



Canadian Consumer Payments Survey, 2022



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Background & Objectives

Background

- ❖ **Canadian Consumer Payments Survey, 2022** is a comprehensive update of our annual survey to track the payment preferences and payment behaviour of Canadian consumers. This is the eighth year of publication, and the scope has grown considerably as the payments landscape in Canada has changed. It provides unique insights into rapidly emerging payment areas and is an important source of information for our annual **Canadian Payments Forecast**. It is one of the anchor reports and data sources in our continually expanding **Canadian Payment Insights Program**.

Objectives

- ❖ The fallout from two-and-a-half years of pandemic coupled with geopolitical tensions, has had an impact on the Canadian economy, consumer spending and payment behaviour. New technologies emerging in the payment space have also provided Canadians with alternative options for payments. This year, 2022, our Canadian Consumer Payment Survey continues to track important developments in the Canadian consumer payments market.
- ❖ TSI's Canadian Consumer Payment Survey is the most comprehensive consumer payments survey in Canada and addresses all major types of consumer payments instruments and modalities in a single survey.



Methodology

- ❖ The study was conducted online
- ❖ All respondents met the following criteria:
 - *Resident in Canada*
 - *18 years or older*
 - *Could access the survey online*
 - *Had to have a bank card, cheque book or an account with a bank or credit union*
- ❖ The sample was demographically balanced by gender, age and region
- ❖ The study was conducted in English.
- ❖ Fieldwork was completed from April 22 to May 7, 2022
- ❖ The sample size was n=2290
- ❖ This document should be read in conjunction with the three detailed report tables prepared as part of this study.
- ❖ Detailed report tables include:
 - ❖ ***Volume 1: Demographics***
 - ❖ ***Volume 2: Payment Behaviour 1***
 - ❖ ***Volumes 3: Payment Behaviour 2***



Significance Testing

❖ All the figures presented in this report have been tested for statistical significance. The following symbols are used to denote differences that emerged:



» Significantly **higher** at the 95% confidence level



» Significantly **lower** at the 95% confidence level

❖ When testing numbers across columns, the following convention is used:

	Column A	Column B	Column C
Row 1	70	50	50
Row 2	71 B	65	58
Row 3	46	49 C	42

Column A is significantly higher than both Column B and Column C, at the 95% confidence level

Column B is significantly higher than *only* Column C

Column C is significantly lower than both Column A and Column B, at the 95% confidence level

Revised Time Series

- ❖ Canadian Consumer Payments Survey has been conducted since 2015. We have accumulated eight years of trend data.
- ❖ This year, 2022, we changed the methodology used in the analysis of selected time series data to ensure that the trends that we depict more accurately reflect the what's happening in the market. This has resulted in the revision of a number of time series, which may make comparison with prior reports difficult.
- ❖ The revisions have specifically affected some of the time series where we use survey data to estimate average transaction values (and in a few isolated cases, volumes). For the most part, these changes have been instituted by inflating the average values assumed for the top range bins. Should subscribers wish to obtain more details of specific changes, please contact us.
- ❖ Trends based on survey incidence have not been affected by this change in methodology.



Photo by [Lukas Blazek](#) on [Unsplash](#)

Document Layout and Navigation

- ❖ We have continued with the widescreen format this year. This allows us to increase the real estate allocated to text and charts on a single page, making the report more readable.
- ❖ We have also streamlined the analysis to improve the quality of the report. As a result, some of the charts previously included in the report have been consolidated or removed. We have also placed more emphasis on analyzing trends rather than simply descriptive analysis of survey findings.
- ❖ We believe that these changes will make the report more useful. We would value subscriber feedback on these changes.
- ❖ In order to make navigation easier within the document, we have included hyperlinks on each page as follows:











- ❖ Clicking on the 'Section' block will take the reader to the start of the current section. Clicking on the 'Contents' block will take the reader to the Table of Contents.
- ❖ These navigation blocks are included at the bottom of all pages.



Photo by [Honey Yanibel Minaya Cruz](#) on [Unsplash](#)

Sample Profile

	Unweighted #	Unweighted %
 Gender		
Male	1122	49
Female	1159	51
 Age		
18-34	657	29
35-54	854	37
55+	779	34
 Region		
BC	317	14
Prairies	444	19
Ontario	888	39
Quebec	480	21
Atlantic	157	7
 Income		
Less than \$50,000	844	37
\$50,000 - \$100,000	809	35
More than \$100,000	502	22
DK/Rather not say	135	6

	Unweighted #	Unweighted %
 Lifestage		
Single	949	41
Couple (no kids)	626	27
Family	715	31
 Education		
High School or Less	592	25
Some College/University	411	18
College/University Grad	875	38
Post Grad	389	17
 Employment		
Employed	1393	61
Unemployed	227	10
Retired	414	18
Other	256	11
 Urban/Rural		
Urban	1694	74
Rural	596	26

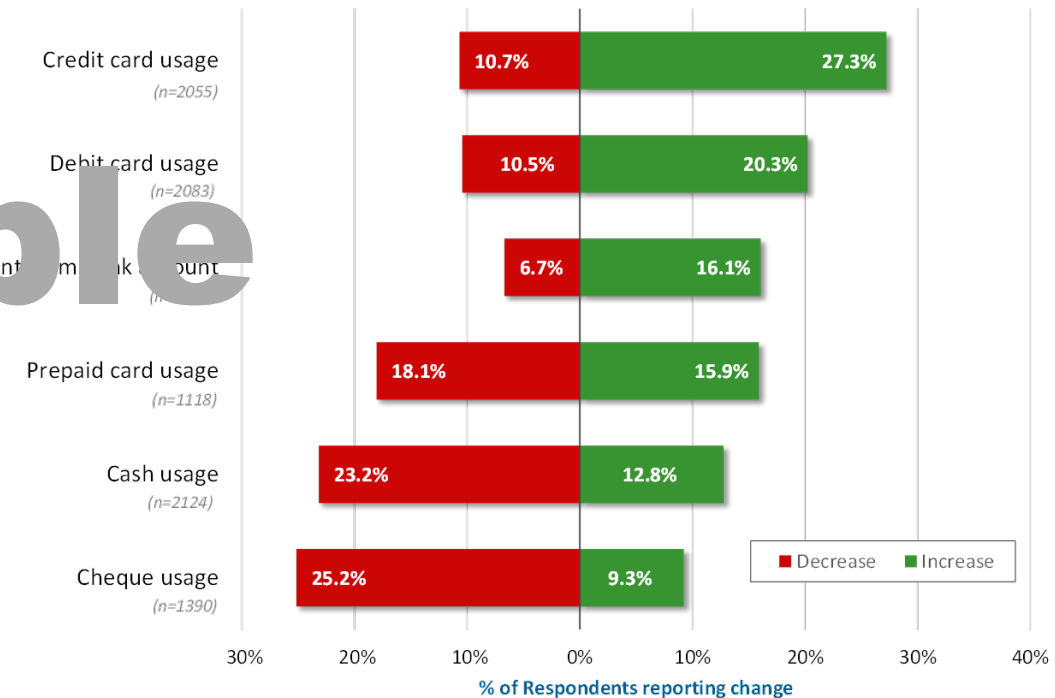
The View from 30,000 ft



Expectations for increased credit card expenditure continues

- ❖ More than one quarter of credit card users (27.3%) expect to increase the value of their credit card expenditure over the next twelve months, compared with 20.3% of debit card users, indicating a continued shift to credit card usage.
- ❖ The value of cash and cheque payments expected to be made by users of these respective payment instruments over the next twelve months is set to decline substantially overall, with those saying that they expect to decrease the value of payments on these instruments heavily outweighing those who expect to increase the value of their payments.
- ❖ Overall, the net proportion of people making payments directly from their bank are expecting to increase the value of their direct bank account payments.
- ❖ Prepaid card usage, by value, is expected to show a net decrease of 2.2% over the next twelve months.

Expected Change in Payment Patterns (2022 - N12M)



Source: Canadian Consumer Payments Survey
Base: 2022 User base, as specified

Q11 : Over the next twelve months, how do you expect the value of your monthly payments to change, on average, for each of these forms of payment?...

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Section Contents

Technology Strategies International
global insights into payment frontiers

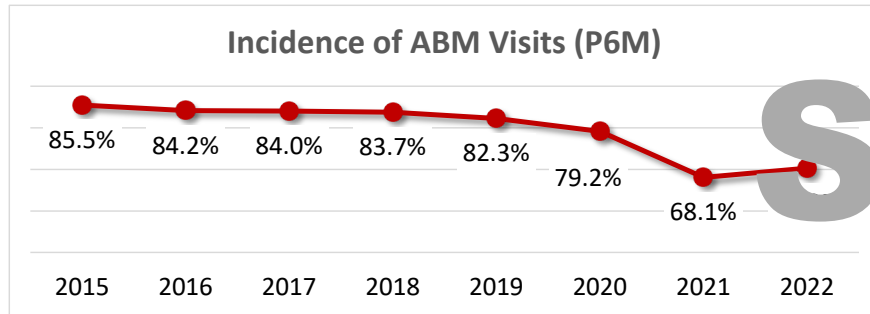


Bank Branch and ABM Visits



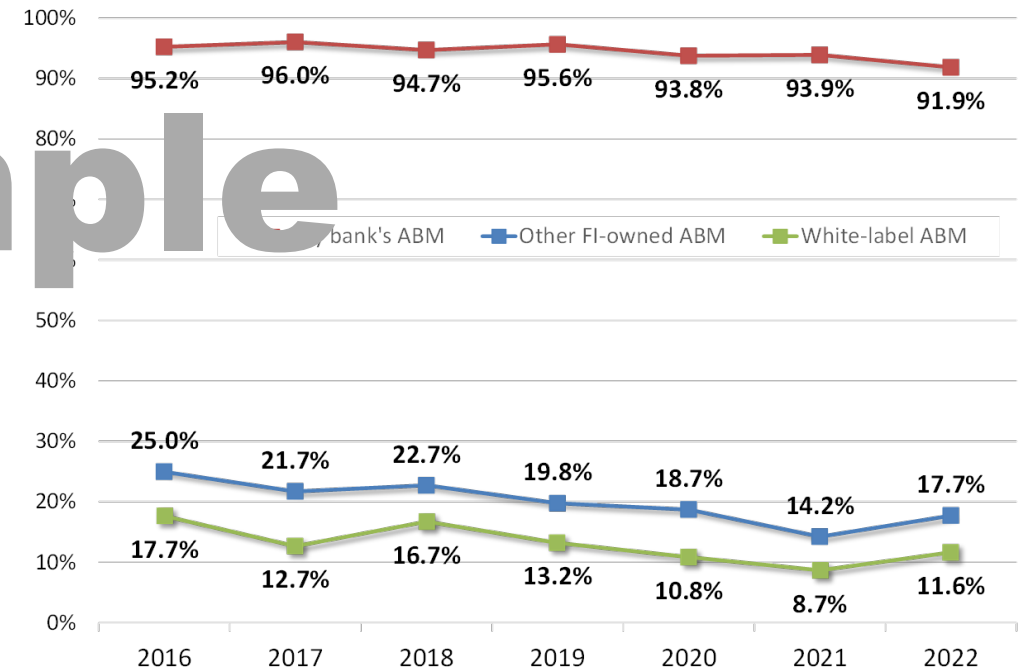
Incidence of ABM visits increases

- ❖ The incidence of ABM visits mirrored the increase in branch visits, increasing slightly over the year, providing a further indicator of greater mobility of adult Canadians in the post-lockdown era.



- ❖ More than nine out of ten adult Canadians who had visited an ABM in the past six months (91.9%) had visited an ABM owned by their own financial institution, while only 17.7% had visited an ABM owned by another financial institution and 11.6% had visited a white-label ABM.
- ❖ Canadians who prefer using debit cards for everyday payments were more likely to have visited any class of ABM over the past six months.

ABM Visits by Ownership of ABM (P6M)



Note: Multiple mentions
Base: Those who visited an ABM P6M: 2022 (n=1609)

Source: Canadian Consumer Payments Survey

Q20. In the past six months, at which types of ABM / ATM in Canada, if any, have you conducted transactions??



Cheque Payments



Changing cheque usage patterns shift slightly

- ❖ The increase in number of cheques used in the past twelve months over the previous survey year is a result of a small proportion of cheque users who increased the number of cheques that they wrote, but also by a smaller proportion of respondents who wrote fewer cheques than in the previous survey year.
- ❖ Cheque users in the early adopter age group are the most likely of all adopter groups to have increased their cheque usage over the past year, with 33% of that group saying that their usage had increased (compared with 6% for laggards).
- ❖ Cheque users in 18 to 34 year age group were significantly more likely to have increased their cheque usage than those in older age groups, while those in the 55+ year age group were least likely to have increased usage

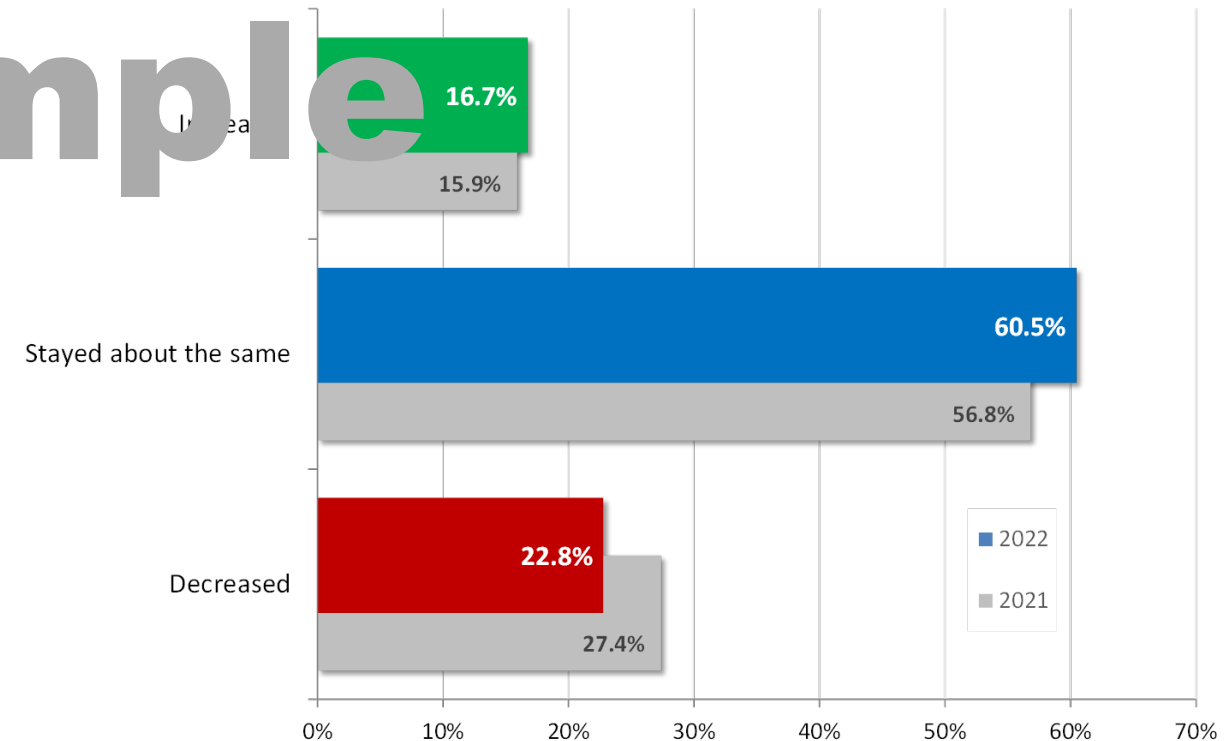
Change in Cheques Used	18-34 (A)	35-54 (B)	55+ (C)
Sample size n=	(301)	(295)	(448)
Increased	30%	20%	6%
Decreased	17%	27%	24%

Q10E. How has the value of your monthly payments changed, on average, over the past twelve months for each of the following forms of payment - Cheques?

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Sample

Change in Number of Cheques Used (P12M)



Base: Respondents who paid with cheques P12M 2022 (n=1045)

Source: Canadian Consumer Payments Survey

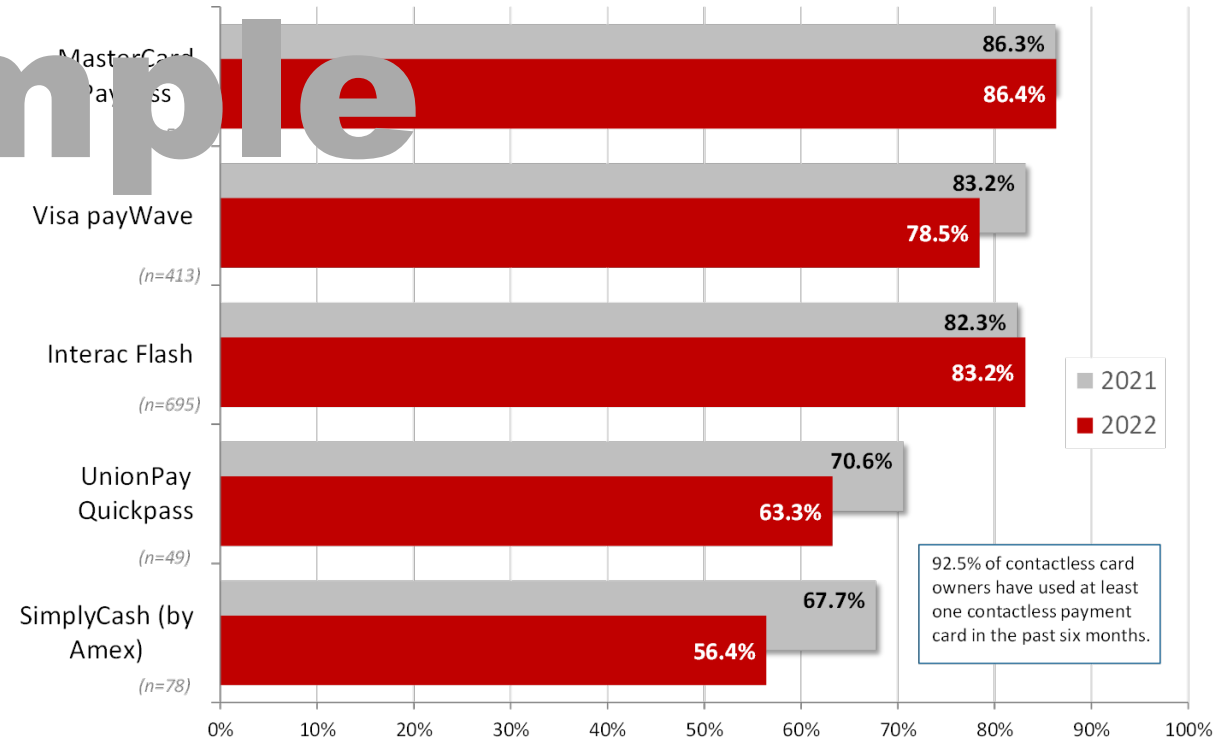
Contactless Payments



Contactless usage by brand owners is high amongst the dominant brands

- ❖ Usage of MasterCard PayPass amongst its owners has remained stable over the past few years, with an incidence of 86.4% in 2022. It remains the contactless card with the highest brand usage across all major contactless payment brands.
- ❖ Usage of Interac Flash also remained stable, but was slightly lower than the incidence reported for MasterCard PayPass.
- ❖ The usage of Visa payWave, UnionPay QuickPass and SimplyCash all showed significant declines in the incidence of usage by brand owners over the past year.
- ❖ The relatively high penetration of usage amongst contactless brand owners of brands with the highest market penetration is indicative of the broadening base of contactless payments in Canada.

Contactless Usage by those who own the Brand (P6M)



Base: 2022 Ownership by brand - Base varies by brand

Source: Canadian Consumer Payments Survey

Q28. Which of these cards have you used to make contactless payments (i.e. tap or wave your card in front of the terminal to pay) for goods or services in the past 6 months?

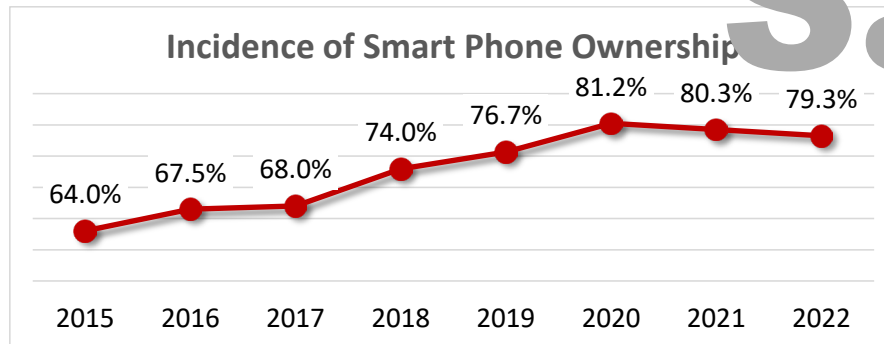
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Mobile Payments



Smart phones dominate mobile connectivity devices

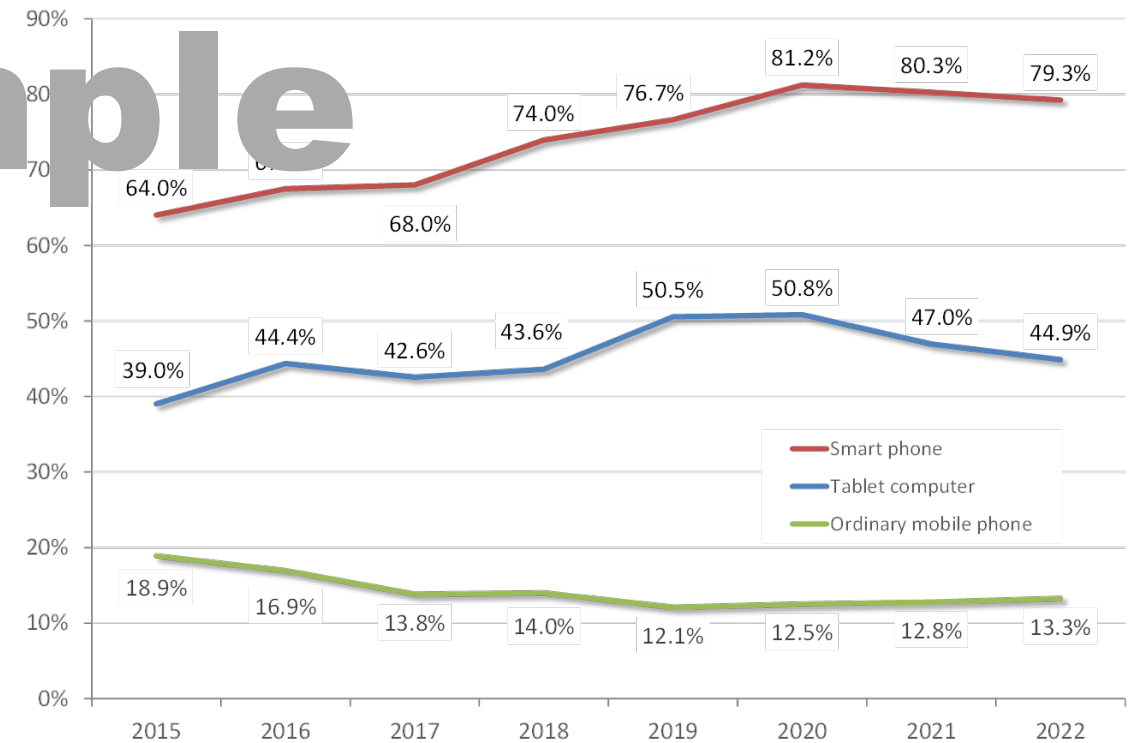
- Smart phones remain the most dominant mobile connectivity device in Canada, with about eight out of ten adult Canadians (79.3%) owning a smart phone.



- Smart phone ownership varies with age, with only 69% of adult Canadians in the 55+ age group owning a smart phone, compared with 86% of those in younger age groups.
- Ownership of tablet computers has been on a downward trend over the past two years, with the incidence of ownership dropping to 44.9% in the 2022 survey, compared with a high of 50.8% in 2020.
- The incidence of ownership of regular mobile phones remained virtually unchanged over the year, at 13.3%.

Q33. Which of the following types of devices, if any, do you personally own?

Mobile Device Ownership



Base: All respondents: 2022 (n=2290)

Source: Canadian Consumer Payments Survey

*Note: Responses include multiple mentions

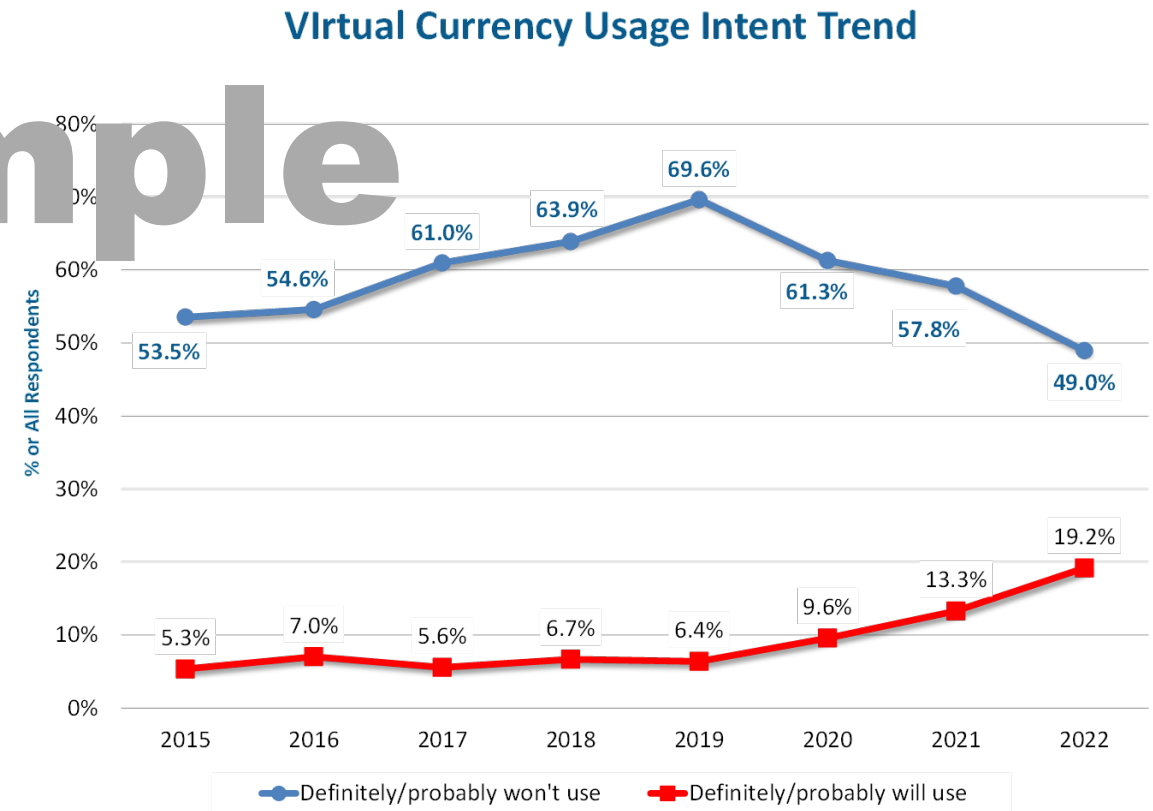
Cryptocurrencies



Canadians' resolve NOT to use a virtual currency in future falters

- ❖ After rising consistently over the previous four years, the proportion of adult Canadians who DO NOT intend to use a virtual currency in the next twelve months fell further in 2022 from 57.8% in 2021 to 49.0% in 2022 consolidating the long downward trend.
- ❖ At the same time, the proportion of adult Canadians intending to use a virtual currency in the next twelve months rose from 13.3% in 2021 to 19.2% this year, consolidating the upward trend.
- ❖ Early adopters are more than eight times as likely as laggards to anticipate possible usage of virtual currencies within the next twelve months.
- ❖ Future usage intent declines with increasing age, with 34% of those in the 18-34 age group saying that they definitely or probably will use a virtual currency within the next twelve months, compared with 6% for those in the 55+ age group

Sample



Base: Total Sample 2022 (n=2290)

Source: Canadian Consumer Payments Survey

Q85. In the next 12 months, how likely are you to use, or continue to use, any cryptocurrency?

Canadian Payments Insights

In-depth insights into Canadian Payment Frontiers

For more information, please contact:

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