

# Finnish Payment Methods 2010+ Customer Questionnaires

**Bank of Finland  
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# Two different studies



- Private customers
- Small and mid-size companies (SMEs)
- Note!! Large or upper mid-size companies are not included in the study (these are 100% e-bank users and about 50% e-invoice users)

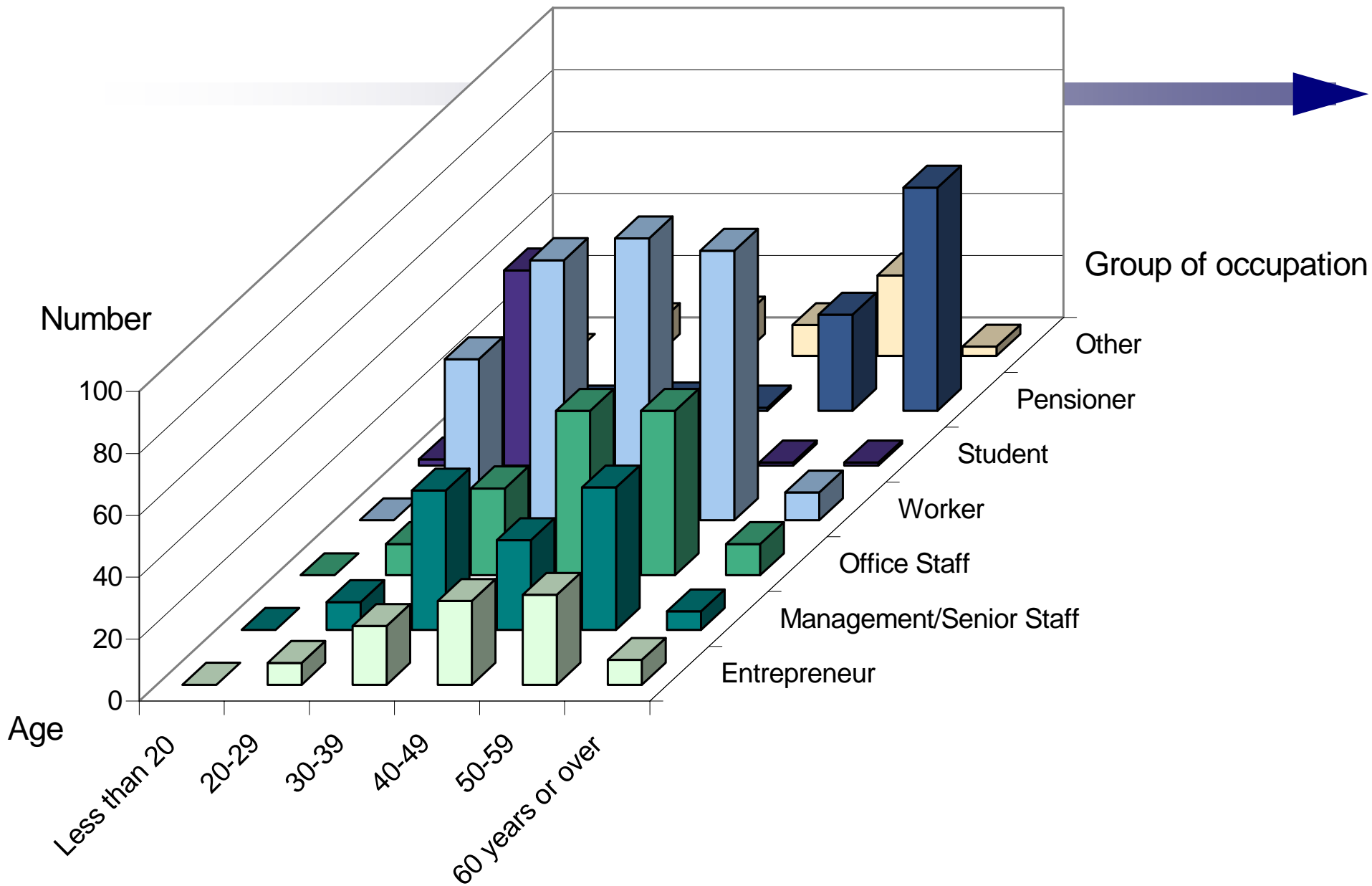
# Private customer findings



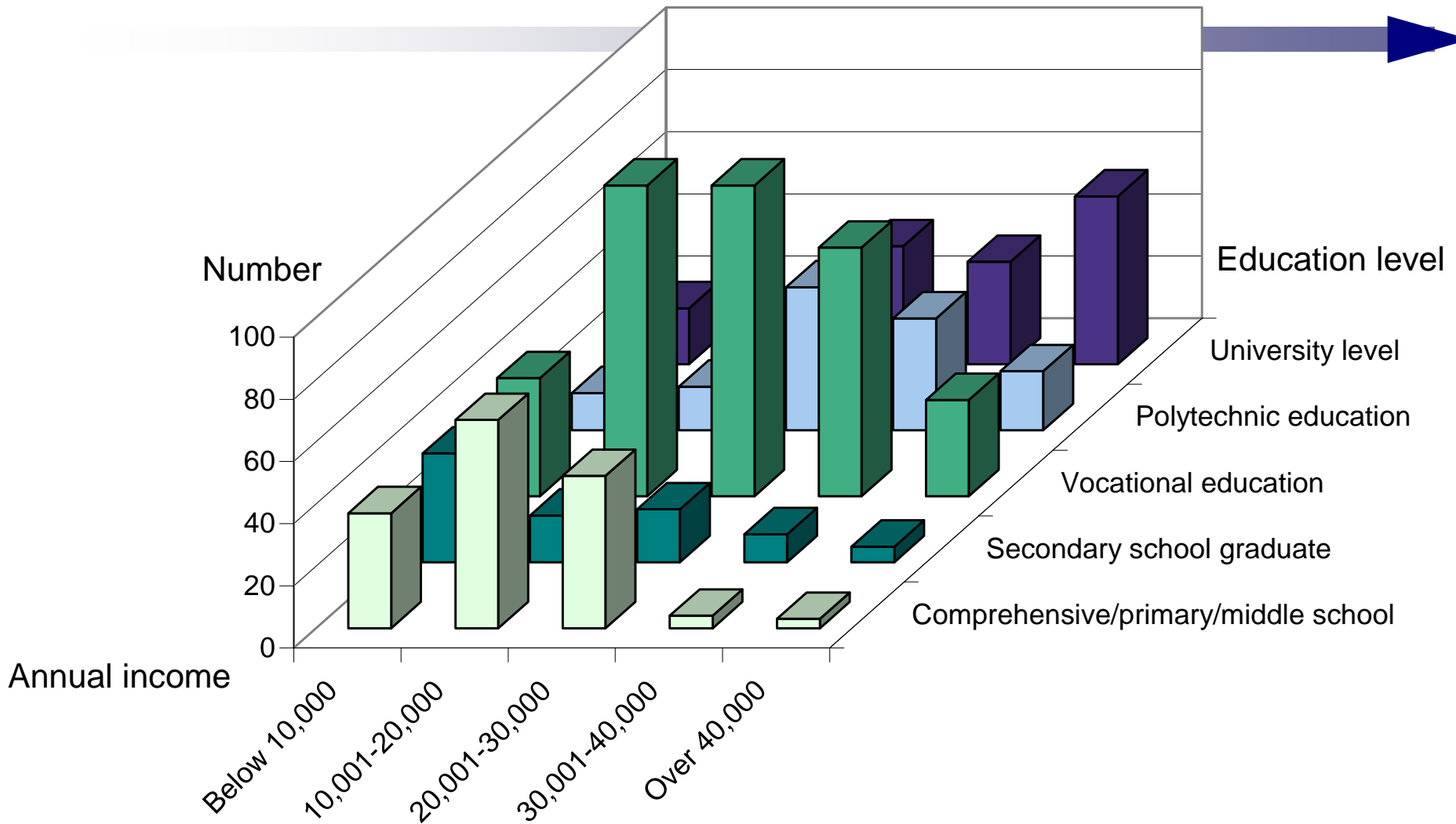
## ➤ Private customers

- 2000 letters, 960 replies (48%)
- Random selection Finnish citizens age 20-65 from Finnish population register centre
- 117 questions
- October-November 2005

# 1. Background information

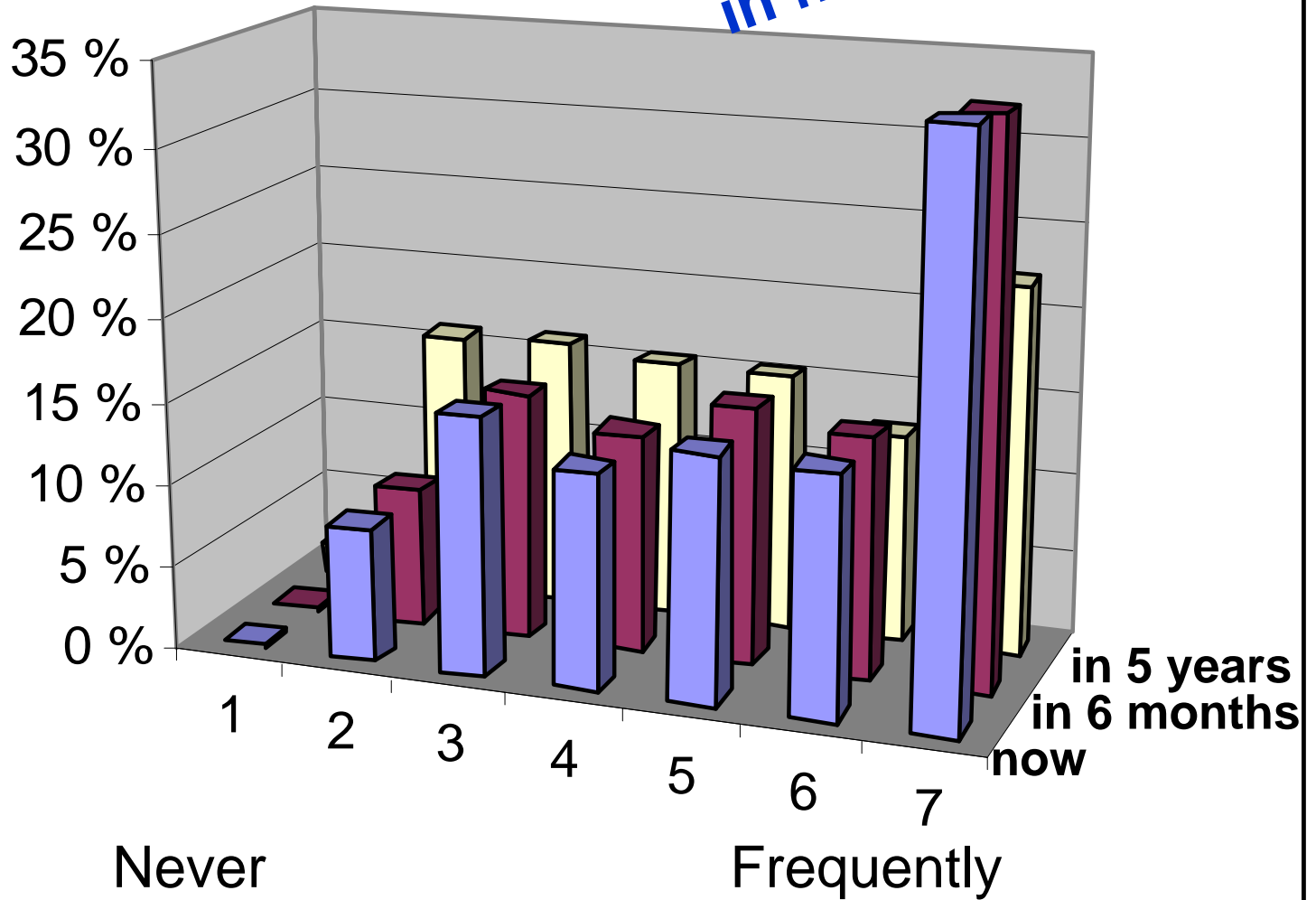


# 1. Background information



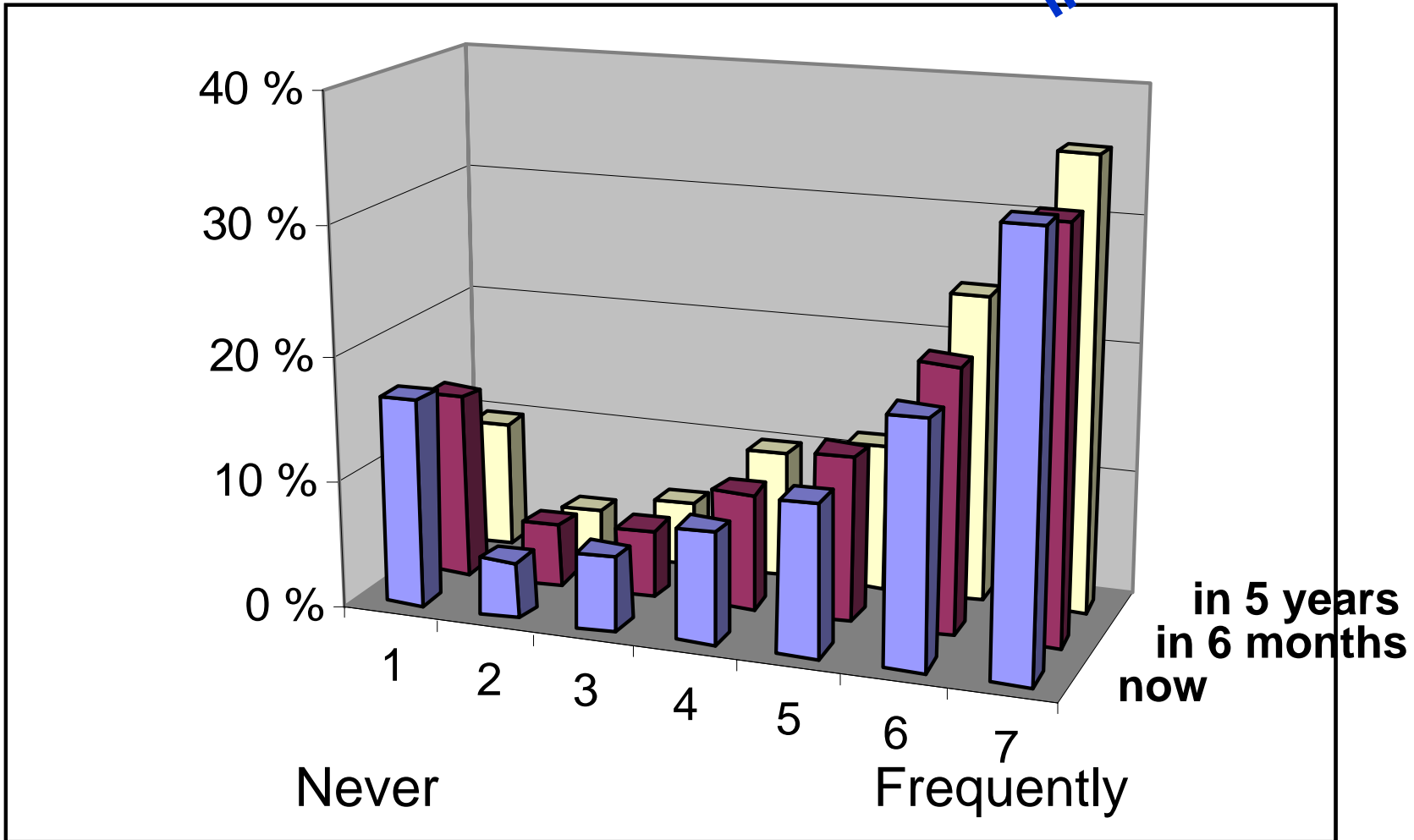
# Use of cash

Clear decrease  
in five years time



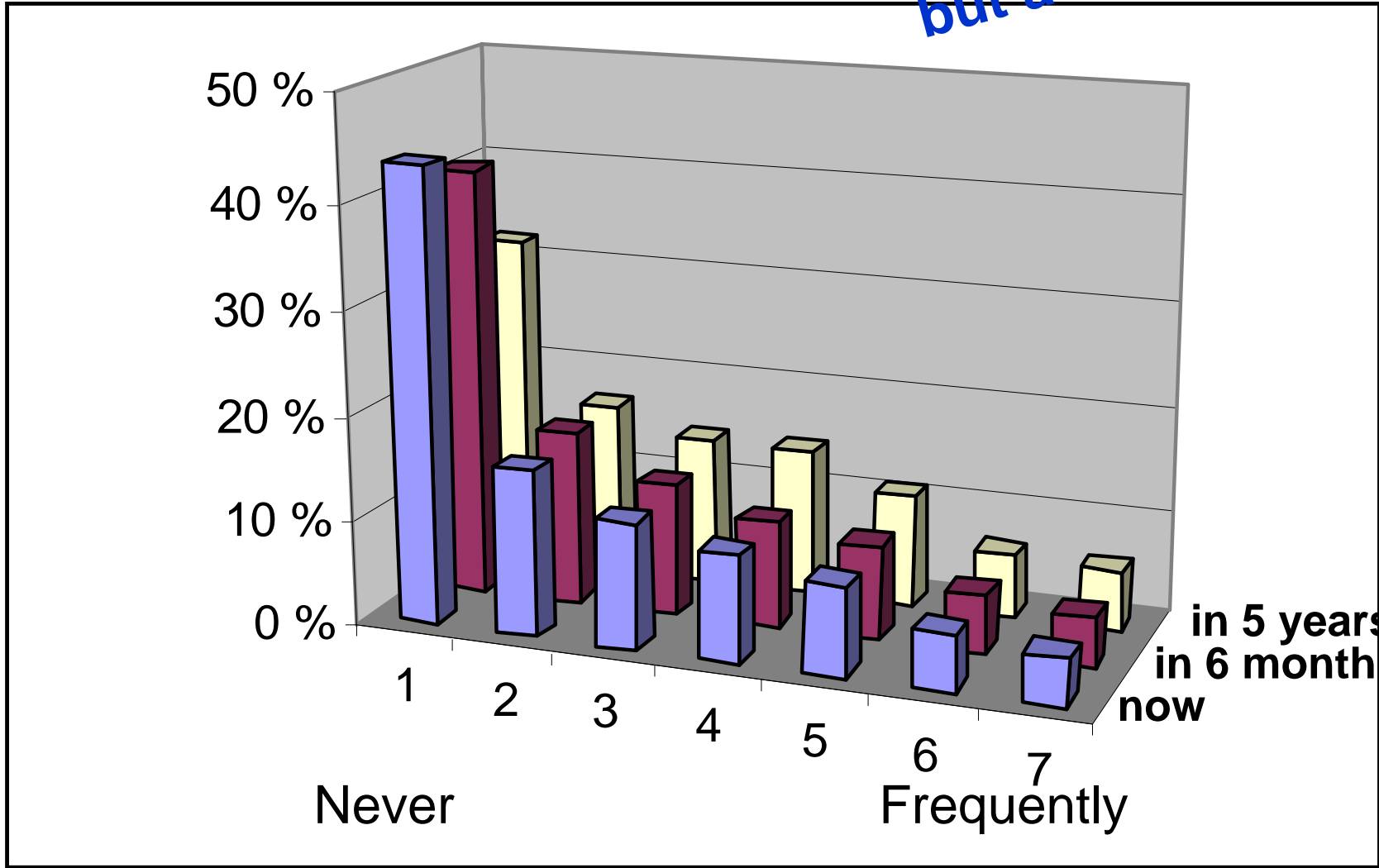
# Use of debit cards

Still a slight increase



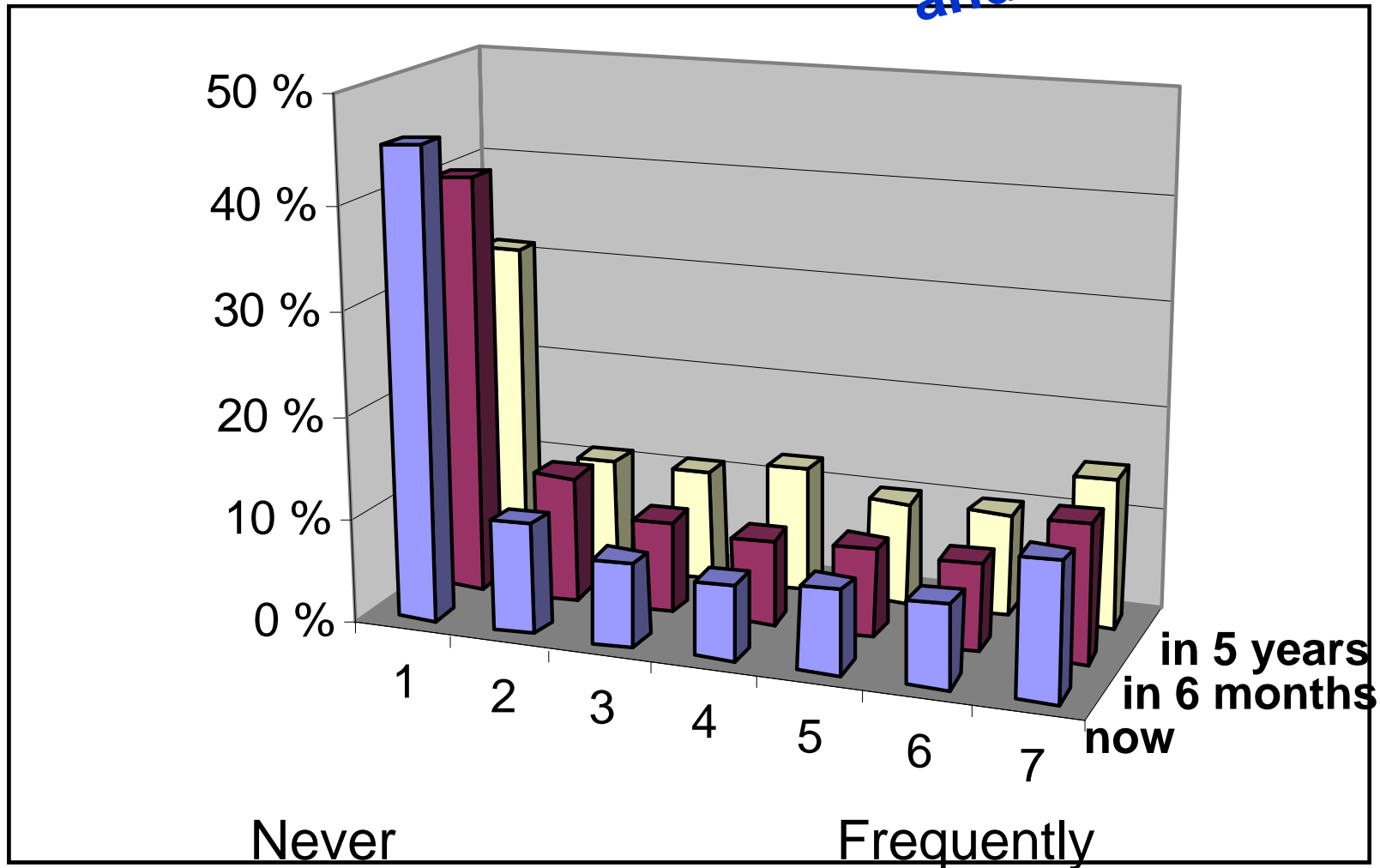
# Use of credit cards

*Not much in use  
but a slight increase*



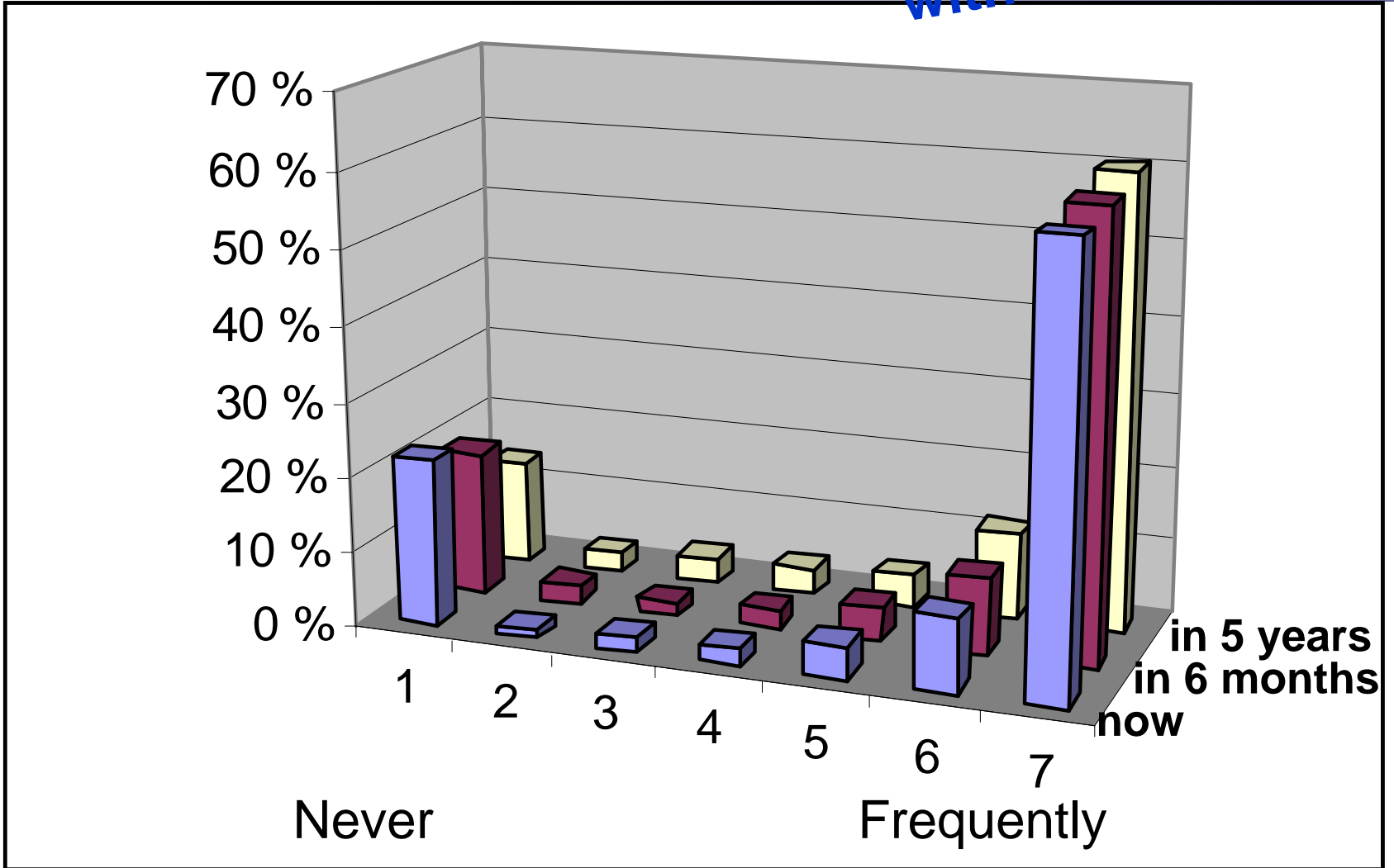
# Use of direct debit

*Moderately in use  
and a slight increase*



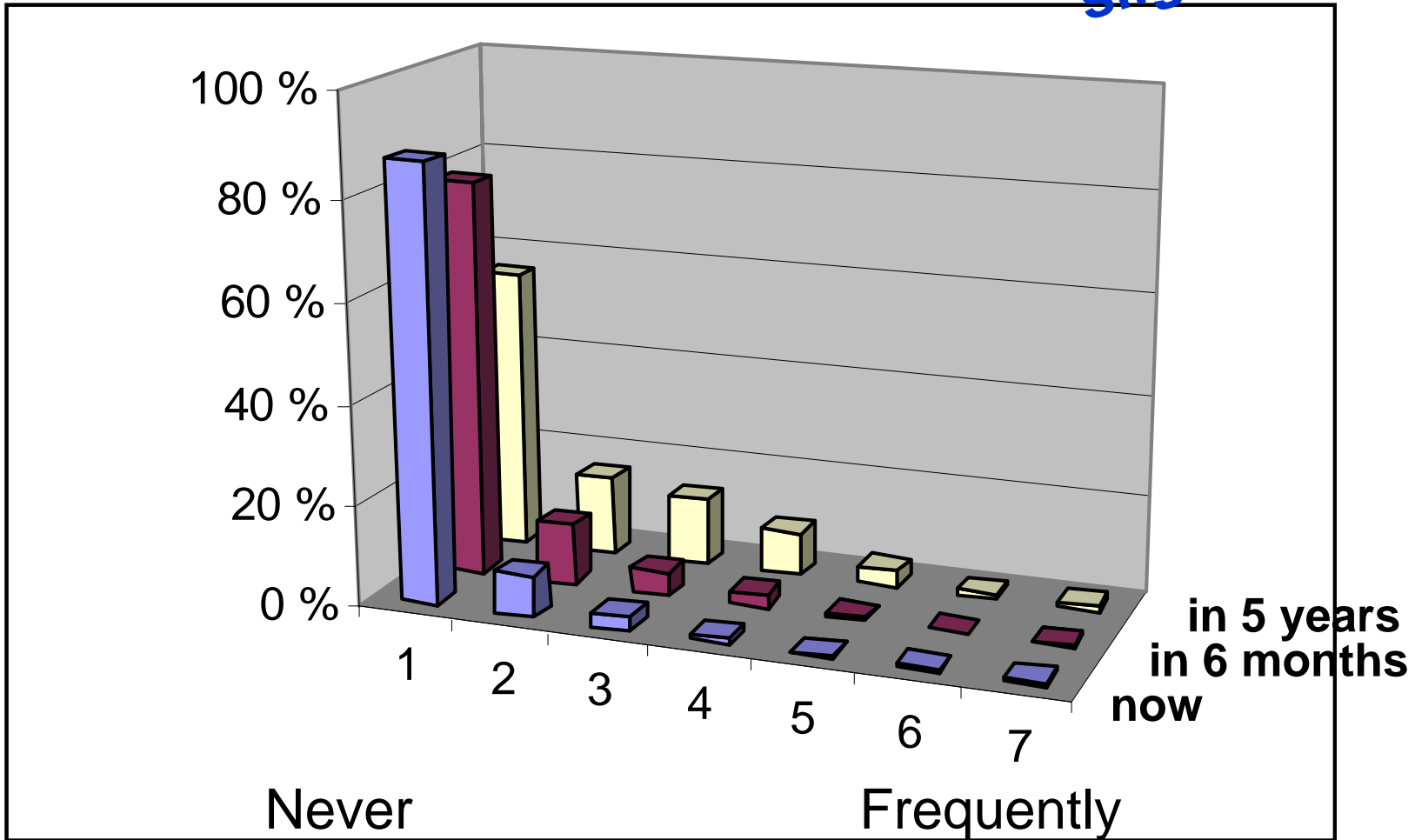
# Using e-banking

Popular and still  
with a slight increase



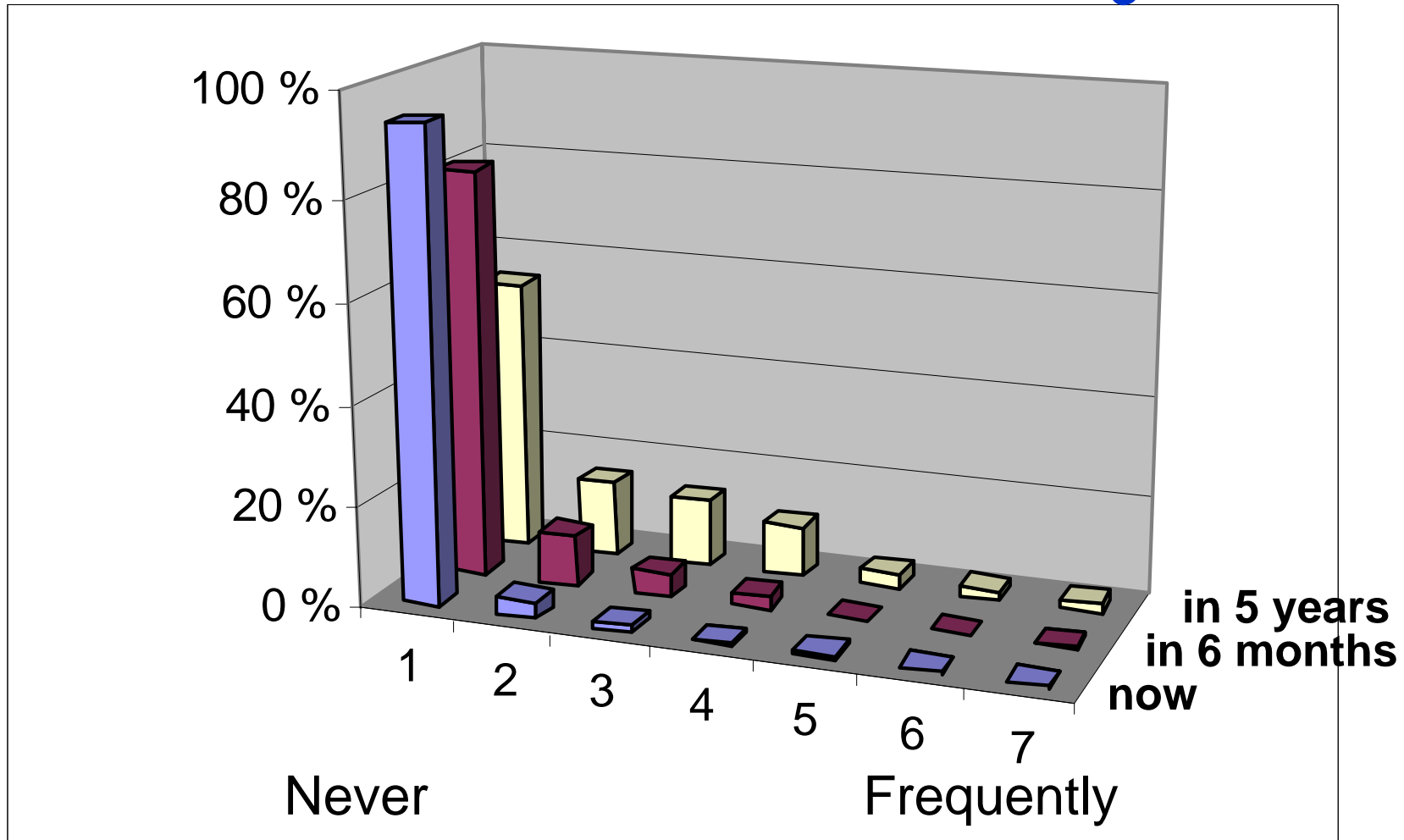
# Payments by mobile phone

Rare payment method with a slight increase



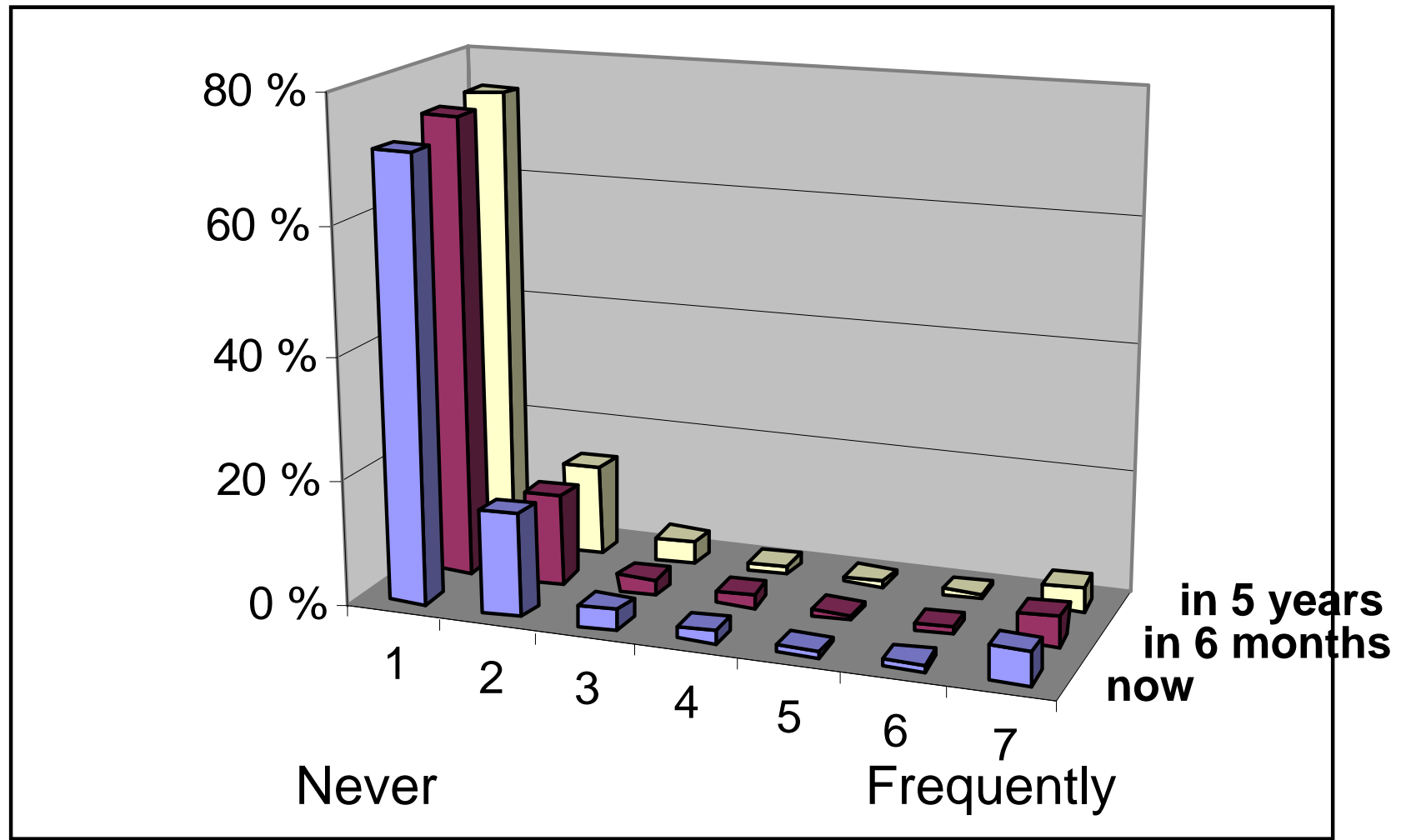
# Payment by using e-invoices

Rare payment method, but catching on



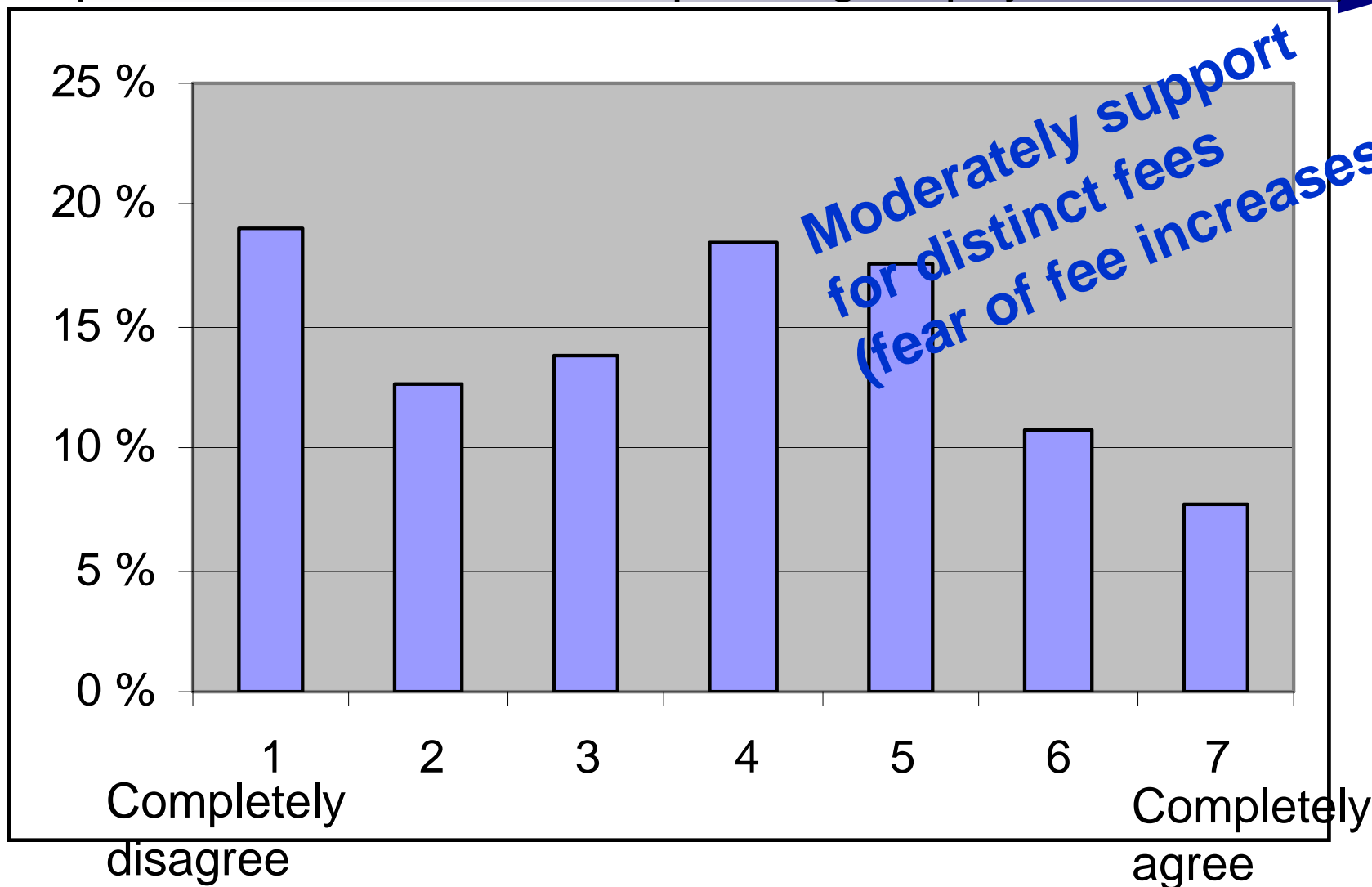
# Payment of invoices/giros at a bank branch

Rare with loyal users



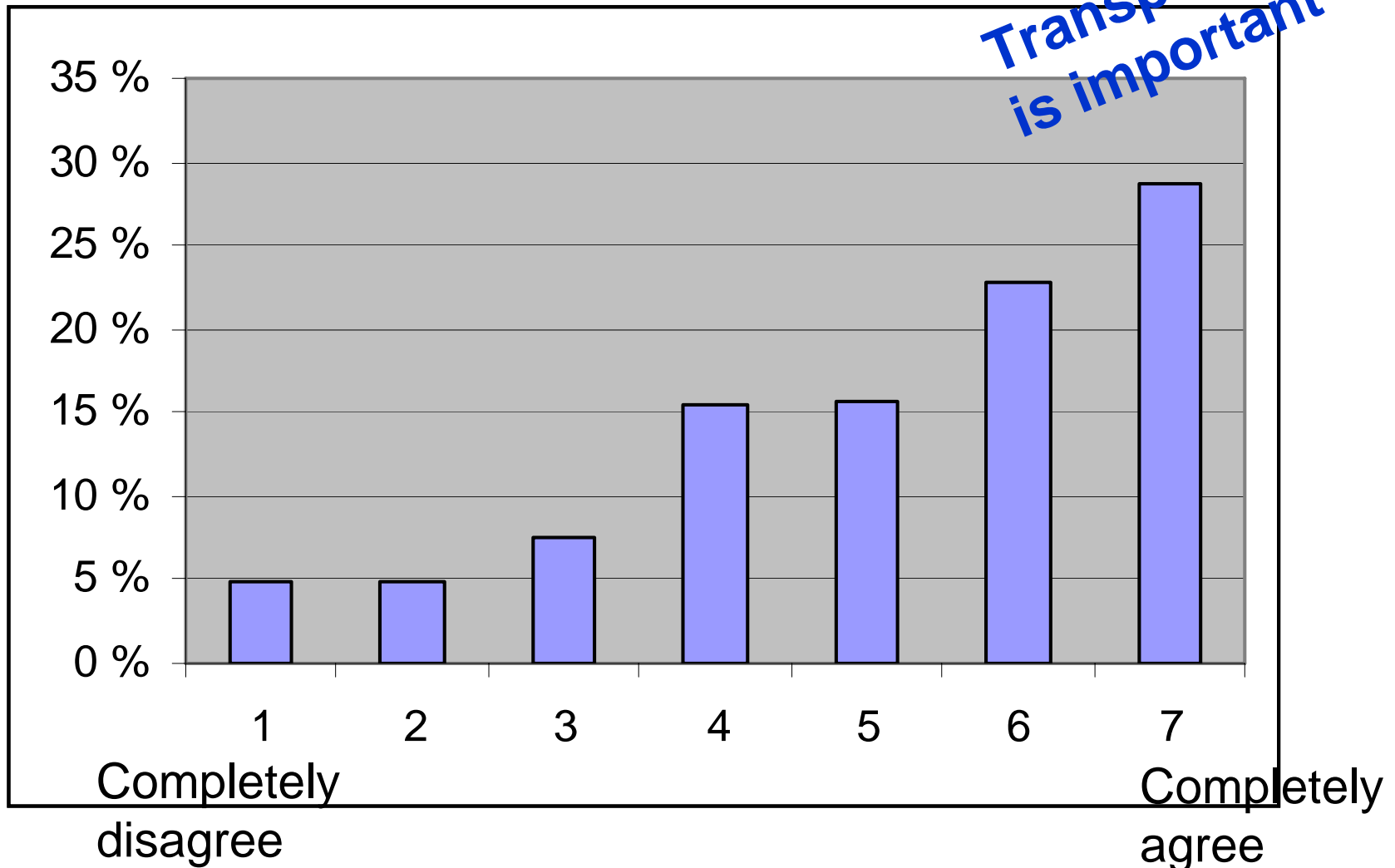


It is only fair that the merchant has the right to charge a small fee corresponding to the payment method (when the shops incur different costs depending on payment method)

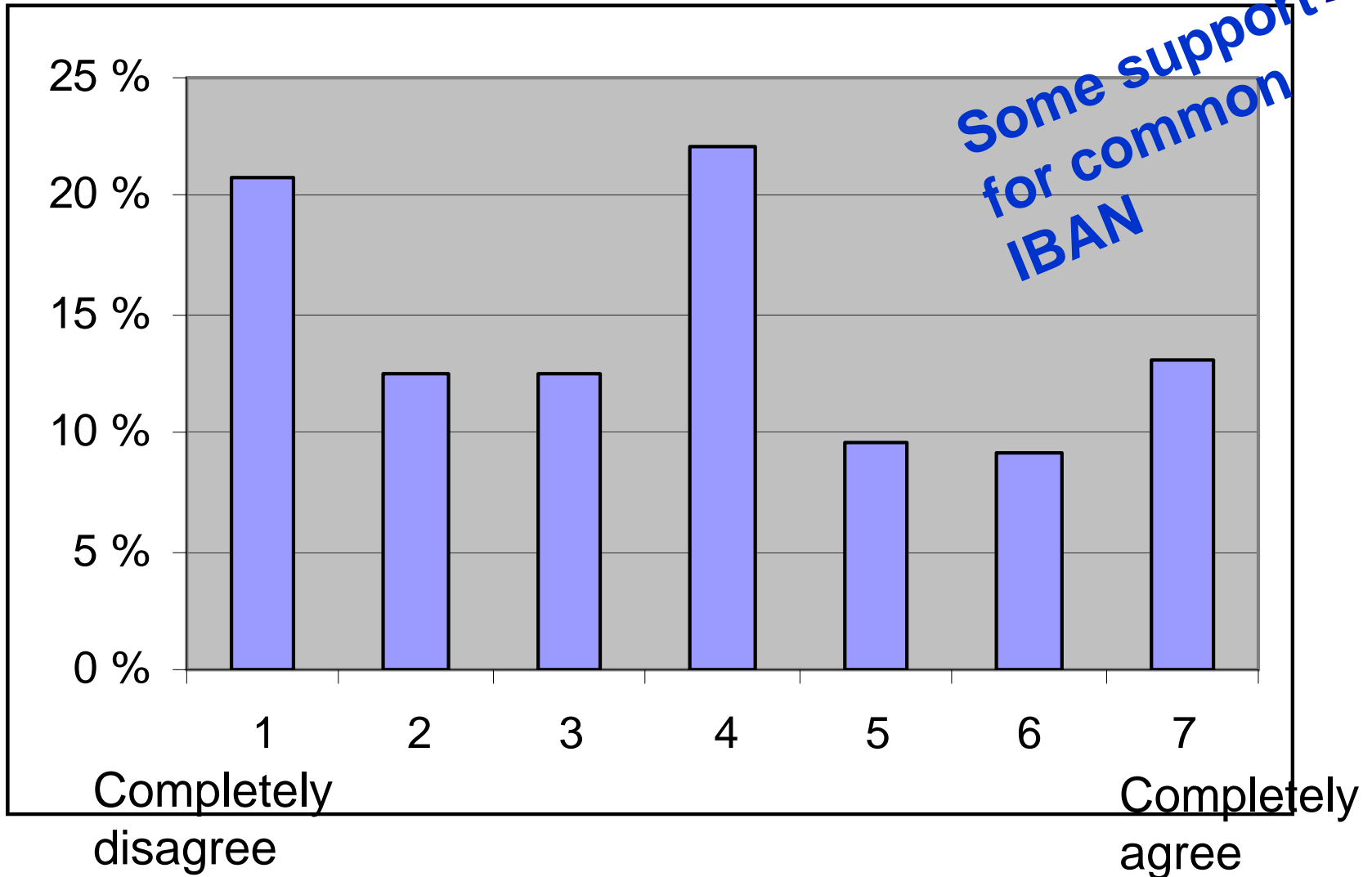


I think the costs of and/or fees charged for the payment should be show as separate price items when making purchases or payments

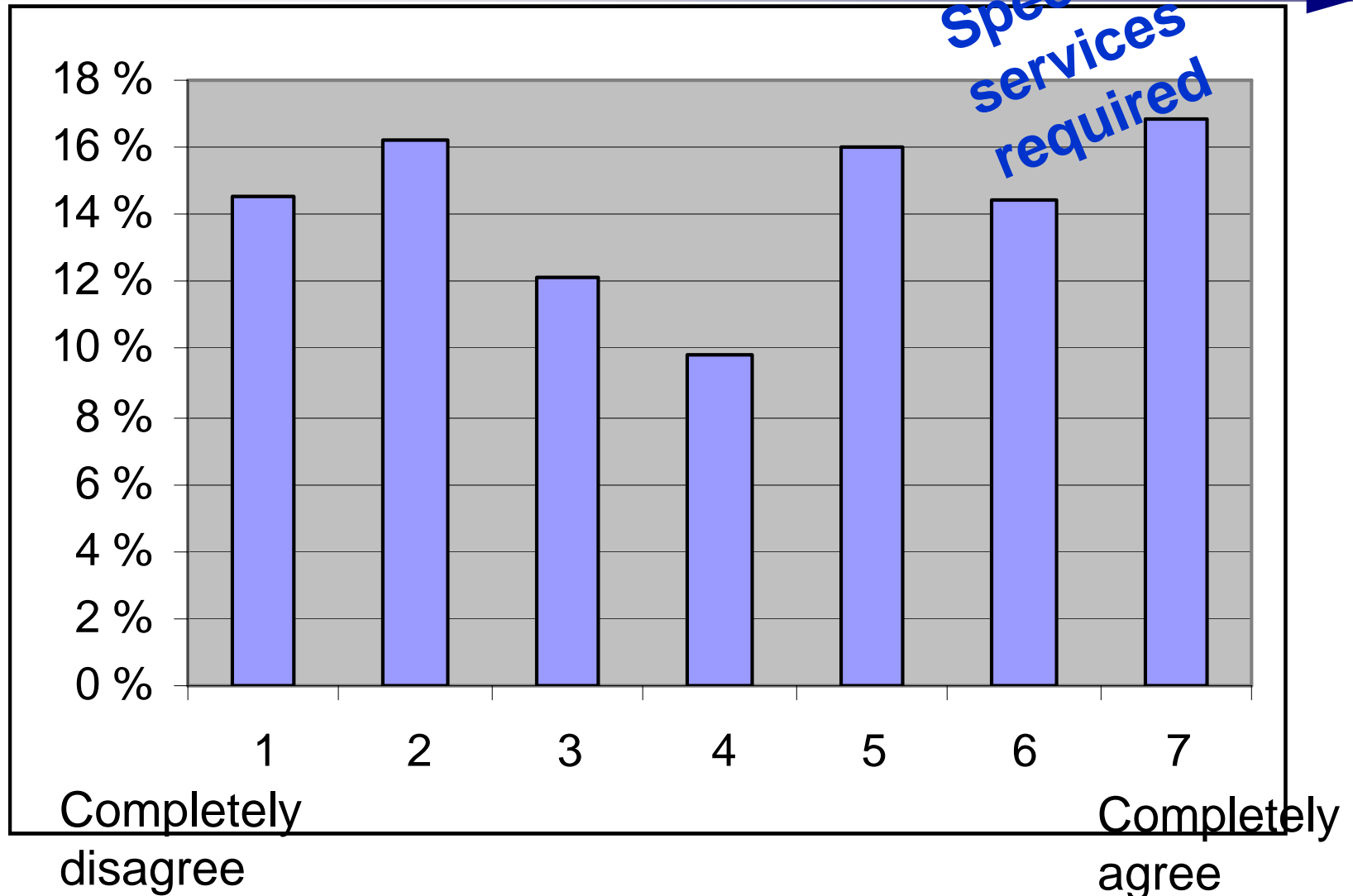
**Transparency  
is important** →



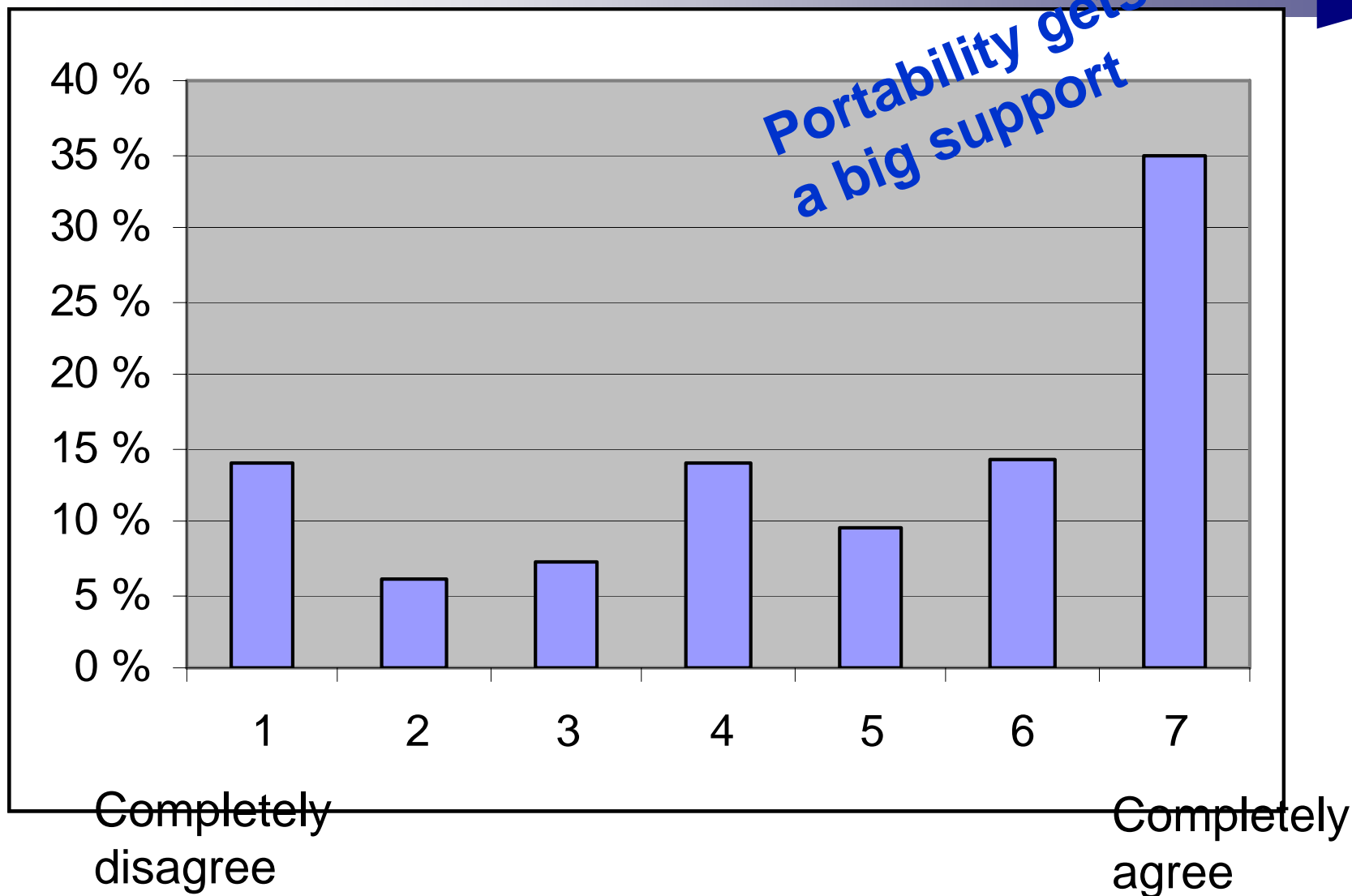
I find a uniform international account numbering system necessary (even if my acc# will be longer or change)



The transaction time for regular payments in Finland is 1-2 days. This will be satisfactory even in future.



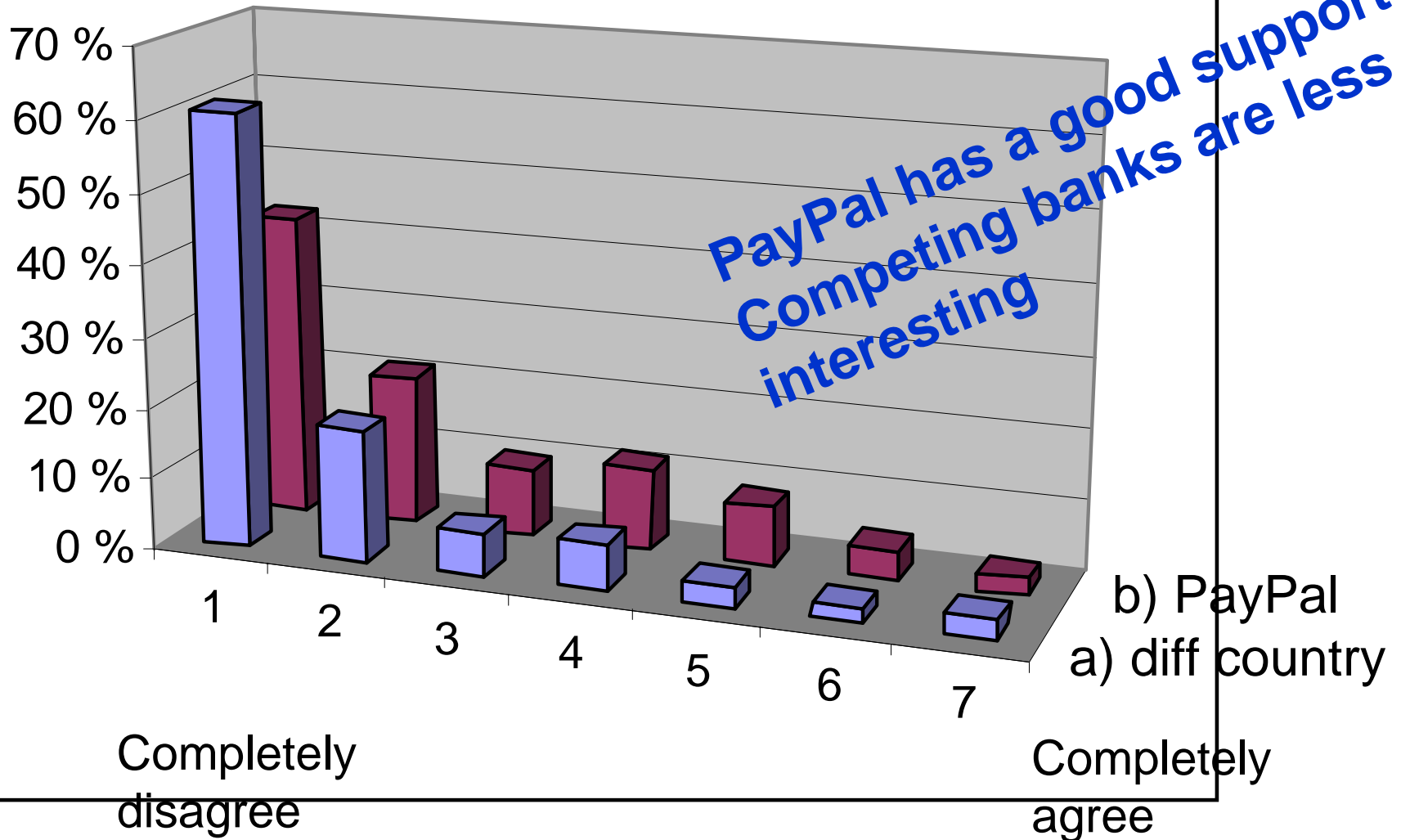
The possibility to transfer the account number from one bank to another (as a GSM number) is a good idea



It is likely within few years that

a) I will open account in another euro-area country

b) I will pay using international web-services (eg eBay/PayPal)



# General comments private customers



- Customer habits change slowly
- A new payment method needs to have several benefits
- Customers value security, ease of use, availability of payment information, interoperability
- Fees/costs are important

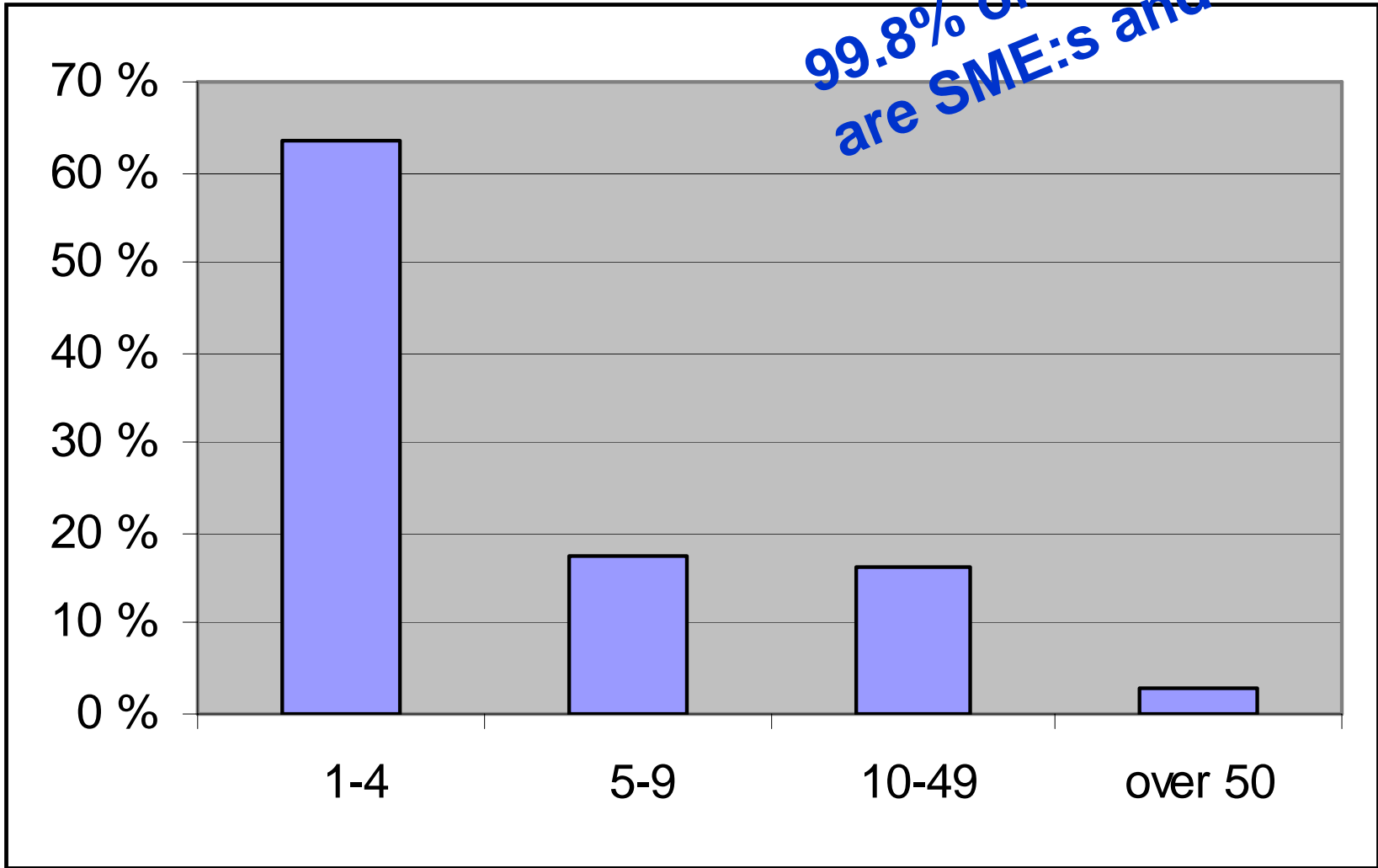
# SME customer findings



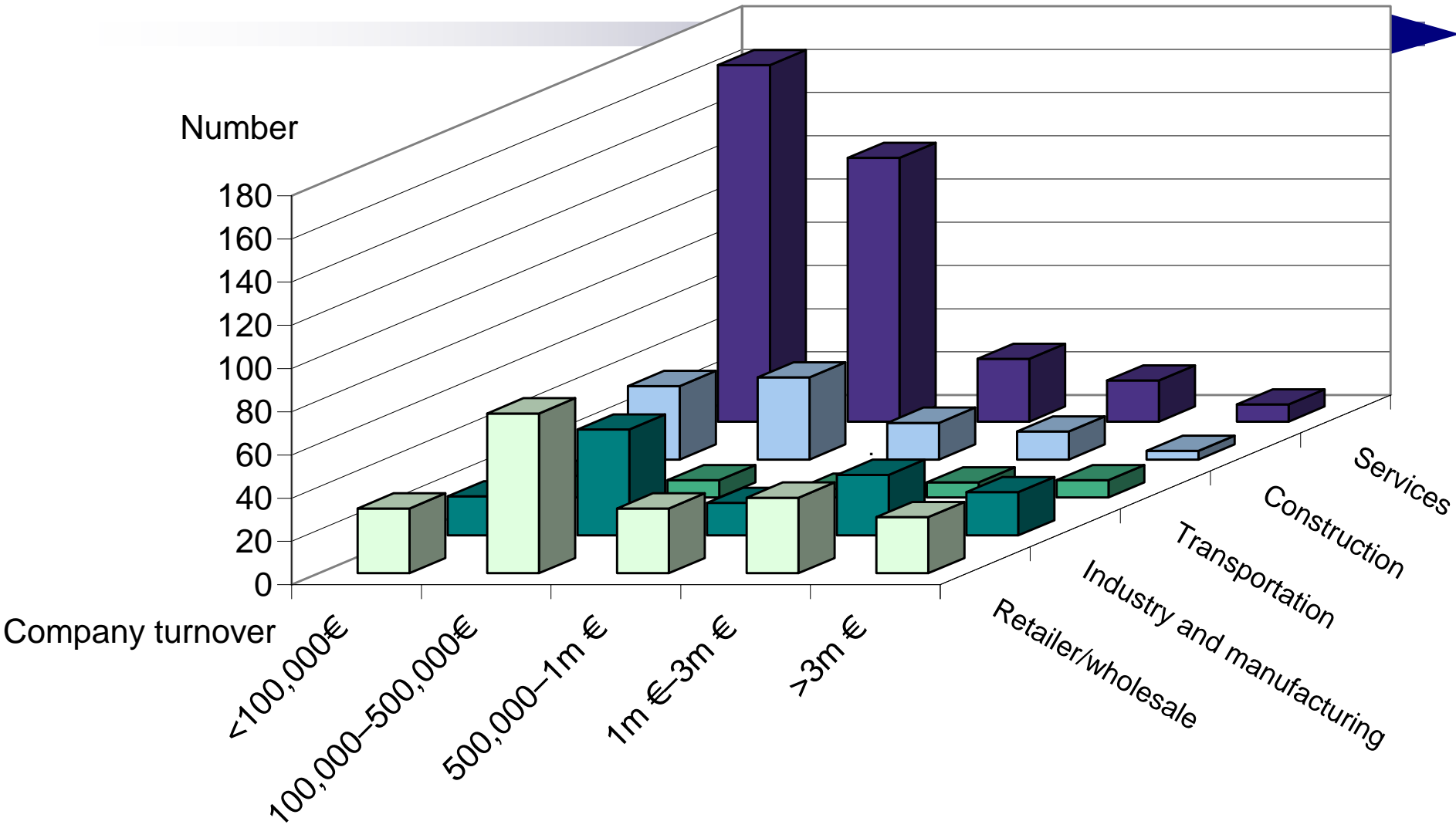
- Small and mid-size enterprises
  - 5000 emails, 844 replies (17%)
  - Random selection from register of the Federation of Finnish Enterprises (in total 88,000 enterprises which is 40% of all)
  - 67 questions
  - November 2005

# Number of employed

**99.8% of all companies are SME:s and very small**

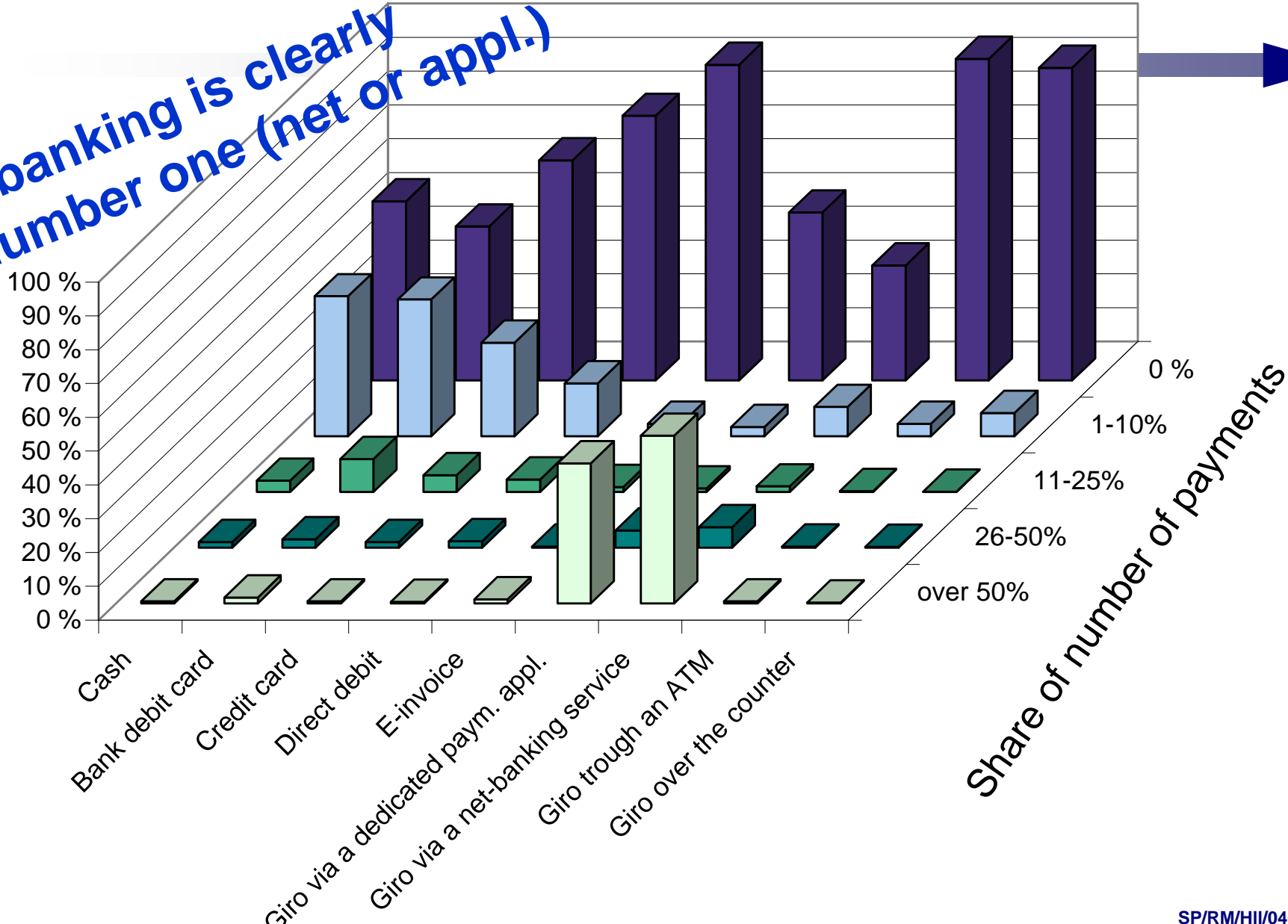


# 1 Background Information



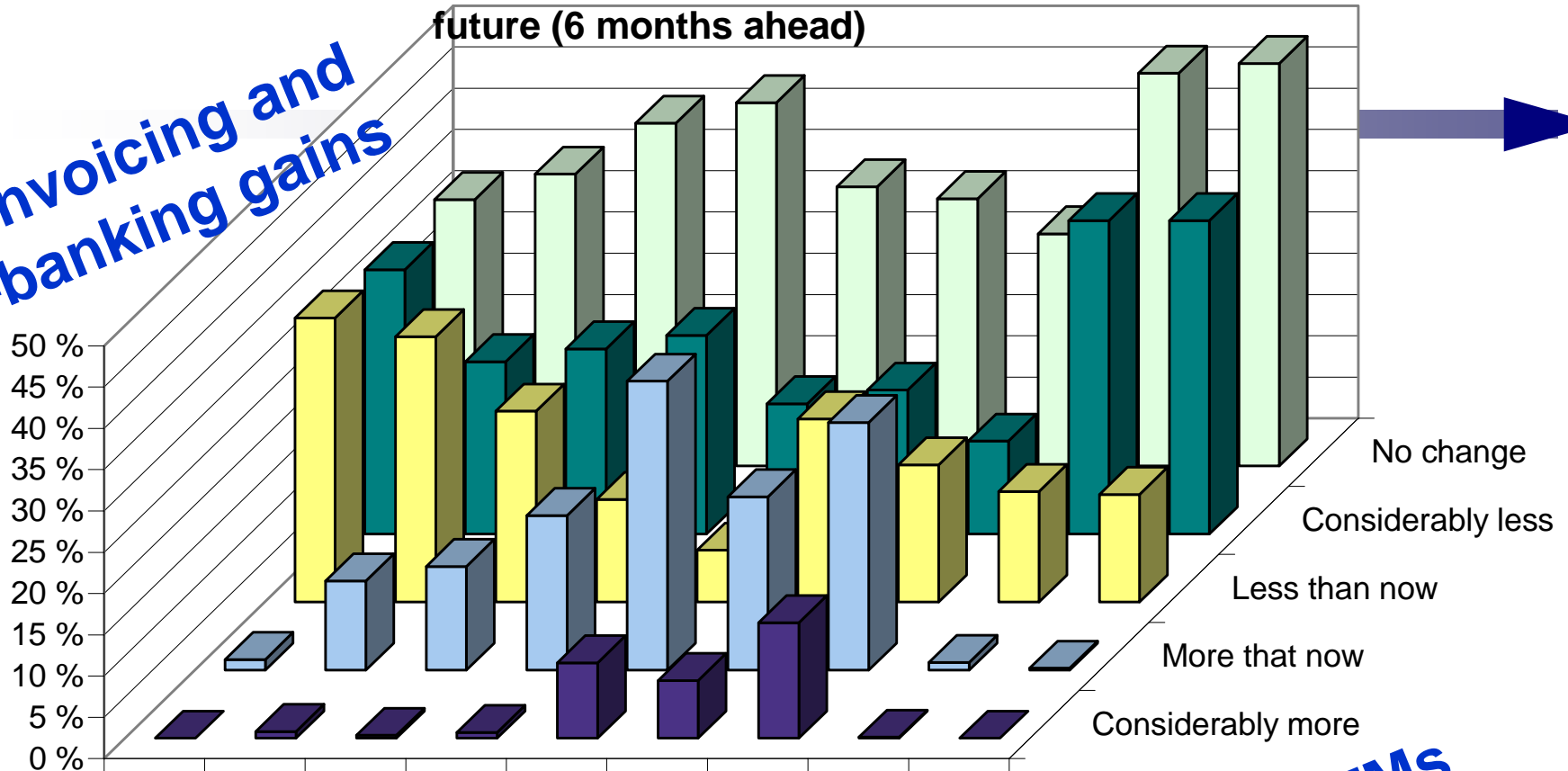
# 1 What is the primary method of effecting payments by your company

*E-banking is clearly number one (net or appl.)*



2 What will be the primary method of effecting payments by your company in the future (6 months ahead)

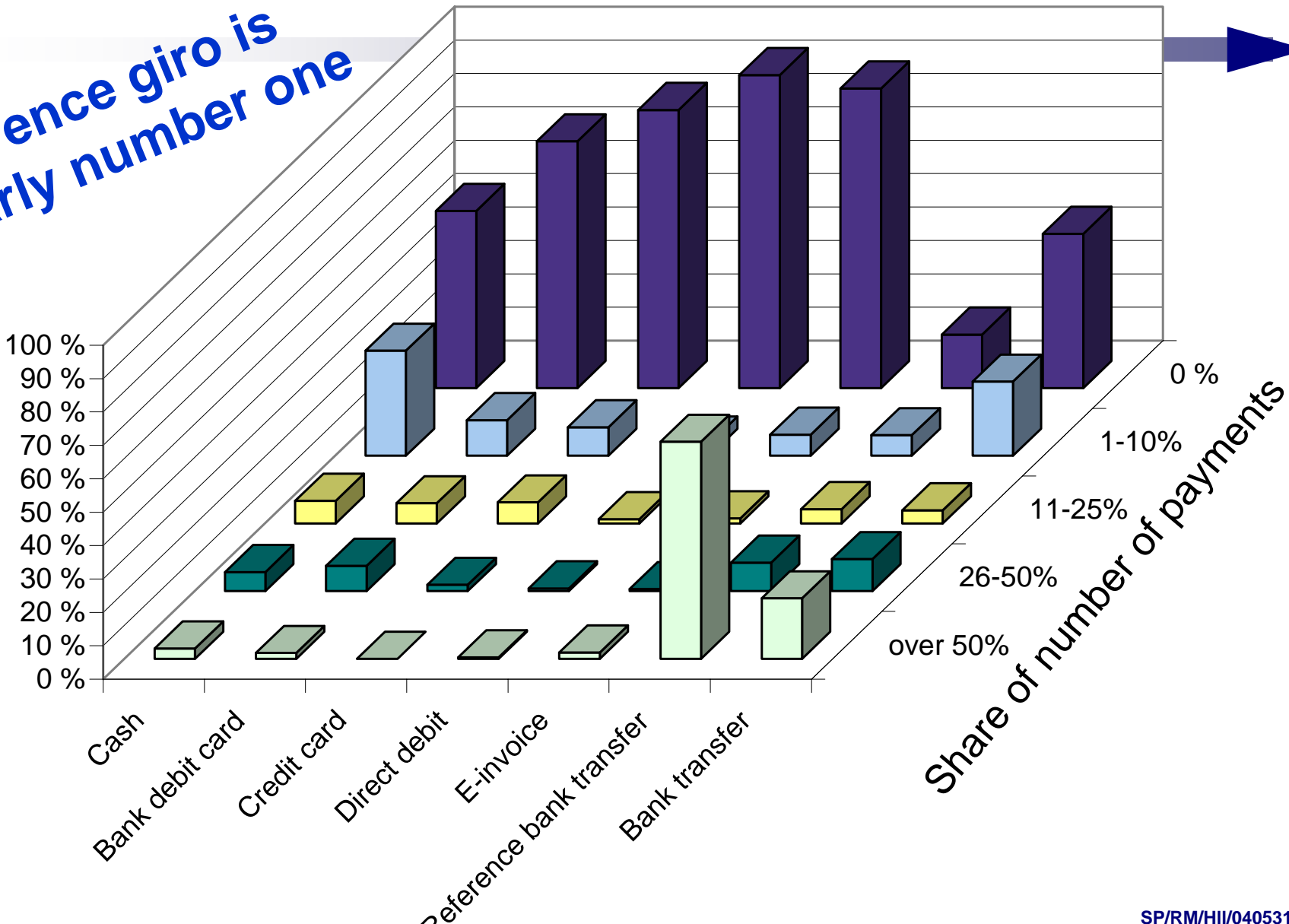
**E-invoicing and e-banking gains**



**Cash, cards, ATMs and branches looses**

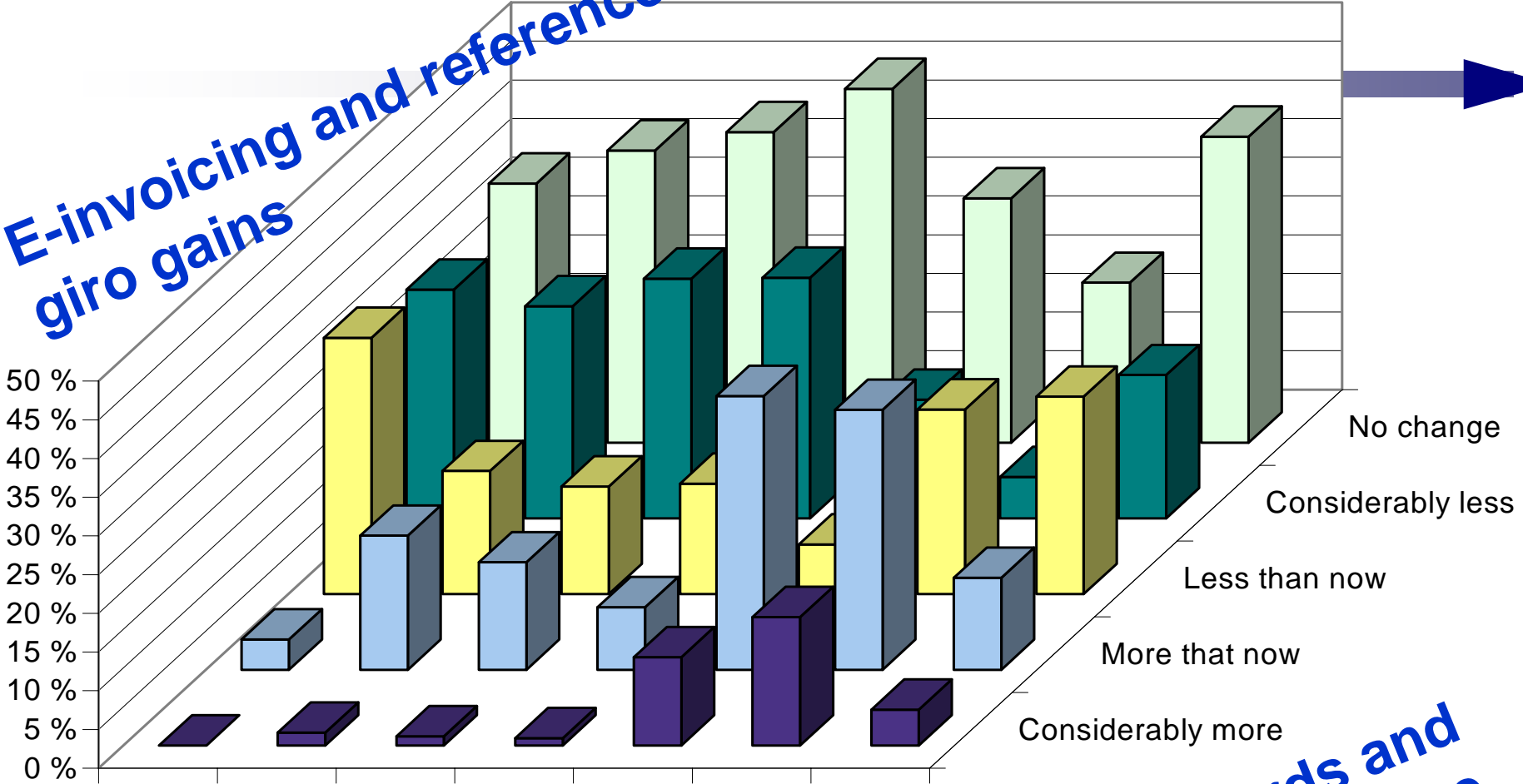
### 3 What is the primary method of receiving payments by your company at the moment

Reference giro is clearly number one



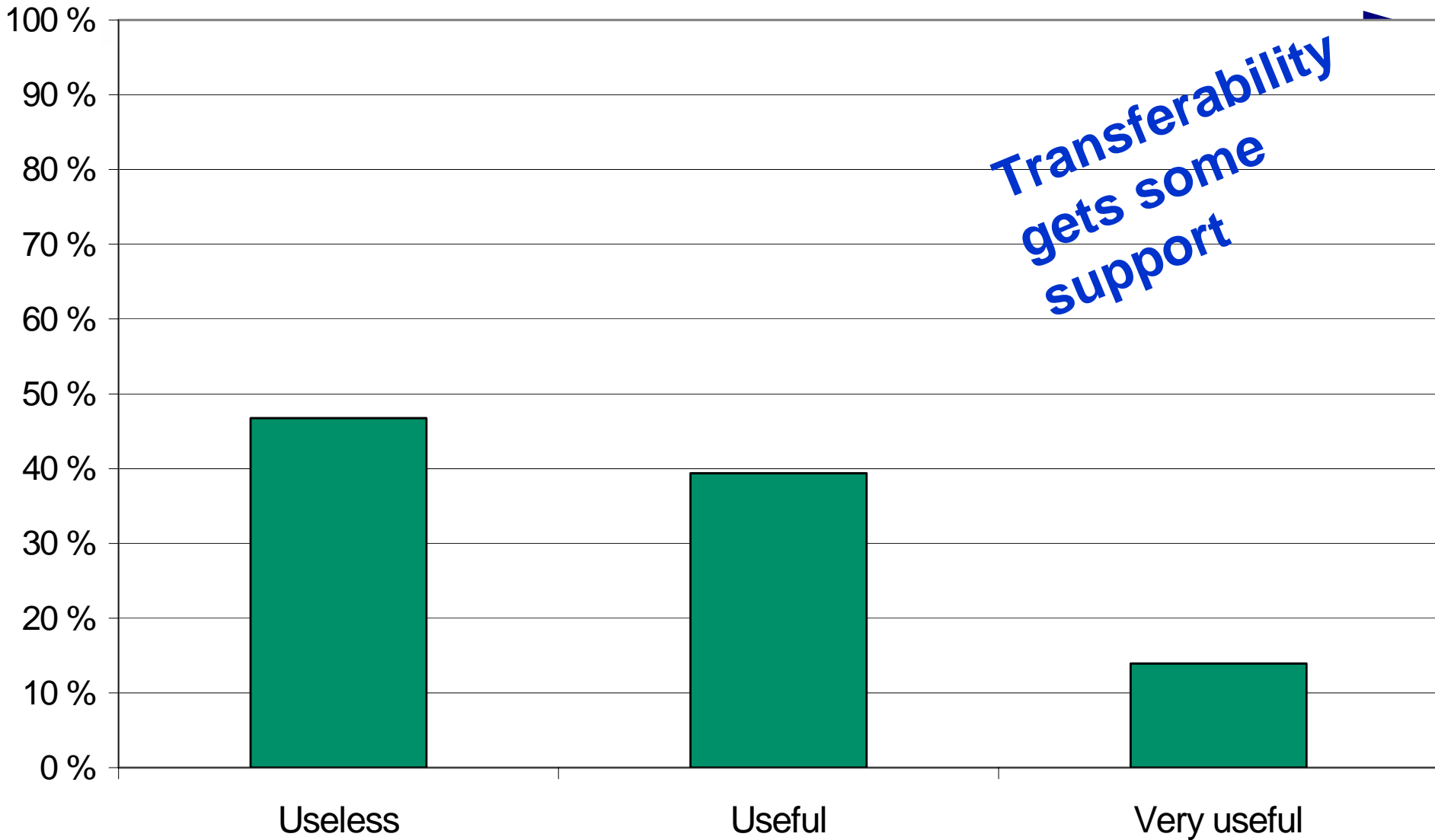
# 5 How will your company receive payments in the future

**E-invoicing and giro gains**

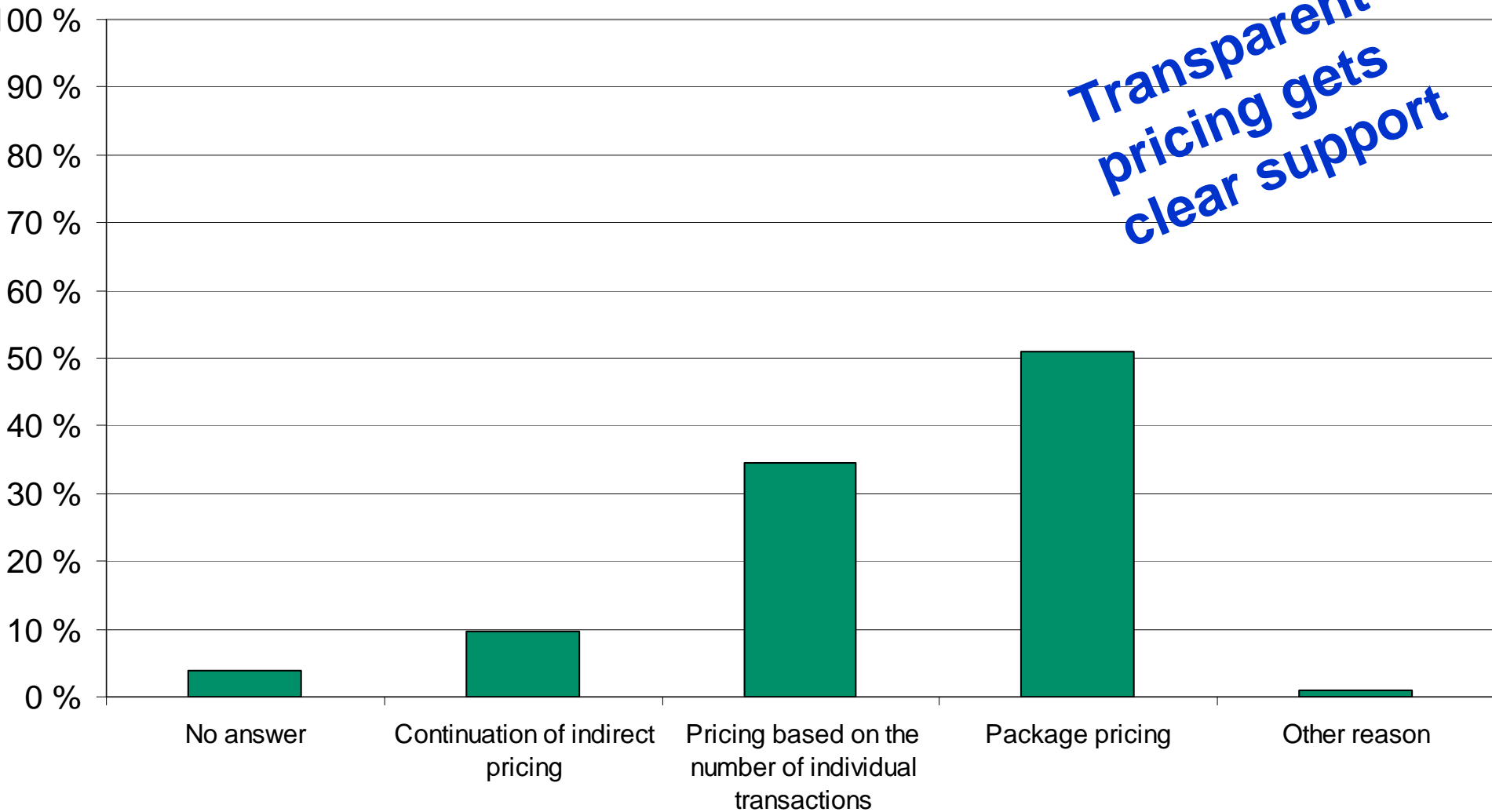


**Cash, cards and direct debits are decreasing**

**10 How useful would it be if banks offered the service of being able to keep an existing bank account number when transferring accounts from bank to another**

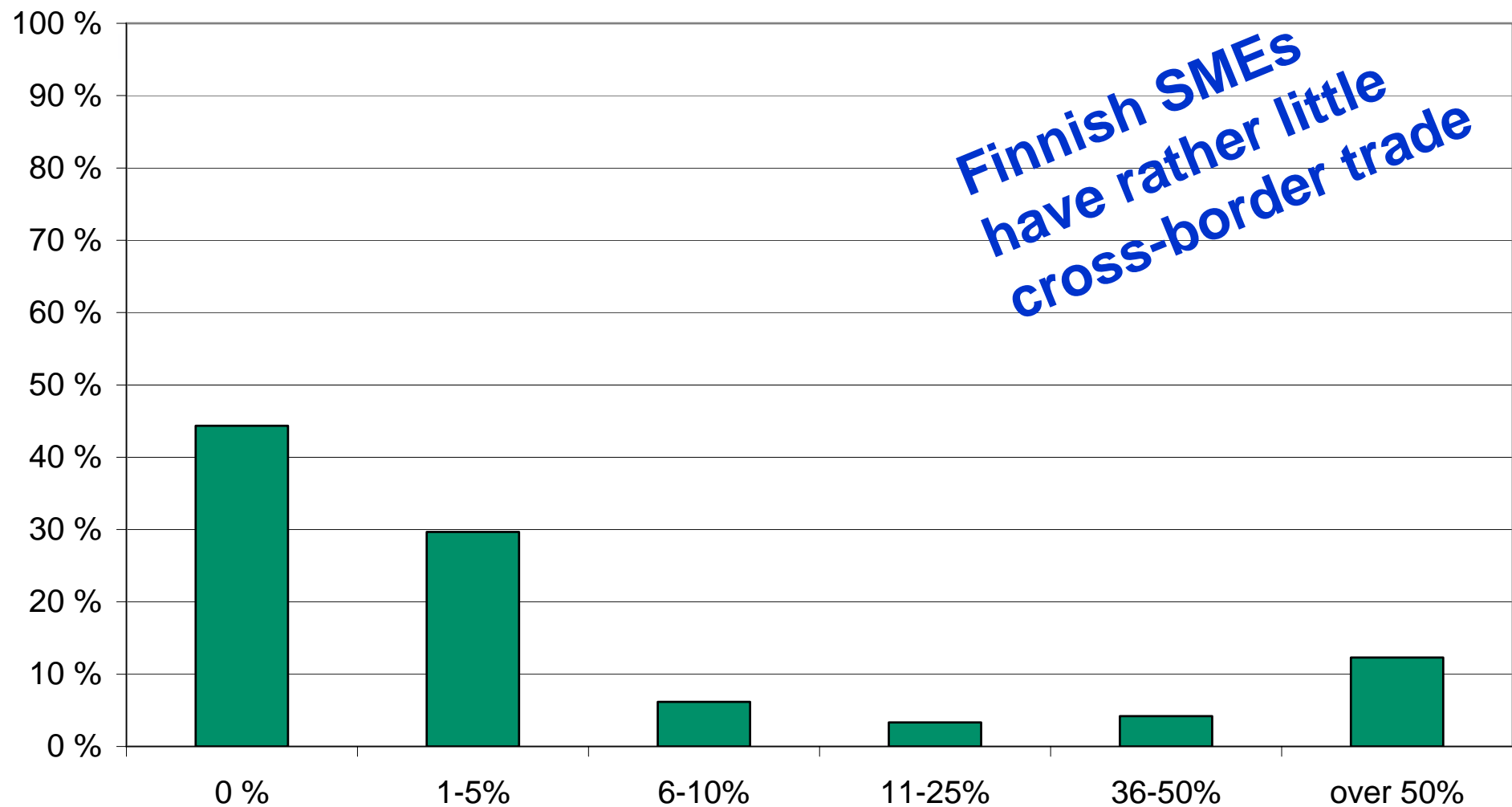


## 11 What pricing system does your company prefer



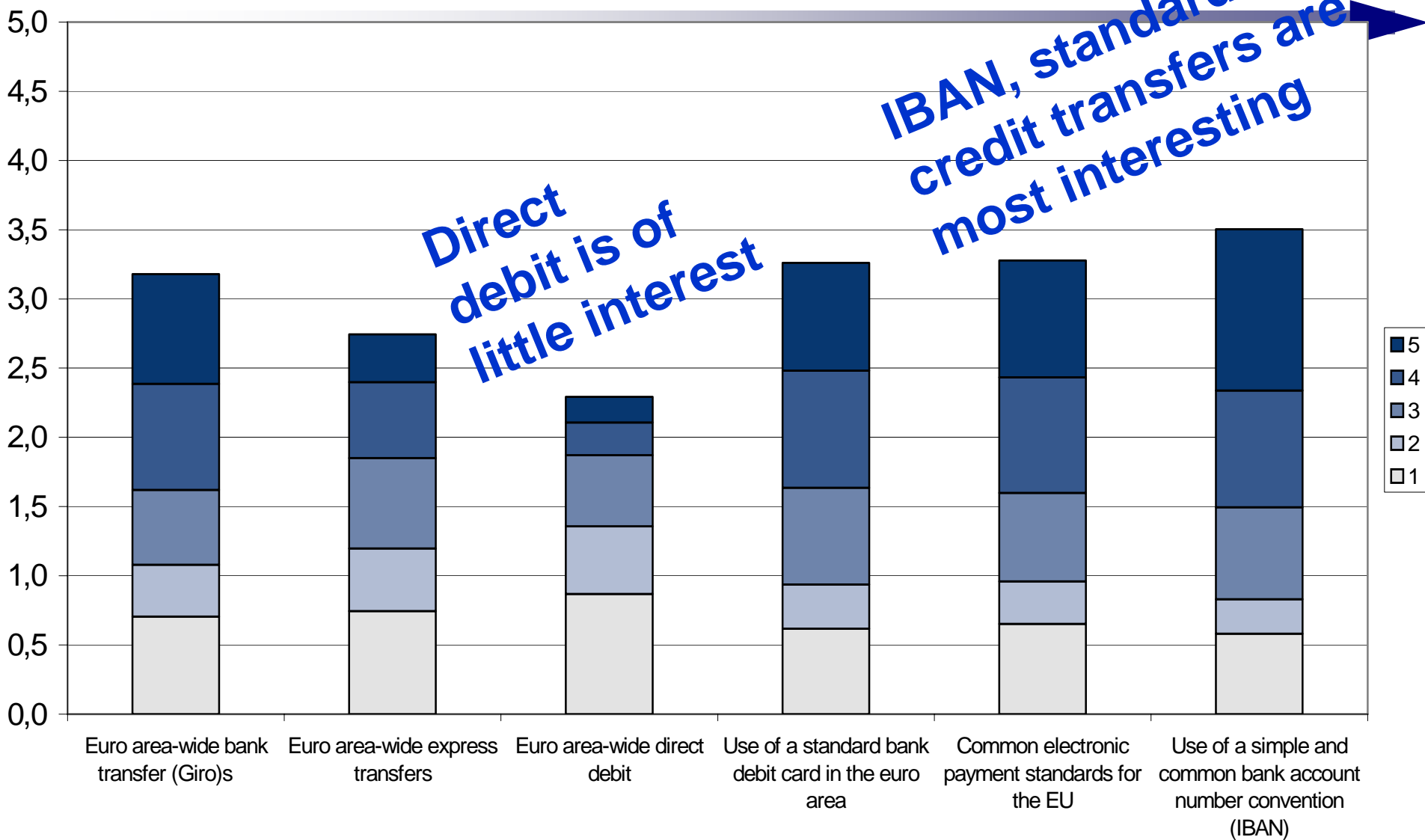
**Transparent pricing gets clear support**

**14 Please estimate the proportion of payments made within the EU area by your company**



**Finnish SMEs  
have rather little  
cross-border trade**

16 How significant does your company consider easier cross-border payments for the following payment methods (scale: 1=insignificant, 5=extremely significant)



# General comments SME



- Payment processing should be faster than 1-2 days
- E-invoicing need more marketing to SMEs
- SEPA is unknown to SMEs
- Standardization is important in order to support ready made application interfaces

# Further results



- Published in separate working papers
- In final report during Spring 2006