Digital Convenience Is Here to Stay
Consumer behavior and preferences are constantly changing. But which changes will last? The COVID-19 pandemic inspired significant shifts faster than ever before, and it seems some of these trends are here to stay.

The most recent American Express Digital Payments Trendex research reveals consumers are growing consistently more comfortable with digital payments, opting for what’s most convenient and trusting merchants to protect their information. Merchants are quickly adapting to these preferences, adding new options for payment methods and enhanced security features for data protection.
Over three-quarters of consumers use P2P payments, in general.

Convenience (73%) tops the list of reasons why consumers choose to pay using peer-to-peer payments (P2P). Over half of users cite the speed of money transfer (54%).

Merchants see offering P2P as an easy way to meet customer demand for payment options.

Customer demand (54%) and ease of set-up (58%) are cited as the most common reasons to offer P2P.
Consumers and merchants look for the right balance of payment security and convenience.

As nine in 10 consumers feel their personal and payment account information is secure online, they show limited patience for increased security measures. **38% of consumers feel that security features** such as passwords, PINs, and verifications that are required when shopping online make the checkout process confusing and cumbersome – up from **32%** in 2019.

Meanwhile merchants are taking steps to reduce their vulnerability and keep their customers safe. **58% of merchants offer enhanced security requirements at checkout** to help protect customer card information. Another **21%** plan to adopt more enhanced requirements in the next 12 months.
The security measures that merchants use most frequently on their websites include:

- **60%** Require a security code (CVV) for credit card purchases
- **56%** Decline transactions without a verified billing address
- **50%** Website with data encryption
- **50%** Confirmation that customers are not robots (e.g., CAPTCHA)
- **45%** Require account set-up before making a purchase
- **43%** Optional security questions
- **40%** Require one-time passwords
Consumers are looking for convenient ways to pay outside of just P2P.

30% have used payment features on a social media platform to make a purchase or send a payment to another user.

Facebook Pay is the most frequently used, cited by 21% of consumers, while 15% use Instagram.

Currently just 26% of merchants offer payment via social media. However, 18% say they plan to adopt this method in the next 12 months.
Customers continue to opt for consistent and easy payment methods.

70% of consumers would prefer the convenience of selecting from a list of existing personal payment methods instead of entering their payment information every time – an increase from 62% in 2019 and 61% in 2018.

50% say they prefer to log in to a site using an existing profile (such as Facebook or Google) instead of creating a new account with a business.
Inspired by missed sales, merchants are following suit and offering easy checkout.

Merchants estimate that 34% of their online sales transactions were abandoned in the past year.

42% of merchants currently offer the ability for customers to make a purchase using an existing profile (such as Facebook or Google) instead of creating a new account with the business. Another 22% plan to adopt this practice in the next year.

53% provide the convenience of a guest checkout option for customers.
Consumers are getting more and more comfortable with card on file.

**Over half of consumers** say they are comfortable storing credit card information online (“card on file”) with businesses for ongoing payments or future purchases, up from **43%** in 2019.

Notably, consumer level of comfort varies based on the type of business keeping their card on file.

- **61%**
  - Six in 10 say they **are comfortable trusting businesses where they have recurring payments**, such as online streaming services or memberships, with keeping their credit card information on file.

- **42%**
  - While almost half are still **comfortable trusting other types of businesses**, including maintenance services for car repair, cleaning, or salons.

**Merchants across industries still agree – card on file is worth it.**

- **74%**
  - Three in four merchants currently **store customer profiles and card payment information for future purchases** or are planning to in the next 12 months.

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Despite economic uncertainty during the pandemic, consumers continued to shop. In fact, they found new ways to pay as the way they lived and worked evolved. Merchants were quickly able to adapt to these new habits. Consumers and merchants can always seem to agree on one thing – convenient, safe payments are a priority.