Contactless payments had already made a breakthrough even before the coronavirus pandemic took over the world. But the pandemic has taken the usage of this form of payment to another level, since, contactless payments have proved to be the perfect solution to endorse a germ-free environment.

The fear of catching coronavirus from tangible surfaces like keyboards and point-of-sale card readers has favored the growth in mobile wallet and contactless card transactions. It is the perception of faster transactions and safety that has kept consumers interested in this form of payment, while driving more retailers to activate their terminals with contactless payments functionality.

## Contactless Payments Trending During the Pandemic

According to a survey conducted by the [Payments Journal](https://www.paymentsjournal.com/contactless-and-covid-19/) in March last year, there has been a 30% increase in the use of contactless payments since the outbreak of the pandemic. During the early times of COVID-19 pandemic, it was observed that there was a sharp rise in adoption of contactless payments all over the globe. Let’s look at some statistics to testify the fact.

* In the early days of the pandemic, [51%](https://mastercardcontentexchange.com/newsroom/press-releases/2020/april/mastercard-study-shows-consumers-globally-make-the-move-to-contactless-payments-for-everyday-purchases-seeking-touch-free-payment-experiences/) of people in the US started using mobile wallets like Apple Pay and many other tap-to-go credit cards.
* Approximately [58%](https://about.americanexpress.com/press-release/merchant-services/covid-19-is-shifting-consumer-purchasing-behavior) people in the United States were more likely to use contactless cards than they were before the pandemic started
* In the first quarter of 2020, MasterCard witnessed an increase of 40 percent in contactless payments.
* In Germany, contactless payments increased from 35 percent to [more than 50 percent](https://www.business2community.com/tech-gadgets/how-covid-19-increases-digital-payment-adoption-globally-02303758) as a result of the pandemic.
* The increased adoption of contactless payments impacted the banking sector all over the globe, with some of the biggest financial institutions increasing the issuance of EMV cards.

Another recent study by [National Retail Federation and Forrester](https://nrf.com/media-center/press-releases/coronavirus-leads-more-use-contactless-credit-cards-and-mobile-payments) in August 2020 demonstrates the increased emphasis of the shift in mode of payments.

Leon Buck, NRF’s Vice President for Government Relations, Banking and Financial Services, stated, “While mobile payments and contactless cards have accounted for a minority of payments in the past, the pandemic has clearly driven consumers to change their behavior and retailers to accelerate their adoption of the technology,”

From retailer’s side, the survey found that:

* 58% accept contactless cards, which amounts to 40% increase since 2019.
* 67% accept some form of no-touch payment at point of sale.
* 69% have seen contactless payments rise since January 2020.
* 56% accept digital wallet payments, an increase 44%.
* Out of the ones that activated contactless payments, 94% expect that the increase will continue.

From consumers side, the survey resulted that:

* One in every five consumers has made a contactless payment for the first time during pandemic.
* Of those, 56 percent used contactless cards and 62 percent used mobile wallets.
* About 57% consumers said they will continue to use contactless payments after the pandemic.

## Benefits of Contactless Payments

Post pandemic arrival, contactless payments have entirely revolutionized the financial market. Here are some of the lesser-known benefits of this technology.

1. **Increased Speed**

Contactless payments are known to improve the speed of transactions. On average a contactless payment takes around 15 seconds which is at least two times faster than normal payments. With transactions taking place at a faster rate there are higher chances of improved turnover and queues will eventually be smaller.

1. **Improved Security**

Contactless cards, such as [MIFARE](http://www.cardzgroup.com/ContactLessSmartCard.html) cards have improved the level of security that has been provided to customers over the past few years. In case your card gets stolen or you misplace your card one can contact their bank and get their card blocked and your card company will be able to block any suspicious transaction. Built-in protection inside the card helps to protect the user against any fraudulent activities.

1. **Convenience**

Convenience is probably the biggest advantage of making contactless payments. Moreover, contactless payments are not just restricted to cards. The users can interact with the help of their phones, tablets, and other accessories such as watches and rings. The payment process is even faster since you don’t have to remove the card from your wallet and the transaction can take place directly. Consumers no longer need to swipe their cards and expose themselves to the COVID-19 virus which is lurking around.

1. **Better Customer Experience**

Integrating all the benefits above and what do you end up in? Better customer experience and better chances of converting leads into paying customers. Offering your customers to pay at their convenience through whichever mode they find the most suitable is probably the fastest way to convert leads.

1. **Promote Card and App Usage**

As contactless payments become the norm the transition to becoming cashless will eventually become a reality. There is no denying that contactless payments are faster, easier, and more convenient as compared to traditional payment methods. This is why they are being promoted so rigorously. The use of cards and e-wallets has also encouraged the use of digital applications which are created especially for normalizing card payments. Consumers are attracted to downloading applications that provide discount vouchers, coupons, and other freebies.

## What’s Next?

It is safe to say that the future of financial transactions is in favor of contactless payments whether that is in the form of cards or e-wallets. If you have not yet adopted this form of the transaction then this is a good time to give it a thought. Contactless payments not only provide a better customer experience but also improve the quality of services and guarantee a germ-free transaction. Moreover, with the advent of new technologies in this sector, this form of payment is more likely to be adopted by the upper-tier and more wealthy clients.