

# DANMARKS NATIONALBANK

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## PAYMENTS, 3RD QUARTER 2019

# Danes have become contactless payers

In 3rd quarter 2019, the Danes paid with card 434 million times in Danish stores<sup>1</sup>. 72 per cent of the payments were contactless. As more and more terminals support the contactless function, the contactless payments have increased sharply and have become the Danes preferred means of payments. By the turn of the year all terminals must be able to receive contactless payments.

### Chip-and-PIN payments are typically larger

There is a big difference in the average amount for a contactless payment and for a chip-and-PIN payment. In 3rd quarter 2019, the average contactless payment was kr. 176, compared to kr. 341 for chip-and-PIN payment. There is no reason for this difference in terms of safety; however, a contactless pay-

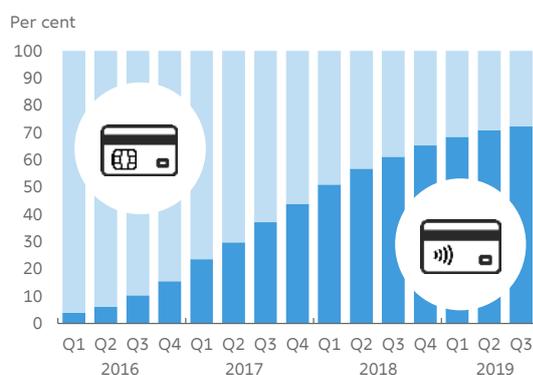
ment does require entering the PIN-code just like a chip-and-PIN payment, when the amount exceeds kr. 350. Hence, the difference in the average amount reflects the card users' payment behaviour.

### Contactless payments increase safety

The increasing amount of contactless payments has contributed to reducing the already low fraud as the use of contactless card hinders criminals in obtaining the PIN-code. The reduced fraud is also seen in the numbers, where the fraud in 3rd quarter 2019 on average was kr. 1,779 for chip-and-PIN payments compared to kr. 247 for contactless payments.

In general, the fraud with Danish-issued payment cards in stores is on a low level. This was also the case in 3rd quarter 2019, where the fraud was 2 øre for every kr. 1,000. In the last four years the fraud's share of the payments has decreased by 38 per cent.

### Contactless payments are taking over



Note: Share of the total amount of card payments in physical danish stores (with staffed service), self-service and automatic vending in Denmark.

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<sup>1</sup> In this context, the term stores covers physical stores (with staffed service), self-service and automatic vending in Denmark.