



HOW WE WILL PAY

DEEP DIVE INTO WEARABLES

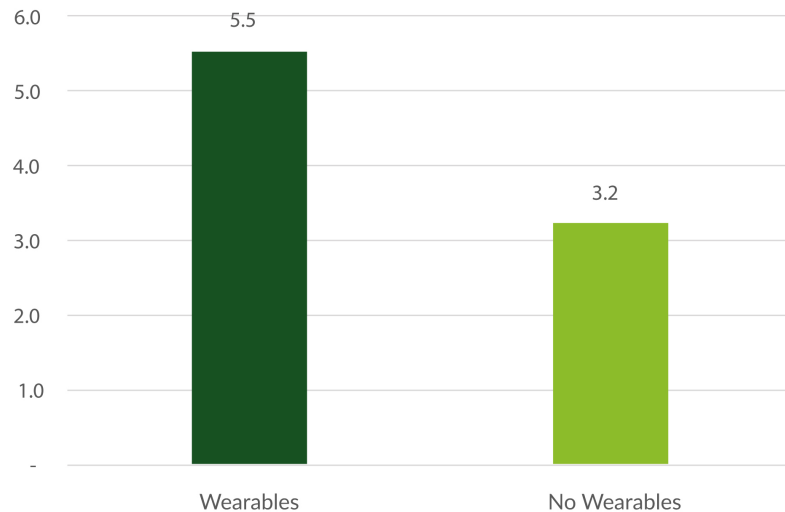


NEARLY HALF OF ALL SURVEY RESPONDENTS OWN A WEARABLE DEVICE

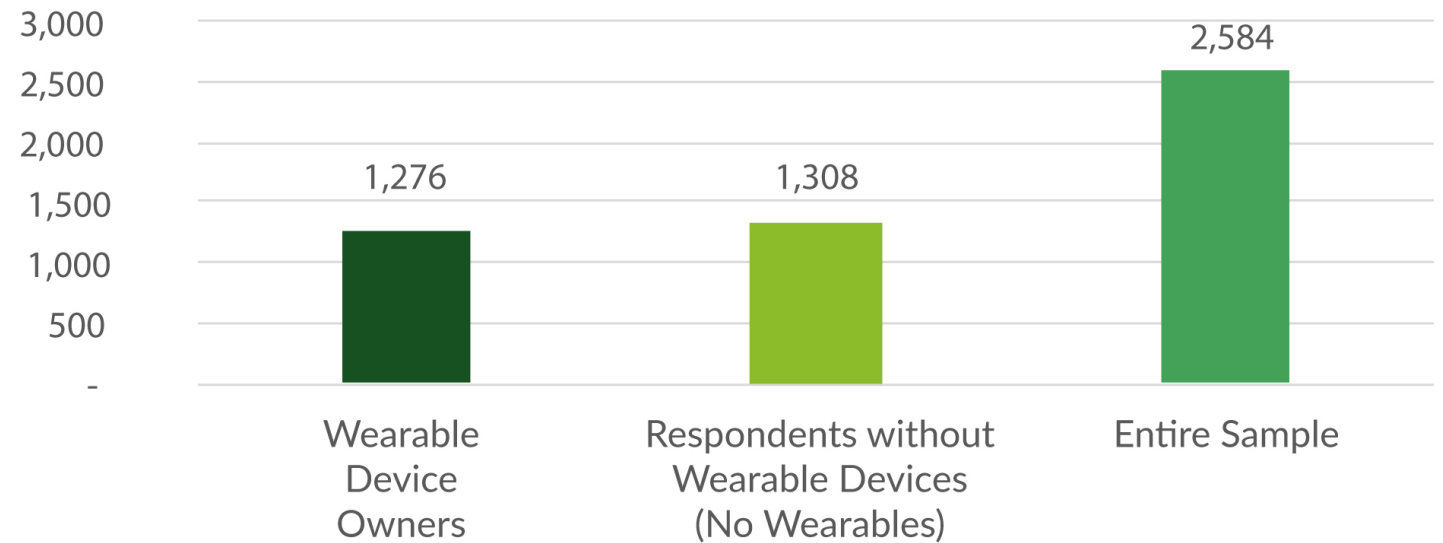
49 PERCENT OF SURVEY RESPONDENTS OWN A WEARABLE DEVICE – AND THEY USE THEM REGULARLY

- Consumers who own wearables own more devices, overall, than the those who do not have wearable devices (**5.5** compared to **3.2**).

Average Number Of Connected Devices Owned



Wearable Device Ownership

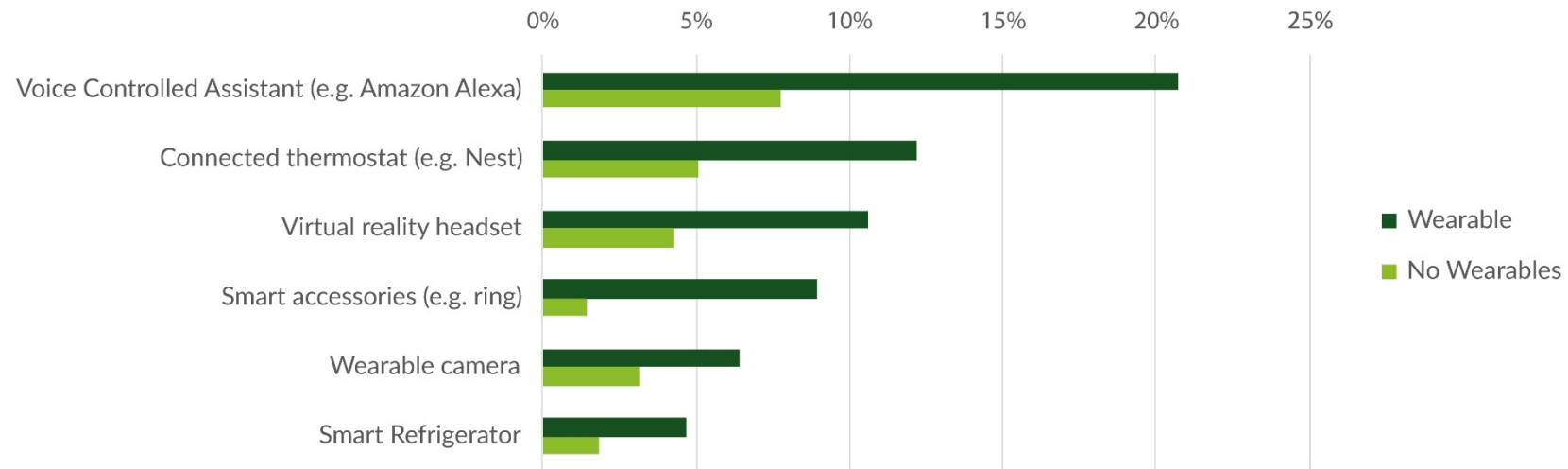


CONSUMERS WHO OWN WEARABLES ALSO OWN A VARIETY OF OTHER CONNECTED DEVICES

CONSUMERS WHO OWN WEARABLES ALSO OWN, ON AVERAGE, 5.5 OTHER CONNECTED DEVICES

- Consumers are far more likely to own other smart devices, such as smart clothing, smart refrigerators, smart accessories other than a watch or an activity tracker, wearable cameras and VR headsets.

Ownership By Connected Device

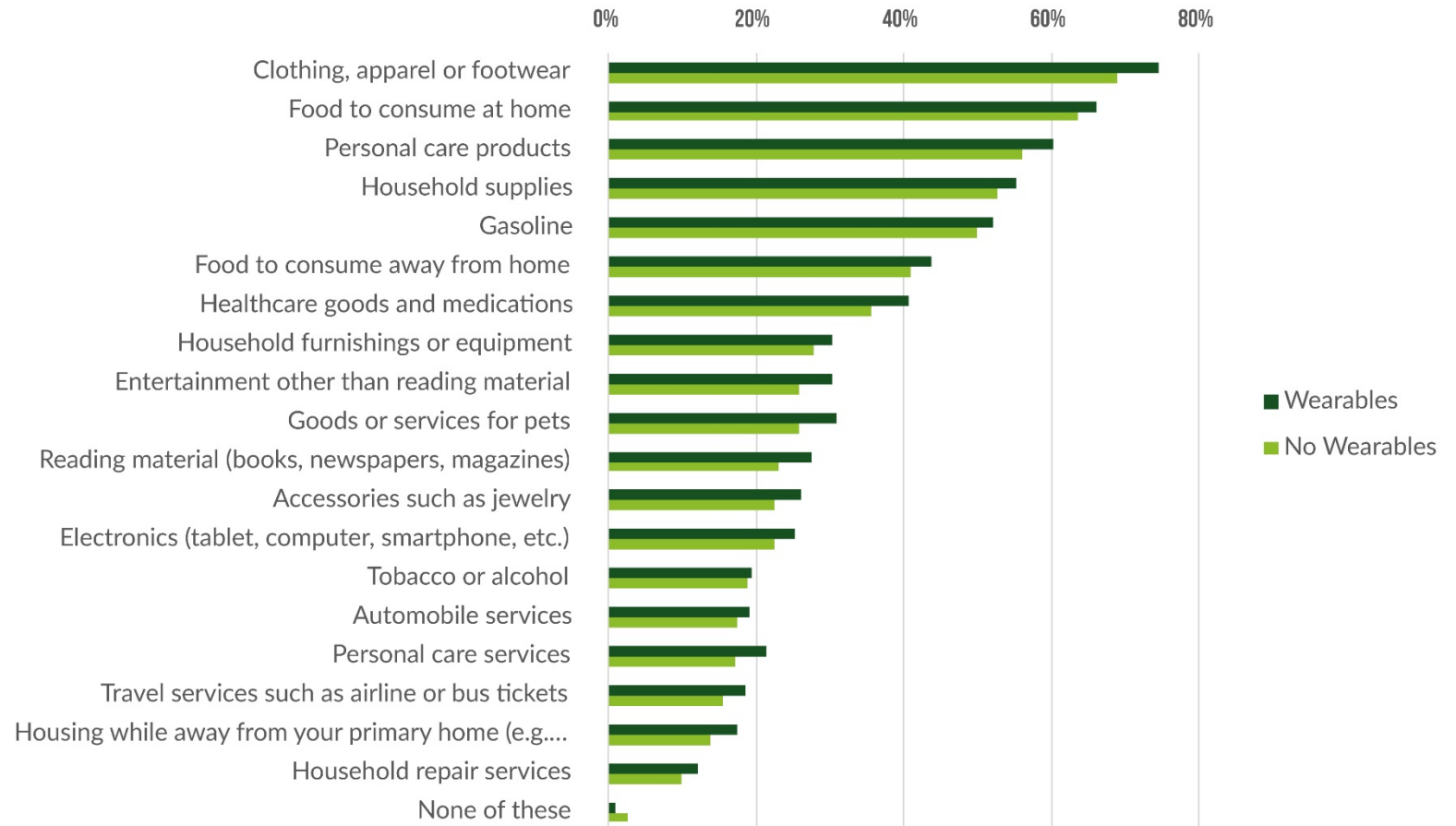
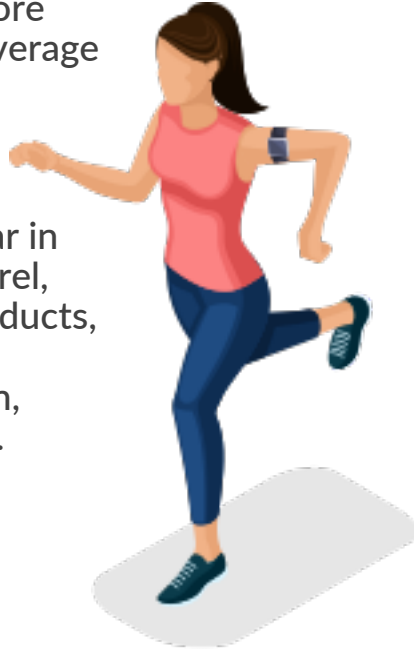


CONSUMERS WHO OWN WEARABLES BUY MORE THINGS THAN THE AVERAGE CONSUMER

CONSUMERS WHO OWN WEARABLES SPEND MORE ON A NUMBER OF THINGS, INCLUDING PERSONAL CARE PRODUCTS

What Survey Respondents Purchased In A Seven-Day Period

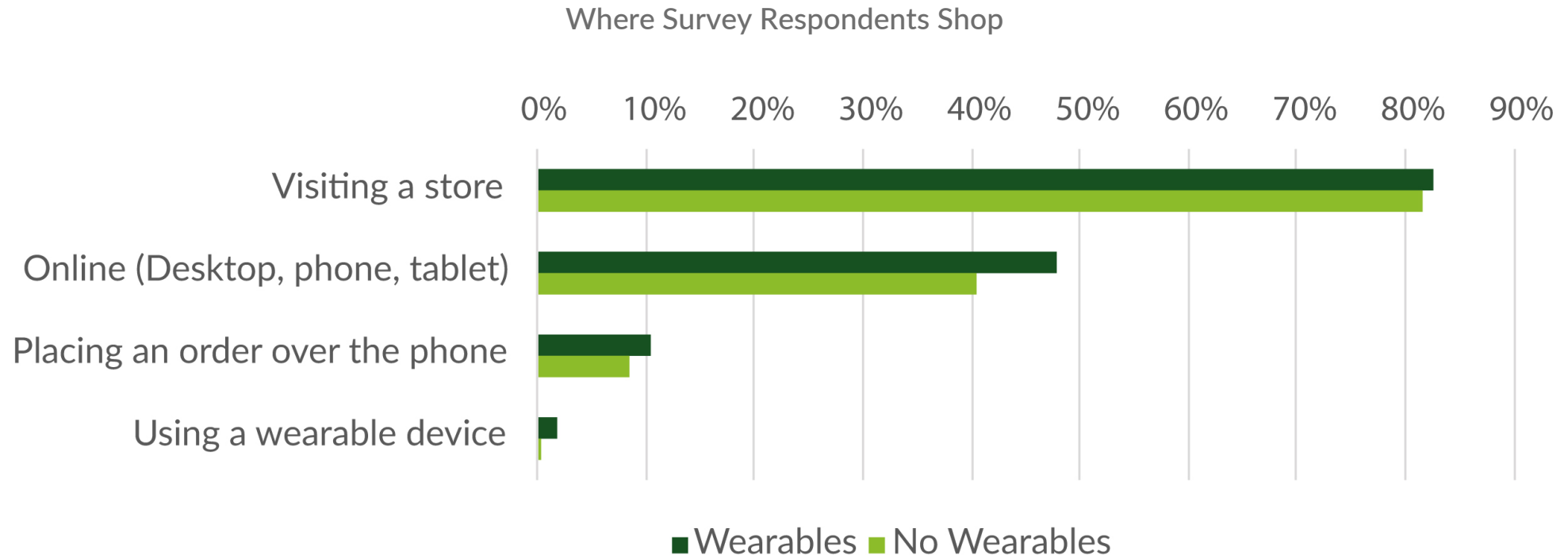
- Consumers who own wearables buy more things than the average consumer, in all categories.
- The greatest differences appear in the clothing apparel, personal care products, healthcare goods/medication, travel) categories.



WEARABLE DEVICE OWNERS BUY MORE THINGS ONLINE

AND THEY HAVE EVEN USED THEIR WEARABLE DEVICE TO BUY ITEMS

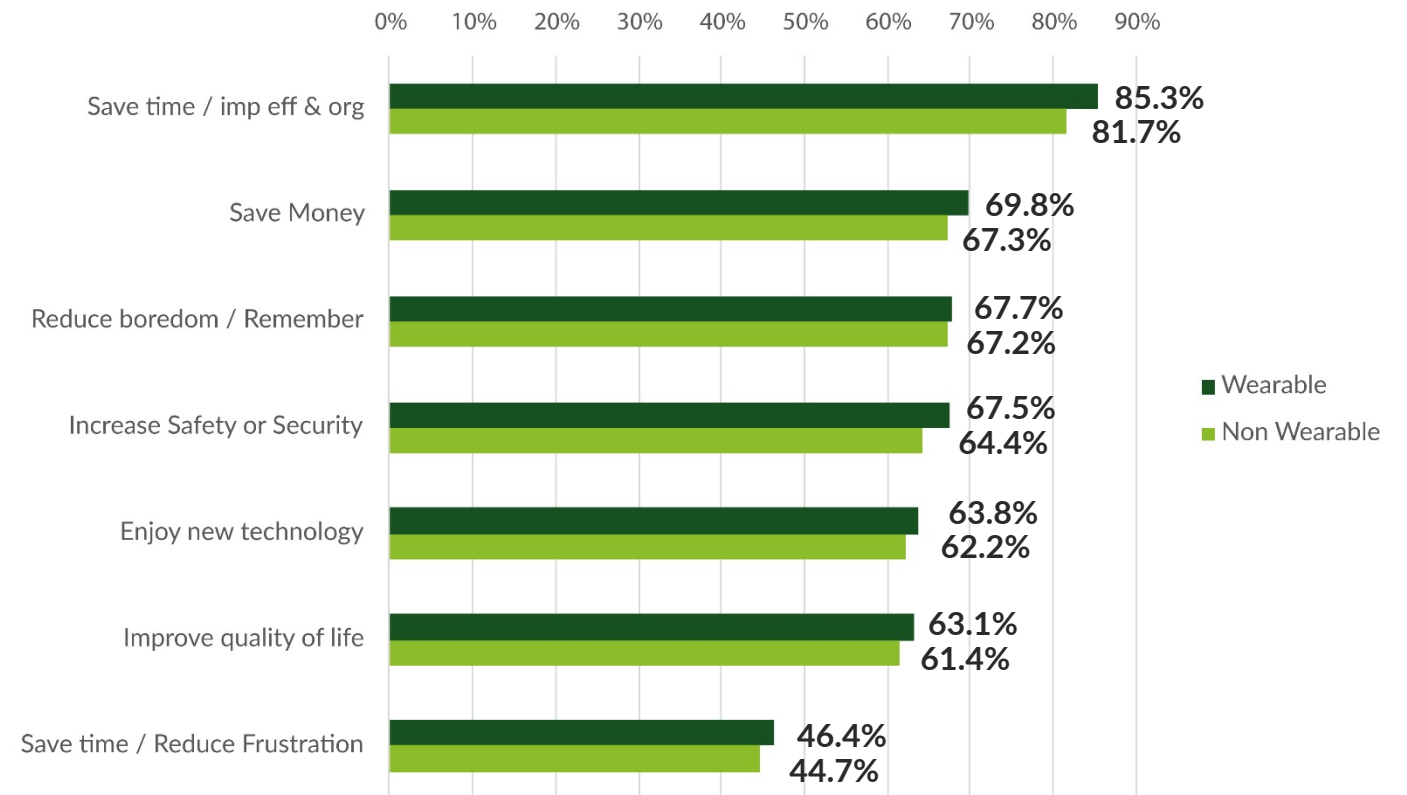
- Consumers who own wearables buy more things regardless of the shopping channel used.
- In particular, they use online channels to buy clothes, groceries, travel and household furnishings more than the average consumer.



CONSUMERS WHO OWN WEARABLES VIEW CONNECTED DEVICES AS A WAY TO ELIMINATE BUYING FRICTION

Why Respondents Use Connected Devices To Pay For Things

- Wearable device users have higher levels of concern for each issue.
- Wearable and non-wearable device owners have approximately the same reasons for wanting to use connected devices to pay for things.

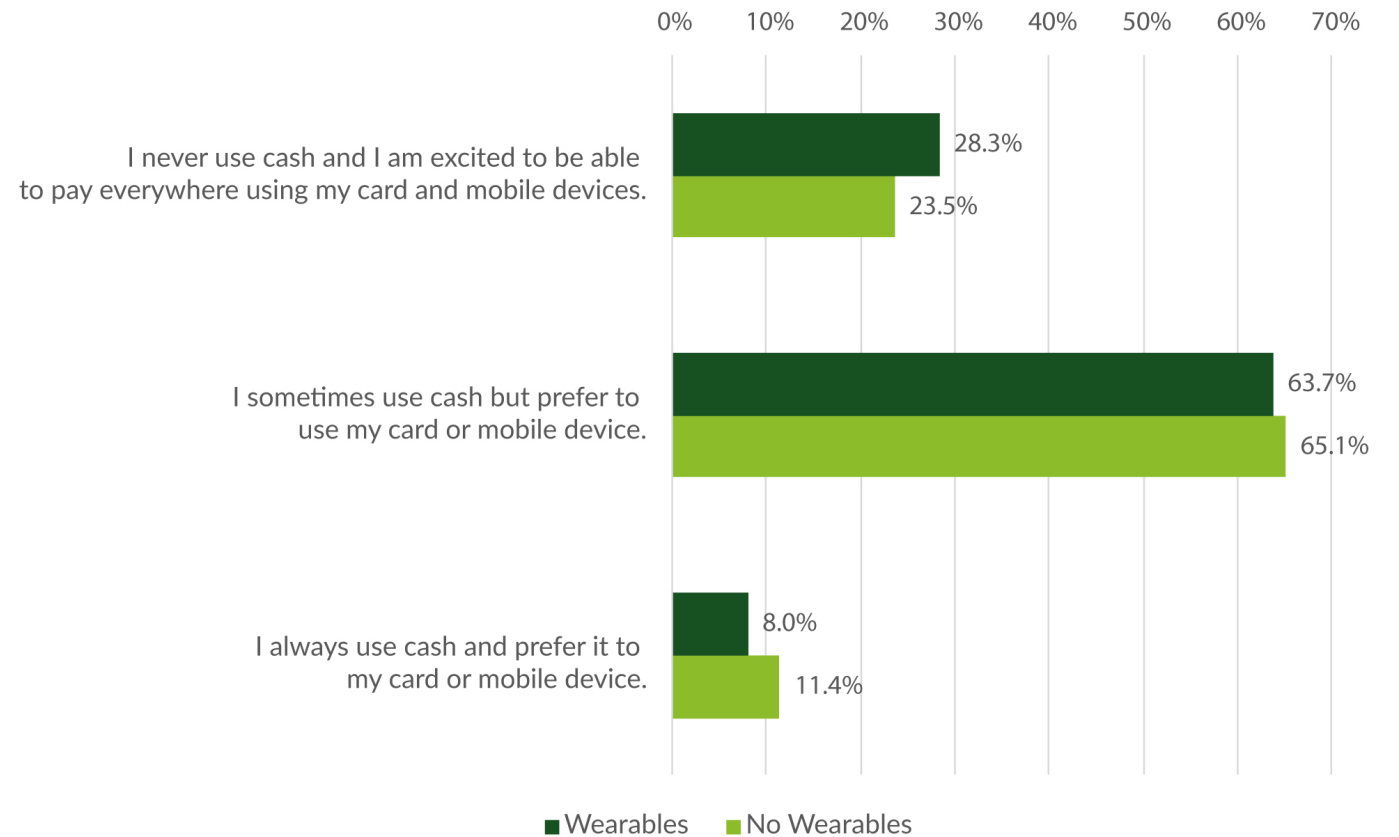


CONSUMERS WHO OWN WEARABLES DON'T USE CASH

- Over **60%** of all respondents (wearable device owners and otherwise) prefer to use cards but use cash occasionally.
- **28.3%** of wearable device owners say they never use cash vs. **23.5%** of respondents without wearable devices who never use cash.



Consumers' Preference For Using Cash Or Cards, By Wearable Device Ownership



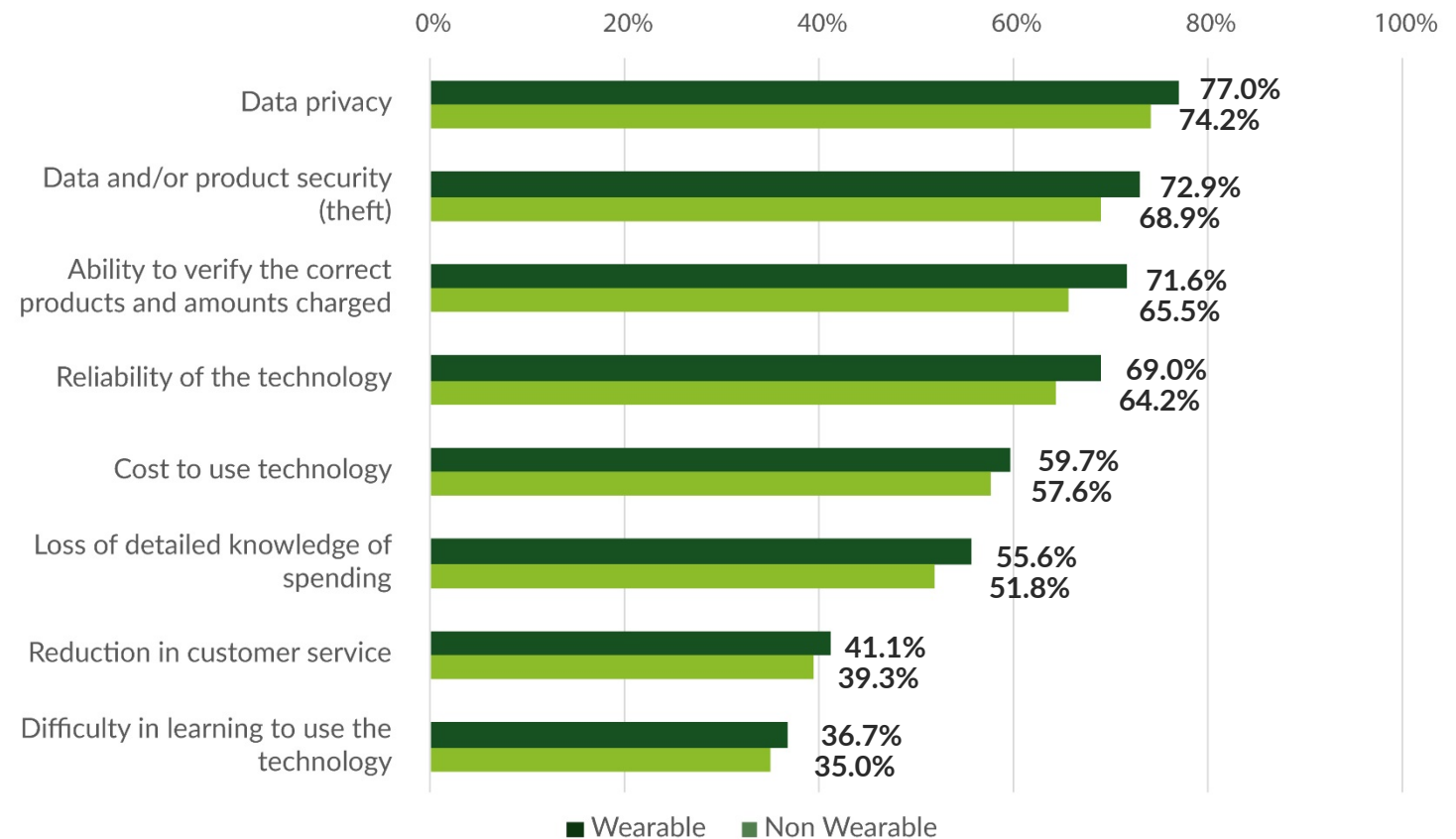
WEARABLE DEVICE OWNERS ARE MOST CONCERNED ABOUT DATA PRIVACY AND PRODUCT SECURITY

MORE THAN ANY OTHER CONSUMER, THOSE WHO OWN WEARABLES WORRY ABOUT DATA PRIVACY AND PRODUCT SECURITY

- More than any other group, those who own wearables worry about data privacy and product security in the context of using connected devices to make purchases.
- The same concerns are important to those who do not have wearable devices, but they have a slightly lower level of concern.



What Would Hold Consumers Back From Using Connected Devices To Buy Things



METHODOLOGY

The “How We Will Pay” survey was conducted among a panel of approximately 2,600 adult users ages 18 and older within the United States by PYMNTS on behalf of Visa from April-May 2017.