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## RISE OF THE TECHNOPHOBE - EDUCATION KEY TO TECH ADOPTION, SAYS HSBC

- *80% believe that technology makes their lives easier but almost three quarters (70%) rely on dated passwords for access and security*
- *The security of peoples' finances is as important as the protection of their personal data (87%) by their bank*
- *84% of respondents say they would share their personal data with their bank if it meant getting a better service*
- *Twice as many people (14%) would trust a robot to perform heart surgery than open a bank savings account (7%) for them*

A lack of understanding and trust in technology is stalling mainstream adoption of innovative new services which could make millions of people's daily lives simpler and more secure, new HSBC research reveals.

The HSBC research report, *Trust in Technology*, shows that technologies such as fingerprint recognition, voice recognition and robo-advice hold enormous potential for uses from bank security to mobile payments and investment advice, yet millions of people who could benefit do not trust them because they do not understand them well enough.

The study of more than 12,000 people in 11 countries reveals four in every five people (80%) believe that technology makes their lives easier but less than half (46%) trust fingerprint recognition to replace their password, despite it being recognised to be at least five<sup>1</sup> times more secure and significantly more convenient than traditional passwords.

Eighty-four per cent of respondents say they would share their personal data with their bank if it meant getting a better service, underlining the need to educate consumers about the specific benefits of new technologies.

The data also show that, people believe their bank offering the protection of their personal data security is as important as the security for their finances (87%).

However, people rely on traditional passwords to confirm their identity (70%) with only a fifth (21%) using fingerprint recognition and just 6% using voice recognition, regardless of the security benefits.

Men (45% vs. 38%) believe they are the first adopters of new technology but the research shows that they tend to use it less than women.

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<sup>1</sup> The probability of two single fingerprints being similar enough to match for Touch ID is 1 in 50,000 for one enrolled finger. This is in comparison to 1 in 10,000 odds of guessing a typical 4-digit passcode [[Apple Support](#)]

While men were the heaviest users of PCs and laptops, faxes, pagers and landlines, women are embracing wearables, apps and tablets more than their male counterparts.

While there is optimism around the progressive nature of technology, the significant majority of people have never heard of new technologies, and if they have, they couldn't explain what they do.

The least understood new technologies include:

1. Blockchain, a digital ledger (80%)
2. Robo-advisers, automated investment advice (69%)
3. Finance applications integrated into social media, like WeChat or Facebook (60%)

Almost one in four people (24%) have not heard of, or do not know what voice activation technology is, despite it being widely available in consumer smartphones.

The data indicate that as a result there is a reliance on long established methods of money management with the most common traditional channels including:

1. Online banking via a bank website (67%)
2. ATMs (55%)
3. Branch visits (41%)

**John Flint, Global Chief Executive of Retail Banking and Wealth Management at HSBC comments:** *“Digital technology is rapidly evolving and customers are now able to bank more simply, quickly and in the most secure way possible.*

*“While people say they place huge value in the security of their personal data, they do not yet understand that adopting new technologies can help them to protect their information. Our research shows many people do not understand new technologies and so are unable to place trust in them.*

*“We have a role to play in building our customers' knowledge and trust so that they see the value to their lives in adopting a new payments app or the latest biometric security. At HSBC we will continue to adapt as customers' needs change, to provide banking services on their terms.”*

Increasing knowledge and understanding of new technologies, building predictability and reassuring users about security, are essential to establishing trust and accelerating adoption, the study indicates.

The research showed that providing a very simple explanation of how voice recognition works, 'trust in biometrics' rose from 45% to 51%.

**Sabbir Ahmed, Head of Retail Banking and Wealth Management, HSBC Vietnam, says:** *“Vietnam is quite potential to become a country with high adoption of new technologies. This prospect is triggered by a young population who are very open to innovations, a robust internet penetration and the increasing popularity of smartphone ownership.*

*“To fully realize the potential of these changes, we are seeing that more and more banks in Vietnam are investing in digital platforms, the key is for banks to ensure that these platforms are robust enough to encourage faster pace of technology adoption by the customers.”*

Trust in technology not only varies across genders, ages and geographies but uses too with some surprising results.

People are twice as likely to trust a humanoid robot for heart surgery (14%) as they are to trust one to open a savings account (7%) and only 11% would trust any type of robot, including chatbots, to open a savings account or provide mortgage advice.

### **Additional key findings**

1. Of the countries surveyed, there are three key expectations for a bank’s service when rolling out new technology:
  - Ensuring customers know where they can go for support if technology goes wrong (74%)
  - Advising customers on how the new technology can meet their needs (65%)
  - Sharing advice and information online (57%).
2. People in Asia and the Middle East are ahead of the West when it comes to the adoption of new technologies:
  - People in China (40%) are the highest adopters of fingerprint technology, followed by India and UAE (31% and 25% respectively) while just 9% of people in France and Germany and 14% of people in Canada have used fingerprint technology to identify themselves.
  - People in China (48%) and India (50%) are more likely to agree that computers can already provide more accurate advice for money management than humans, while just 18% in Canada and 21% in the UK agree.
  - Germany has the lowest adoption of smartphone or tablet banking, with only 4% claiming it’s their preferred way of banking compared to 15% in the UAE and 9% in Hong Kong.

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**Notes to editors:**

[Trust in Technology](#) is a seminal piece of global thought leadership into global technology perceptions and habits, conducted independently and commissioned by HSBC. It provides authoritative insights into people's perceptions of technology, their current uses and how they expect to use digital services in the future, around the world.

The study represents the views of 12,019 people from 11 countries and territories: Canada, China, France, Germany, Hong Kong, India, Mexico, Singapore, The United Arab Emirates, UK, and the US.

Populus conducted the qualitative research in March and April with 66 members of an online community, including six members from each of the 11 nations in question. All respondents answered all questions and their contributions have been made available separately for use in the media. Populus also consulted twice with a panel of experts to research in-depth opinions and expertise on the topic.

Ipsos MORI conducted quantitative research with over 12,000 participants in total. 2,000 of those participants were from the UK and 1,000 participants came from each of the remaining countries. The quantitative findings are based on a nationally representative survey of people of aged 18 and over in each country, and the research was conducted in March/April 2017.

**HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 4,000 offices in 70 countries and territories in Europe, Asia, North and Latin America, and Middle East and North Africa. With assets of US\$2,416bn at 31 March 2017, HSBC is one of the world's largest banking and financial services organisations.

For more information about Trust in Technology visit [www.hsbc.com/digital-and-innovation](http://www.hsbc.com/digital-and-innovation)

**HSBC Bank (Vietnam) Ltd.**

HSBC has been in Vietnam for more than 140 years – the bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. HSBC was the first foreign bank to launch its locally incorporated entity on 1 January 2009 as HSBC Bank (Vietnam) Ltd. The bank's current network includes two branches and five transaction offices in Ho Chi Minh City, one branch and four transaction offices in Hanoi, and three full-service branches in Binh Duong, Can Tho, and Da Nang. HSBC is one of the largest foreign banks in the country in terms of investment capital, network, product range, staff and customer base.

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