

Online Payment Sentiments Survey Results



Presented by Vesta¹

Understanding sentiments of online payment in Singapore, Indonesia and the Philippines



By 2025, Southeast Asia's ecommerce sector is expected to grow over US\$300B.² Do online merchants know the risks and concerns of their customers?



TOP CONCERNS OF ONLINE SHOPPERS

Online shoppers in all 3 countries value safety and security above all else



SINGAPORE

INDONESIA

PHILIPPINES

● SAFETY & SECURITY

● PRODUCTS PURCHASED

● SHOPPING EXPERIENCE

ACCOUNT SHARING PUTS CONSUMERS AT HIGHER RISK OF FRAUD

Such as account takeover, identity theft and account compromise



INDONESIA

Almost 3 in 5 (57%) online shoppers in Indonesia share retail accounts with family or friends

Majority of online shoppers in Singapore and the Philippines do not.

SINGAPORE
4 in 5 (81%) do not share retail accounts

PHILIPPINES
2 in 3 (68%) do not share retail accounts

1 in 3 people in Southeast Asia experienced online fraud³, as online shopping and internet activity increased significantly during Covid-19



DETERMINING SECURITY OF AN ONLINE SITE

69% of online shoppers across all three countries rely on reviews from previous buyers to determine if a site is safe to purchase from

● SINGAPORE ● INDONESIA ● PHILIPPINES

PAST REVIEWS



ACCEPTS COMMON/WELL-KNOWN PAYMENT METHODS



BELONGS TO A TRUSTED BRAND



0 20 40 60 80 100

TOP PAYMENT PROBLEMS FACED BY ONLINE SHOPPERS

Across all three countries, 47% of respondents have encountered payment problems in the last 12 months. The top two payment problems across all payment methods are:

#1 33% Multiple verification and authentication

33% of those who encountered payment problems

#2 22% Declined payments without valid reasons (false declines)

22% of those who encountered payment problems

A common fraud prevention method used by many ecommerce sites. However, it causes payment friction that leads to loss of customers and revenue.



A false decline is where a legitimate transaction is flagged as fraudulent and rejected— this is also often referred to as a false positive. It's estimated that businesses lose 3%⁴ of their revenue due to false declines every year, which adds up to US\$386 billion in losses considering the size of the ecommerce industry globally.

Payment problems cause customers to drop out, and impact your brand negatively

3 in 5 would avoid shopping at the ecommerce site again

54% would warn their family or friends about the ecommerce site

47% would make a complaint

E-wallets on the rise and becoming a preferred payment method for making purchases online

SINGAPORE

78% **#1** Credit/Debit Cards

3 in 4 (78%) online shoppers

18% **#2** E-wallets

Almost 1 in 5 (18%) online shoppers

INDONESIA

55% **#1** E-wallets

More than half (55%) of online shoppers

31% **#2** Bank Transfer

3 in 10 (31%) online shoppers, despite Indonesia's large unbanked population

PHILIPPINES

69% **#1** E-wallets

2 in 3 (69%) online shoppers

16% **#2** Cash

Almost 1 in 5 (16%) online shoppers still prefer cash-on-delivery



S\$ In Singapore, mobile wallet penetration will reach nearly **95 percent** of the population by 2025⁵

Rp In Indonesia, mobile payment transactions will **grow tenfold**⁶

P In Philippines, mobile payment transactions will **grow ninefold**⁷

The rise of ecommerce and the rapid uptake of mobile wallets signals the urgent need for merchants to **prioritise mobile fraud protection solutions**, especially as fraudsters are increasingly targeting mobile apps at a global level, in addition to mobile web browsers.⁸



INCREASE YOUR REVENUE AND PROVIDE A FRICTIONLESS PAYMENT EXPERIENCE FOR YOUR SHOPPERS WITH VESTA

OUR CUSTOMERS REPORT:

20%

Average increase in revenue

95%+

Client approval rates

1 Adopt sophisticated fraud technology that leverages advanced machine learning

- Analyse trillions of data from over 25 years and increase filter accuracy
- Reduce false declines for valid customers and stop criminal transactions
- Reduce the need for multiple verification steps

2 Implement a robust end-to-end fraud protection solution, with 100% Chargeback Guarantee

- Fight increasingly complex ecommerce fraud, easily
- Run your business with peace of mind, zero risk and liability. If we're wrong, the fraud is on us

Charge ahead @ vesta.io

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SOURCES:
¹The Vesta Online Payments Sentiments survey studied 4,333 online shoppers in Singapore, Indonesia and the Philippines. The survey was conducted in July 2021. Singapore n=1,048 (national representative); Indonesia n=2,178 (online representative); Philippines n=1,107 (online representative).
²Google, Temasek, Bain & Company. Report. e-Economy Sea 2020. November, 10, 2020.
³Boku. 2021 Mobile Wallets Report. July, 8, 2021.
⁴Boku. 2021 Mobile Wallets Report. July, 8, 2021.
⁵LexisNexis Risk Solutions. APAC 2019 True Cost of Fraud Country Report.
⁶ADVANCE.AI. Whitepaper. Artificial Intelligence Anti-Fraud Technology for Southeast Asia. January, 2021.
⁷Vesta. Blog. The Unexpected Cost of False Declines for Your Business. May, 26, 2021. Available at: https://www.vesta.io/blog/cost-of-false-declines



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