# 7/10 people will avoid festive shopping with brands that have experienced a data security incident in the last year

Submitted by: Peptalk Communications

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\*\* Survey from PCI Pal® also identifies further woes for the high street, as a significant shift from physical to online shopping is confirmed, driven by Covid-19 \*\*

With shoppers looking ahead to the busy festive season, PCI Pal (http://www.pcipal.com), the global provider of cloud-based secure payment solutions, has released a new study that shows data security concerns will influence how and where people make their festive purchases this year.

A significant 74% of UK consumers surveyed say that if they were aware that an organisation had been the subject of a data breach or hack in the last 12-months, they wouldn't shop with them this festive season.

Given the recent uptick in cyberattacks and fraud during Covid-19, there is greater unease regarding how securely data will be handled with 45% saying they are 'slightly more concerned' and a further 28% saying they are feeling 'much more concerned' about data security.

Only 26% of people out of 2002 surveyed said they felt 'less concerned' about how their credit card data is handled.

Geoff Forsyth, CISO of PCI Pal said, "While shoppers have told us that the way they shop has changed – largely driven by the pandemic – what is clear is that loyalty reigns; almost 6 out of 10 people said they will continue to shop with the same retailers using their digital shopping channels, instead of visiting their stores, this year.

"There is however a far greater emphasis on digital shopping due to the pandemic and therefore retailers should prioritise data security in order to capitalise on the peak festive season spend."

Upholding the continuing struggle that high street stores are facing across the country, just 9% of UK consumers said they will return to shopping in-store, having switched to other shopping channels, once the Covid-19 pandemic is over.

In contrast 79% have said they plan to continue shopping via digital channels for some or all of their shopping when life returns to 'normal'.

Some shoppers expressed they were shopping with different online retailers to those they would frequent on the high street. Of those (765 out of 2002), 48% said their reason for this is a perceived lack of security or privacy with digital channels, while a third said it was due to a poor website experience or performance issues;

With 30% of consumers stating that their festive shopping would typically have taken place in-stores, the pandemic has seen shopping habits switch with just 17% using this method most frequently over recent months.

Instead 64% have favoured online, with a further 9% confirming mobile apps as their shopping preference.

When asked which shopping channels shoppers believe to be the most secure in terms of handling card data, the favoured methods were equally split with 38% saying in-store, while a further 38% opted for online. When looking at the shopping channels considered the least secure, 40% of people chose social media apps.

Other interesting findings raised in the research include:

The changing face of festive shopping in the UK:

- 55% of consumers would typically conduct their festive shopping online, with 30% heading out to physical stores to make their seasonal purchases;
- Since the pandemic, 64% have favoured shopping online, with just 17% stated in-store and 9% selecting mobile apps;
- Just 8% said they would return to shopping in-store instead of continuing shopping via digital channels, after Covid-19;
- Of those shoppers choosing different retailers than usual (765 out of 2002), 48% said their reason for this is a perceived lack of security or privacy, while a third said it was due to a poor website experience or performance issues;
- Londoners are the most likely to say they plan to continue shopping via digital channels even after COVID-19 is over (89% vs a national average of 79%).

### Security Trends:

- When asked which shopping channel do they believe to be the least secure, 40% said social media app, followed by 18% who stated online;
- 18-35s are the most likely to say they are more concerned about the way their data is being handled, given the recent uptick in cyberattacks and fraud during Covid-19 (84% vs a national average of 72%);
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- Respondents earning an annual income of £100,000 or more are the most likely to say that if they were aware that a brand had been the subject of a data breach or hack in the last 12 months, they wouldn't shop with them this festive season (85% vs a national average of 74%).

Concludes Geoff Forsyth, "It's been a really tough year for everyone – with the retailers hanging a great deal of hope on what this year's peak festive shopping period will bring. Reassurances are therefore needed with regards to the digital security measures that have been put in place to help retain shopper's valuable custom, both now and in the future."

For more information on PCI Pal visit www.pcipal.com, call +44 207 030 3770 to arrange a demonstration or follow PCI Pal on Twitter.

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#### Notes to Editors:

## Research Methodology:

An online survey was conducted by Atomik Research among 2,002 adults aged 18-65 in the UK with an annual income of at least £20,000. The research fieldwork took place on 10 – 15 September, 2020. Atomik Research is an independent creative market research agency that employs MRS-certified researchers and abides to MRS code.

#### About PCI Pal:

PCI Pal® is the global provider of secure payment solutions for contact centres and businesses. PCI Pal's globally-accessible cloud platform empowers organisations to take Cardholder Not Present payments securely without bringing their environments into scope of PCI DSS and other card payment data security rules and regulations.

With products in the cloud and served from PCI Pal's cloud environment, integrations with existing telephony, payment, and desktop environments are flexible and proven, ensuring no degradation of service while achieving security and compliance.

PCI Pal provides a true omnichannel solution so payments can be managed securely via telephone, IVR or across any digital channel, including Webchat, Whatsapp, Social Media, Email and SMS.

PCI Pal has offices in London, Ipswich (UK) and Charlotte NC (USA). For more information visit www.pcipal.com or follow the team on Twitter: https://twitter.com/PCIPAL

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