This doctoral thesis studies consumer payment behavior. We examine what characteristics play a role in the choice of instrument. Besides, we intend to influence consumers’ choice by soft interventions. In a final part we investigate what reasons are of crucial importance for internet banking usage. The thesis consists of three parts, each addressing one of these questions. All data were obtained by our own means

In part one, we investigate the impact of soft interventions – or so-called nudges – on the way consumers pay at the point of sale (POS). In particular, we set up an experiment in a university canteen frequented by both students and university personnel. In an attempt to steer consumers towards card payments, we administered two temporary interventions. In a first stage, posters with pro-card slogans appealing on customers’ sense of loyalty and connection with their alma mater were mounted on the cash registers. In a second stage cashiers were instructed to also explicitly point out that payment by card would be appreciated. Time series analysis shows no impact of the oral prompts, but we have indications that they may not have been implemented as instructed. The impact of the posters differs for students and employees. For students, we could not detect any effect. For employees, the posters would appear to have increased card usage but only towards the end of the experiment. Also, while employees’ card usage is still higher in the first week after the removal of the posters, this effect disappears in the second week. The effect of the posters is thus not lasting. However, the fact that the posters did to some extent nudge employees but not students suggests that nudges are more effective when consumers feel more connected to the merchant.

In the second part, we study to what extent socio-demographic variables can explain people’s payment preferences in a university canteen. In addition, we test for the effect of an intervention that we administered and which took the form of a pro-card slogan attached to the cash register. Based on survey data collected after the experiment, we estimate, respectively, binary regression models and a Sartori selection model. We find that males between 26 and 45 years of age who are university employees are more likely to be ‘card payers’. Conversely, average cash holdings above 20 euro decrease the likelihood.
Concerning the effectiveness of the slogan, we find that respondents who usually pay by card in the canteen and who have a high attachment toward the university are more likely to notice the slogan. These respondents are also more likely to increase their card usage after noticing the slogan. As expected, age has a negative impact. Finally, our results for ‘cash payers’ are an indication that their payment habits might be deeper ingrained.

In the final part, we investigate individuals’ intensity of use of internet banking and do so against the backdrop of technology acceptance theories. Previous studies have shown that both perceived usefulness and perceived ease of use are important drivers of the adoption of internet banking. Only a few studies examine the drivers of internet banking usage. We have primary data on the self-reported behavior of 725 respondents in Flanders – the Dutch-speaking part of Belgium – and we use ordered logit models to scrutinize what factors determine what type of user – an intensive, a regular or nonuser – a respondent most likely is. Our findings confirm that perceived usefulness and perceived ease of use are also the main determinants of internet banking usage. In addition, we find that several socio-demographic variables such as age, occupation, relational status, and income have an impact. Older, employed or retired respondents are more likely to be intensive users. The same is true for users who are (or have been) part of a shared household, as well as for respondents with a higher income.