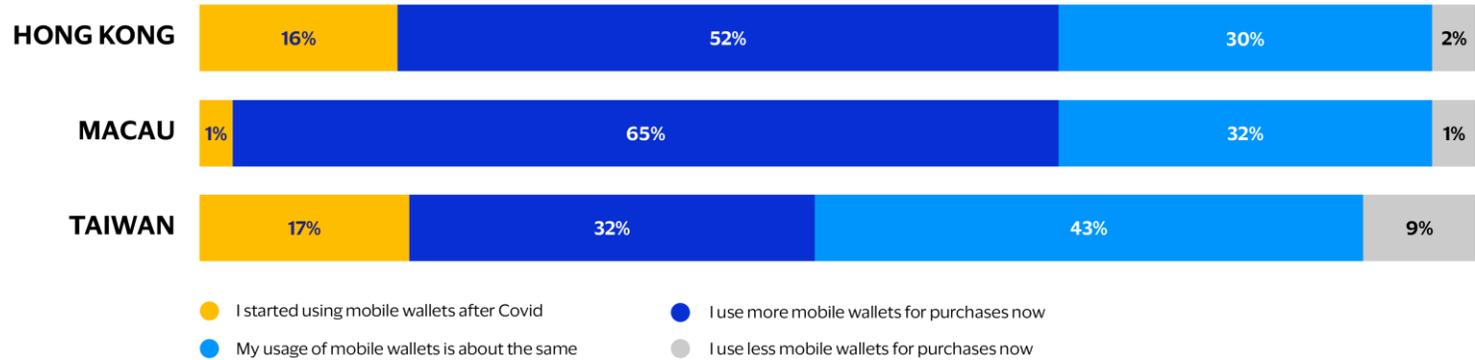




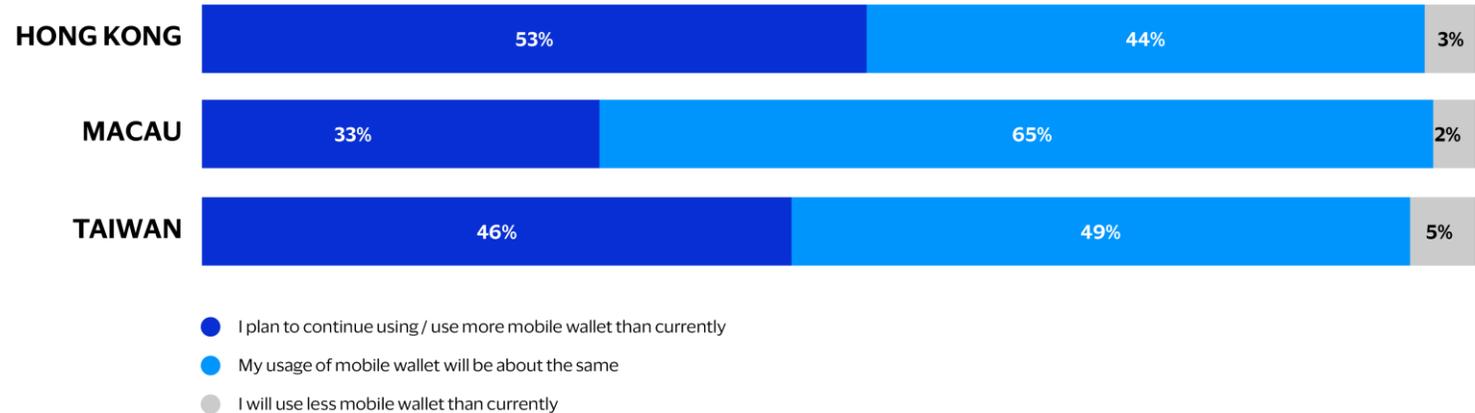
Mobile wallets have experienced significant increase in use compared to pre-COVID times. In Hong Kong and Taiwan, at least 16% of consumers started using mobile wallets during the pandemic. In terms of long-term users, more than half in Hong Kong and Macau, and 1/3 in Taiwan are using it more often for purchases. Further growth is expected even in the future or one year from now, specifically for half of the consumers in Hong Kong and Taiwan and 1/3 in Macau.



CHANGE IN USE OF MOBILE WALLETS – COMPARED TO PRE-COVID



CHANGE IN USE OF MOBILE WALLETS – EXPECTED USE IN THE FUTURE (12 MONTHS)

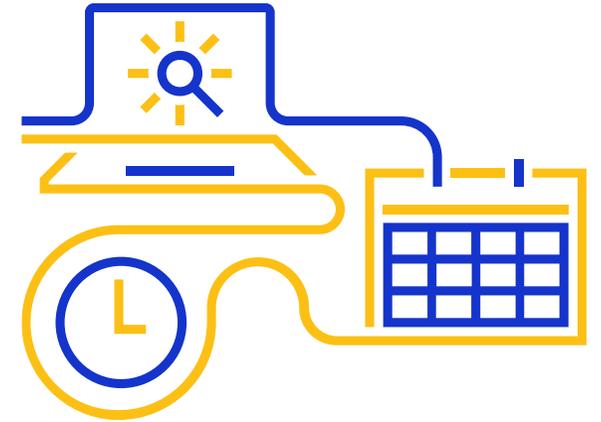


Loyalty & rewards

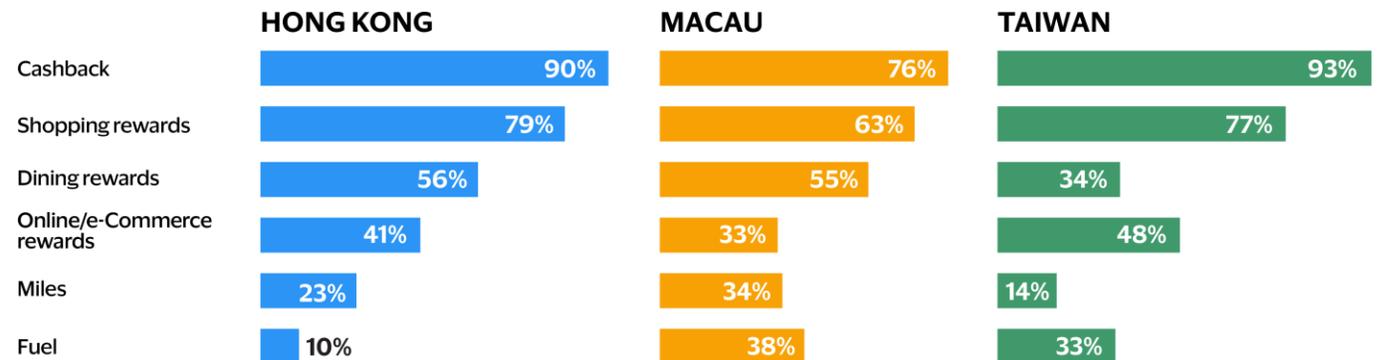
4.1 A diversified meaning for miles cards

The credit card loyalty & reward landscape took a big turn as miles cards became less favored with the halt of travel. Miles cards, once a top contender, is now less favored as consumer preference turns to cashback, or even shopping or dining rewards. In Taiwan, e-Commerce or online shopping benefits are also desired.

Currently in Hong Kong, at least 1 in 5 consumers have stopped using their miles card altogether. While in Taiwan, on the opposite spectrum, a large number of consumers have found other uses for their miles cards other than travel. But all across the board, miles expiry is a major pain point and must be addressed to retain users, but more effectively, extending the card to other uses such as localized staycations and dining is key.



CREDIT CARD BENEFITS DESIRED IN A NEW CARD (RANK 1-3)



Loyalty & rewards

4.1 A diversified meaning for miles cards

MILES CARD SENTIMENTS

(% Who agree with the statement)

	HONG KONG	MACAU	TAIWAN
I have stopped using my miles card altogether	22%	13%	17%
I am worried about my miles expiring	38%	52%	41%
Even if my miles do not expire, I feel bad about not being able to use the miles for travel in the near future	35%	19%	31%
I can use my miles card points for things other than travel	33%	19%	41%
It would be good if I could use my miles card for localized staycations	21%	29%	34%
It would be good if I could use my miles card for fine dining restaurants	20%	32%	26%



Loyalty & rewards

4.2 Maximizing programs for customer retention

As the consumption landscape continues to change day in and day out, retaining customers becomes even more challenging. Brands and businesses must pay heed to strong loyalty and rewards programs to prevent attrition in the new competitive environment.

Loyalty programs from multi-branded reward clubs are more prevalent in Hong Kong, while credit/ debit card programs are most common in Macau and Taiwan. However, participation in loyalty programs is minimal in Macau, with 50% of consumers claiming to not be a part of any program.

LOYALTY PROGRAMS PARTICIPATED IN

HONG KONG

Multi-branded rewards clubs* (e.g. Yuu)	48%
E-wallet company (e.g. WeChat, Octopus)	40%
Credit/Debit card payment brand	37%
Credit/Debit card issuer	35%
Supermarket/Department store/ Multi-brand outlet (e.g. The Point by SHKP)	32%
I do not participate	10%

MACAU

Credit/Debit card payment brand	19%
Mall/Shopping Centre	19%
E-wallet company (e.g. WeChat)	12%
Hotel (e.g. Hilton, Marriot)	10%
Local area/traders association	10%
I do not participate	50%

TAIWAN

Credit/Debit card payment brand	41%
Supermarket/Department store/ Multi-brand outlet (e.g. Sogo)	39%
Mall/Shopping Centre	39%
Credit/Debit card issuer	38%
E-wallet company (e.g. Taiwan Pay, Line Pay)	31%
I do not participate	16%



*coalition loyalty program joining a number of brands under one platform

A woman with long dark hair, wearing a brown ribbed turtleneck sweater, is looking down at her smartphone. She is holding a white coffee cup in her left hand. The background is a brick wall, and the overall scene is dimly lit, suggesting an outdoor setting like a cafe or street.

At least 1/3 of consumers are satisfied with the loyalty programs they participate in.

Top reasons for satisfaction include rewards and benefits that are appealing, full of variety, and unique coupled with an easy & straightforward redemption process. Not meeting these needs are the top reasons for dissatisfaction i.e. complicated redemption process, points expiry.

There is a huge gap in the market when it comes to rewards tracking & redemption, with a large portion of consumers across markets wishing there was a single app or platform that tracks all loyalty programs that they participate in. Moreover, at least 70% of consumers across the three markets prefer e-redemptions over paper for their rewards.

SATISFACTION WITH CURRENT LOYALTY PROGRAMS



Reasons for satisfaction with loyalty programs



The rewards and benefits are appealing



The redemption process for rewards is easy / straightforward



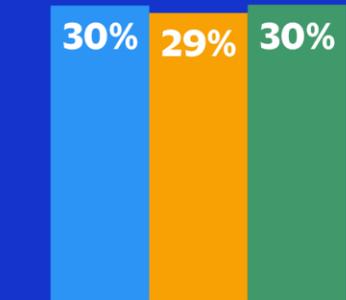
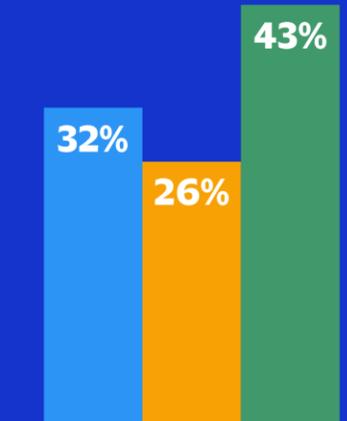
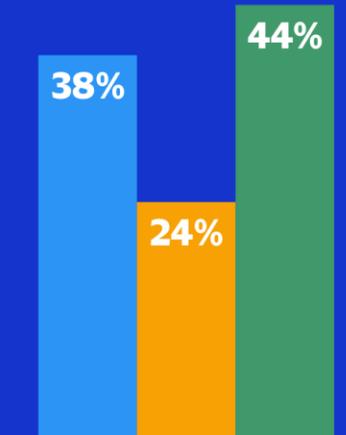
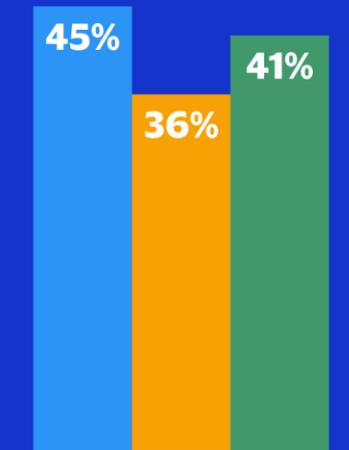
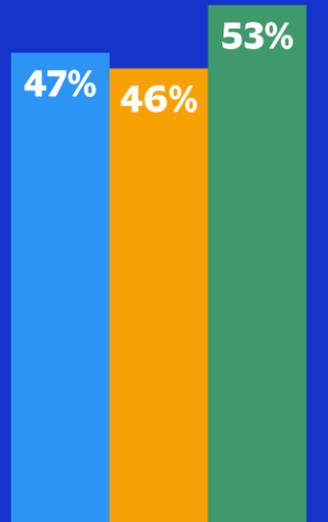
There is a good variety of rewards / benefits to choose from



The reward points do not expire



The time it takes to earn desired rewards / benefits is reasonable

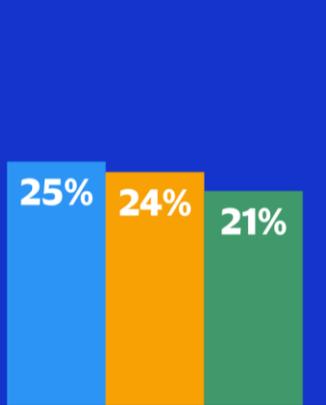


● Hong Kong ● Macau ● Taiwan

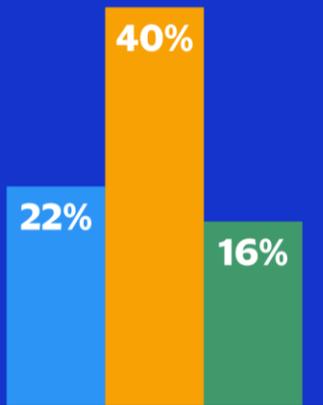
Reasons for satisfaction with loyalty programs



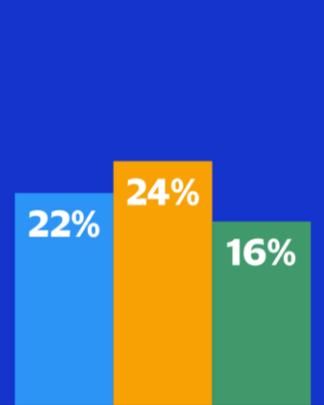
The loyalty program and its rewards fits my lifestyle



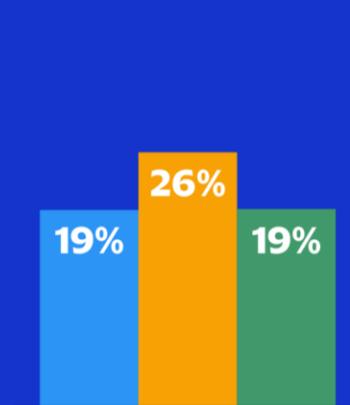
The rewards and benefits are unique



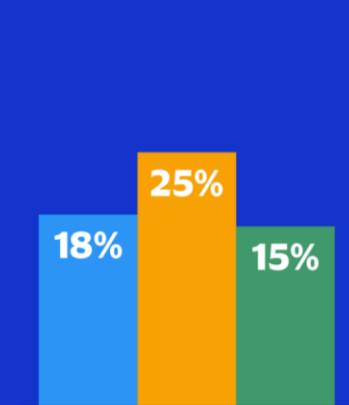
The loyalty program makes the experience with the brand better



There is a level of personalization in the loyalty program



The loyalty program makes me feel valued / important



● Hong Kong ● Macau ● Taiwan

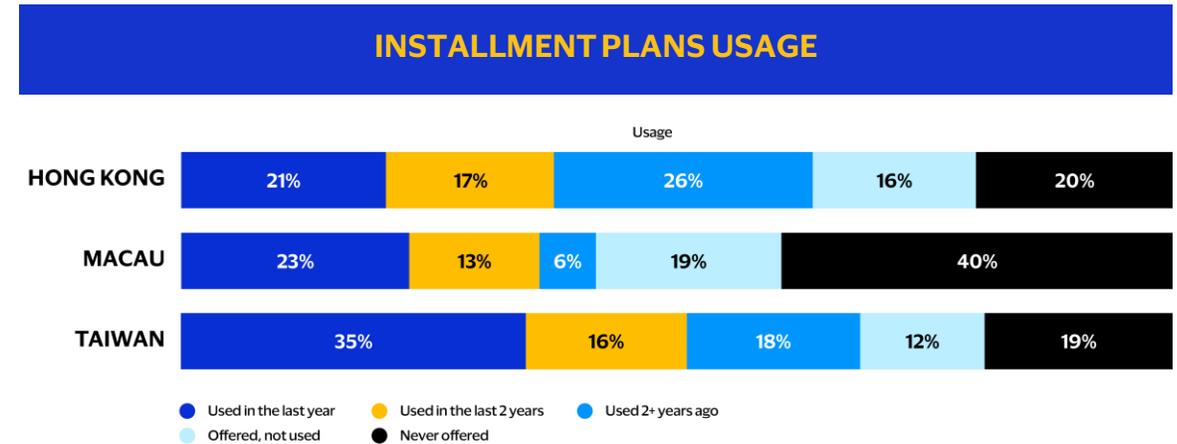
Installment plans

5.1 Big potential for installment growth through buy now, pay later

Installment plans have been used by at least half of consumers in Hong Kong and Taiwan. Macau trails behind, with almost 6 out of 10 consumers never having availed of a plan. Since the pandemic, there has been steady growth across the three markets, especially in Taiwan where 1/3 of consumers have availed in the last year.

Across the different providers, installments from credit cards are the most popular – availed by majority of installment plan users across the three markets. This is followed by online payment platforms such as Alipay, which is widespread in Macau more than it is in the other two markets.

Buy Now, Pay Later platforms are still in its nascent stage in the three markets, with potential to grow as an appealing payment option and a ‘friendlier’ installment plan provider.



PLATFORMS TAKEN INSTALLMENTS FROM

	HONG KONG	MACAU	TAIWAN
Credit card	72%	80%	83%
Online payment platform (e.g. Alipay, WeChat)	21%	31%	8%
Retailer / brand	16%	8%	15%
Buy Now, Pay Later platform (e.g. Atome)	9%	0%	4%

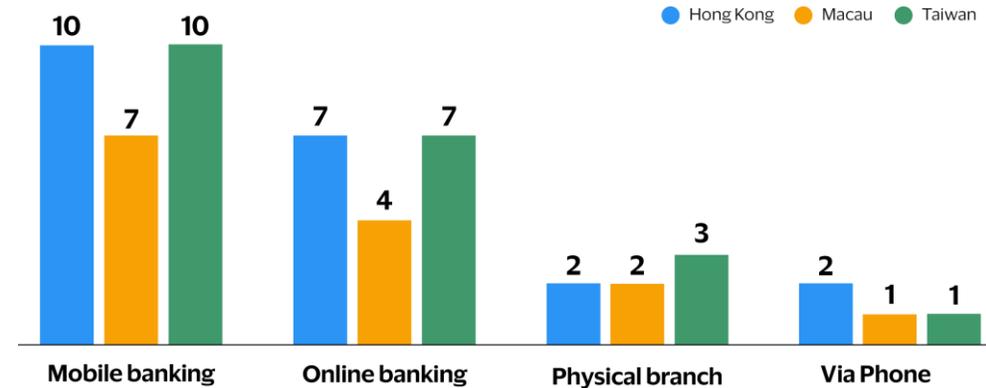
The future of digital banking

6.1 The pandemic is embedding digital banking into daily life

The shift of banking towards a more digital world already began over the past decade, but the pandemic has given digital banking the right momentum and acceleration for growth. With consumers avoiding leaving their homes and face-to-face interactions, there has been a significant decrease in visiting physical banks as more and more banking services are now being made available digitally.

Mobile banking, followed by online banking via laptop or tablet are the most frequented forms, used several times a month across the three markets. Top reasons for the increased use of digital banking include the travel and queue time saved and the 24/7 availability of services.

BANKING METHODS – AVERAGE TIMES PER MONTH



REASONS FOR USING DIGITAL BANKING MORE THAN OTHER BANKING METHODS (TOP 3)

HONG KONG

Save time by not having to travel to the bank	68%
Online/mobile banking is available anytime & anywhere	65%
I don't like queueing up at the bank	64%

MACAU

I don't like queueing up at the bank	82%
Save time by not having to travel to the bank	50%
Online/mobile banking is available anytime & anywhere	26%

TAIWAN

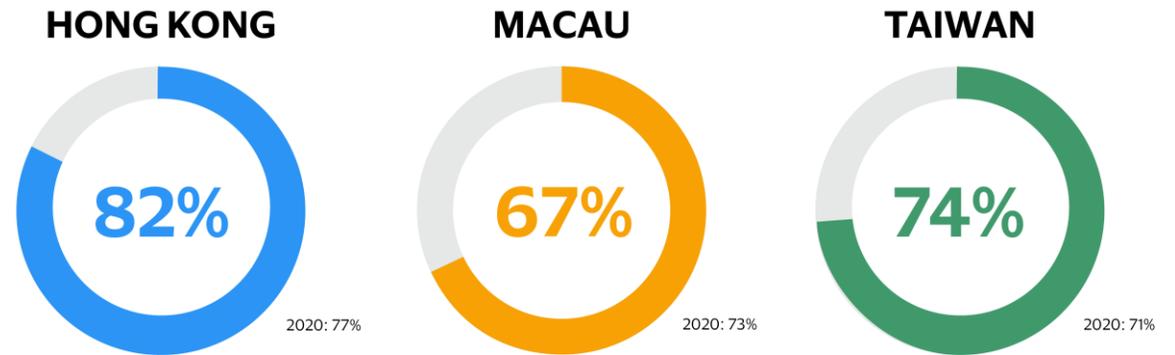
Online/mobile banking is available anytime & anywhere	73%
More efficient & convenient way to transact / get info	69%
Save time by not having to travel to the bank	66%

Mobile banking as the most frequented form of banking is now near universal, with majority of consumers having their bank's mobile app installed on their phones. The biggest increase can be seen in Hong Kong, with now 8 out of 10 consumers having and using the app.

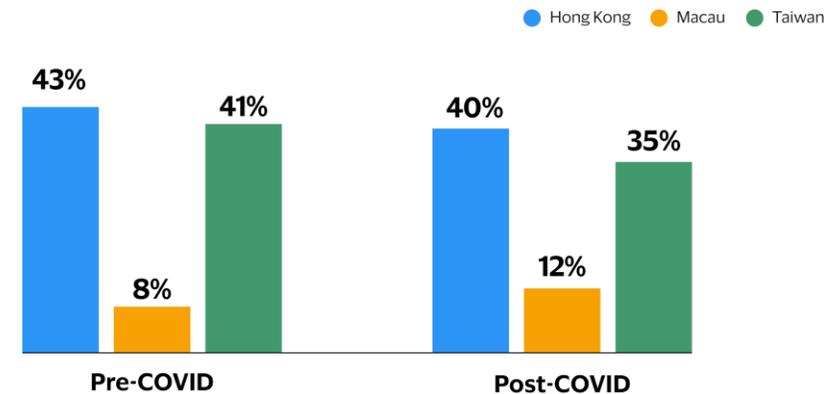
Digital banking is proving itself to be a force to be reckoned with, embedding itself into the daily lives of consumers. Usage of this method is expected to increase even post-COVID across markets, especially in Hong Kong and Taiwan where almost 4 out of 10 consumers are expected to increase their usage of digital banking.



MOBILE BANKING APP INSTALLED ON PHONE



CHANGE IN USE OF DIGITAL BANKING - INCREASE



The future of digital banking

6.2 A focus on user experience is key to sustain growth

Preference for digital banking over other forms is still driven by the user experience.

When it boils down to services that need improvement, a large portion of consumers believe that more work needs to be done for physical banking, especially when it comes to the ease of submitting documents and the time it takes to open a bank account or apply for a card or loan.

Physical banks also need to improve the personalized services and offers they provide.

Digital banking currently dominates all service aspects when it comes to user experience, with minimal improvements needed, mostly on the ease of using chatbots and raising complaints.

SERVICES THAT NEED IMPROVEMENT: USER EXPERIENCE RATING (HONG KONG)

	Physical bank branch	Online banking using a computer	Mobile banking
Number of clicks/time taken to open a bank account, apply for credit card/loan	41%	25%	26%
Amount of documentation required	42%	28%	25%
Ease of submitting documents	45%	27%	28%
Ease of verifying identity/login	35%	28%	25%
User-friendly interface	26%	26%	26%
Personalized service and offers	42%	35%	29%
Ease of finding the right information	41%	32%	29%
Ease of using chatbots	-	35%	33%
Ease of raising complaints	39%	33%	32%

Red = needs more improvement

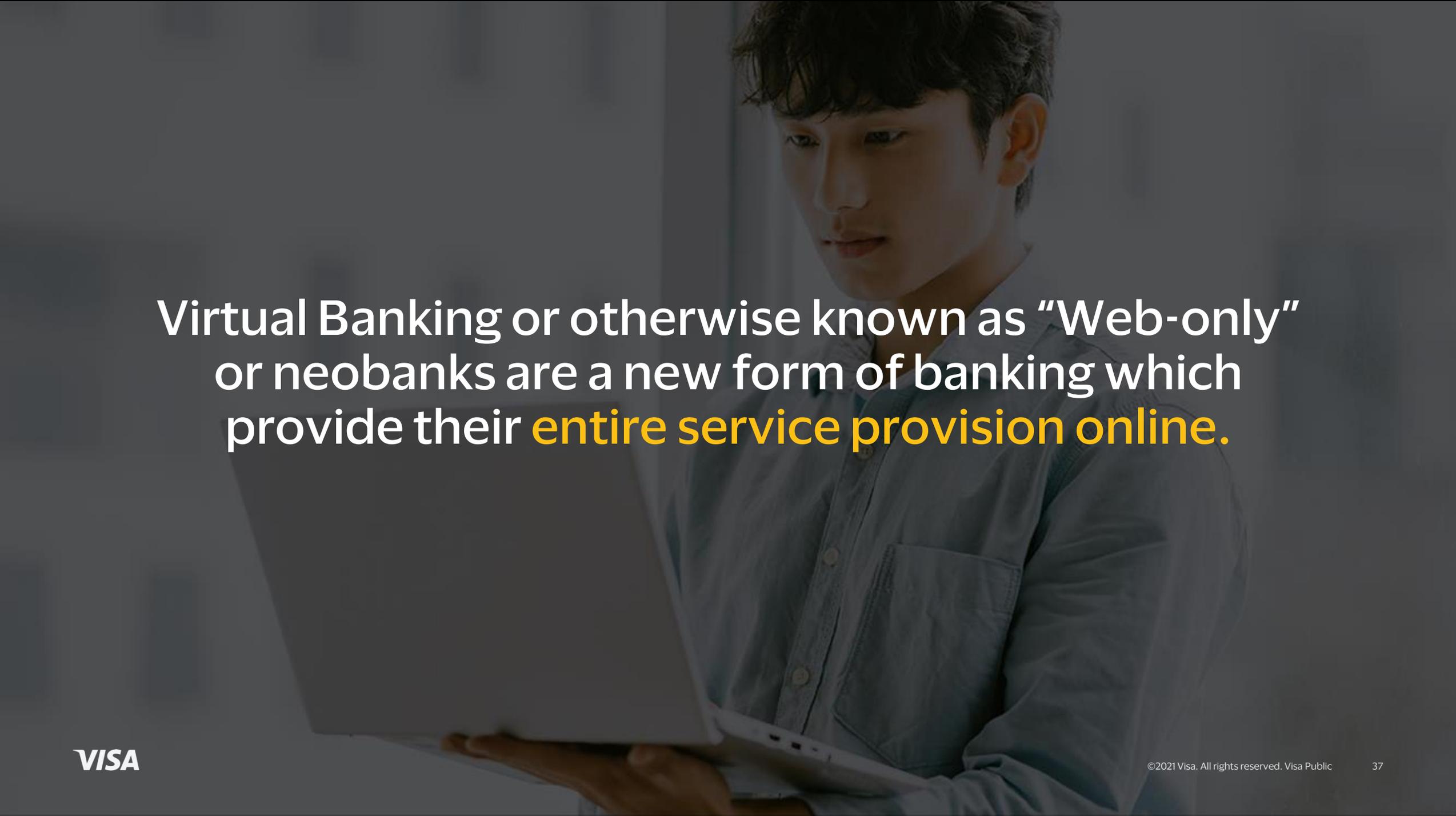
When it comes to payment methods, credit cards win by a landslide in terms of user experience. This is especially true for factors such as the ease of tracking spending, the ease of making payments, and the personalized services and offers credit cards provide. Mobile contactless follows suit as second on the same factors, however, guaranteeing the security of the method and driving comfort around the ease of making payments is key.

PAYMENT METHOD ASSOCIATION: RANKING OF EXPERIENCE-RELATED PARAMETERS (HONG KONG)

	Few number of clicks/quick to complete a transaction	Easy to trace your spending records with this payment method	User-friendly interface	Secure payment method	Personalized service and offers	Easy to make payments
Credit card	35%	47%	33%	41%	43%	45%
Debit card	13%	17%	10%	15%	11%	15%
ATM card	19%	24%	19%	20%	12%	18%
Contactless cards	32%	27%	26%	21%	18%	37%
Mobile QR payments	32%	31%	29%	25%	24%	30%
Mobile contactless	33%	33%	32%	24%	27%	38%
In-app payments	24%	24%	22%	17%	18%	22%
Peer to peer payments	14%	18%	15%	18%	12%	17%
Stored value/Transport card	31%	26%	26%	31%	12%	42%
Payment gateway	11%	17%	12%	11%	11%	11%



Red = needs more improvement

A young man with dark hair, wearing a light blue button-down shirt, is looking down at a laptop screen. The background is a plain, light-colored wall. The image is dimmed to serve as a background for the text.

Virtual Banking or otherwise known as “Web-only” or neobanks are a new form of banking which provide their **entire service provision online.**

The future of digital banking

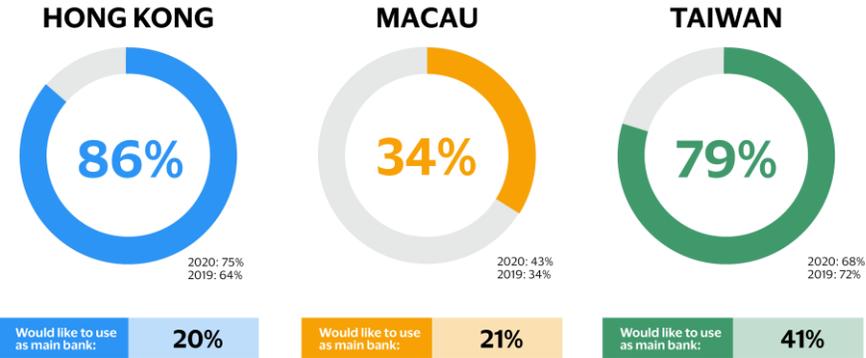
6.3 Is the future of banking fully virtual?

Virtual Banking or otherwise known as “Web-only” or neobanks are a new form of banking which provide their entire service provision online, without the need to have physical branch offices. Virtual banks allow their customers to pay bills online, check account details, secure loans, have credit and/or debit cards, withdraw and deposit money anytime as convenient.

Over the last few years, awareness in Hong Kong and Taiwan has increased together with the portion of consumers who’ve attempted to open a bank account. On the other hand, growth for virtual banks in Macau has been reserved and awareness limited to 1/3 of consumers. Top reasons for opening an account with virtual banks was the rewards being offered for account opening as well as the higher interest rates being offered vs. traditional banks.



AWARENESS OF VIRTUAL BANKING



REASONS FOR OPENING AN ACCOUNT (TOP 3)



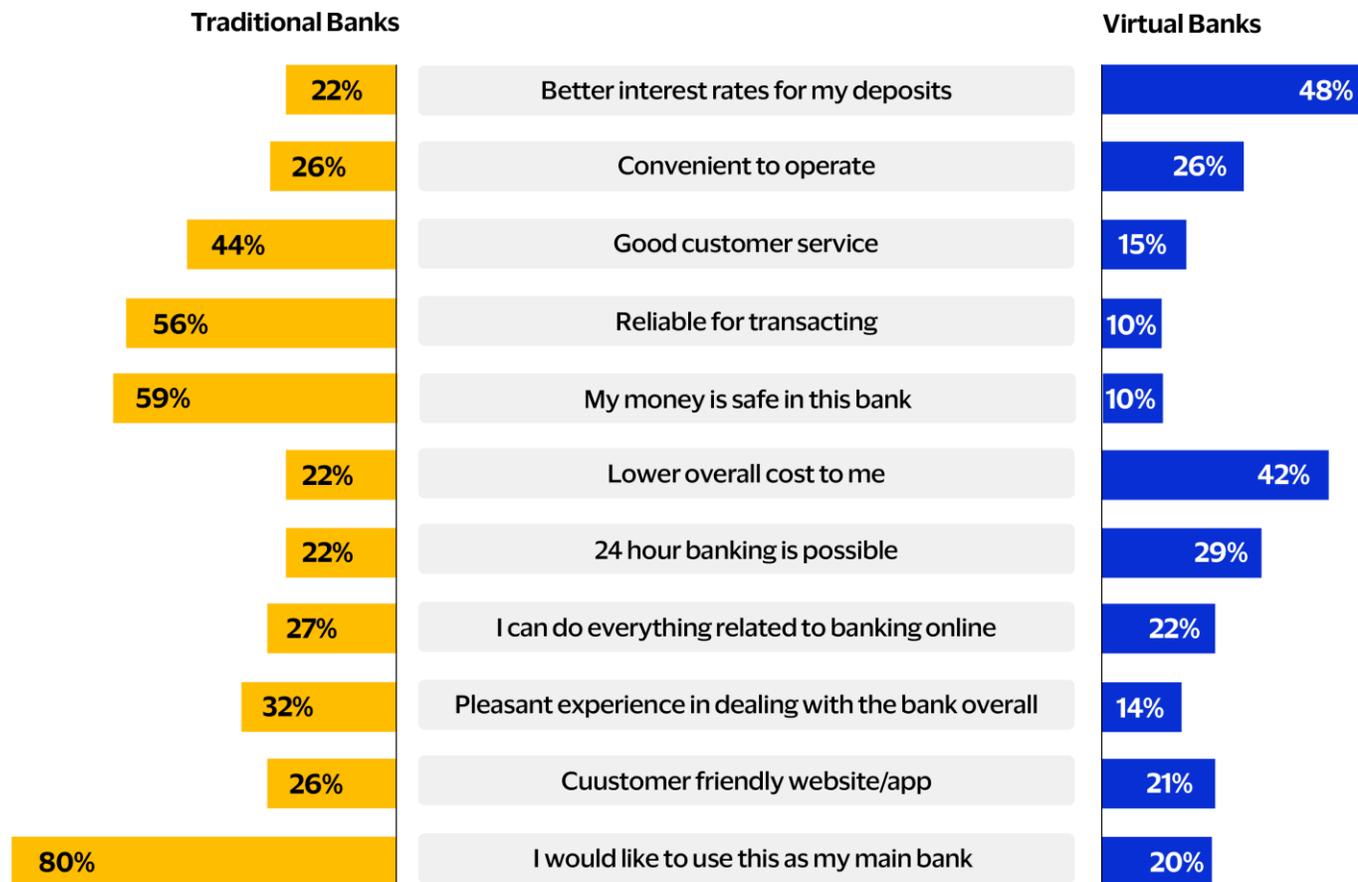
* Low base: n=13

Despite the remarkable growth of virtual banks in the last year, consumers are still largely hesitant to make it their main bank, citing reasons for non-preference that it's not completely reliable or tested and is more prone to hacking vs. traditional banks.

However, virtual banks have the upper hand when it comes to perceived lower overall costs and better interest rates for deposits.



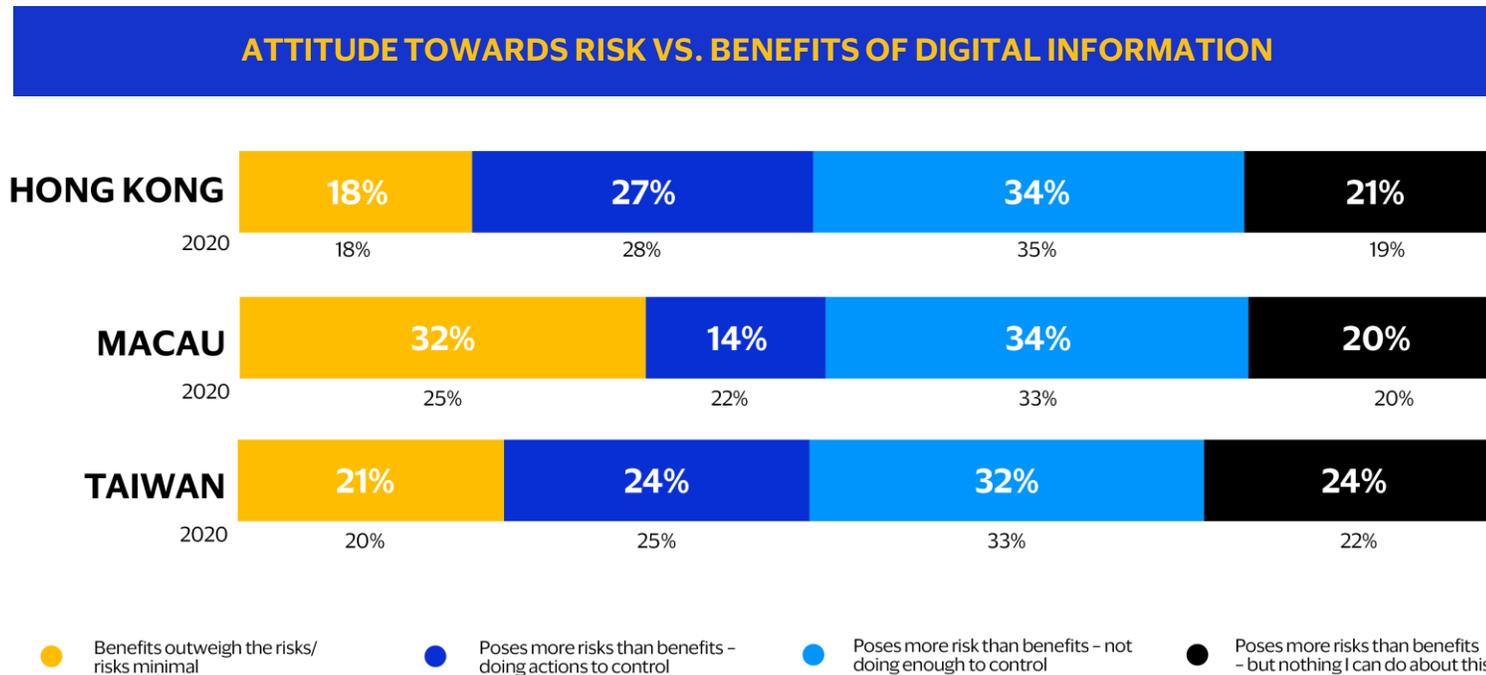
PERCEPTION OF VIRTUAL BANKING VS TRADITIONAL BANKS (HONG KONG)



Big data & big responsibility

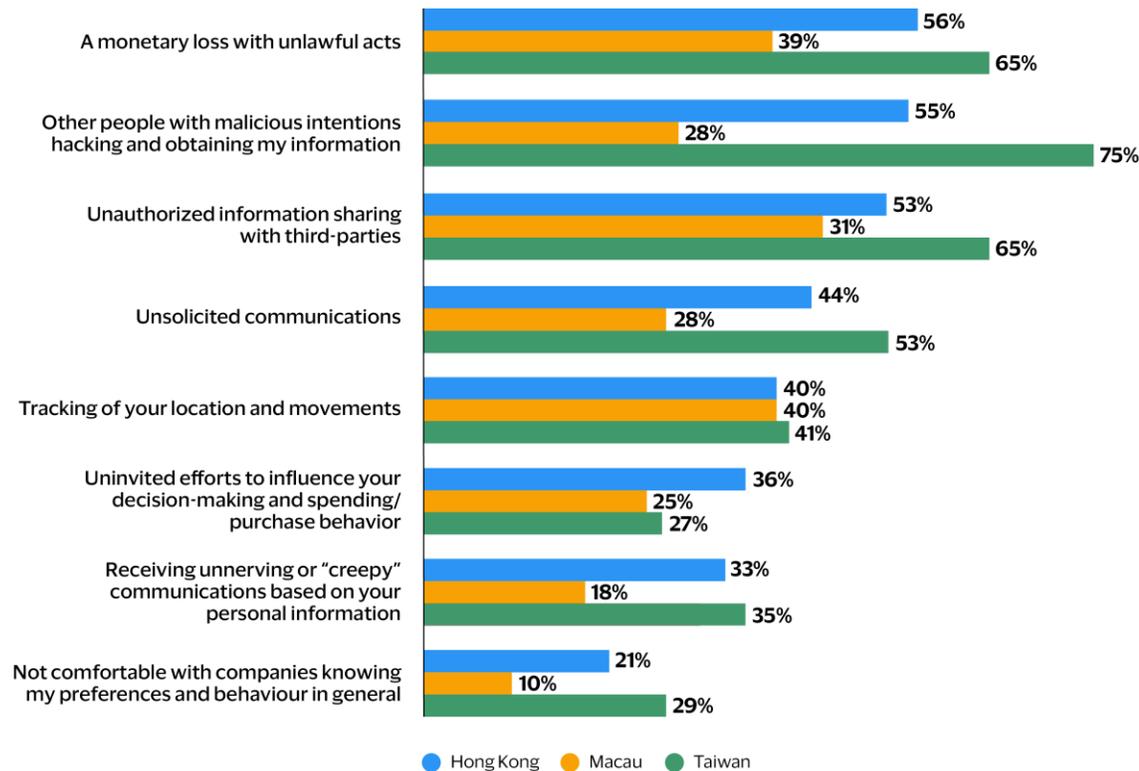
7.1 The benefits and risks of digital information

With the big and overwhelming shift to digital in the last few years, it's not to say that it has been welcomed by consumers with open arms. They remain vigilant with the amount of digital information they share online, believing that it poses more risks than benefits. But still 1/3 believe that they themselves are not doing enough to control this even if majority of consumers prefer themselves as the main custodian of personal & financial data.

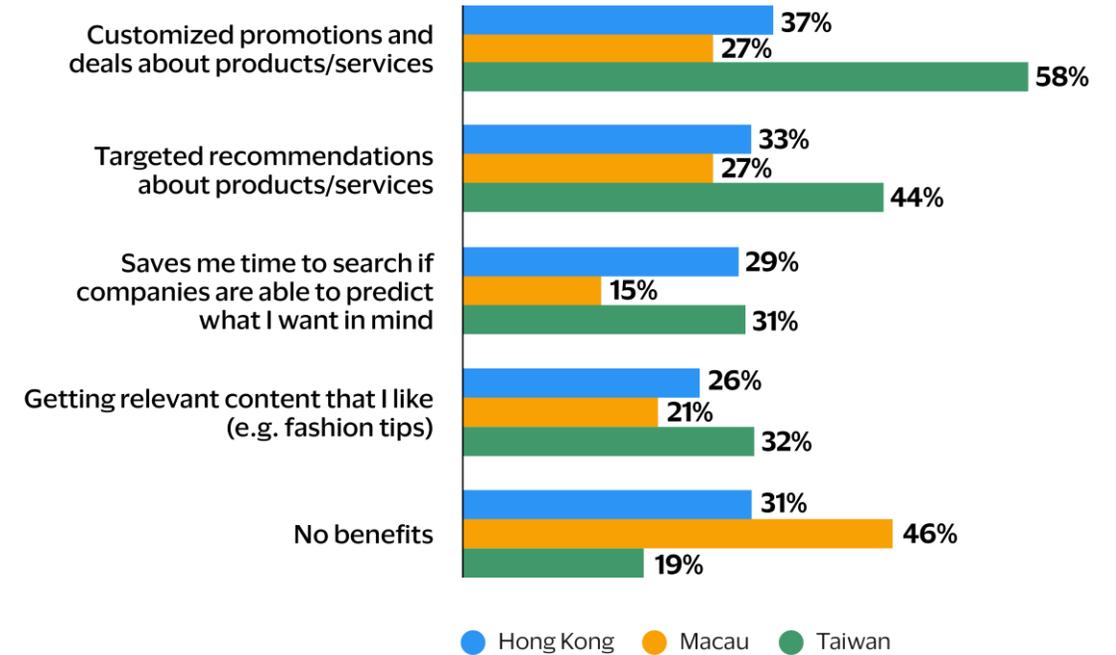


Main concerns around sharing digital information include unlawful acts leading to theft, unauthorized information sharing to third-parties, and hacking. On the other hand, when it comes to benefits of sharing data, more consumers in Taiwan acknowledge benefits such as customized promotions, targeted recommendations, and even the time saved when researching. Meanwhile, 1/3 of consumers in Hong Kong and close to a half in Macau see little to no benefits.

MAIN CONCERNS REGARDING DIGITAL INFORMATION



MAIN BENEFITS OF SHARING DATA



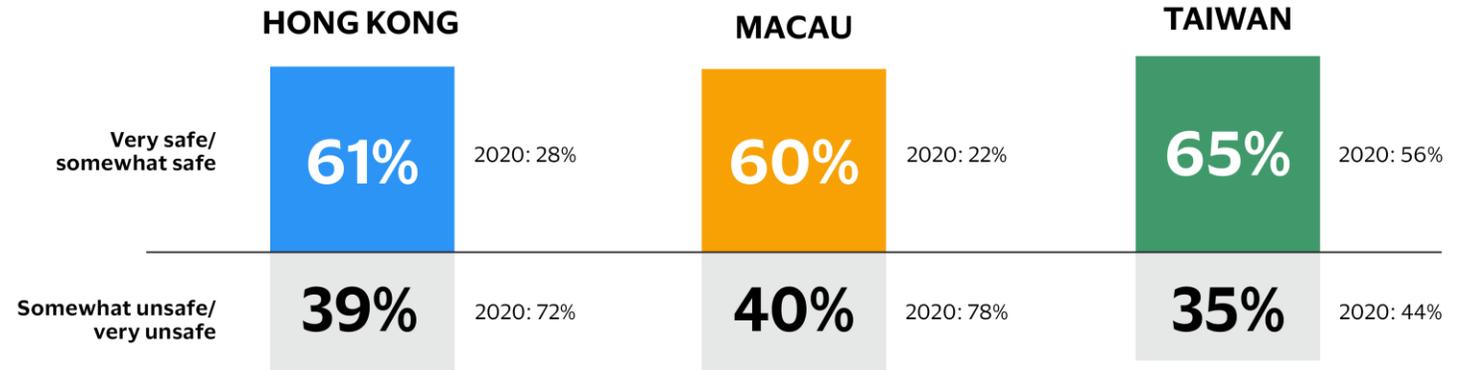
Big data & big responsibility

7.2 Making mobile payments more secure

Mobile phones are increasingly used to make payments. In 2020, it wasn't considered a very safe option, but that has improved one year later with at least 60% of consumers across markets believing that their personal information is very safe or somewhat safe.

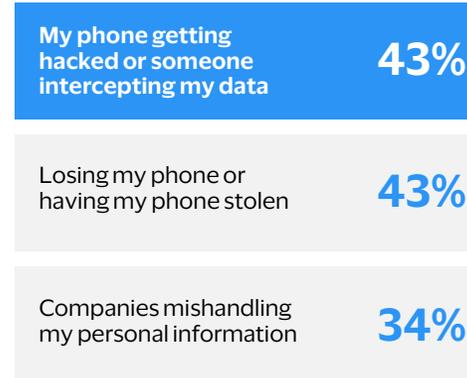
Needless to say, there still are concerns that surround mobile payments – and overcoming these is crucial to continue to grow payments through this method. In Hong Kong and Taiwan, hacking, phone loss, or phone theft are the main concerns. Meanwhile in Macau, concerns revolve around whether the right amount is being charged as well as possible mishandling of personal information of companies.

SAFETY OF PERSONAL INFO USING MOBILE PAYMENTS



POTENTIAL SECURITY CONCERNS (TOP 3)

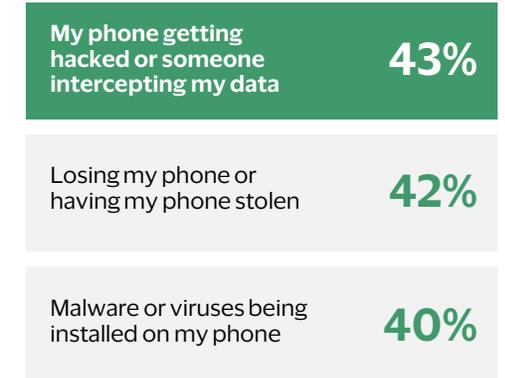
HONG KONG



MACAU



TAIWAN



Big data & big responsibility

7.3 Overcoming challenges for open banking

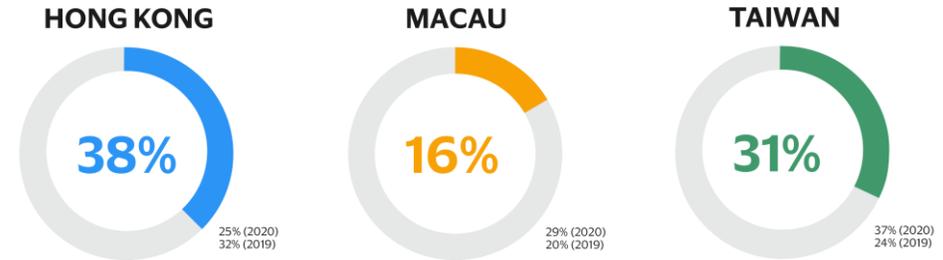
Open Banking, supported by many governments and the financial industry, refers to a set of standards that describes how consumers can tell their banks to share their financial information with specifically selected organizations. This would allow services such as consolidated overviews of your transactions across all banks, expenses analyses, cost savings advice, and many other services.

A fairly new concept in the market, coupled with consumers who are very much reserved with sharing any data at all, results in open banking that has shown little growth over the last few years. In fact, it has lower turnout in Macau compared to previous years.

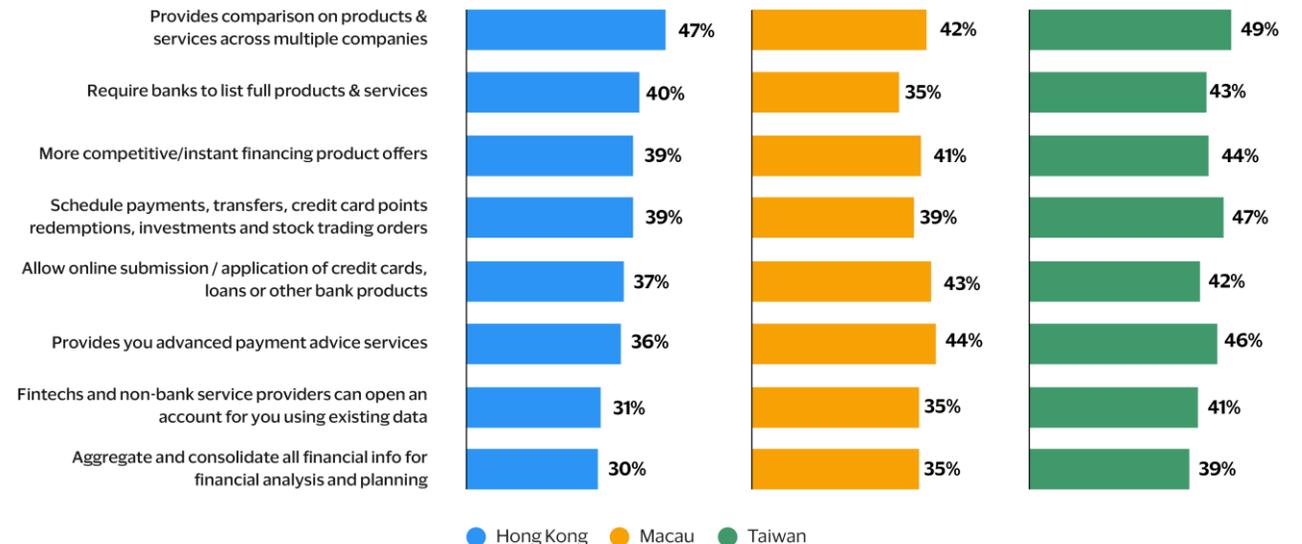
However, several services offered through open banking has generated interest across consumers in Hong Kong and Macau, specifically: comparison of products & services of multiple banks, advanced payment advice, and more competitive financing product offers.



AWARENESS OF OPEN BANKING



INTEREST IN OPEN BANKING SERVICES





About Visa

Visa Inc. (NYSE: V) is the world's leader in digital payments. Our mission is to connect the world through the most innovative, reliable and secure payment network—enabling individuals, businesses and economies to thrive. Our advanced global processing network, VisaNet, provides secure and reliable payments around the world, and is capable of handling more than 65,000 transaction messages a second. The company's relentless focus on innovation is a catalyst for the rapid growth of connected commerce on any device, and a driving force behind the dream of a cashless future for everyone, everywhere.

As the world moves from analog to digital, Visa is applying our brand, products, people, network and scale to reshape the future of commerce.

For more information, visit www.Visa.com.hk, www.VisaAPNews.asia and [@VisaNews](https://twitter.com/VisaNews).

