



Survey by G+D and OMFIF reveals: Emerging market consumers ready to use CBDCs

2021-12-09

Munich

Giesecke+Devrient

Central banks need to work with the private sector to ensure widespread availability of central bank digital currencies (CBDC) for consumers and educate them about the potential benefits in terms of speed, security and low cost, a [report published](#) by the international technology Group Giesecke+Devrient (G+D) and the independent think tank Official Monetary Financial Institutions Forum (OMFIF) reveals.

The report includes a survey conducted by Ipsos MORI on behalf of OMFIF and G+D which provides valuable insights into consumers' attitudes towards a legal digital means of payment. It was conducted in four countries: Germany, Indonesia, Nigeria and the US with over 3,000 respondents. The intention of the survey was to get an impression on consumer expectations and concerns from developed and emerging countries and what the distinctions were between these economies.

The survey findings reveal a sharp difference in attitudes towards CBDCs between consumers in developed and developing countries. In Nigeria – where a pilot CBDC project was launched in October – 91% of respondents say they are likely to use CBDCs, with 60% of consumers saying so in Indonesia. However, these figures fall to just 24% in the US and 14% in Germany. This suggests CBDCs could offer a 'leapfrog' moment in payments in emerging markets, where systems are less developed, compared to countries such as the US and Germany, where consumers have many established payment options already.

Awareness of digital currencies is also much higher in emerging markets: more than 40% of consumers in both Nigeria and Indonesia are familiar with the concept of CBDCs, compared to just 15% in the US, although half of American consumers say they have heard of cryptocurrencies such as bitcoin rather than CBDCs.

Other key findings from the report include:

- ➔ Consumers' attachment to cash payments remains strong, despite digital developments and the impact of Covid-19. Cash is one of the three most frequently used payment methods for 74% of consumers across the four jurisdictions.
- ➔ Safety and availability are the key concerns of consumers regarding digital payments overall, with more than 27% saying they are not sure such payments are safe or that merchants are able to accept them.
- ➔ Central bank digital currencies could address these concerns: security and universality are cited by consumers as the two key potential benefits of CBDCs, by 33% and 29% of consumers respectively.

➔ Consumers who say they would be prepared to use CBDCs see a wide range of potential uses, as a complement to payment apps, cards, mobile wallets and cash, as well as a tool for financial inclusion.

‘Central bank digital currencies present a historic chance to create a new universal form of money. The acceptance of the consumers and its use is key for the success of any digital currency provided by a central bank. This study looks at the ways in which CBDC as a basic currency infrastructure could be a driver for digital innovation, boost the growth of the digital economy and extend financial inclusion,’ said Dr. Wolfram Seidemann, CEO of G+D Currency Technology. ‘It is a call to action to intensify the debate on the future of money.’

‘While many of the smartest minds in finance and technology debate the design, function and scope of CBDCs, it is vitally important to remember a point that is often forgotten: that for digital currencies to have their desired impact in terms of speed, low-cost and ease of payments, and to achieve policy goals such as financial inclusion, then customers must be prepared to use them. This report seeks to address this key issue: will consumers use digital currencies?’ said John Orchard, chief executive officer of OMFIF.

ABOUT THE RESEARCH:

The survey was conducted by Ipsos MORI in four countries through an internet-based questionnaire for the most efficient reach in all countries. Fieldwork dates were 20 August to 3 September 2021. The total sample size consisted of just over 3,000 individual respondents aged 16-74. The sample size was 1,001 in Germany and the US, and 500 in Indonesia and Nigeria. Results have been weighted so that each country counts equally in the total figures. Results have been weighted to reflect equal representation across demographic profiles based on age, gender and household income.

The full survey is [here](#) available for download.

The press release can also be downloaded [here](#) ↗.

About Giesecke+Devrient

Giesecke+Devrient (G+D) is a global security technology group headquartered in Munich. As a partner to organizations with highest demands, G+D engineers trust and secures essential values with its solutions. The company's innovative technology protects physical and digital payments, the connectivity of people and machines, the identity of people and objects, as well as digital infrastructures and confidential data. G+D was founded in 1852. In the fiscal year 2020, the company generated a turnover of 2.31 billion euros with around 11,500 employees. G+D is represented by 74 subsidiaries and joint ventures in 32 countries. Further information: www.gi-de.com.

About OMFIF

OMFIF is an independent think tank for central banking, economic policy and public investment, providing a neutral platform for public and private sector engagement worldwide. With teams in London and the US, OMFIF focuses on global policy and investment themes relating to central banks, sovereign funds, pension funds, regulators and treasuries.