

Embargoed until 00:01 19 July 2018

UK AND USA TOP LIST OF MOST PROLIFIC ONLINE SPENDERS

- One in six (16%) consumers in the UK and USA shop online more than once a week
- Those in Belgium, Romania and France spend online the least frequently
- When it comes to the online payments market, local payment methods and PayPal are ahead of online giants like Google, Apple and Amazon

People in the UK and the USA are the most prolific online shoppers, spending online more often than consumers in Europe and Australia.

The findings come from the sixth annual ING International Survey Mobile Banking – *How do you prefer to pay?* – which investigates the behaviour and attitudes of nearly 15,000 people across 13 countries in Europe, as well as the USA and Australia.

Hey big spender

One in six (16%) Britons and Americans have bought goods or services more than once a week in the last 12 months, six per cent higher than the overall European average of 10 per cent.

Overall, more than three-quarters of people in the UK (77%) shop online at least once per month – 10 percentage points higher than the European average (67%). At the other end of the scale, only half of those in Belgium (51%), 55 per cent in Romania and 57 per cent in France shop online at least once a month. For further breakdowns see table 1 below.

Many ways to pay

When it comes to buying physical items in store, 92 per cent of all payments in Europe are made either in cash or by debit or credit card. For online spending, there are more options available; consumers are now able to design their own user experience, which gives them more control over their spending.

While the popularity of different payment methods varies by country due to availability and familiarity, alternative payment technologies are starting to take off. Of these, PayPal is the most accepted overall, with only 13 per cent in Europe reporting that they would never use the online service.

However, the research finds that other online giants such as Amazon, Google and Apple have work to do to compete with PayPal. Across Europe, 25 per cent, 31 per cent and 32 per cent respectively say they would never use these providers to pay for goods and services, either in store or online. And it's even worse news for Facebook, as half of Europeans (52%) say they would never use it to make a payment.

Nudges offer more control

When it comes to money decisions, 'nudges', which offer reminders and suggestions without restricting decision-making, can be useful - and this is where newer technologies can really add value for consumers. The report reveals that four in five (80%) in Europe agree it would be useful to see their bank account balance after making a payment and 76 per cent think notifications of every payment above a certain amount leaving their bank account would be helpful.

Notifications of weekly spending and reminders of long-term financial goals were generally thought to be less useful by consumers. Behavioural science suggests people tend to prioritise short-term impacts over long-term outcomes and it's possible that 'nudges' can help people to feel more confident in their decisions.

Jessica Exton, Behavioural Scientist at ING, said: “While the majority of payments in store are split between either cash or card, the ways we pay online remain varied. It’s plain to see that local payment channels lead the market in some countries while in others methods such as PayPal and debit/credit card are most popular. Part of this may be due to the reliability and availability of payment technologies in different areas, but user preference for efficient and cost-effective methods will also play a role.

“We’re seeing the number of people managing their personal finances online continue to grow. And while natural inertia plays a role in keeping many people with their traditional bank, some are now complementing these services with alternative providers for activities like transferring money and making peer-to-peer payments.

“New payment technologies offer innovative ways to manage money across a range of providers and platforms. The majority agree the digital notifications and reminders that these technologies can deliver may help them to stay in control of their finances and to make informed decisions.”

James Knightley, Chief International Economist at ING, said: “Traditional bricks and mortar retailers are struggling to compete with the more flexible and lower cost e-tailer model with store closures and profit warnings an increasingly common phenomenon. As such, internet sales will take an ever-greater share of total consumer spending.

“Those physical stores that are left need to adapt to changing consumer habits and expectations, which includes being flexible in how they accept payments. As such the use of cash will continue to decline and the opportunity for using alternative payments will only increase. Credit and debit cards are likely to benefit in the near term, but as awareness of alternatives grow these too are likely to see market share gradually shrink.”

- ENDS -

Table 1: How often have you bought goods and services online in the past 12 months?

Country	More than once a week	Once a month or more ¹	Never, I don't want to
European average	10%	67%	4%
United Kingdom	16%	77%	2%
Italy	11%	72%	3%
Germany	10%	72%	3%
Poland	10%	67%	4%
Spain	9%	67%	5%
Czech Republic	9%	65%	4%
Austria	7%	64%	5%
Luxembourg	10%	63%	6%
Netherlands	8%	60%	4%
Turkey	8%	60%	3%
France	8%	57%	6%
Romania	6%	55%	6%
Belgium	7%	51%	8%
USA	16%	75%	3%
Australia	7%	55%	7%

¹ This is the sum of those who responded 'more than once a week', 'at least once a week' and 'at least once a month'

About the research

The ING International Survey Mobile Banking 2018 – 'How do you prefer to pay?' – was conducted by Ipsos using internet-based polling. Fifteen countries were surveyed: Austria, Belgium, Czech Republic, France, Germany, Italy, Luxembourg, the Netherlands, Poland, Romania, Spain, Turkey, the United Kingdom, Australia and the United States of America. Polling took place between 26 March and 6 April 2018. The full report is available via www.ezonomics.com/iis and at www.slideshare.net/ING

The ING International Survey is produced several times a year by ING eZonomics. It is about money and life - combining ideas around financial education, personal finance and behavioural economics to produce regular and practical information about the way people manage their money - and how this can affect consumers' lives.

For further information, please contact:

Beth Hardwick
Third City PR
+44 20 3657 9778
+44 7548 217 283
ingteam@thirdcity.co.uk

Christoph Linke
Press Officer at ING
+31205764315
+31612910966
Christoph.Linke@ing.com

For further information on ING, please visit www.ing.com. Frequent news updates can be found in the Newsroom or via the @ING_news Twitter feed. Photos of ING operations, buildings and its executives are available for download at Flickr. Footage (B-roll) of ING is available via videobankonline.com, or can be requested by emailing info@videobankonline.com. ING presentations are available at SlideShare.

ING PROFILE

ING is a global financial institution with a strong European base, offering banking services through its operating company ING Bank. The purpose of ING Bank is empowering people to stay a step ahead in life and in business. ING Bank's 52,000 employees offer retail and wholesale banking services to customers in over 40 countries.

ING Group shares are listed on the exchanges of Amsterdam (INGA AS, [ING.AS](#)), Brussels and on the New York Stock Exchange (ADRs: ING US, ING.N).

Sustainability forms an integral part of ING's strategy, which is evidenced by the number one position among 395 banks ranked by Sustainalytics. ING Group shares are being included in the FTSE4Good index and in the Dow Jones Sustainability Index (Europe and World) where ING is among the leaders in the Banks industry group.

IMPORTANT LEGAL INFORMATION

Elements of this press release contain or may contain information about ING Groep N.V. and/ or ING Bank N.V. within the meaning of Article 7(1) to (4) of EU Regulation No 596/ 2014.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in ING's core markets, (2) changes in performance of financial markets, including

developing markets, (3) consequences of a potential (partial) break-up of the euro, (4) potential consequences of European Union countries leaving the European Union, (5) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (6) changes affecting interest rate levels, (7) changes affecting currency exchange rates, (8) changes in investor and customer behaviour, (9) changes in general competitive factors, (10) changes in laws and regulations, (11) changes in the policies of governments and/or regulatory authorities, (12) conclusions with regard to purchase accounting assumptions and methodologies, (13) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (14) changes in credit ratings, (15) ING's ability to achieve projected operational synergies and (16) the other risks and uncertainties detailed in the most recent annual report of ING Groep N.V. (including the Risk Factors contained therein) and ING's more recent disclosures, including press releases, which are available on www.ING.com. Any forward looking statements made by or on behalf of ING speak only as of the date they are made, and, ING assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

This document does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in the United States or any other jurisdiction.