

# Swiss Payment Monitor 2021 – How does Switzerland pay?

Issue 2/2021 – Survey May 2021

## **Study authors**

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[www.swisspaymentmonitor.ch](http://www.swisspaymentmonitor.ch)

## Abstract

The effects of the corona pandemic have changed the payment behaviour of the Swiss population. Since the outbreak of the coronavirus, cash use has decreased significantly, while digital means of payment have gained in importance. Contactless payment by card and mobile phone is the new payment standard. The debit card is the most popular means of payment in Switzerland, both in terms of turnover and number of transactions. It has thus displaced the credit card from first place in terms of turnover and cash in terms of the number of transactions. At present, the debit card is (still) rarely used for distance transactions. Online payments, especially for large amounts, are often made by invoice or via a mobile device. The user base of neobanks is growing. These are also increasingly used as the main bank. The practical handling, the quick transfer of funds and the constant availability of these app-based banks are the main reasons for their use.

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# I Introduction

The coronavirus continues to dominate the headlines. During the survey period in May 2021, public life in Switzerland continued to be severely restricted. For example, home offices were compulsory and indoor activities were only possible to a limited extent or, in the case of the catering industry, prohibited altogether. However, infection figures were declining and overall economic consumption was gradually returning to normal. What influence do these changes have on payment behaviour in Switzerland?

This question is addressed in the fifth edition of the Swiss Payment Monitor (SPM), which is published jointly by the Swiss Payment Research Center (SPRC) of the ZHAW School of Management and Law and the Swiss Payment Behaviour Lab (SPBL) of the University of St.Gallen. In addition to mapping current payment behaviour and its development over time, the SPM, as usual, offers insight into the attitudes of the Swiss population in connection with various payment methods and payment service providers.

In May 2021, an online access panel was used to recruit and interview a sample of over 1400 people aged between 18 and 90 from all three parts of the country, who were representative of the Swiss population, and then invited to take part in a three-day diary survey of payment behaviour. This brief report summarises the most important findings from the current survey and diary survey. The results are also available on the project homepage [www.swisspaymentmonitor.ch](http://www.swisspaymentmonitor.ch). In addition, with the help of an interactive dashboard, the homepage provides a continuous graphic insight into the current data on digital payment traffic published by the Swiss National Bank.<sup>1</sup> The project homepage thus enables a holistic analysis of the payment behaviour of the Swiss population.

In addition to the two research institutions ZHAW and the University of St.Gallen, the SPM is funded by the Swiss Payment Association (industry organisation of all major Swiss issuers of credit cards of the international card organisations) and the industry partners Nets (Nets Schweiz AG) and Worldline SIX Payment Services.

This report is structured as follows: Chapter 2 explains the underlying study design. Chapter 3 discusses the change in subjects' payment behaviour in light of the coronavirus, while Chapter 4 looks at payment behaviour by transaction amount. Chapter 5 discusses developments in mobile payment solutions before Chapter 6 takes a look at the cash withdrawal behaviour of the Swiss population. The awareness and use of neobanks are part of chapter 7. Chapter 8 summarises the most important findings and gives an outlook on future developments.

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<sup>1</sup> See [www.swisspaymentmonitor.ch/snb-daten](http://www.swisspaymentmonitor.ch/snb-daten)

## 2 Study design

The goal of the Swiss Payment Monitor is to comprehensively illuminate the Swiss payment landscape from different perspectives. By combining different research methods, the study offers an integrated view of the payments market and enables new developments to be recorded and relevant drivers to be identified over time through regular data collection.

The study comprises two parts: The first part deals with the micro perspective, which consists of a standardised online survey with questions on payment behaviour in general and a payment diary to be filled out by the respondents during three days. The second part deals with the macro perspective, which is based on the analysis of the publicly available data material on electronic payment transactions of the Swiss National Bank (cf. Figure 1).

Figure 1: Study design of the Swiss Payment Monitor



### 2.1 Microperspective

The micro perspective reflects the consumer view and captures payment habits, ownership of traditional and new payment instruments as well as the Swiss population's perceptions and

attitudes towards different payment instruments and payment service providers. In addition, behavioural changes in connection with the corona pandemic are examined.

In the fifth SPM (issue 2/2021), 1454 people aged between 18 and 90 from German, French and Italian-speaking Switzerland completed the online survey. The study participants were recruited via an online access panel. 837 of the respondents (58%) subsequently recorded all their transactions in a diary survey over a period of three days. The sample is representative of the Swiss population in terms of gender, age, language region and level of education.

### 2.1.1 Online survey

In the first step, the participants were asked to answer questions about the topic of "payment" online. The focus was on the respondents' self-perception and assessment of various aspects of their payment behaviour. The survey lasted approximately 25 minutes and was conducted in May 2021 in a staggered manner.

### 2.1.2 Payment diary

In the second step and subsequent to the online survey, the participants documented their payment behaviour in the form of a payment diary over a period of three consecutive days (see Table 1). The participants recorded and classified all payments made during the day - with the exception of recurring expenses - and cash withdrawals according to predefined characteristics. The payment diary was kept with a mobile app, which enabled the timely recording of transactions and cash withdrawals.

In total, the 837 respondents recorded 4211 transactions with a total amount of around 229,000 Fr. in Switzerland and abroad (cf. Table 1).<sup>2</sup> This corresponds to an average of 1.7 transactions per person per day and an average amount of around 54 Fr. If only domestic transactions are considered, the two values are somewhat lower (1.6 transactions and around 52 Fr. amount). These figures roughly correspond to the figures from the SNB's Payment Survey 2020 (1.5 transactions and around 50 Fr.).<sup>3</sup>

Compared to the Swiss Payment Monitor issue 1/2021 based on the survey in November 2020, respondents in Switzerland made around 0.3 fewer transactions per day with an average amount per transaction that was around a quarter lower. This could mainly be due to the timing of the survey in the run-up to Christmas. During this time, people tend to shop more frequently and for larger amounts. In addition, 47 per cent of sales from the diary survey were generated online in November 2020, while only 29 per cent of sales were conducted online in May 2021. The proportion of transactions online and on-site was roughly similar in May 2021 compared to November 2020 (14% vs. 18% and 86% vs. 82%).

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<sup>2</sup> The foreign currency amounts were converted into Swiss francs according to the average monthly exchange rate.

<sup>3</sup> See Swiss National Bank (2020): Payment Survey 2020, Zurich.

Table 1: Overview of the payment diary

Survey	Nov. 2020 (1/2021)	May 2021 (2/2021)	Change
Duration of the diary survey	3 days	3 days	
Number of participants	701	837	+19,4%
<b>Turnover volume in CHF</b>			
Domestic	Fr. 281'149.-	Fr. 208'754.-	-25,7%
Domestic and abroad	Fr. 308'134.-	Fr. 228'846.-	-25,7%
Online	47%	29%	
on site	53%	71%	
<b>Transaction volume</b>			
domestic	3'991	4'051	+1,5%
domestic and abroad	4'232	4'211	-0,5%
Online	18%	14%	
on site	82%	86%	
<b>Average number of transactions per person per day</b>			
domestic	1,9	1,6	-15,8%
domestic and abroad	2,0	1,7	-15,0%
<b>Average amount per transaction</b>			
domestic	Fr. 70.45	Fr. 51.55	-26,8%
domestic and abroad	Fr. 72.80	Fr. 54.35	-25,3%

## 2.2 Macro perspective

The macro perspective refers to macroeconomic variables and records payment transactions at the aggregate level using publicly available data material from the Swiss National Bank. It provides an up-to-date picture of cashless payment transactions in Switzerland and with Swiss payment cards abroad on an ongoing basis. In addition, it provides information on effective cash withdrawals with payment cards. The data can be viewed interactively on the project homepage [www.swisspaymentmonitor.ch](http://www.swisspaymentmonitor.ch).

## 3 Payment behaviour in the light of the corona pandemic

### 3.1 Behaviour change explained by respondents

Figure 2 shows the mean values of the respondents' answers to the question about the change in payment behaviour due to the corona pandemic for the two survey waves 1/2021 and 2/2021. All behaviour related to cash has mean values clearly below three, which means that less cash is used in all respects. The comparison of the two survey waves shows that cash use is also declining sharply over time.

The behaviour towards more cashless payment methods increased again in all categories in the current survey, especially with regards to contactless card payments and mobile payments (cf. Figure 2). The Corona-related changes in behaviour between November 2020 and May 2021 have strengthened or even increased. However, the differences in the mean values are not statistically significant.

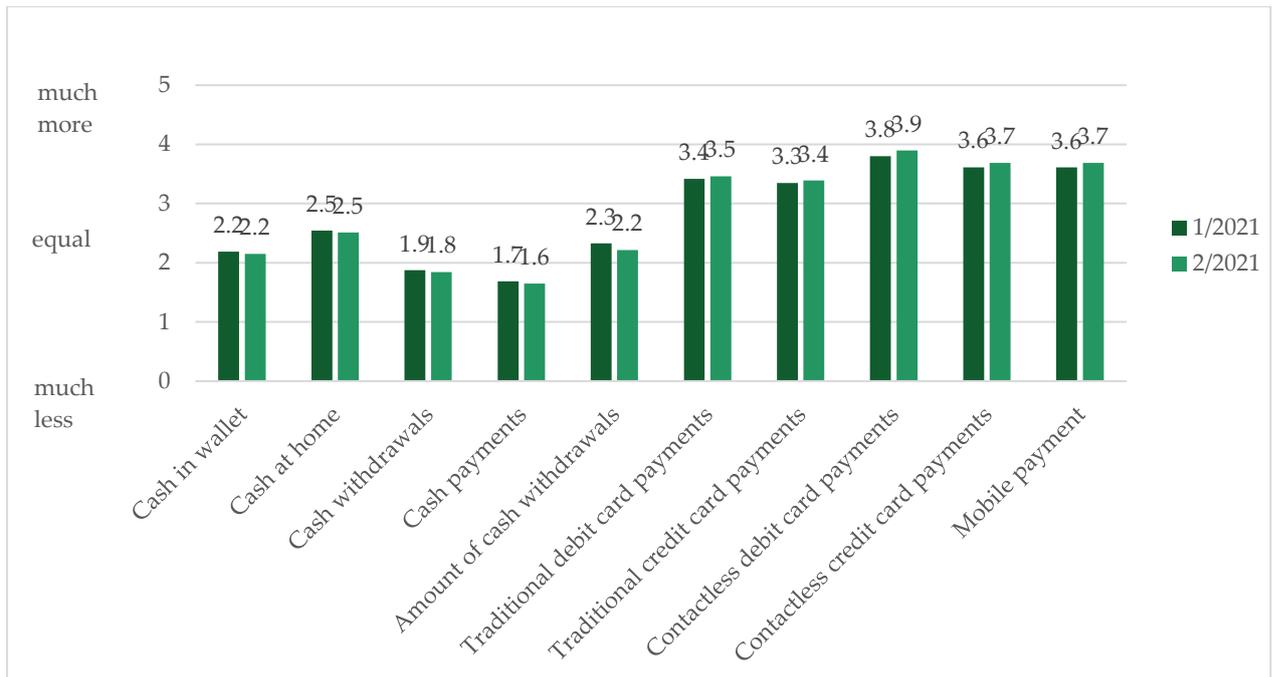
Compared to all other age groups, those over 60 years have changed their payment behaviour statistically significantly less. Women, in contrast to men, stated statistically significantly more often that they had reduced the amount of cash in their wallets due to the corona pandemic, that they withdraw less cash and that they pay less often with cash and instead more often contactless with debit or credit cards. Likewise, respondents from the French-speaking part of Switzerland stated significantly more often than German-speaking Swiss that they increasingly pay contactless with debit or credit cards.

Payment behaviour correlates strongly with consumption behaviour. In the first step, decisions are made about how to satisfy needs (consumption) and only in the second step are decisions made about how to pay for these services and goods. For this reason, the Swiss population was also asked within the framework of the SPM to what extent they had changed their consumption behaviour as a result of the corona pandemic. The results for the two surveys 1/2021 and 2/2021 are shown in Figure 3.

It can be seen that in particular purchases locally, in the city and abroad have decreased due to the pandemic. It is particularly noticeable that respondents in the 2/2021 survey reported a greater decline in purchases abroad (mean 2.0) than in the 1/2021 survey (mean 2.3). In addition, respondents reported making many more online purchases since the outbreak of the pandemic. This effect was also accentuated in the 2/2021 survey (mean: 3.8) compared to the 1/2021 survey (mean: 3.6). However, this is in contradiction to the effective change in behaviour according to the diary survey, which shows a higher proportion of online purchases during the 1/2021 survey (cf. Table 1).

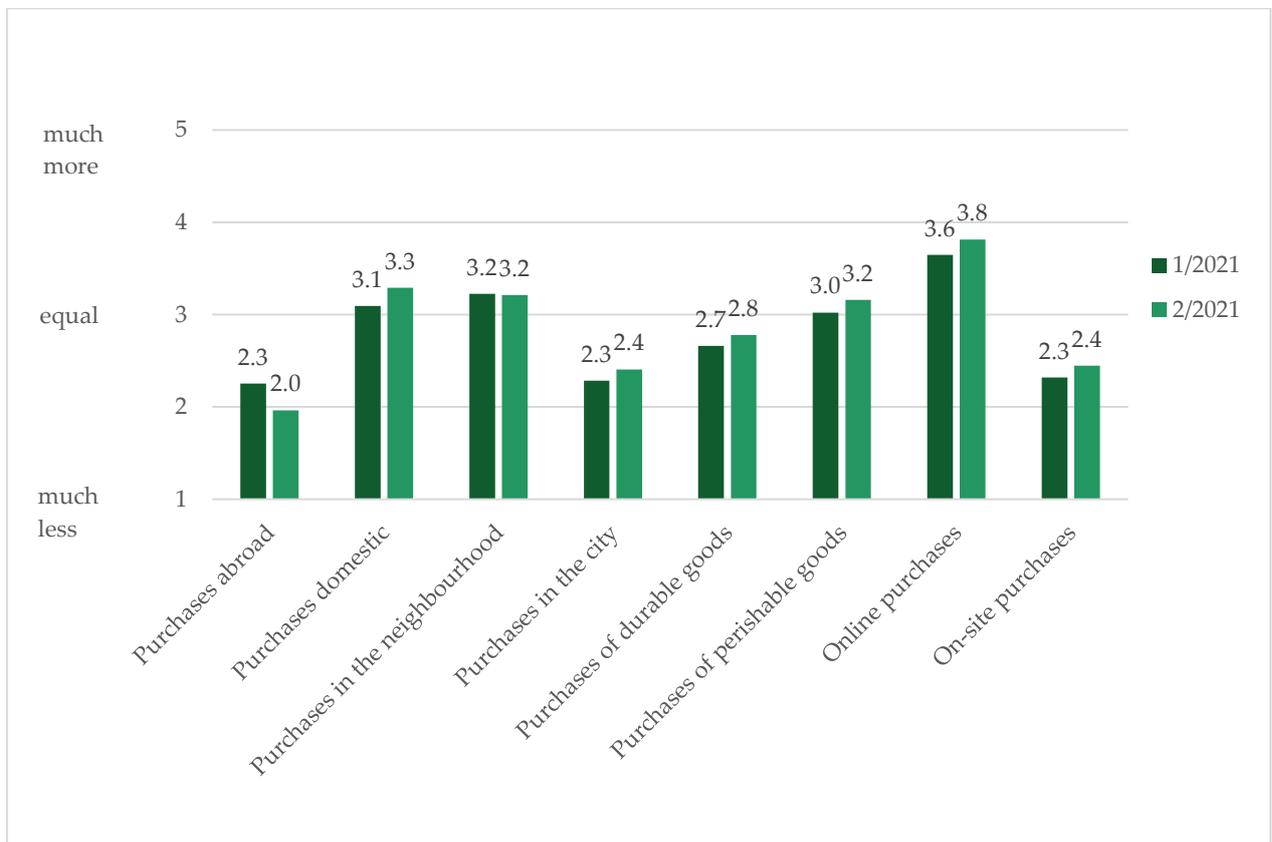
Women have changed their consumption behaviour statistically significantly more than men due to the corona pandemic. The over-60s have changed their consumption behaviour statistically significantly less than all other age groups. However, the over-60s have by far the most significantly reduced the frequency of purchases abroad as well as in the city.

Figure 2: Change in payment behaviour due to the corona pandemic



Question: To what extent has the corona virus changed your payment behaviour?

Figure 3: Change in consumption patterns due to the corona pandemic



Question: To what extent has the coronavirus changed your consumption behaviour?

## 3.2 Effective behaviour change

### 3.2.1 Total expenditure

With the help of the diary survey, the effective changes in behaviour with regard to payment habits can be shown. Figures 4 and 5 show the development of the share of turnover (measured by total expenditures<sup>4</sup>) and the share of transactions (measured by the total number of transactions) of different payment methods over time.<sup>5</sup>

The debit card is again the payment method with the highest turnover in Switzerland, after the credit card was in first place in the last survey. People spend the most money with the debit card, namely 31.3 per cent of their expenditure (cf. Figure 4). This is followed by the credit card<sup>6</sup> (24.5%), cash (18.3%) and the bill (12.0%). The share of sales from mobile devices<sup>7</sup> (primarily with mobile phones) ranks fifth at 9.3 per cent. Compared to the November 2020 survey, debit cards have gained 10.1 percentage points [pp] in turnover share - mainly at the expense of bills (-9.7 pp) and internet payment methods<sup>8</sup> (-6.0 pp).

The high share of bill and credit card sales in the 1/2021 surveys (cf. Figure 5) is probably primarily due to the special consumer behaviour during the pre-Christmas period in November 2020, which is shown by increased online purchases and higher amounts per transaction (cf. Table 1). In chapters 3.2.2 and 3.2.3, a distinction is therefore also made between face-to-face and distance (online) business in order to obtain a detailed picture of payment habits by sales channel.

Measured by the number of transactions, the debit card is the most frequently used means of payment for the first time since the SPM survey, with a share of 34.2 per cent, while cash falls below the 30 per cent mark for the first time with a share of 29.5 per cent (see Figure 5). The credit card is used in 17 percent of the total number of transactions, whereas 11.3 percent of transactions are carried out via mobile devices. Compared to the November 2020 survey, the increase in the transaction share of the debit card (+3.6 pp) and mobile payment (+2.2 pp) is striking at the expense of cash (-2.2 pp), bill (-1.7 pp) and credit card (-1.3 pp), whereby the decline in the latter two payment methods is probably due to the lower share of online transactions.

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<sup>4</sup> The results from the SPM show how this expenditure is distributed in relative terms among the various means of payment. The absolute figures on total expenditure and the total number of transactions with non-cash means of payment can be classified using the dashboard with the data on digital payment transactions ([www.swisspaymentmonitor.ch/snb-daten](http://www.swisspaymentmonitor.ch/snb-daten)).

<sup>5</sup> The data of the SPM 2019, 2020 and 1/2021 each refer to the survey in October/November of the previous year. The current data of the SPM issue 2/2021 are from the survey in May 2021.

<sup>6</sup> Credit card as a plastic card, either by chip or contactless via NFC.

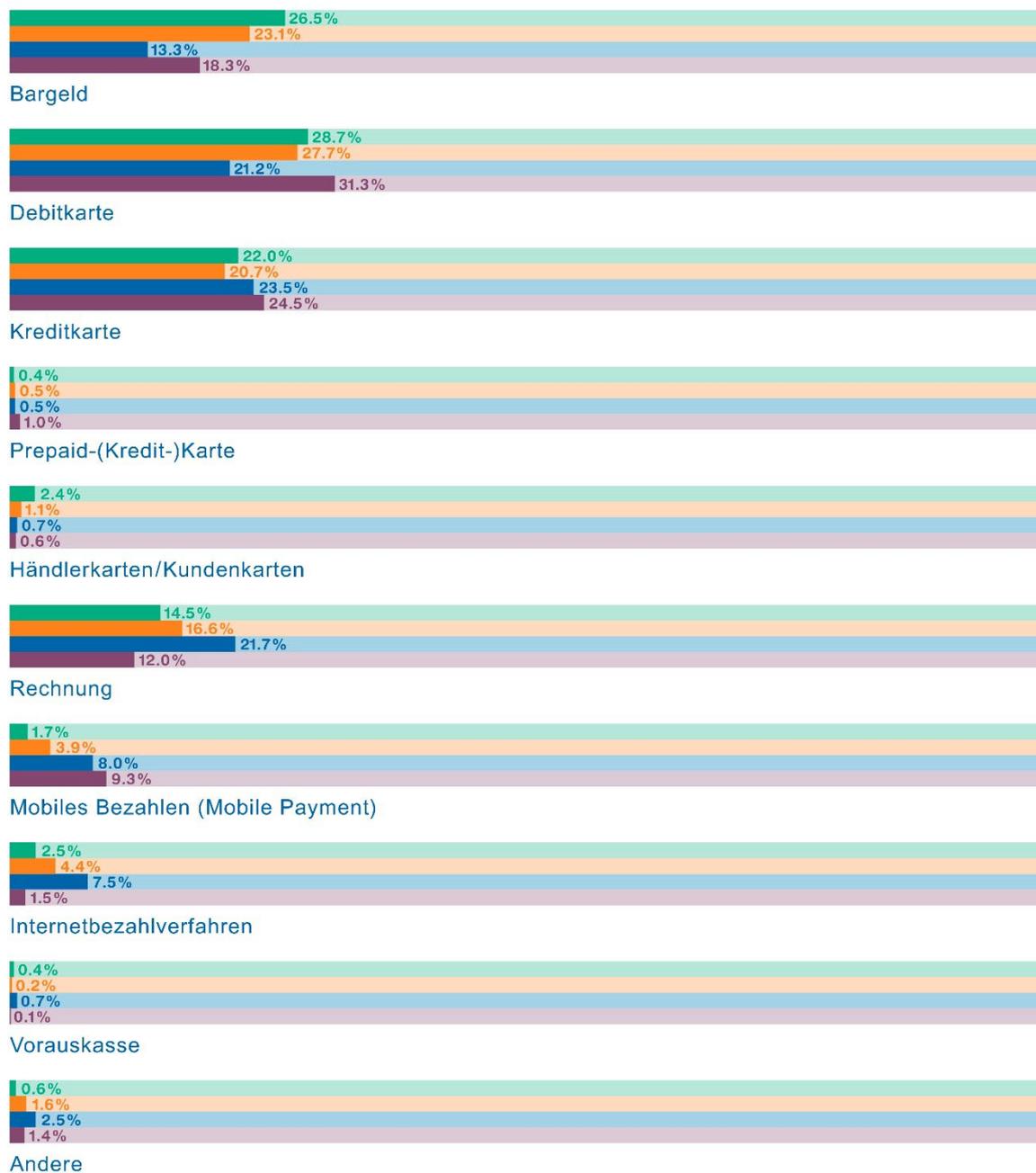
<sup>7</sup> The definition of mobile payment used is explained in more detail in chapter 5.

<sup>8</sup> Internet payment methods include services such as Paypal, giropay or Sofortüberweisung (e.g. Klarna).

Figure 4: Cash shares by turnover

Zahlungsmittel nach Umsatzanteil gemäss Gesamtmarkt

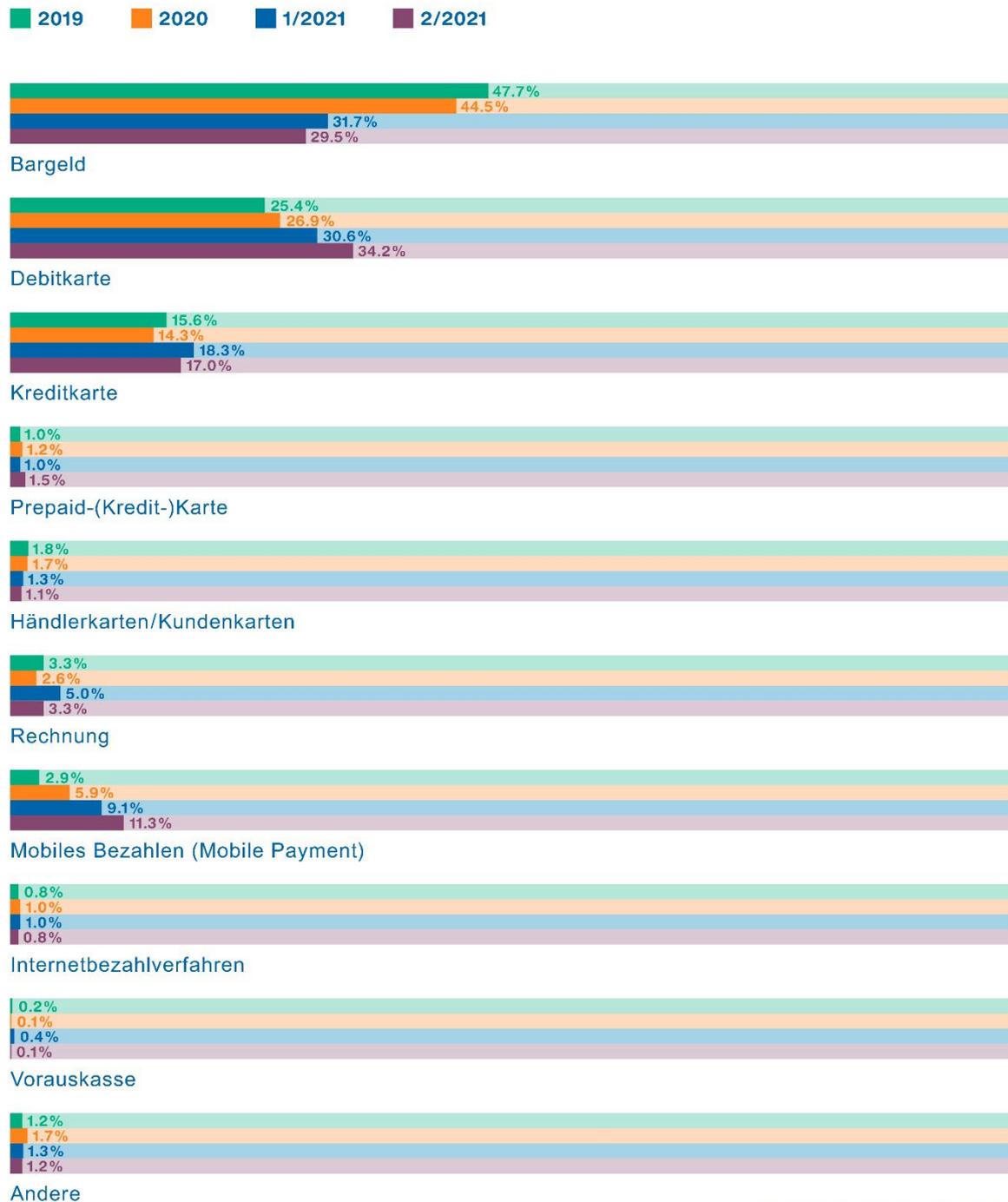
2019 2020 1/2021 2/2021



Remarks: According to diary entries, only domestic payments

Figure 5: Cash shares by number of transactions

Zahlungsmittel nach Transaktionsanteil gemäss Gesamtmarkt



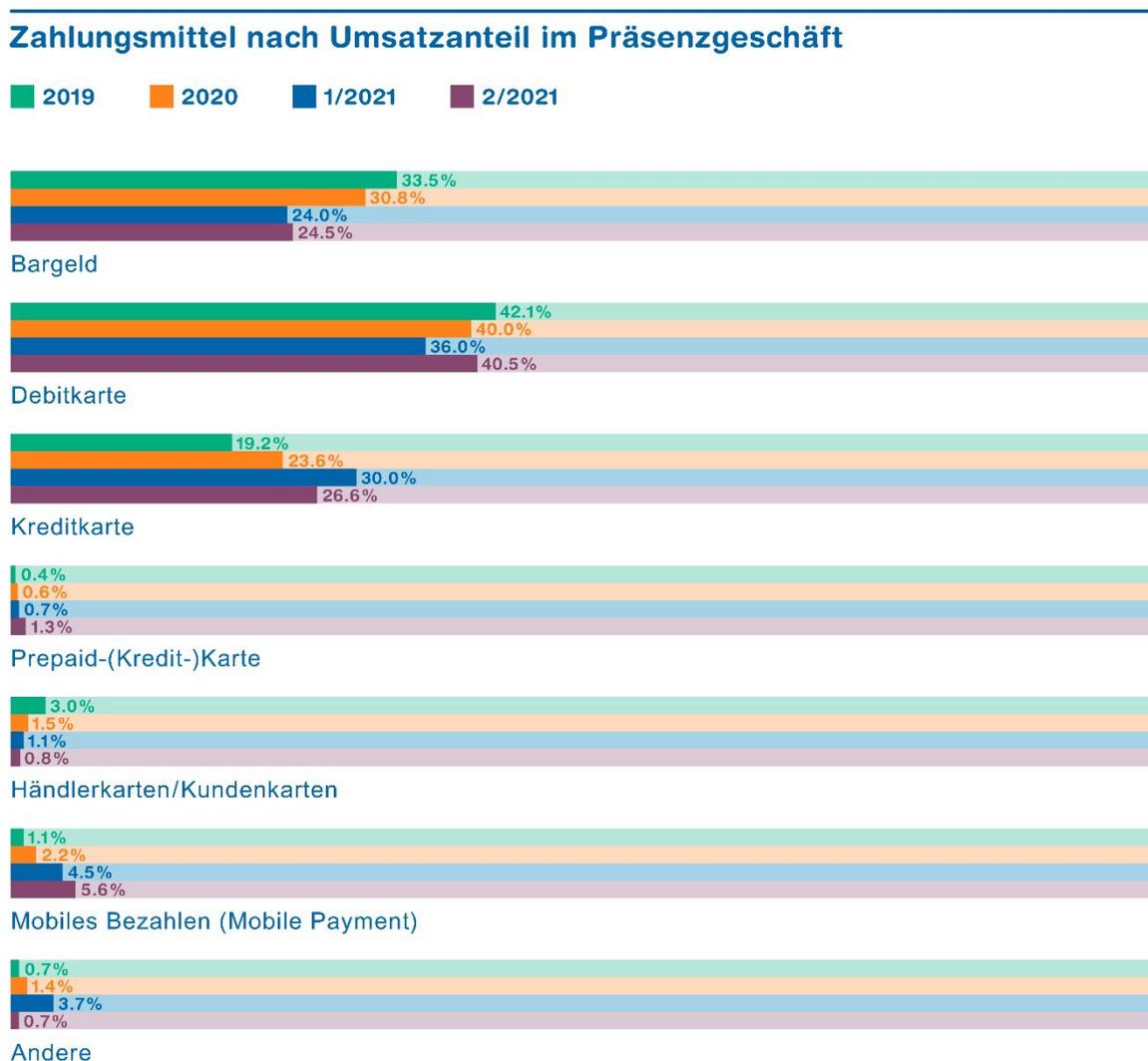
Remarks: According to diary entries, only domestic payments

### 3.2.2 Presence business

The payment situation has a major influence on the choice of means of payment and payment habits. Face-to-face business refers to all transactions on site in a physical shop or at a physical machine. This is in distinction to distance business, where payer and payee are physically separated from each other. This mainly includes online payments.

Table 1 shows that, purely in terms of volume, the majority (86%) of transactions are concentrated on face-to-face business. In terms of turnover, the share of face-to-face business is also clearly dominant in the 2/2021 survey (71%), while the share of turnover from face-to-face business in the 1/2021 survey in November 2020 was only 53 per cent. During this period, more expensive purchases were made online, which is related to the pre-Christmas shopping season.

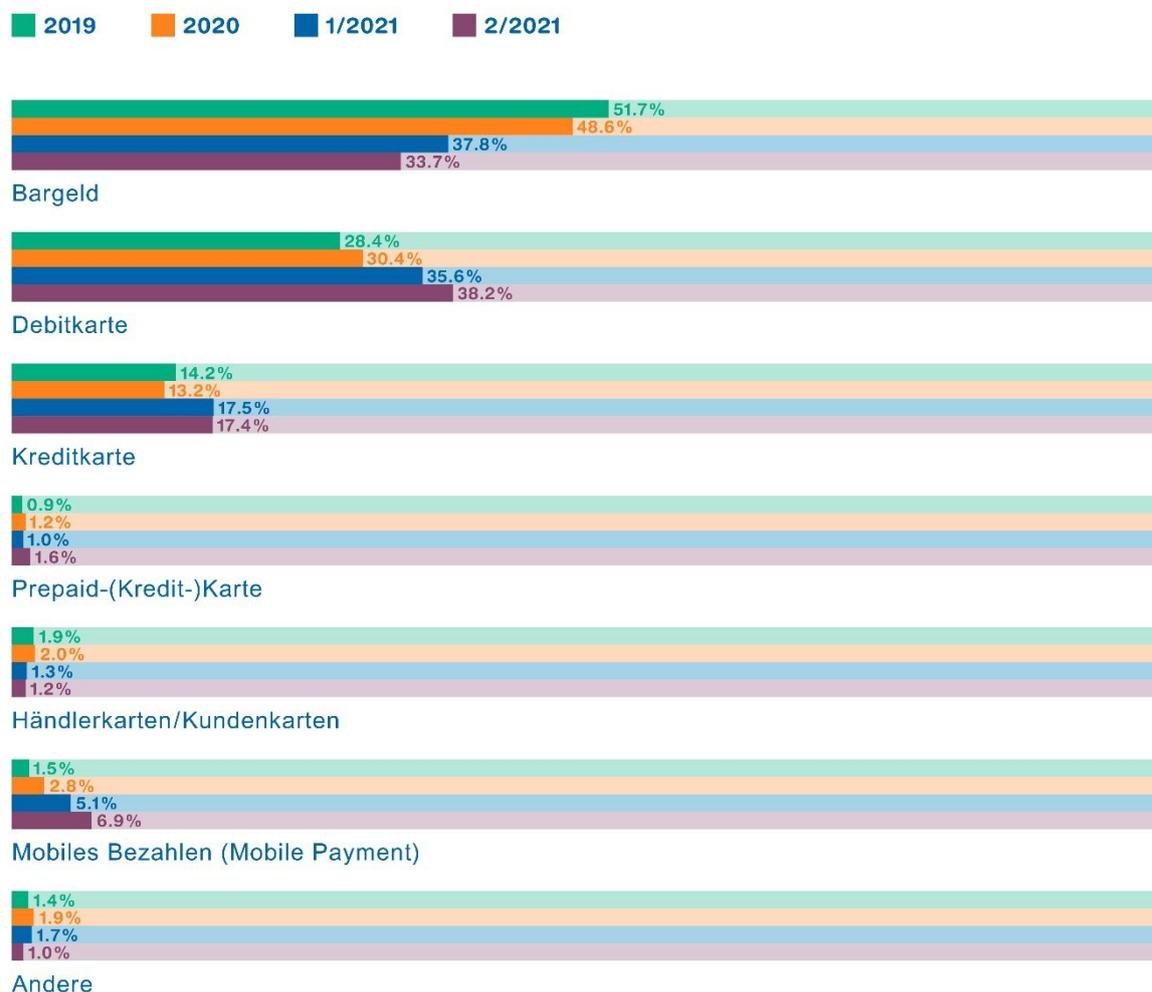
Figure 6: Cash shares by turnover in the presence business



Remarks: According to diary entries, only domestic payments

Figure 7: Cash shares by number of transactions in the presence business

### Zahlungsmittel nach Transaktionsanteil im Präsenzgeschäft



*Remarks: According to diary entries, only domestic payments*

The dynamic in the decline of cash use becomes clear when looking at the presence business, as cash is used exclusively on site. The share of transactions and turnover decreased steadily and strongly since the first survey (cf. Figure 6 and Figure 7). The latter, however, remained relatively stable between the 1/2021 and 2/2021 survey (+0.5 pp).

Figure 6 and Figure 7 show the development of the share of turnover and the share of transactions of different means of payment in the face-to-face business over time. Among other things, the strong increase in the share of turnover and transactions of credit cards in face-to-face business after the outbreak of the pandemic is striking. From SPM 2020 to SPM 1/2021, the credit card increased by 4.3 pp in terms of transaction share and by as much as 6.4 pp in terms of turnover share. In the case of the debit card, there has been steady growth since 2019, especially in the share of transactions in face-to-face business, up to the top position of 38.2 percent in the 2/2021 survey (see Figure 7).

Also striking is the strong growth of mobile payments in the face-to-face business since the beginning of the survey, both in terms of transaction and turnover share (cf. Figure 6 and Figure 7). The acceptance of cashless payment methods increased steadily during this time and since the outbreak of the pandemic, many merchants have even recommended cashless payment. This includes Twint, the most popular mobile payment solution in Switzerland.

The dynamic in the decline of cash use becomes clear when looking at the presence business, as cash is used exclusively on site. The share of transactions and turnover decreased steadily and strongly since the first survey. The latter, however, remained relatively stable between the 1/2021 and 2/2021 survey (+0.5 pp).

### 3.2.3 Distance business

Figure 8 and Figure 9 show the development of the share of turnover and the share of transactions of different means of payment in the distance selling business over time. It is noticeable that in the current survey, invoices continue to account for the largest share of turnover in distance selling with 46.9 percent, followed by mobile payments with 20.4 percent and credit cards with 18.2 percent (cf. Figure 8).

In terms of the transaction share in the distance business, mobile payment is clearly in first place with 42.2 percent, followed by invoice with 25.5 percent and credit card with 14.3 percent (cf. Figure 9). The fact that the turnover and transaction share of mobile payment and payment by invoice diverge so strongly is directly related to the size of the amounts. Smaller amounts such as parking fees or public transport tickets are often paid by mobile payment, while larger amounts are paid by invoice. Further details on payment behaviour by amount range follow in chapter 4.

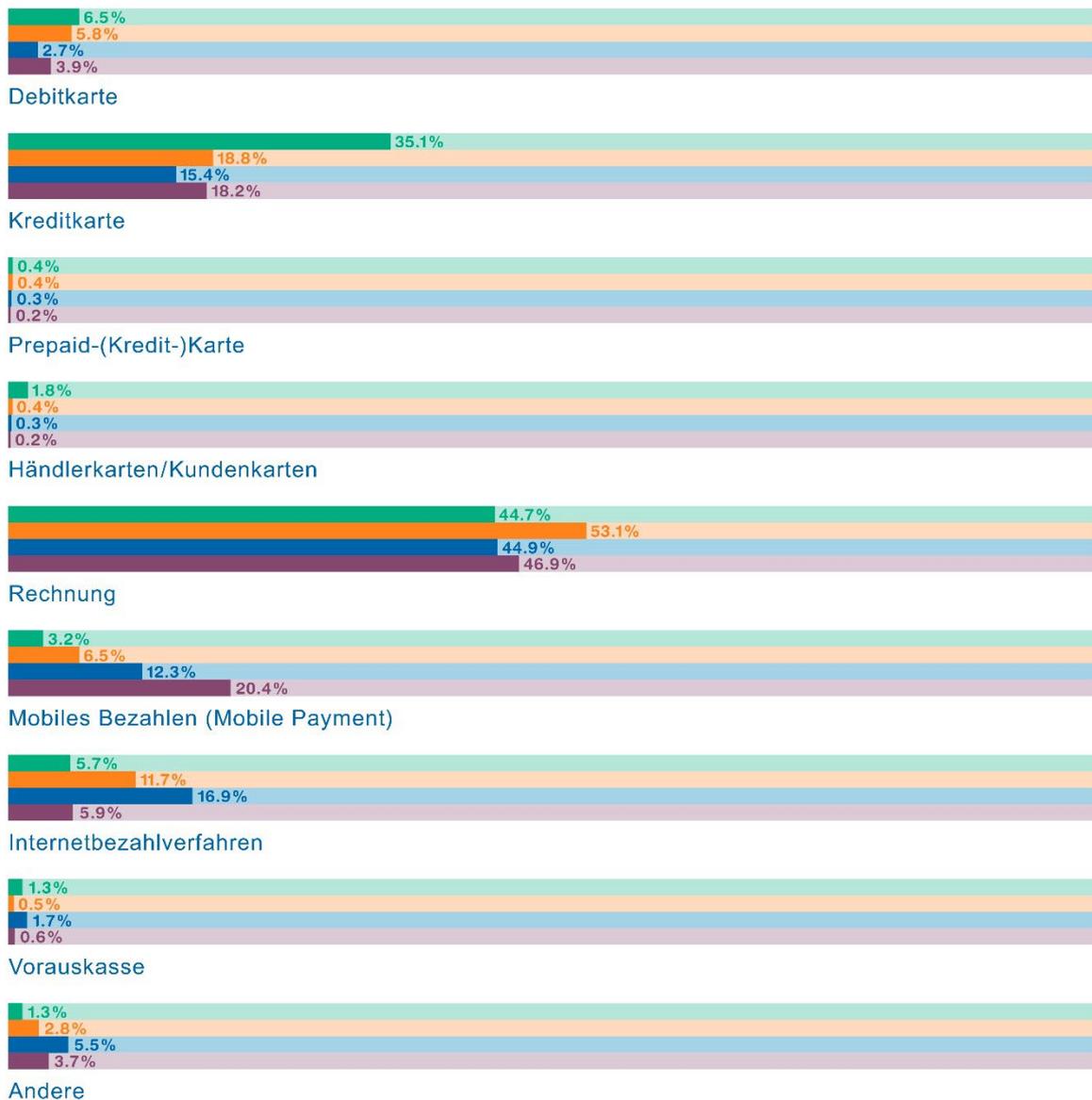
While mobile payments in the distance business increased by 12.7 pp in the transaction share since the 1/2021 survey, the transaction share of the credit card decreased by 8.0 pp (cf. Figure 9). These shifts are related, among other things, to the definition of mobile payment used in this study, which is explained in detail in Chapter 5. Ultimately, a mobile payment can also be processed via another means of payment such as the credit card.

The declining trend of the debit card in terms of turnover and transaction share in the distance business since 2019 has reversed from 1/2021 to 2/2021 (cf. Figure 8 and Figure 9). This could be due to the new, online-enabled Visa and Mastercard debit cards, which were put into circulation across the board by various Swiss banks towards the end of 2020.

Figure 8: Cash shares by turnover in the distance selling business

### Zahlungsmittel nach Umsatzanteil im Distanzgeschäft (online)

2019 2020 1/2021 2/2021

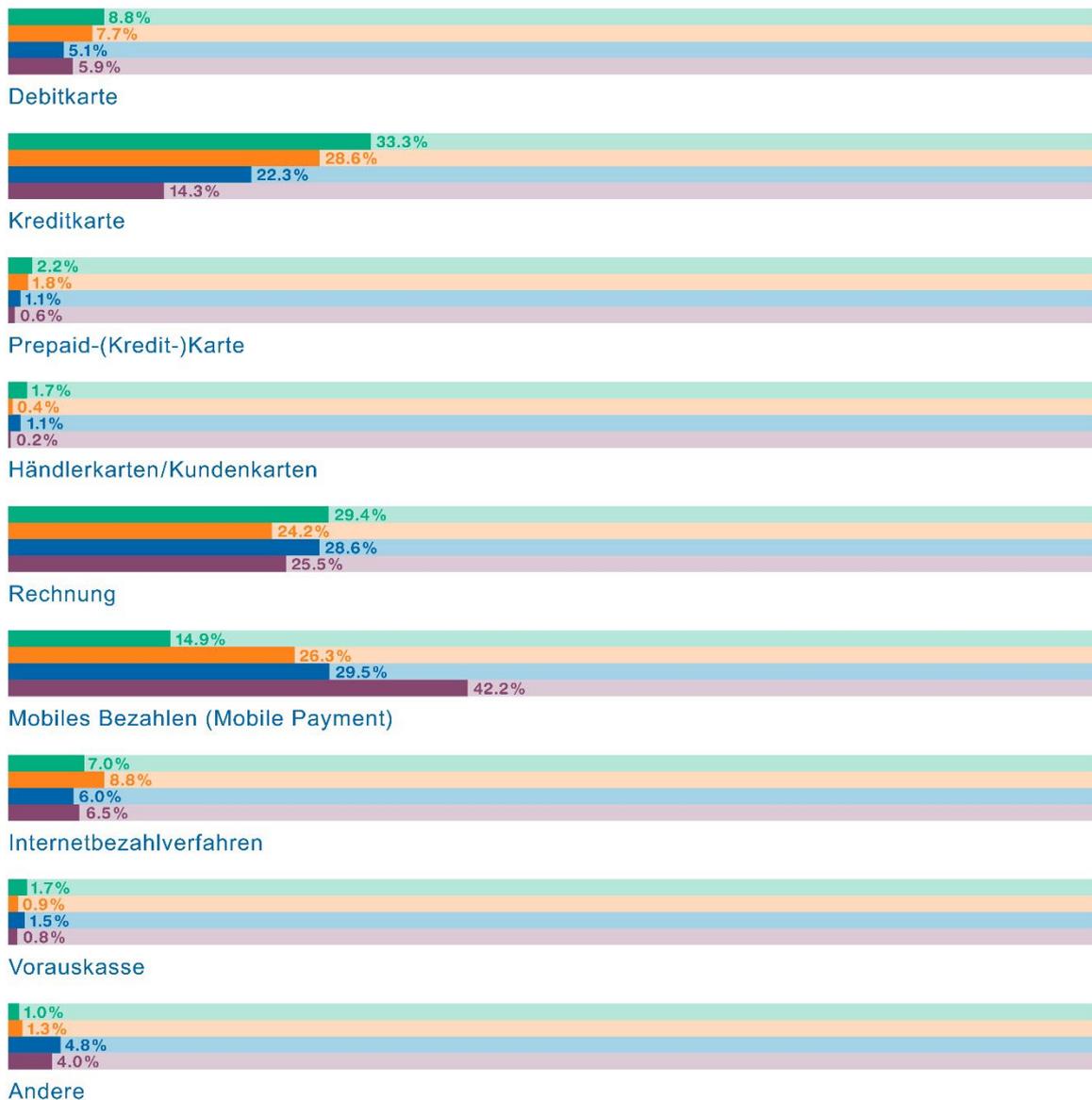


Remarks: According to diary entries, only domestic payments

Figure 9: Cash shares by number of transactions in distance business

### Zahlungsmittel nach Transaktionsanteil im Distanzgeschäft (online)

2019 2020 1/2021 2/2021



Remarks: According to diary entries, only domestic payments

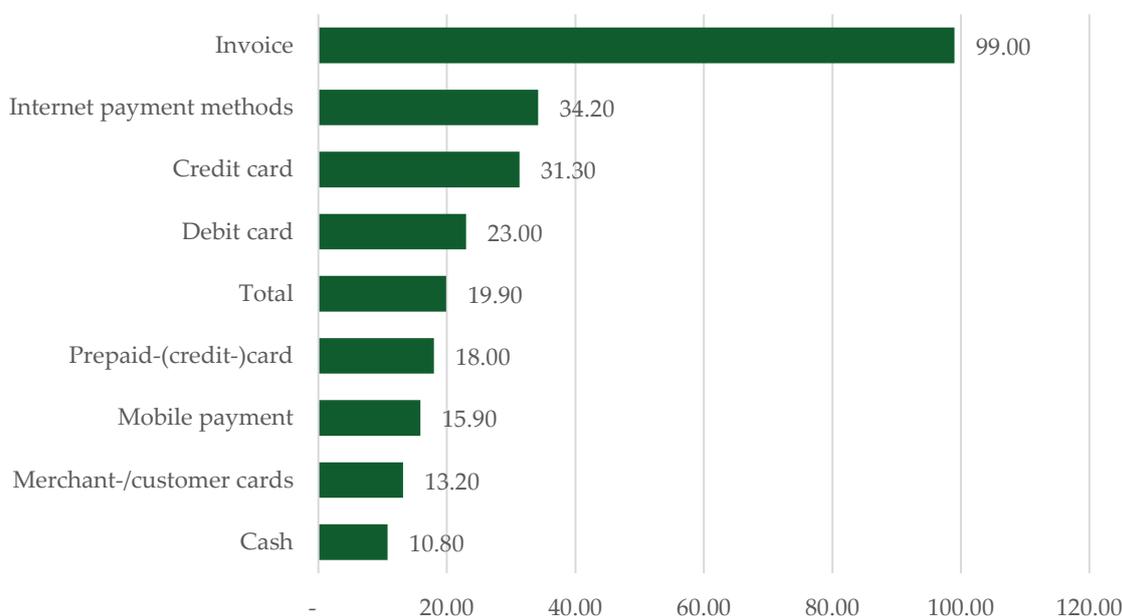
## 4 Payment behaviour and amount range

The choice of payment method depends on the amount to be paid, among many other factors such as habits, perceived characteristics and demographic factors. Figure 10 shows the distribution of the amount per means of payment based on the median, while Table 2 provides further details on the distribution of the amount by means of payment.

Half of all payments have a value of less than 20 Fr. (cf. Figure 10). Cash is most often used for very small and small amounts: Half of cash transactions have a value of less than 11 Fr. The median amount is also below 20 Fr. for merchant cards (Fr. 13.–), mobile devices (Fr. 16.–) and prepaid cards (Fr. 18.–). Across all means of payment, debit cards (Fr. 23.–), credit cards (Fr. 31.–) and internet payment methods (Fr. 34.–) are above the median. The highest amounts are paid by bill (Fr. 99.–).

Table 2 shows a detailed picture of the distribution of the amount per means of payment. In addition to the quartiles<sup>9</sup>, the minimum, maximum and 90th percentile are shown. The first quartile shows, for example, that a quarter of cash payments are for amounts under 5 Swiss francs and a quarter of transactions with the debit card are for amounts under 10 Swiss francs (cf. column 3 in Table 2). The fact that small amounts are increasingly paid with the debit card is probably due to the contactless payment function. In the meantime, 75 per cent of card payments in retail shops are made contactless.

Figure 10: Median amount per means of payment in francs



*Remarks: According to diary entries, only domestic payments*

<sup>9</sup> The median corresponds to the second quartile.

Table 2: Distribution of the amount in francs per means of payment

Means of payment	Mean value	Min.	1. Q.	Median	3. Q.	90. P.	Max.
Cash	32.00	0.20	5.00	10.80	25.00	55.20	2500.00
Debit card	47.40	0.10	10.00	23.00	51.30	98.50	1725.00
Credit card	72.10	0.50	12.00	31.30	68.20	135.00	7875.00
Prepaid-(credit-)card	44.50	0.80	8.50	18.00	41.10	108.00	600.00
Dealer / customer card	29.30	0.70	6.80	13.20	52.50	79.00	115.00
Mobile payment	42.40	0.10	5.90	15.90	40.90	89.90	1236.90
Internet payment method	84.30	1.60	13.80	34.20	92.00	240.00	686.30
Invoice	192.60	2.20	44.40	99.00	199.80	384.60	2862.00
<b>Total</b>	<b>51.50</b>	<b>0.10</b>	<b>8.00</b>	<b>19.90</b>	<b>49.10</b>	<b>103.50</b>	<b>7875.00</b>

*Remarks: According to diary entries, only domestic payments*

## 5 Mobile payment

As can be seen in Figure 4, mobile payments now account for over 9 percent of sales. The revenue share of mobile payments has thus more than doubled since 2020. In terms of the number of transactions, the share of mobile payments has also increased by a factor of two since 2020 to currently 11.3 per cent (see Figure 5).

The turnover and transaction share of mobile payments fluctuates around 10 per cent across all amounts. For very small and small amounts (less than 5 Fr. and 20 Fr. respectively), the two values have recently increased the most and are tending towards 15 per cent. Between 20 and 100 francs, the turnover and transaction share of mobile payments is around 10 per cent, while for amounts over 100 francs, the two values are just below 10 per cent. Compared to the 1/2021 survey, the growth of mobile payments was particularly pronounced for online payments (+8.1 pp share of turnover and +12.7 pp share of transactions).

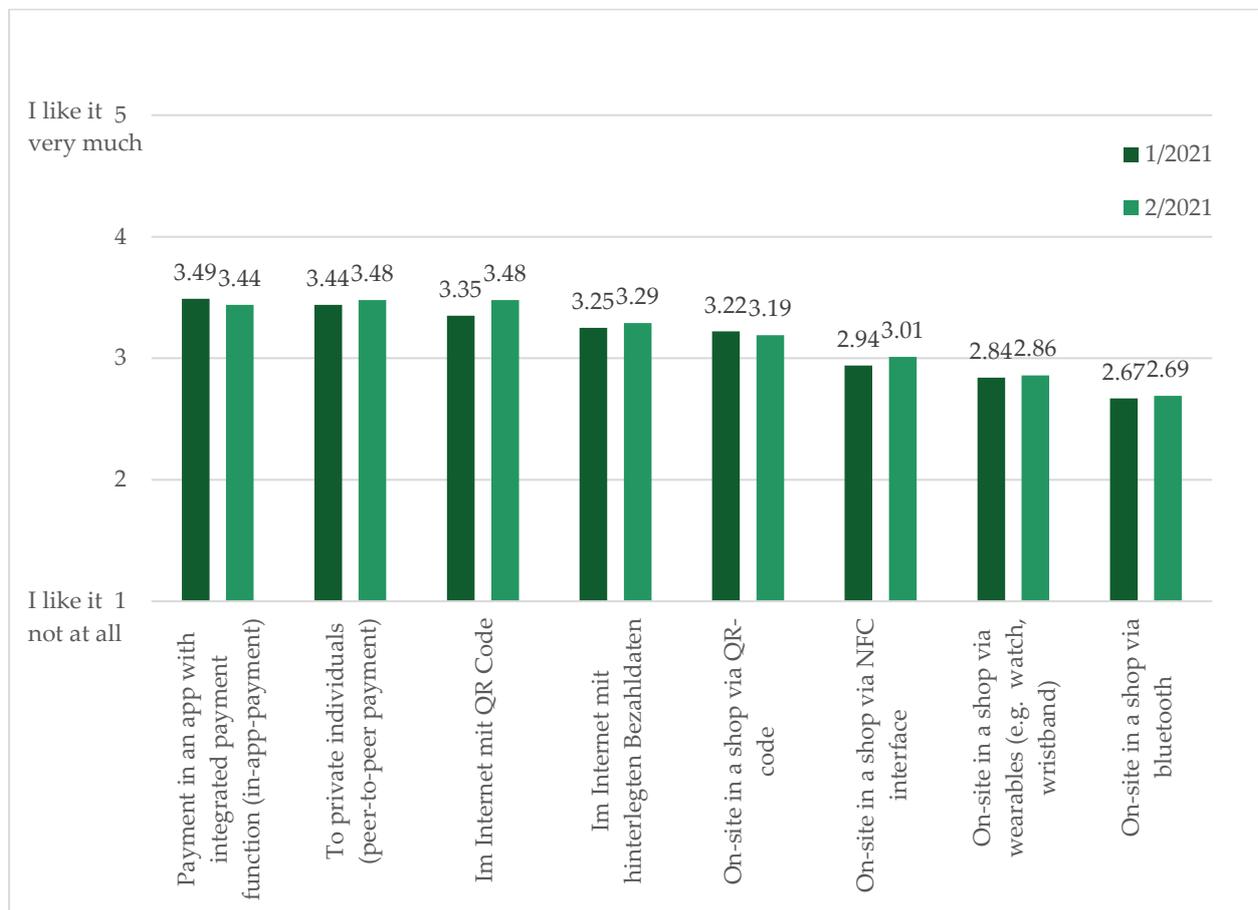
The most common mobile payment method is on-site in shops via contactless data transfer (NFC) (28% of transactions via mobile devices), followed by payments via apps with integrated payment function (21%), on-site payments via QR code (18%) and domestic transfers to private individuals (10%). The latter payment method tends to be used for larger amounts, which is why it ranks third in the share of turnover via mobile devices at 15%, behind on-site payments via NFC (23%) and in-app payments (21%). The payment method via QR

code on the internet is also chosen for larger amounts, which is why it also achieves a share of turnover of 15 percent of mobile payments.

Twint is by far the most-used mobile payment solution in Switzerland: 49 per cent of turnover and 52 per cent of transactions with mobile devices are processed with Twint. Apple Pay, the second most-used mobile payment solution, accounts for around 11 per cent of turnover and 14 per cent of transactions with mobile devices.

Figure 11 shows that according to the online survey, the popularity of the various mobile forms of payment has hardly changed since the 1/2021 survey. The most popular remain transfers to private individuals via payment apps such as Twint, mobile payments via QR code on the internet and in-app payments. Among people over 60, all forms of mobile payment are statistically significantly less popular than among younger people.

Figure 11: Popularity of mobile payment



Question: Quite spontaneously: How well do you like mobile payment ...?

Note: Mean values, scale from "I don't like it at all" (1) to "I like it very much" (5).

### Box 1: Definition of mobile payment

In all editions of the Swiss Payment Monitor, mobile payment is defined as payment transactions that are initiated with or on a mobile device such as a mobile phone, tablet or smartwatch. This also includes transfers to private individuals, for example via Twint or Revolut.

Payment apps on mobile devices such as Twint, Alipay or WechatPay can be directly linked to the bank account, which we define as mobile payment *in the true sense*. In most other cases, payment apps are based on the credit card and, less frequently, the debit or prepaid card as the means of payment (e.g. Apple Pay, Samsung Pay and Google Pay). We define this as mobile payment in the *narrower sense*.

Finally, many merchant-specific apps such as SBB Mobile enable payment in the app installed on a mobile device (in-app payment). This payment can be based on a card payment, a bank transfer or a payment app payment in the narrower sense. The latter can in turn be based on a card payment or a connection to a bank account (see above). We define in-app payment as mobile payment in the *broadest sense*.

From the respondent's perspective, these dividing lines are often not comprehensible. In other words, in-app payments with credit cards, for example, are either declared as pure credit card payments or as mobile payments, depending on the respondent's understanding. With our study design and our definition of mobile payment, we take into account the individual understanding of the means of payment from the respondents' perspective.

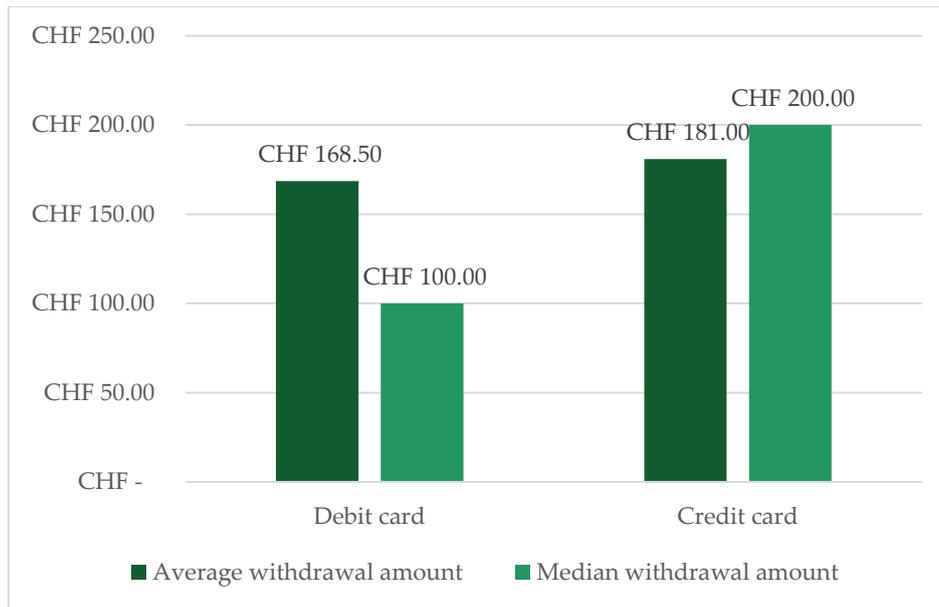
We are aware that, based on our interpretation, i.e. according to the definition of mobile payment in the broadest sense, the payment method shares of mobile payments are higher and those of card payments lower than according to narrower definitions. The cash share, on the other hand, is not affected.

## 6 Cash withdrawal

During the three days of the diary survey, the subjects also recorded all their cash withdrawals. 86 percent of cash withdrawals are made with the debit card, while the credit card is used for 5 percent of withdrawals. The mobile phone is used for withdrawals in about 0.6 percent of the cases. Most cash withdrawals are made at ATMs (66%). However, there are also some respondents (17%) who withdraw their cash in person at the bank/post office counter, especially German-speaking Swiss women with lower incomes.

Figure 12 shows the mean and median of the cash amounts withdrawn with debit and credit cards. It shows that the credit card tends to be used for larger amounts of cash than the debit card. However, the average amount of cash withdrawn with the credit card is below the median of 200 Swiss francs, which means that in addition to numerous withdrawals of 200 Swiss francs and above, many smaller amounts are also withdrawn. With the debit card, on the other hand, the average amount of cash withdrawn is 168.50 Swiss francs, well above the median of 100 Swiss francs, which means that very large amounts are withdrawn in isolated cases. Across all means of payment, it can be seen that over 60-year-olds withdraw significantly larger amounts of cash on average (Fr. 207.–) than 18-29-year-olds (Fr. 54.–).

Figure 12: Amount of cash withdrawals by means of payment



*Note: According to diary entries*

For the vast majority of the Swiss population, cash is still of central importance. 16 per cent of respondents completely renounce carrying cash in their wallets. 64 per cent of respondents would not like to see cash abolished, or not at all.

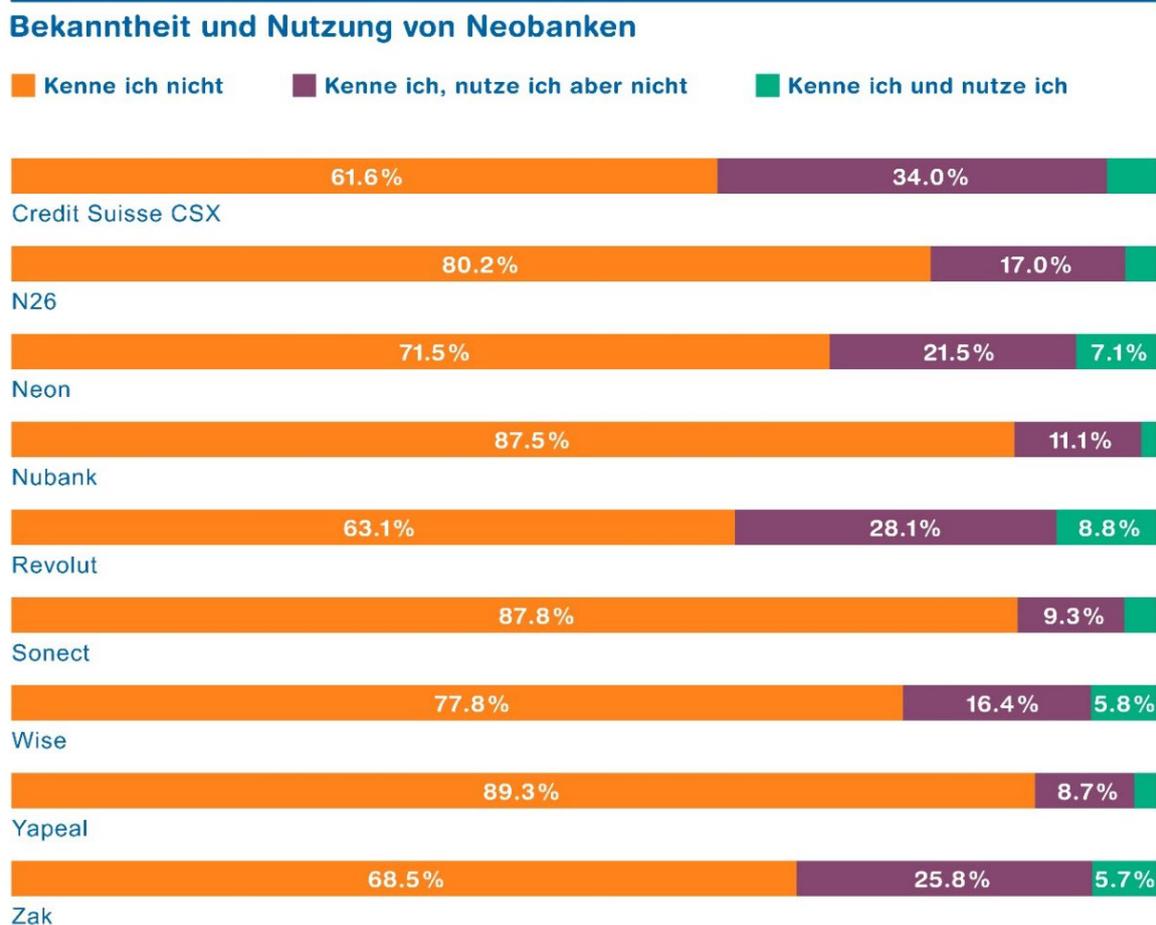
## 7 Neobanks

### 7.1 Awareness and use

Overall, around two-thirds of people in this country know at least one of the most popular neobanking providers. As can be seen in Figure 13, the best-known providers are Credit Suisse's CSX (38% awareness share), Revolut (37%) and Zak (32%). There were hardly any shifts compared to the last survey.

Almost a quarter of the respondents have already used new online banking solutions from a neobank at least once. Men use neobanks statistically significantly more often than women. Revolut is used most frequently (9% of respondents), followed by the Swiss provider Neon (7%), Wise (formerly TransferWise) and Zak (6% each) (see Figure 13). The large gap between those who know Credit Suisse CSX and those who use it can be explained by the fact that this offering was only launched in October 2020 and publicised with a broad marketing campaign. The fact that the name of the well-known major bank "Credit Suisse" is part of the name of the purely digital banking offering could also lead to the proportion of CSX connoisseurs being overestimated. Compared to the last survey wave in November 2020, there were only minimal shifts in terms of usage shares: the usage share of Neon (+1.4 pp) and Zak (+0.9 pp) increased the most, while that of Revolut decreased (-0.9 pp).

Figure 13: Awareness and use of neobanks



*Question: Please indicate for each provider which of the respective statements applies to you.*

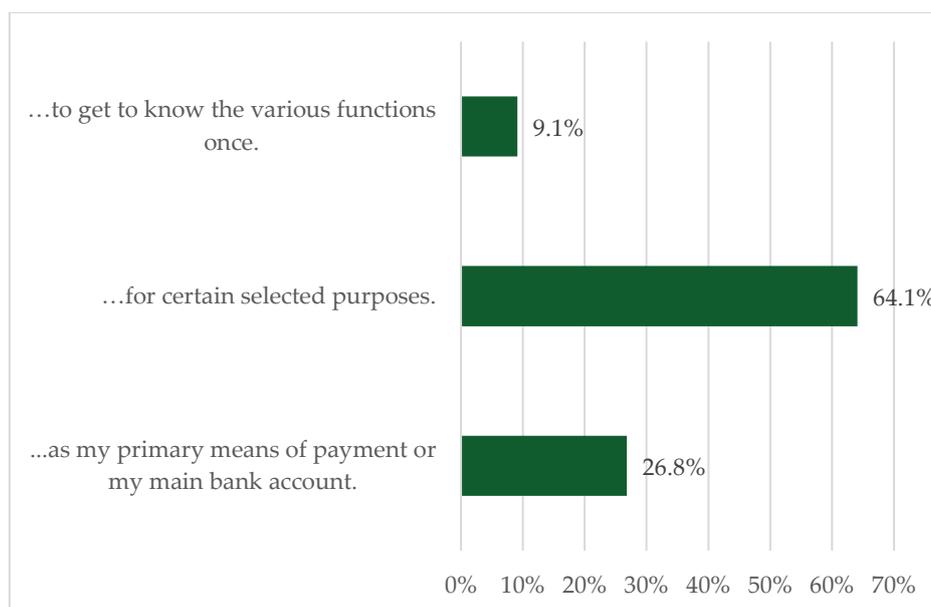
## 7.2 Form of usage

Figure 14 shows that most neobank users (64%) use neobank services primarily for certain selected purposes in addition to traditional financial services. More than one in four neobank users already use a neobank service as their primary means of payment or main banking connection, including a disproportionately high number of respondents from French-speaking Switzerland.

Around 9 per cent of users stated that they had cancelled the services of a traditional provider due to the new online banking services. Another 30 percent intend to do so in the future. Young, well-educated respondents in particular have already cancelled parts of their traditional banking services, whereas older users of new banks with higher incomes have (still) rarely taken this step.

There have been hardly any changes in the reasons for using the services of neobanks since the SPM issue 1/2021. The speed of the transfers continues to be most important to the respondents, followed by the simplicity of use (convenience) and the constant availability (i.e. mobile use regardless of place and time).

Figure 14: Main form of use of neobanks



*Question: I mainly use the digital and neobanks...*

## 8 Conclusion

The aim of this fifth edition of the Swiss Payment Monitor was to record the changes in the payment behaviour of the Swiss population and the latest developments in the payment market against the background of the ongoing effects of the corona pandemic. With the help of a representative online survey and subsequent diary recording of all payments by the participants, the following findings were obtained.

The use of cash by the Swiss population has been declining for years. The corona pandemic has significantly strengthened this trend in favour of digital payment solutions such as payment cards and mobile payment solutions. Measured in terms of the number of transactions, for the first time since the SPM survey, the most frequently used means of payment is not cash, but the debit card. The debit card is also being used more and more for smaller amounts, among other things, presumably because of the contactless payment function, which is clearly the dominant payment method for card payments.

The debit card is also the payment method with the highest turnover in Switzerland and has replaced the credit card from its temporary top position in the SPM issue 1/2021. This is mainly due to the fact that the share of transactions in face-to-face business, where the use of the debit card clearly dominates, is much higher in the current survey than in the November 2020 survey. In addition, the average transaction amount is around a quarter lower in the current survey, which also indicates a different consumer behaviour.

Since the 1/2021 issue, mobile payments have also increased significantly in terms of their share of turnover and especially in terms of the number of transactions. In the distance business, payment with mobile devices clearly dominates in terms of the number of transactions, which is mainly due to payments in an app with an integrated payment function,

but also to internet purchases via a mobile device, which are settled by means of deposited payment means or by scanning a QR code (i.e. via Twint).

Almost a quarter of the Swiss population has used services from a neobank at least once, especially from Revolut, Neon and Wise. The simple and practical handling, the quick transfer of funds and the constant availability of neobanks are the main reasons for their use. A majority uses neobanks as a supplement to existing offers. More than every fourth user of neobanks uses the offer of a neobank as a primary means of payment or as a main banking connection. Around one third are also thinking about cancelling services from an existing provider.

Since the May 2021 survey, Switzerland has greatly relaxed the pandemic-related measures to restrict public life. The measures have a significant impact on payment behaviour. It is therefore to be hoped that the relaxations will last until the next SPM survey in October 2021 or that even more will follow. Then the sixth edition of the Swiss Payment Monitor will show what the payment behaviour of the Swiss population will look like in 2021 under "normalised" domestic consumption possibilities.

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