

Powering Up Digital Checkouts with Click to Pay



Adapting and innovating payments for the next-generation consumer



The world is evolving rapidly, led by a digital transformation that we are witnessing and welcoming every day.

Whilst there's little doubt that change is happening, unravelling the 'why' is more complicated—regulation, competition, innovation, and AI are all seen as key drivers.

Another key reason are the behaviours, expectations, and perspectives of digital natives, especially Millennials, Gen Zs and Gen Alphas, who have grown up with the internet at their fingertips. Their preferences have changed the way we interact with each other, and the world. It's totally different today than a decade ago, and in 12 months' time, it will almost certainly have evolved again.

Nowhere is this more apparent than in the way we pay. Understanding this can help shape our future payment strategies.

So, if it all starts with digital natives, then it surely makes sense to stand in their shoes and explore how they pay.



Maya | 23 | Singapore

Meet Maya

I've just graduated...

...and started my first job!



Maya doesn't carry cards or cash; she doesn't need to. Everything she requires for payments is in one place—her digital wallet on her phone.

When it comes to paying in store, she just uses her phone's contactless capability—no plastic, no PINs, no hassle. All she ever needs to think about is which card or app to use, but that's typically a decision she makes well before getting to checkout.

The key for Maya is ease, convenience, and security. These are the driving forces behind her payment choices. In her mind, this describes her digital wallet. Ensuring that consumers like Maya can pay with their phones, wherever they are, is key to being a preferred shopping destination.



50%

of consumers seek an experience that supports and enables them to shop in new ways.¹



75%

of consumers want to feel safe and reassured when they are shopping.¹



83%

of consumers are reluctant to store their credentials on merchant websites.²

Online shopping has changed completely with the rise of social media. Typically, the approach involved a search engine. Maya, however, scrolls through social media instead, where she discovers travel, online shopping, and more, all tailored to match her interests.

When Maya sees something she likes on social media, she clicks on the post and is directed to the merchant's site. It's likely that she hasn't shopped with this merchant before, and even if she has, she probably isn't a regular customer and may not have an account.

Irrespective of the situation, she expects her online shopping experience to be consistent, seamless, and secure.

If it's not, then there's a high risk that Maya will abandon her cart. Online, nearly 84% of consumers in the Asia Pacific region abandon their carts due to complex logins.³

Data shows cart abandonment can translate to nearly \$260 billion in lost revenue globally, which could be recovered by simply optimising the checkout experience.⁴

Of course, Maya does have a few go-to brands that she shops with regularly. She'll already have her card details saved with them, because of the ease and convenience when she goes to pay, but also because businesses typically offer additional value in exchange for loyalty.

With her payment details saved, Maya expects every purchase to be effortless, and for the brands to keep her information secure. What's more, she expects to be rewarded, with exclusive discounts or tailored recommendations.

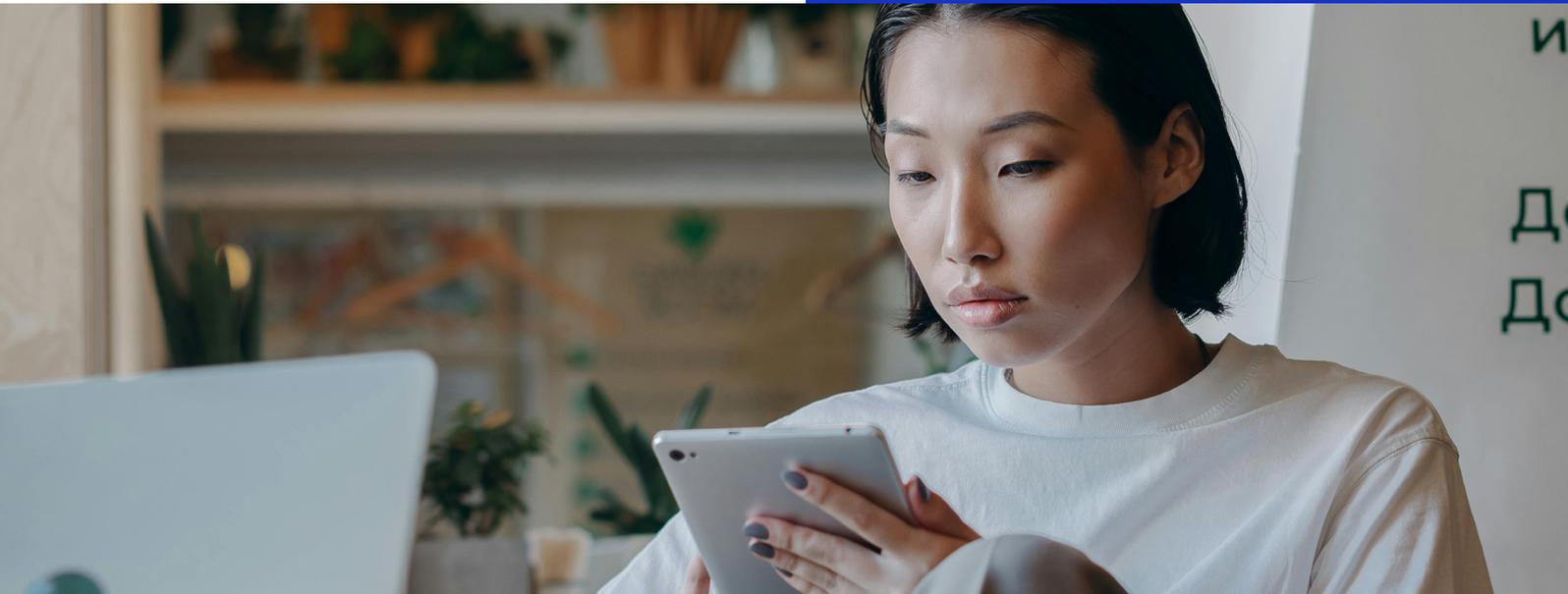
**She's a loyal customer,
but only to a point.**



Maya's lifestyle is centered around convenience.

Did you know?

For every \$1 spent in person, there is \$1 spent online.⁵



5 minutes

is the average time it can take to check out on a mobile device.³



84%

of APAC consumers abandon carts due to complex login process.³



3-4x

higher fraud rates for online payments than face-to-face.⁶

Digital natives are redefining the payment landscape. Their expectations can be driven by a need for ease, convenience, and security. And yet, their expectations are not always fulfilled. When they shop in-store, they can pay with their phones. It's a more seamless experience, with minimal friction. But the same cannot be said for every online payment in the current landscape.

For instance, when shopping with a new online merchant, they may not have the option to pay with a single click or to use their preferred payment method. Often, they need to find a card and type in the details, a tedious task for what could be an instant purchase. The security of payment information isn't always assured, with fraudulent merchant sites and potential data breaches posing a risk.

Even when their details are stored with a merchant, the experience isn't always seamless. Take when their payment details change—they typically need to enter new information, a task that is easily forgotten for a while, putting the customer relationship at risk.

The crux of these problems is that payment experiences are inconsistent due to PANs changing or expiring. This can lead to a loss of customer loyalty, causing merchants to face cart abandonment and issuers to lose their top-of-wallet position.



So, how can we achieve consistency?

We believe digital natives are shaping the future, and everyone else is following. Therefore, these inconsistencies need to be addressed wherever there is a gap between the expectation and the reality.

By adopting the right technology, it's possible for payments to be completed with the tap of a finger, in the blink of an eye—whenever and however transactions are made.

The good news? The technology to deliver seamless, ubiquitous digital checkout experiences already exists.

Designed to EMVCo specifications and powered by tokenisation, Click to Pay with Visa is the new standard in online checkout that “just works”. It makes digital checkouts easy, smart and secure while boosting your business growth.



65%

of surveyed consumers would prefer CTP over other online payment methods.⁷

74%

felt CTP was seamless and convenient when compared with other payment methods.⁷



Supercharge sales

Drive higher conversion rates by simplifying your checkout with Click to Pay.



Boost security

Protect sensitive customer data and reduce the risk of fraud with advanced security tokens and biometric authentication.



Spark simplicity

Reduce risk, cost and complexity by eliminating the need to store cards details.

We're already seeing evidence that early adopters are capturing hearts and minds in the digital payments space—constantly innovating and delivering the solutions that digital natives demand.

Visa offers solutions that can deliver these services to benefit everyone. Our solutions are easy to implement and can provide immediate value to you and your customers.

Ready to power up your digital checkout?

Get in touch with us today and let's get started!

[Visit website](#)

Sources

1. Visa commissioned study with Murphy Research, June 27 – August 15, 2022
2. Visa Commission Study 2022
3. Staff reporter, APAC, 2022, 'I am not a robot'
4. Hotjar, 2024, <https://www.hotjar.com/blog/cart-abandonment-stats/>
5. VisaNet data: Asia-Pacific acquired CP and CNP volume ratio, 2023
6. VisaNet data, 2023
7. Results from unmoderated quantitative research conducted by Visa in Australia, Aug 2023. Other methods include: no card entry, not leaving site, no CVV2