

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	Cash
Description	Cash is legal tender in the form of bank notes and coins

Typical Uses	How to transact
<ul style="list-style-type: none"> • Small value purchases e.g. cafes, shops • Pocket money • Repaying friends 	Cash is physically transferred from one person to the next, usually face-to-face

Customer
Ability to use online and convenience - 0 <ul style="list-style-type: none"> • Can't be used online and for other purchases such as buying tickets from airlines • Typically not accepted outside the UK, needs to be converted to the local currency • Accepted in the majority of business for face-to-face transactions • Universal availability to the UK population
Consumer protection - 30 <ul style="list-style-type: none"> • Lost or stolen cash is rarely recovered and may not be covered by insurance – especially large amounts • Cash is owned by the bearer so difficult to prove you owned the cash as nothing linking you to it
Cost of use - 80 <ul style="list-style-type: none"> • No fee for using cash to make a purchase • Can be charged a fee to withdraw cash from ATMs
Security - 60 <ul style="list-style-type: none"> • No need to give away your personal or financial information when making a purchase • Counterfeit cash is worthless • Holding large sums of cash on your person could make you vulnerable to pick pockets and muggers
Business
Ability to accept payment online and convenience - 0 <ul style="list-style-type: none"> • Cannot accept cash for online payments • Customer appetite for making purchases online continues to grow
Security - 60 <ul style="list-style-type: none"> • Counterfeit cash is worthless and sometimes hard to detect for a business • Storing lots of cash can make you a target for robbery
Cost - 60 <ul style="list-style-type: none"> • Handling cash, counting it at the end of every day and storing it safely all cost time and money. Transporting cash to banks can be costly e.g. if secure vans are required • Banks charge businesses on the basis of the volume cash deposited

Ability to use online and convenience	0
Consumer protection	30
Cost of use	80
Security	60
Ability to accept payment online and convenience	0
Security	60
Cost	60

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	Cheque
Description	Cheques are a paper based payment method often used for buying goods and services in retailers, paying bills and as gifts. As customers have increasingly found other payment methods more efficient and effective. Personal cheque usage has rapidly declined over the past 20 years resulting in fewer shops and retailers accepting cheques, although it is still popular with certain groups in society

Typical Uses	How to transact
<ul style="list-style-type: none"> • Paying small businesses including trades people such as electricians and painters and social clubs • One business making a payment to another business • To make very large payments (e.g. for a house deposit or car) • Paying bills, invoices by post 	A cheque is written to the name of the person or business being paid (payee) and a payment amount is specified in both words and numbers. A cheque is valid from when it is dated and signed by the account holder (payer). A recipient of a cheque will pay it into their bank account but in some cases it can be assigned over to another payee

Customer
Ability to use online and convenience - 15 <ul style="list-style-type: none"> • A small proportion of UK online businesses accept payment by cheque • If paying by cheque, the customer will not know on what date a business will pay in the cheque and need to make sure enough money is kept in their account until this happens • It takes at least 3 working days after a cheque is paid in by the business for the funds to become available (cleared) in the recipient's account. This can delay provision of any goods or services by the business to their customer
Consumer protection - 65 <ul style="list-style-type: none"> • If a cheque is lost or stolen, it can be stopped (for a fee), the account holder's funds are protected and they are not liable for any fraud concerning the cheque
Cost of use - 85 <ul style="list-style-type: none"> • Customers can write cheques for more money than they have in their account leading to overdraft charges or the cheque being refused and returned (for a fee) by the bank to the person or business (payee) being paid
Security - 70 <ul style="list-style-type: none"> • Cheques may get damaged, stolen, and can be altered and cashed by a fraudster if not completed correctly
Business
Ability to accept payment online and convenience - 15 <ul style="list-style-type: none"> • Cheque usage, particularly by personal customers, is on the decline • More time-consuming to receive and deal with paper-based payments for an online business • It takes at least 3 working days (up to a maximum of working 6 days) after a cheque is paid in (cleared) for the funds to become available to the business. This can negatively impact the cash flow of a business and delay provision of the goods or services • Recipients can't be sure a cheque deposited in their bank account is paid (cleared) until up to 6 working days have passed (i.e. a cheque could be returned unpaid up to 6 days after it is deposited in the recipients bank)
Security - 65 <ul style="list-style-type: none"> • Online businesses would need to receive payment of cheques in the post. This carries the additional risk of payment being delayed, wrongly addressed or even intercepted in the post by criminals on route to the business
Cost - 50 <ul style="list-style-type: none"> • Customers can write cheques for more money than they have in their account leading to cheques being returned and no funds being credited to the recipient's bank account • Businesses who have despatched goods or services and receive a returned cheque, lose the goods or services and payment for them • Banks charge businesses a fee to pay in cheques (per item). Securing, transporting and paying in cheques to a bank also have a time and effort cost

Ability to use online and convenience	15
Consumer protection	65
Cost of use	85
Security	70
Ability to accept payment online and convenience	15
Security	65
Cost	50

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	Debit cards
Description	Banks issue plastic cards to their current account customers to allow customers to access the cash machine network and to pay for goods and services. Debit cards are a direct link to the customer's current account – when you shop or buy services the money is taken out of your account typically within a couple of days

Typical Uses	How to transact
<ul style="list-style-type: none"> • Withdrawing cash and finding out the account balances at cash machines (ATMs) • Paying for goods/services in shops on the high street, restaurants, cinemas etc. • Paying for good/services online, or over the telephone 	Customers typically provide the business with their name, the card number, the expiry date on the card, an address (billing and delivery) and the Card Security Code (a 3 or 4 digit number on the back of the card)

Customer

Ability to use online and convenience - 85

- Visa, MasterCard and American Express debit cards are accepted by most online businesses in the UK and abroad
- Some online businesses prefer something described as a direct debit payment for regular payments such as subscriptions to magazines, gym memberships and bill payments
- Debit card payments are quickly deducted directly from your current account so that the account balance soon reflects the exact amount of a transaction. This contrasts with a credit card whereby each purchase is added to a bill (up to an agreed limit) and a statement is sent to the customer typically every month, at which time the customer can decide how much they wish to pay that month and how much they wish to borrow (i.e. Credit)

Consumer protection - 75

- Banks will refund innocent victims of fraud, providing victims notify them as soon as possible
- Some Visa debit cards offer consumer protection similar to 'Section 75' protection you get with all credit cards. This means you may be able to get a refund from your card company if a business breaches their contract with you, for example if the goods are faulty or not as described or you don't receive the goods you ordered

Cost of use - 85

- Usually there is no fee levied by a business or ATM when using your debit card
- All purchases are itemised on the customer's bank statement to enable them to keep track of their spending and account balance

Security - 75

- Cards can be cancelled if lost or stolen, and any problem transactions stopped
- Criminals sometimes target cash machines, use fake emails and websites and other opportunities to steal debit card details and other personal information from customers

Business

Ability to accept payment online and convenience - 85

- Debit cards are a very popular method of buying and accepting payments for goods and services online
- Debit cards are accepted by virtually all online businesses in the UK and abroad
- Businesses will generally use an online payment portal connected to a business bank account to accept debit card payments
- Debit card payment processing between the business and their bank account is typically facilitated through a 3rd party, called an acquirer or payment service provider, to reduce the burden on the business of processing these electronic transactions
- Money is usually in the business bank account between two to four working days of the debit card payment being made

Security - 80

- Online businesses can use fraud detection / authentication systems and checks to reduce the chance of fraud and associated losses
- The business' bank and acquirer will also assist in facilitating fraud prevention checks on behalf of the online business

Cost - 75

- Cost of providing a secure online payment gateway for their customers to make debit card payments
- The cost to a business if they process or facilitate a fraudulent transaction is not just the value of the goods or services delivered to a fraudster. It can also mean loss of reputation (e.g. data hack of customer details and payment information), additional admin costs and refunding a card-holder if their card details have been used fraudulently

Ability to use online and convenience	85
Consumer protection	75
Cost of use	85
Security	75
Ability to accept payment online and convenience	85
Security	80
Cost	75

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	Credit cards
Description	A credit card is a way to buy goods and services now and pay later. A customer can spend up to an agreed credit limit and repay it, usually once a month on a particular payment date. If a customer doesn't pay back the full balance outstanding each month, interest is charged on the remaining money

Typical Uses	How to transact
<ul style="list-style-type: none"> Withdrawing cash and finding out the account balances at cash machines (ATMs) Paying for goods/services in shops on the high street, restaurants, cinemas etc Paying for good/services online, or over the telephone 	Customers typically provide the business with their name, the card number, the expiry date on the card, an address (billing and delivery) and the Card Security Code (a 3 or 4 digit number on the back of the card)

Customer	
Ability to use online and convenience - 80	
<ul style="list-style-type: none"> • Visa, MasterCard and American Express cards are accepted by most online businesses in the UK and abroad • Some online businesses prefer something described as a direct debit payment for regular payments such as subscriptions to magazines, gym memberships and bill payments • Customers can buy goods and services and pay back their card company at a later date • If a customer doesn't pay back the full amount borrowed from the credit card company each month, interest is charged on the money that is outstanding • Many credit card companies offer perks for using their card e.g. free or discounted goods/services, air-miles or cashback promotions 	
Consumer protection - 85	
<ul style="list-style-type: none"> • Banks will refund innocent victims of fraud, providing victims notify them as soon as possible • Purchases between £100 and £30,000 on a credit card are subject to unique consumer protection under section 75 of the Consumer Credit Act. A customer can make a claim on their credit card company if there is any breach of contract by the business they bought from or if the firm goes bust. For this reason it's a good idea to use a credit card for purchases costing more than £100 especially if you don't receive the goods straight away – when buying a kitchen, for example 	
Cost of use - 80	Security - 75
<ul style="list-style-type: none"> • Online merchants may charge more for a credit card transaction compared to a debit card transaction • If you don't pay off your credit card bill each month, high interest charges can quickly result in you getting into debt • All purchases are itemised on the customer's bank statement to enable them to keep track of their spending 	<ul style="list-style-type: none"> • Cards can be cancelled if lost or stolen, and any problem transactions stopped • Criminals sometimes target cash machines, use fake emails and websites and other opportunities to steal credit card details and other personal information from customers

Business	
Ability to accept payment online and convenience - 85	
<ul style="list-style-type: none"> • Credit cards are a very popular method of buying and accepting payments for goods and services online • Credit cards are accepted by virtually all online businesses in the UK and abroad • Businesses will generally use an online payment portal connected to a business bank account to accept credit card payments • Credit card payment processing between the business and their bank account is typically facilitated through a 3rd party, called an acquirer or payment service provider, to reduce the burden on the business of processing these electronic transactions • Money is usually in the business bank account between two to four working days of the credit card payment being made 	
Security - 80	Cost - 75
<ul style="list-style-type: none"> • Online businesses can use fraud detection / authentication systems and checks to reduce the chance of fraud and associated losses • The business' bank and acquirer will also assist in facilitating fraud prevention checks on behalf of the online business 	<ul style="list-style-type: none"> • Cost of providing a secure online payment gateway for their customers to make credit card payments • The cost to a business if they process or facilitate a fraudulent transaction is not just the value of the goods or services delivered to a fraudster. It can also mean loss of reputation (e.g. data hack of customer details and payment information), additional admin costs and refunding a cardholder if their card details have been used fraudulently

Ability to use online and convenience	80
Consumer protection	85
Cost of use	80
Security	75
Ability to accept payment online and convenience	85
Security	80
Cost	75

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	Prepaid cards
Description	A prepaid card is a card which has money loaded onto its account before it is used. It can only ever be used up to the value that is loaded. They can be anonymous like a gift card or they can be personalised in the name of the customer. Some Prepaid Cards are fixed value and disposable (e.g. £20) or they can allow the customer to load it / top it up with money and then spend up to that amount. These cards are most often used by consumers who want a basic bank account or by travellers to carry holiday money

Typical Uses	How to transact
<ul style="list-style-type: none"> Withdrawing cash and finding out the account balances at cash machines (ATMs) Paying for goods/services in shops on the high street, restaurants, cinemas etc Paying for good/services online, or over the telephone To carry holiday money overseas 	Customers typically provide the business with their name, the card number, the expiry date on the card, an address (billing and delivery) and the Card Security Code (a 3 or 4 digit number on the back of the card)

Customer	
Ability to use online and convenience - 70 <ul style="list-style-type: none"> • Visa, MasterCard and American Express cards are accepted in a wide range of online businesses in the UK and abroad • Some prepaid cards cannot be used for particular types of purchases such as gambling and buying flight tickets • Most cards require a minimum balance to make certain purchases online. • Customers don't need to open a current account or take out a credit card to have the convenience of using prepaid cards • Can be used by people with a poor credit history or no credit history who may not be given a credit or debit card • Cards can be topped up remotely or online e.g. by a parent sending money to a child overseas • Most cards have restrictions on the maximum or minimum amount that may be loaded or stored on the card 	Consumer protection - 75 <ul style="list-style-type: none"> • The level of consumer protection will vary according to the prepaid card provider. You will need to check the terms and conditions on a prepaid card. These will outline what protection you are given if you lose your card or it is stolen
	Cost of use - 80 <ul style="list-style-type: none"> • Cards need to be topped up which can be inconvenient and cost a fee • Money stored on the card does not earn interest • You cannot spend more money than you have on the card
	Security - 80 <ul style="list-style-type: none"> • If your card is lost, there is a limit to the amount that can be stolen • Cards can be cancelled if lost or stolen, and any problem transactions stopped • Criminals sometimes target cash machines, use fake emails and websites and other opportunities to steal prepaid card details and other personal information from customers

Business	
Ability to accept payment online and convenience - 80 <ul style="list-style-type: none"> • Payment is guaranteed because the money is already on the card and doesn't need to leave the customer's account • Prepaid cards from Visa, MasterCard and American Express are becoming an increasingly popular card method with consumers for buying and accepting payments for goods and services online • Opens the door to new customer markets, particularly customers who don't have bank accounts, credit cards or have no credit history • Businesses will generally use an online payment portal connected to a business bank account to accept prepaid card payments • Prepaid card payment processing between the business and their bank account is typically facilitated through a 3rd party, called an acquirer or payment service provider, to reduce the burden on the business of processing these electronic transactions • Money is usually in the business bank account between two to four working days of the card payment being made 	Security - 80 <ul style="list-style-type: none"> • Online businesses can use fraud detection / authentication systems and checks to reduce the chance of fraud and associated losses • The business' bank and acquirer will also assist in facilitating fraud prevention checks on behalf of the online business
	Cost - 75 <ul style="list-style-type: none"> • Cost of providing a secure online payment gateway for their customers to make credit card payments • The cost to a business if they process or facilitate a fraudulent transaction is not just the value of the goods or services delivered to a fraudster. It can also mean loss of reputation (e.g. data hack of customer details and payment information), additional admin costs and refunding a cardholder if their card details have been used fraudulently

Ability to use online and convenience	70
Consumer protection	75
Cost of use	80
Security	80
Ability to accept payment online and convenience	80
Security	80
Cost	75

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	Standing order
Description	Standing orders are a way of setting up a regular, fixed payment to someone from your bank account. They differ from a direct debit in that the consumer is the only person who can set up, amend and delete the payment details on a standing order mandate

Typical Uses	How to transact
<ul style="list-style-type: none"> Making a regular payment to a person e.g. parents making payments to their child at university or a payment to a landlord 	You can set a payment to be taken at a certain frequency (for example, the 1st of each month; or quarterly, or annually) for a set amount. A standing order will normally be set up either by you signing a form with payment details given to you by the company or person you are going to pay or by you setting up the standing order in branch, over the phone or using online banking

Customer	
Ability to use online and convenience - 30 <ul style="list-style-type: none"> Saves the person having to remember to pay a regular payment – the payments happen automatically once the standing order is set up You are in control of how much is sent from your account and when, not the person or business receiving the payment Generally it takes 3 working days for a standing order payment to move from one bank account to another. Standing orders processed via Faster Payments will be processed on the same day 	Cost of use - 85 <ul style="list-style-type: none"> There's no charge for setting up a standing order but if a standing order payment makes a customer's bank account go overdrawn they may be charged fees and interest by the bank
Consumer protection - 70 <ul style="list-style-type: none"> In the unlikely event that fraud occurs you are refunded by your bank if an innocent victim of fraud You are refunded if the bank makes a mistake and the money goes to the wrong account Money cannot be recalled once it is in the recipient's account 	Security - 85 <ul style="list-style-type: none"> You are the only person that can cancel a standing order. You can cancel a standing order at any point in branch, over the phone or via online banking Payments require your authorisation in advance and your bank must tell you what information the payment will be processed on (e.g. account number and sort code)

Business	
Ability to accept payment online and convenience - 30 <ul style="list-style-type: none"> Customer consent required to change the amount being paid, which can be a time-consuming for a business to influence Businesses prefer to take regular payments from customers using Direct Debit as they have more control over when and how much money is taken Standing orders processed via Faster Payments will be processed on the same day 	
Security - 85 <ul style="list-style-type: none"> If a business uses limited or no data verification tools, it may be possible for a criminal to set up unauthorised standing order payments on third-party bank accounts or use stolen account details to pay for a subscription, membership or bill 	
Cost - 70 <ul style="list-style-type: none"> No cost for offering standing order payment facility A customer can alter a payment amount, payment date and the regularity of payments, therefore a business may incur admin costs in order to chase an overdue payment or to advise a customer to increase/decrease the amount they are paying 	

Ability to use online and convenience	30
Consumer protection	70
Cost of use	85
Security	85
Ability to accept payment online and convenience	30
Security	85
Cost	70

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	Direct Debit
Description	Direct debits are a way to pay regular bills from your bank account. The main difference to a standing order is that the consumer gives the right to make changes to the business to whom they are making a payment(s), providing that business gives them sufficient notice of the change

Typical Uses	How to transact
Paying regular bills (particularly those that can vary in amount) such as gas bills, electricity bills and phone bills. The business will warn the customer how much money they will take from their account by sending an advice before taking the amount due	The customer supplies the business they are paying with their bank account details, including name of their bank, sort code and account number. The business will either take this information over the phone or online, or by using a Direct Debit form that is signed and returned to them. This sets out the terms of what the customer is agreeing, including the date and frequency of payment (monthly, quarterly, annually etc.). The company will then send this information on to the customer's bank either electronically or by paper and the bank will then set up the Direct Debit

Customer	
Ability to use online and convenience - 40 <ul style="list-style-type: none"> • Very useful for paying for online subscriptions, memberships and regular bills • Not an option when making one-off purchases of goods/services • Saves the customer having to remember to pay a business – the payments happen automatically once the direct debit is set up • It is the responsibility of the customer to communicate with the bank to cancel a Direct Debit • Less control over payments to a business as the business can take money from the customer account, no matter how much money is in the account 	Cost of use - 85 <ul style="list-style-type: none"> • Free to use Direct Debit service • Can lead to bank charges and interest if there is not enough money in the customer's account to cover the Direct Debit amount being taken
Consumer protection - 80 <ul style="list-style-type: none"> • The Direct Debit Guarantee ensures that if an error is made in the payment of a customer's Direct Debit by a business, the customer is entitled to a full and immediate refund of the amount paid from their bank or building society 	Security - 85 <ul style="list-style-type: none"> • It is possible for a Direct Debit to be initiated without the customer's consent (fraudulently or in error) but this is very rare. If this does happen, the Direct Debit Guarantee is designed to protect the customer

Business	
Ability to accept payment online and convenience - 40 <ul style="list-style-type: none"> • More relevant for subscriptions, memberships and regular bills rather than individual purchases • Provides the businesses customers with a simple and easy option to make regular payments to a business – increased customer retention • Increased certainty of payments for the business and a predictable cash flow • When a customer completes a Direct Debit mandate, this gives a business the authorisation to debit funds directly from the customer's account • No need to contact the customer when payments change 	
Security - 90 <ul style="list-style-type: none"> • If a business uses limited or no data verification tools, it may be possible for a criminal to set up unauthorised direct debits on third-party bank accounts or use stolen account details to pay for a subscription, membership or bill 	
Cost - 80 <ul style="list-style-type: none"> • No cost to offer the Direct Debit facility 	

Ability to use online and convenience	40
Consumer protection	80
Cost of use	85
Security	85
Ability to accept payment online and convenience	40
Security	90
Cost	80

TOP TRUMPS

Comparisons of how to pay for goods and services online

Payment Method	PayPal and new ways to pay online
Description	There are other methods and emerging ways to pay online. You may have made a purchase on a website or on your mobile device using PayPal, or have used one of the new electronic wallets provided by the likes of Google, Visa and MasterCard amongst others

Typical Uses	How to transact
<ul style="list-style-type: none"> • Online purchases • Purchasing apps, e-books and music online 	<p>Customers need to pre-register their details to use these payment options and will be typically asked for their name, address (for delivery of physical goods) as well as:</p> <ul style="list-style-type: none"> • A credit or debit card number(s) and the card's expiry date, OR • Bank account number and sort code • Customers can have multiple payment options entered i.e. like a wallet <p>Customers typically then only need to provide a business with the username they are given when using these methods to buy something, and authorise the payment using a password they are provided with or have chosen. These details are then used to buy for items by populating the payment details with the most appropriate stored method in the wallet (as chosen by the customer for that purchase)</p>

Customer	
<p>Ability to use online and convenience - 85</p> <ul style="list-style-type: none"> • Customers can just enter a username and password rather than full payment details and personal information when paying for good and services online (after they register for the first time) • Customers can link a number of credit or debit cards of their choice to their PayPal or digital wallet account 	<p>Cost of use - 85</p> <ul style="list-style-type: none"> • There is usually no cost associated with setting up or using these payment channels to buy things online
<p>Consumer protection - 75</p> <ul style="list-style-type: none"> • Customer can get a refund if there's a problem with something bought (e.g. if goods have been inaccurately described online or do not arrive) or their credit or debit card is used without their consent. 	<p>Security - 75</p> <ul style="list-style-type: none"> • If the user picks a strong and complex password when using these payment channels, this helps to ensure that the password cannot be guessed easily by a criminal

Business	
<p>Ability to accept payment online and convenience - 85</p> <ul style="list-style-type: none"> • Businesses are able to offer their customers a straightforward and convenient way of paying online. After registering for the first time, customers no longer need to enter payment details and their address every time they buy something online • To offer acceptance, the business must activate a separate payment brand depending on what payment e-wallet is being accepted 	
<p>Security - 80</p> <ul style="list-style-type: none"> • PayPal and electronic wallet providers undertake their own security authentication during customer enrolment 	
<p>Cost - 75</p> <ul style="list-style-type: none"> • Businesses using a digital wallet account product to receive payments may have to pay a slightly higher fee compared to using their own business account. In return, digital wallet providers will offer a range of services including fraud detection, seller protection and data security 	

Ability to use online and convenience	85
Consumer protection	75
Cost of use	85
Security	75
Ability to accept payment online and convenience	85
Security	80
Cost	75