

ABI Research NFC Executive Summary of Survey Results

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Consumer Attitudes, Experiences, and Understanding of NFC Technology

Introduction and Methodology 2022

Survey Overview

This document provides a brief overview of survey results and selected data. NFC Forum membership is required to see the full survey results. To join the NFC Forum: [Join the Forum \(nfc-forum.org\)](https://nfc-forum.org)

- The goal of the survey was to provide a greater understanding of consumer adoption, familiarity, and experiences with Near-Field Communication (NFC)/contactless technology at both a global and regional level. The survey takes into account the COVID-19 impact after significant efforts were placed on contactless migration strategies and increasing contactless spending limits. The survey's first question asked respondents if they had used a contactless payment card or mobile wallet, such as Apple Pay, Google Pay, and Samsung Pay, among others.
- For those respondents who had not used either of these options, the survey was **terminated**. This meant that only respondents who have used contactless technology were included in the survey results.
- The survey had 2,620 respondents across the following countries and regions, covering a variety of age ranges.
 - United States: 509
 - China: 505
 - Japan: 504
 - South Korea: 505
 - United Kingdom: 124
 - Spain: 116
 - France: 121
 - Germany: 118
 - Italy: 118
 - 18 to 24: 366 (14%)
 - 25 to 34: 787 (30%)
 - 35 to 44: 804 (30%)
 - 45 to 54: 429 (16%)
 - 55 to 64: 173 (7%)
 - 65 to 74: 41 (2%)
 - 75 and over: 20 (1%)

Executive Summary 2022

Key Findings and Takeaways

- Contactless payment card usage still continues to **exceed** that of mobile NFC wallets, however, mobile payment wallet usage has **grown considerably**
- However, contactless payment card remains the **preferred solution** when compared to mobile and smartwatch alternatives
- The majority of respondents have been using their contactless mobile payment wallet for **less than 2 years**
- Overall user experience is **extremely high**, though issues remain
- Key issues include multiple attempts to respond, error messages, and speed of response
- The security message remains clear, and the majority of respondents are **confident (at some level)** with the security or perceived security that contactless cards/mobile wallets provide.
- Familiarity with NFC technology continues to grow, with all but a small percentage of respondents at least **somewhat familiar** with NFC as a technology.
- Public transportation and consumer product interaction are the main use cases beyond payments

Familiarity with NFC 2022

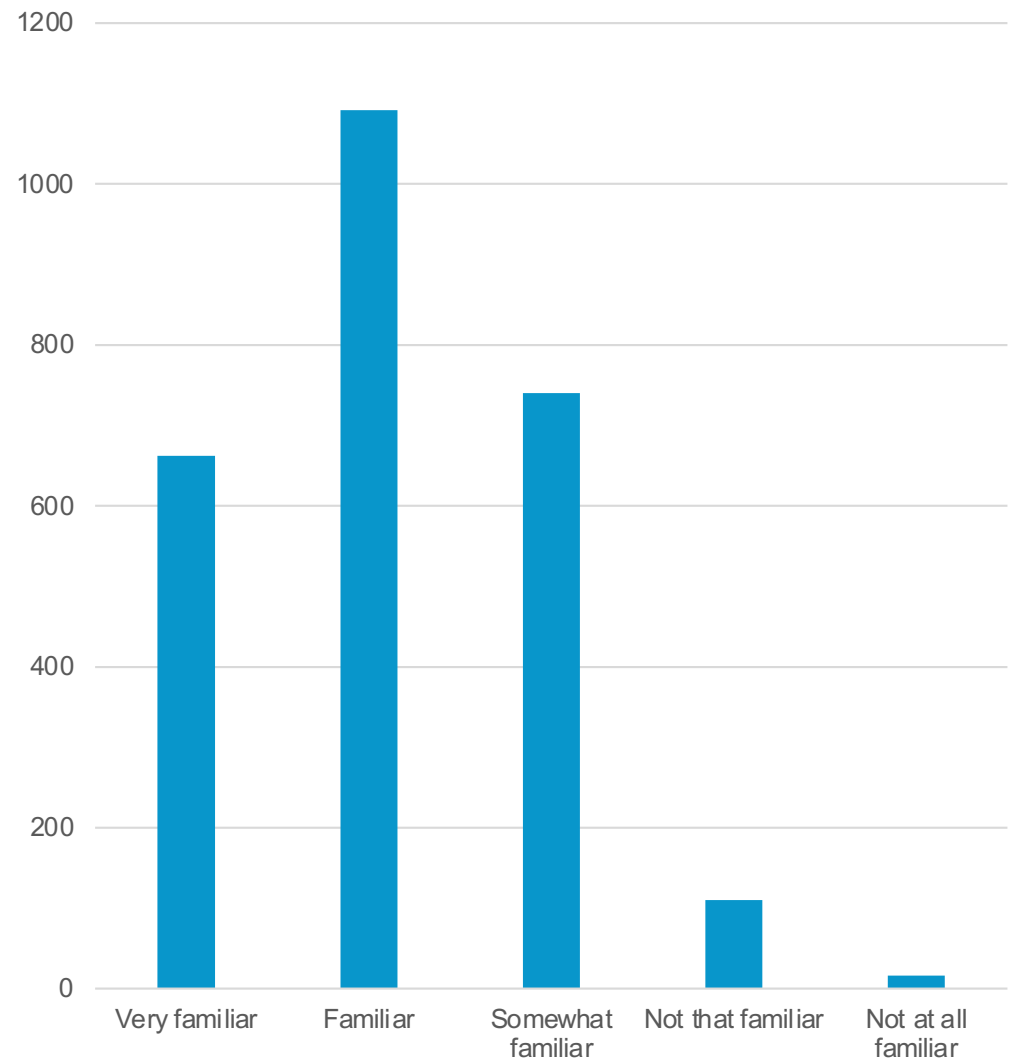
Q10: How familiar would you consider yourself with NFC (Near-field communication) contactless technology?

- **42%** of respondents regard themselves familiar with NFC technology
- **28%** somewhat familiar
- **25%** very familiar
- **4%** not that familiar
- **<1%** not at all familiar

TAKEAWAYS:

- **95%** of respondents at least somewhat familiar with NFC technology
- Over 2/3 (67%) respondents are familiar or very familiar with NFC technology
- Only 5% of NFC users are still not familiar with the technology
- Familiarity with NFC as a technology has significantly increased, aligned with increased exposure to mobile wallets and higher user rates

Familiarity with NFC



Other Use Cases 2022

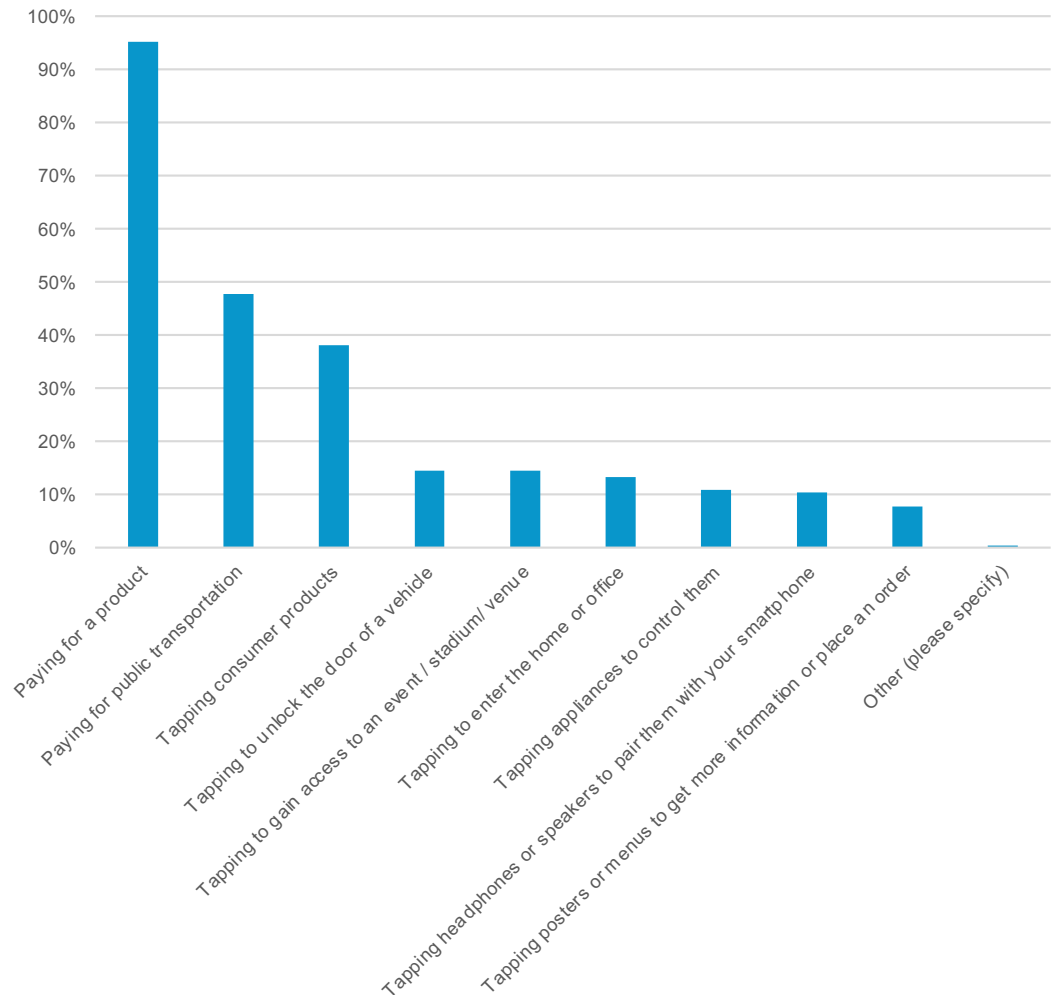
Q11: Have you ever used the NFC contactless technology in your smartphone or smartwatch for any of the following?

- 95% of respondents have used contactless technology for paying for a product
- 48% have used it for paying for public transport
- 38% have used it for consumer product interaction
- 15% have used it for vehicle access
- 14% have used it for venue access
- 13% have used it for home or office access
- 11% have used it for appliance control
- 10% have used it for headphone / speaker pairing
- 8% have used it to tap posters or menus

TAKEAWAYS:

- Beyond mobile payments, public transportation is a key driver for contactless use cases
- Tapping consumer products is also becoming increasingly important, with over 1/3 of respondents having leveraged NFC to interact with some form of consumer product, e.g. clothing, alcohol, luxury items
- Some percentages such as automotive, venue entry, and home office access seem high, it is very possible that “contactless” technology is taking the credit for non-NFC applications and that clearer messaging is needed on the specific capabilities of NFC

Other use cases



11 others including tapping to access computer, share photos and videos

Conclusion and Future Expectations 2022

- Frequency of usage is expected to increase as the world enters the post COVID era
- Exposure to contactless payments will continue to increase and accelerate as the contactless card fast becomes the standard card form-factor issued
- Issuers (both traditional and neo/challenger banks) placing emphasis on digital first approaches will further accelerate mobile wallet usage, as the paradigm shifts from physical first to digital first card implementations
- Contactless limits continue to be increased, paving the way for transaction limits to be abolished in the mid to longer term.
- NFC security perception remains strong and should continue to be message reinforced as security concerns related to card transactions at higher values can be eliminated via mobile wallets and multi-factor authentication processes
- Usage for ticketing will continue to increase as more transportation authorities look towards EMV/open loop acceptance
- The user experience issues reported demonstrate that users are facing issues with the NFC technology and/or implementation rather than it being an infrastructure or merchant related problem
- NFC will become more widely adopted outside of payments, as leading wallet providers look towards new application enablement to expand their respective wallet use cases and increase wallet reliance