

Consumers' Online Payment Security Fears Grow Following 'Cost-of-Living Crisis', Says Paysafe Research

62% of global consumers increasingly see fraud as an inevitable risk of online shopping

LONDON--(BUSINESS WIRE)-- Over half (59%) of consumers are more concerned about becoming a victim of fraud now than they were in 2021. That's according to research* released by leading specialised payments platform, [Paysafe](#) (NYSE: PSFE) which indicates that consumers across North America, Latin America and Europe are prioritising security over convenience when making online purchases, as the impact of rising inflation and energy prices continues to fuel financial worries.

The research revealed that 62% of people are so concerned about fraud they feel it is simply an inevitable risk of online shopping, a major jump from the 45% who said the same in 2021. These fears have caused 58% to not feel comfortable entering their financial data online to pay for goods and services, another jump over the 44% who felt this way in 2021.

For years the payments industry has struggled to balance the competing needs of security and convenience for customer satisfaction, and having a streamlined customer experience remains essential, but growing concerns around fraud have put security into the spotlight. Over twice as many consumers chose security (44%) over convenience (21%) as the most important factor when paying for an online purchase.

Although security experts often discuss the limitations of password protection, consumers are now rallying behind the password as a familiar means of security. Nearly half (45%) said they trust passwords more than biometric authentication methods (an 8% uptick over 2021). That said, confidence in biometric authentication is also growing with 58% agreeing biometric authentication makes online payments more secure, a noticeable increase against 45% last year. With fraud concerns clearly at the top of the agenda for consumers, merchants that offer multi-factor authentication methods can instill confidence in consumers that their transactions are secure.

Despite all these concerns, a majority (53%) of consumers think payments are more secure than they were a year ago. And 44% of respondents are satisfied with the current balance between security and convenience, which is in stark contrast to 2021, when only 26% were satisfied.

But the amount of trust merchants enjoy is dependent on the amount involved. While 69% currently say they feel comfortable buying from a peer-to-peer platform and 59% from an online retailer like Amazon, this is only the case if the item costs no more than £150. For amounts over £1,500, confidence is low across the board, suggesting there is still work to do for merchants in highlighting the benefits of alternative payment and security methods within the industry.

Chirag Patel, President Digital Wallets at Paysafe, said: *“It’s been well-observed that during times of financial crisis, fraud rates rise. It happened during the height of the pandemic, and now, as countries around the world face varying degrees of economic hardship, consumers are right to be alert to the dangers in the online payments world. Respecting customers’ concerns is paramount, however striking the right balance for convenient everyday use remains critical to retain customers. Offering a variety of alternative payment methods and security options will do much to assuage consumer fears and keep financial details safe, while also protecting the consumer experience.”*

###

Note for editors

**Unless otherwise specified all date points about increased/decreased payment method usage relate to respondents whose habits have changed due to the cost-of-living crisis.

About the research

*The research was conducted on behalf of Paysafe by Sapio Research in April 2022. Some 11,000 consumers from the U.S., U.K., Canada, Germany, Austria, Bulgaria, Italy, Peru, Chile and Brazil, were surveyed to explore changing consumer payment preferences and behaviours.

About Paysafe Limited

Paysafe Limited (“Paysafe”) (NYSE: PSFE) (PSFE.WS) is a leading specialised payments platform. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With over 20 years of online payment experience, an annualised transactional volume of over US \$120 billion in 2021, and approximately 3,500 employees located in 10+ countries, Paysafe connects businesses and consumers across 100 payment types in over 40 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared toward mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments. Further information is available at www.paysafe.com.

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20220831005571/en/>

Anna Birdsall-Strong, VP Communications, Europe, Paysafe

anna.strong@paysafe.com

Phone: +442038908975

Source: Paysafe Limited