Zwipe is pioneering the next generation contactless payments experience, providing biometric payment cards and wearables that enable consumers to authorize transactions with their fingerprints without compromising their privacy.

Zwipe Insights is a market analysis of payment habits and how they link to consumers' desire and willingness to have safer and more secure payments in-store.

In December 2021, over 200 consumers in South African were surveyed, 38% between the ages of 18-29, 34% between the ages of 30-44, 22% between the ages of 45-60, 6% ages 60+.
Respondents’ profile

**Gender**
- Male: 50%
- Female: 50%

**Age**
- 18-29: 38.0%
- 30-44: 34.0%
- 45-60: 22.0%
- 60+: 6.0%
Cards remain the most preferred payment method

In a store, what is your preferred method of payment?

<table>
<thead>
<tr>
<th>TYPE OF PAYMENT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>9,0%</td>
</tr>
<tr>
<td>Prepaid card</td>
<td>0,5%</td>
</tr>
<tr>
<td>Smart Phone (e.g. Apple Pay)</td>
<td>8,0%</td>
</tr>
<tr>
<td>Credit card</td>
<td>14,4%</td>
</tr>
<tr>
<td>Debit card</td>
<td>68,2%</td>
</tr>
</tbody>
</table>
Contactless is the most popular way of paying

When making payments at the checkout counter, how often do you use a contactless card or mobile phone?

- Always or almost always: 55.7%
- Sometimes, now, and then: 38.8%
- Never: 5.5%
Consumers strongly prefer a payment card that eliminates PIN Codes and still delivers stronger security

*When looking at payment security concerns, what statement do you most identify with?*

- I would prefer payment methods with transaction limits and more security, as I am willing to have less convenience for more security: 32.3%
- I would prefer to use a payment method that delivers MORE SECURITY, eliminating the need for signature or entering PIN codes that only the rightful owner can use: 56.2%
- I would prefer there be no transaction limits and NO ADDITIONAL security on my payments: 11.4%
76% consumers want a completely touch-free checkout experience

If your bank offered you a payment method which would completely remove the need to touch the payment terminal or to provide a signature for all transactions, would you be interested?

I would be interested, and I would consider paying for such an option
19.9%

I would be interested in a new payment method that offers a completely touch-free experience
56.2%

No, I would prefer using my current payment card
23.9%
88% consumers are concerned when touching the payment terminals due to risk of infection

When considering COVID-19, how concerned are you about the risk of infection when it comes to touching the payment terminal and entering your PIN?
Almost 8 out of 10 consumers were not aware of Biometric Payment Cards before watching the video. After watching the video, 9+ out of 10 consumers express interest in this card.

Were you aware of Biometric Payment Cards before seeing this video?

- Yes: 76%
- No: 24%

Based on what you’ve seen in the video, would you be happy for your next payment card to be a Biometric Payment Card?

- Yes: 94%
- No: 6%
52% of Consumers are willing to pay separately for Biometric Payment Cards

If your bank / financial service provider offered a Biometric Payment Card which ensured 100% touch-free payments whilst ensuring higher security and greater convenience, would you be willing to pay for such a payment card?

- Yes – more than $7 every month: 12.5%
- Yes - between $2 -$7 every month: 26.5%
- Yes – less than $2 every month: 12.5%
- Yes – but I would expect it included within my current monthly / annual fee: 39.5%
- No: 9.0%
78% of respondents will consider switching their bank to order Biometric Payment Cards; 78% want their Biometric Payment Card within the next 6 months

If you were offered a Biometric Payment Card by a bank/financial service provider that was not your primary provider, would you consider switching to new provider that did offer them?

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When would you like a Biometric Payment Card to be offered to you?

- Now or as soon as possible, it is amazing! - 57.5%
- Within the next 6 months - 20.5%
- Sometime within the next 6-12 months - 14.5%
- I am not sure / am not interested in receiving one - 7.5%
Security & Safety remain the most important consideration when selecting a payment product. Next comes Convenience and associated benefits with the card, for e.g., loyalty.
54% of consumers are concerned with contactless fraud

<table>
<thead>
<tr>
<th>Type of Fraud</th>
<th>Concerned (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online fraud - where your card is used to buy goods and services online without your approval</td>
<td>68.0%</td>
</tr>
<tr>
<td>Contactless fraud - where your card is used by someone else using “tap &amp; go”</td>
<td>64.0%</td>
</tr>
<tr>
<td>Card theft - where your actual card is stolen and used by someone else</td>
<td>54.0%</td>
</tr>
<tr>
<td>Skimming - where someone takes your card and copies it before giving it back to you</td>
<td>57.0%</td>
</tr>
</tbody>
</table>

200 participants answered this question. Multiple answers were enabled.
89% of South Africans want a card that is tied to their unique fingerprint

How important is it for you to have a card whose security is tied to your unique fingerprint and therefore only you can use?

- Very important as this represents much better security than PIN codes: 88.9%
- Somewhat important as I find PIN codes offer adequate security: 10.1%
- Not important, as I don’t worry much about card security: 1.0%
75% are very keen to participate in a Biometric Payment Card pilot

Would you be willing to participate in a Biometric Payment Card pilot/ market trial?