Visa Biometric Authentication study

Research findings
European consumers believe biometric authentication methods will improve the payment experience and make paying for goods and services easier and more convenient.

In Europe, 42% say that biometric authentication could eliminate the need for multiple passwords and PIN codes increasing to 46% of people in Sweden and Poland.

A third (33%) say biometric authentication means their details would be safe even if their device was stolen increasing to two-fifths of people in the UK (40%) and Poland (39%).

A similar proportion (31%) say that biometric authentication would allow them to pay anytime and anywhere as the method is part of them.

48% of over 65s say that it would eliminate the need to remember multiple passwords.

37% of over 65s recognise the security it provides, while 33% appreciate the convenience of the biometric method being part of them.

Over 65s are open to biometrics replacing PINs and passwords for authenticating payments. 48% would like to use fingerprint scanning, 34% would like iris scanning.
This is especially true in Germany where over a third of shoppers (37%) abandoned their purchases.

51% believe that authenticating payments using biometrics will be faster and easier than passwords or PINs, increasing to three in five (62%) amongst 18-24 year olds.

Italians stood out as being the most confident in the speed and efficiency biometric methods provides (65% vs 51%).

Amongst those who express a preference to use biometric forms of payment authentication over traditional authentication methods, 62% believe that they will be faster and easier than passwords and PINs compared with 46% of ‘traditionalists’.

71% of men say that they prefer to use biometric authentication methods to pay compared to 66% of women.

39% see the cost of purchasing a personal device that allows for biometric authentication seen as the biggest barrier.

The desire for frictionless commerce will drive biometric authentication preferences. Fingerprint scanning overwhelmingly being the preferred method in every scenario.

For European consumers, preference for biometric authentication is almost equally valued in face-to-face payment situations, where speed efficiencies are important, as it is in online transactions.

Over 40% want to use biometric authentication for payments to purchase things like public transport tickets, paying at a bar or restaurant, groceries, coffee, or fast food shopping online or when purchasing digital downloads such as music or films.

However, there are still a number of barriers to the overall adoption of biometric authentication for payments.

British consumers (45%) are most likely to say cost is a barrier, followed by those in France (42%) and Spain (41%).

31% of respondents have abandoned a purchase online because of the tedium of the payment security process. This increases to 34% when looking at the 18-24 age group.
Not all biometrics measurements are created equal, familiarity and discretion are important factors for consumer uptake

30% consider the embarrassment of biometric authentication not working as it should in public, as a barrier to biometric authentication, increasing to 35% for 18-24 year olds

Polish respondents are most concerned about the embarrassment of the technology not working (47% vs 30%)

A third (32%) of Polish respondents say that the discomfort of using biometrics in public is a main barrier – the highest out of all European countries

Preference for the fingerprint biometric “norm” – With the advent of mobile payments and fingerprint recognition, fingerprint recognition is deemed to be the most favourable form of biometric payment by European consumers for its ease of use and security

Europeans express the greatest preference for fingerprint scanning (49%) as a biometric form of authentication to replace passwords or PINs – increasing to over half (53%) amongst the younger generation (18-24 year olds). This is followed by iris scanning (33%) and facial recognition (19%)

Preference for fingerprint scanning is highest in Italy (55%) and Spain (52%), while preference for iris authentication is highest amongst British (37%) and Spanish consumers (34%)

When asked the extent of how comfortable consumers are with a particular authentication method, Europeans are equally comfortable with fingerprint scanning (73%) as they are authenticating payments with PIN (73%)

In fact, four in five (81%) say that fingerprint scanning is a secure way to authenticate payments compared with just three in five (58%) who say the same about PIN numbers

Europeans are least comfortable with DNA sampling (36%) and behavioural biometrics (34%) when considering all different forms of authentication

Sweden stood out as the country most interested in more advanced forms of biometrics. Compared with its European counterparts, Swedish respondents express greater interest in vein pattern recognition (13% vs 9% average), chip implants (13% vs 7% average) and DNA matching (10% vs 8% average)

When asked the extent to how secure consumers think an authentication method is, over four in five (81%) see fingerprint authentication as a secure form of payment – the highest out of all forms of biometric and traditional payment methods, followed by iris scanning (76%)
Face recognition vs payment discretion

Despite the increasing availability of facial recognition capabilities, authentication through facial recognition was rated as one of the least preferred biometric forms of payments when it comes to usage in a range of situations:

Across Europe, only 15% would prefer facial recognition as a payment method.

Only 12% in the UK and Germany and 10% in Sweden say they would use facial recognition as a payment method.

Nearly a quarter (23%) express discomfort with using facial recognition capabilities to make payments increasing to almost a third in Sweden (31%) and Germany (30%)

Only a fifth (19%) of Europeans want to use facial recognition in place of more traditional payment methods such as PINs or passwords.

Across various scenarios, preference for facial recognition remained low: public transport 5%, online shopping 4%, bars & restaurants 4%
European consumers ready for “biometrics plus” for secure payment authentication

73% see two-factor authentication, where a biometric is used in conjunction with another authentication method, as a secure method to confirm an account holder.

While people understand the importance of different passwords for emails, social media and online banking, they don’t always apply the same security measures for their cards’ PIN with more than twice as many European consumers having the same PIN code for their cards (20% vs 8%)

51% believe that biometric authentication methods will make payments faster and easier than traditional security methods
Younger generations have the riskiest behaviour when it comes to sharing their passwords/PINs

Seven in ten (72%) 18-24 year olds have disclosed at least one of their PINs/passwords or payment details to a friend or family member

25-34 year olds are nearly twice as likely to disclose their internet banking details with others (12% vs 8%)

European consumers see traditional security questions such as providing your mother’s maiden name as the least secure method of authentication (45%)

Consumers exhibit risky behaviours when it comes to their security information

Nearly half (47%) have shared at least one of their passwords/PINs or payment details with a friend or family member

One in six (16%) has shared details to their debit/credit card with friends or family increasing to one in four (26%) for Swedish consumers

This is despite 67% of respondents saying that security details are used to protect and confirm one’s identity
Banks are the most trusted partner to provide biometric payment services

33% are worried about the vulnerabilities associated with storing biometric information while 32% say security leaks could be the main barrier to adoption.

Concern over security leaks or breaches are seen as the second biggest barrier after cost for French consumers (41%).

In Europe, German and Swedish (both 44%) respondents say the vulnerabilities associated with storing biometric information is a barrier to adoption compared with a third (33%) of Europeans.

Across Europe, 84% say that they would trust biometric authentication if it was provided by their bank.

Over three-quarters (78%) of Europeans would trust biometric payment services from their card payment provider.

Banks are the most trusted institution to provide biometric payment services and hold biometric personal data on consumers.

Banks are also the most trusted institutions for storing the biometric forms of authentication.

Compared with other institutions, including government agencies, 57% of people across Europe say that they would trust a bank to store their biometric information (vs 33% for government partners).

Polish (68%) and Swedish (61%) respondents would trust banks to store their biometric information.
Research Overview

Total sample size: 14,236
Markets: 7 countries – France, Germany, Italy, Poland, Spain, Sweden and the UK
Fieldwork dates: 22nd April – 6th May 2016

The offer of biometric authentication of payments is a deciding factor for younger consumers and men

39% of 25-34 year olds say they are likely to switch away from their bank if they did not offer a biometric form of payment in the future, compared with 27% of over 65 year olds.

This was highest in Poland and Spain where 44% and 42%, respectively, say that they will switch away from their current banking provider if they did not offer a biometric form of payment in the future.

Almost a third (31%) of 18-24 year olds say they are likely to switch away from their mobile handset provider if they didn’t offer a biometric form of payment in the future, compared with 23% of over 65s.

37% of men across Europe are likely to switch away from their banks if they did not offer a biometric form of payment, compared to 29% of women.

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