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PRESS RELEASE

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For immediate release

**10 PER CENT OF ALL CREDIT CARD PAYMENTS NOW MADE ONLINE
Books and CDs are favourite online purchases**

The number of credit card payments made online has increased five-fold since 1999, with 10 per cent of all credit card payments now taking place online compared to just 2 per cent 5 years ago, according to the latest research from Association for Payment Clearing Services (APACS).

The top five online purchases in 2003 were books and CDs, followed by travel, computer equipment, financial services and groceries.

The figures also show that men shop online more than women, with 35 per cent of the 10.5 million male Internet shoppers making eleven or more purchases in the second half of 2003, compared to only 27 per cent of the 9.8 million female online shoppers.

Internet banking and online shopping continue to grow in popularity, as the role of the Internet in our lives changes. Twenty two million Internet users (72 per cent) either purchase or bank online, with half of them doing both. The new APACS data also shows Britons' rising dependence on the Internet for more than just information with almost 13 million customers using internet banking in 2003.

Sandra Quinn, APACS Director of Corporate Communications said, “It’s no real surprise that the Internet is being used by more of us more of the time to shop and bank. It’s convenient, secure and ideally suits the time-poor society we live in.”

One of the most popular uses for Internet banking is the payment of credit card bills. More than six million (20 per cent) of all credit card holders viewed their statements online during the second half of 2003.

Coupled with the rise in Internet banking is the rise in Internet shopping. The average number of purchases per shopper has almost doubled since 2000. In 2000 6.7 million online shoppers each made an average of 6.5 purchases that year. In 2003, the number of shoppers has tripled, and the average number of times they shopped online rose to 11.2.

When shopping online, most people prefer to use their credit card than their debit card, perhaps because of the increased protection. APACS research reveals that seventy-one per cent of those people asked about recent online purchases bought a travel service using their credit card, compared with 29 percent using their debit card. Sixty-two per cent of those who purchased clothes and household goods did so with credit cards, compared to 38 per cent with debit cards, and the same percentage breakdown applies to those who purchased books or CDs.

The Internet purchases tend to be of higher value compared to those made in the real world. The average value of debit card Internet purchases was £54, with credit purchases at £69, compared to overall payment average values of £39 and £58 respectively.

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Notes to editors:

1. The APACS internet research covers the last six months of 2003 and is drawn from the APACS Consumer Payment Survey 2003.
2. The population comparisons are taken from a base population of the 31.0 million adults who use the Internet. All data refers to active Internet banking users, as opposed to registered users.
3. For further information please contact the APACS Plastic Card Information Office 0870 420 3208, apacs@fourplc.com.