

Convert more shoppers into paying customers

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The United Kingdom has one of the highest consumer credit card adoption rates for online payments, but even then only 60% of consumers choose to use their credit or debit card to transact online. That means you could potentially increase your target audience by 40% and drive online sales simply by offering an alternative to cards on your site.

And the rates get worse in Europe where the number of shoppers in Germany and Sweden who prefer using credit cards for online payments drops to 26% and 34% respectively. Simply put, many consumers cannot transact online using a credit card because they don't have them.

Consumers fear online fraud

With online fraud schemes increasing in number and sophistication, one reason online shoppers shy away from credit card payments is fear of identity theft or having their credit information stolen. Of the online shopping holdouts, 35% of them do so due to concerns about giving out sensitive information online. And who can blame them?

According to APACS, Card-Not-Present (CNP) fraud rose by 18% in the first 6 months of 2008 with 40% of total card fraud losses the result of activity originating overseas. Typically, this type of fraud involves the use of UK card details stolen at cash machines and retailers in countries that have deployed Chip and PIN security. This is an alarming statistic considering in the first half of 2008, total credit card fraud losses totalled £301.7 million. It's not only online consumers who should be alarmed by these statistics. CNP fraud alone cost banks and retailers more than £290 million a year and this sum does not include debt recovery of fraud originating overseas, which is either cost-prohibitive or impossible to trace.

Convert non-cardholders

So how do you reach the 40% of UK consumers who either cannot or will not transact online with a credit or debit card? Offer other payment options.

Increasingly, consumers are demanding choice, with studies showing that consumers prefer a wide range of payment methods, including electronic bank transfers, e-wallets and other payment methods. In a survey of 2,000 British adults, 50% said that they would cancel a transaction if their preferred payment method wasn't available. And in the UK alone, of the 18 million consumers who use internet banking, 13.7 million use it to make direct payments or transfers to online merchants, making it a necessity for any business wanting to succeed in this market.⁶

Take electronic bank transfer payments

Internet banking or electronic bank transfer payments work by enabling consumers to make payments directly to an online merchant using their internet banking account. Because these payments leverage stringent online banking policies and standards, they ensure customer privacy, security and trust.

The payment process starts at the merchant payment page. After choosing the internet bank payment option, customers are automatically redirected to their banking website where they simply log in to complete the transaction. Both the consumer and the merchant receive instant transaction confirmation.

Easy payments for your customers

With no complicated pre-registration process, internet banking is easier for your customers to use than most other online payment methods. Even more, customers can check their bank balance before making an online purchase, allowing them to better manage their online spending.

More profitable payments for your business

Internet banking can also offer huge advantages to merchants who are looking to save money. Because they are from cleared debit funds, internet banking payments are absolute with negligible charge-backs. Not only that, they also allow online merchants to finally reach the non-cardholder market without the need for costly integrations or acquiring fees.

Get internet banking through a Payment Services Provider (PSP)

Your business is growing and evolving in response to the ever-changing e-commerce world and so should your PSP. Your payment gateway can offer you a host of new payment solutions that capitalise on new opportunities for market expansion, like internet banking and other debit payments.

Learn more at: www.web-merchant.co.uk

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