



Security, speed and simplicity:

Why Australians are
embracing biometrics

Visa Insights 2020





About the research

Visa's *Security, Speed and Simplicity: Why Australians are embracing biometrics* report analysed responses of 1,000 Australian credit cardholders aged 18 and over. The research was conducted through an online survey by Fabrizio Ward, LLC in April 2019.

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Introduction



The way we authenticate payments is evolving.



At Visa, we believe security is the foundation for innovation.

A leader in payments security for more than 60 years, Visa continues to invest in technology that simplifies the payments journey for everyone, everywhere.

Biometric authentication technology represents an exciting step in this journey. It enables a range of unique biological identifiers, from fingerprint, face and iris, to seamlessly authenticate payments online, in-store and on-the-go.

As the use of biometrics for authentication continues to become a routine part of our daily lives, Visa commissioned research to understand how consumer attitudes towards this emerging technology are changing.

This report includes responses from 1000 credit cardholders in Australia over 18 years old*, providing valuable insights to help the payments ecosystem embrace this next generation of payment authentication.

*Margin of sampling error at n1000 is $\pm 3.1\%$.

The case for biometrics



Passwords cannot keep pace with the rapid growth of e-commerce.



200+

Online Accounts



17%

Same password for all



55%

Same password for some

Currently, the average Australian is believed to hold more than 200 online accounts¹. Yet one in six (17%) use the same password for every account and 55% use the same password for multiple accounts.

With this context, the potential for biometric authentication to enhance online security is clear. However, it also has a role to play in helping merchants secure sales.

More than half (59%) of Australian respondents have abandoned an online purchase due to not remembering a password (29%) or having trouble logging into their account (26%).

The migration towards biometrics forms part of Visa's multi-layered approach to security. Yet to unlock the technology's full potential requires collective effort.

Australia's biometric profile



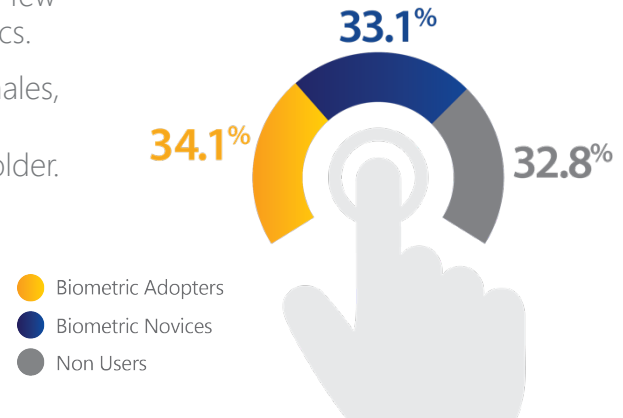
Almost a third (28%) of Australians are using biometrics for payments or bank services on a weekly basis.

Australians are very aware of the technology: 58% are familiar with biometric authentication, with 30-39 year-olds being the most familiar (74%) and 60+ year olds the least (39%).

And use is growing. 59% of Australians have used fingerprint recognition, although few regularly use non-fingerprint biometrics.

The key adopters tend to be young males, while biometric novices skew towards females and non-users are generally older.

Biometric user profiles



The growing appetite for biometrics



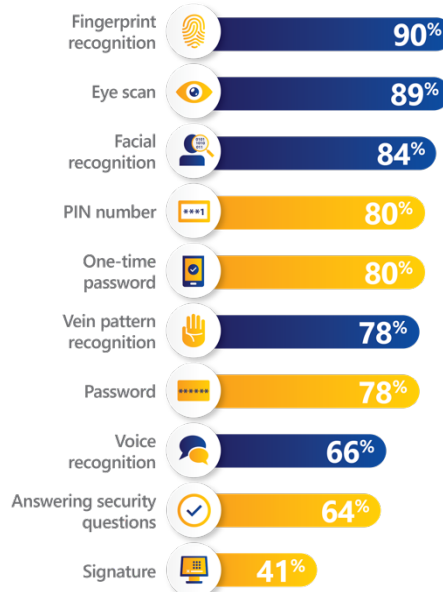
Consumers are drawn to the security, speed and simplicity of biometrics.

Biometrics offer a convenient way to authenticate purchases by using the measurable human traits unique to each and every one of us².

When it comes to security, consumers see fingerprints, eye scans and facial recognition as more secure than traditional authentication methods like passwords and signatures.

Perceived security of the authentication method

● Biometric methods
● Traditional methods



² <https://usa.visa.com/visa-everywhere/security/exploring-password-free-authentication.html>



Biometrics deliver clear benefits



More than 60% of Australians see biometrics as faster and easier than the traditional password.

When looking at the top three benefits of biometrics for payments, elimination of passwords and PIN numbers (40%) topped the list, followed by heightened security (36%) and not forgetting or losing an authentication method (33%).



Elimination of passwords and PIN numbers



Heightened security



Not forgetting or losing an authentication method



Consumer interest on the rise



There is clear interest in using some biometrics for payments, but consumers want choice.

Importantly, when it comes to banking, 3 in 4 want to choose their preferred type of biometrics.

Australians tend to feel more comfortable with the biometrics they already know or use, such as fingerprints, followed by eye scan or iris, facial and voice recognition.

Choice to use multiple types of biometrics



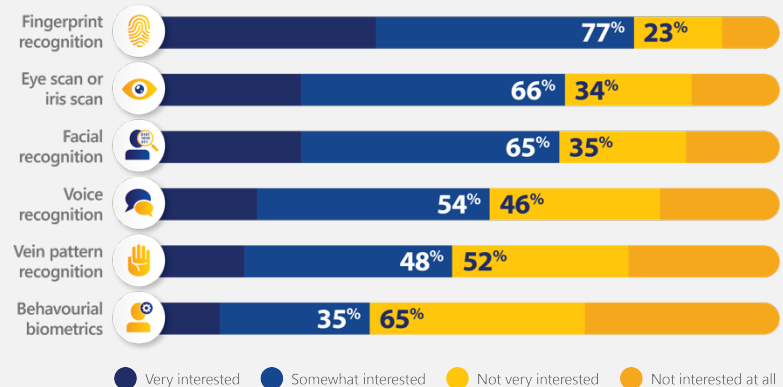
75%

Want a choice

25%

Don't care

Interest in biometrics to make future payments



Concerns about operational failure, cost and privacy remain

Consumers have some worries when it comes to using biometrics for payments, including:

**41%**

Biometric authentication won't work well or take multiple attempts

**36%**

Costs of owning a device that enables biometrics authentication

**31%**

Privacy concerns that a bank or store holds my sensitive personal information

**31%**

Risk of a security leak of this information. E.g. can't change fingerprint if compromised

And while biometric adoption for payments is increasing, a lack of education, along with a lack of support from banks and mobile devices are the biggest inhibitors of increased uptake in Australia, presenting a prime opportunity to educate and empower their customers to use biometrics.

Reasons for not using biometrics

I am not aware of how to use biometrics

37%

My bank does not support biometrics

31%

My device does not support biometrics

27%

I am concerned about the security of biometrics

13%

I tried to use biometrics, but it did not work

4%

I have not conducted a transaction in the past 7 days

17%

The relationship between banks and biometrics

Australian consumers are most likely to use biometrics if offered by banks (80%) and payments networks (77%).

About half of the consumers surveyed indicated they would be willing to switch financial institutions, payments provider and mobile phone provider to access biometrics.

The percentage of those prepared to switch increased to around two-thirds among biometric adopters.



When asked about the storage of this data, consumers saw banks (58%), payments networks (48%) and government (38%) as the most trusted sources to store their biometric data.

Visa's approach to security

At Visa, we believe security is a catalyst for growth that benefits businesses and consumers alike.

Biometrics are an exciting development in security innovation, working to reduce the risk of fraud, increase approvals for valid transactions and provide a seamless payment experience for everyone, everywhere.

The security, speed and simplicity of biometrics appeals to Australian consumers, as frustration towards traditional methods such as passwords and PINs continues to grow.

However, with the advent of any new technology, Visa works to ensure biometrics not only meet, but also exceed consumer expectations on security and convenience.

To learn more about Visa's multi-layered and data-backed approach to security, including our vision for biometrics, please visit <https://www.visa.com.au/pay-with-visa/security/future-of-security-roadmap.html>

A woman with long dark hair and glasses is looking down at her smartphone. She is wearing a dark blue zip-up hoodie. The background is a blurred city street at night with colorful bokeh lights. On the right side of the image, there is a large, faint, stylized fingerprint graphic. The word "VISA" is overlaid in the center in a white, bold, italicized sans-serif font.

VISA