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Research predicts Brits will spend more than £7billion on credit and debit cards abroad in the next year

RESEARCH REVEALED by the newly-formed DCC Forum reveals that 40% of UK consumers 'never' or 'rarely' check the exchange rates and fees they will be charged for using their credit or debit card abroad.

In contrast, nearly three quarters (74%) seek out the best exchange rates from currency providers when purchasing foreign money.

The findings also reveal that one in five (22%) respondents is not aware that banks and card providers levy transaction fees on overseas credit and debit card purchases. More than half (57%) of those surveyed understand the transaction costs exist, but are unaware of the amounts involved. This is likely to have a significant impact on the charges and rates paid by consumers travelling overseas, as the study found that UK travellers will spend at least £7.6billion on their credit and/or debit cards when abroad over the next 12 months.

The results additionally pointed to a generational difference in checking card

rates before going abroad. One in five over 50s always check the rates charged by their credit or debit card providers before they travel, compared to one in ten (11%) 18-24 year olds. Furthermore, men are more likely to use their card to make overseas purchases than women (23% vs 15%).

The DCC Forum commissioned the research with YouGov, coinciding with its launch as a new industry body designed to help consumers understand the payment choices when using credit or debit cards abroad.

The DCC Forum also oversees best practice of Dynamic Currency Conversion (DCC), the service whereby credit and debit card holders abroad have the choice of having each transaction converted to their home currency at the point of payment.

The forum's chair, Gino Ravaioli, said: "For UK consumers, credit and debit cards are an important means of buying goods and services abroad, and are one of many

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payment choices available. That said, our study has revealed that many consumers are not checking card rates before leaving home, which is likely to negatively impact their ability to make the right decision on card transactions. Just as holidaymakers shop around for the best foreign currency exchange rates, they need to ensure they check credit and debit card fees in advance too.

"For those who remain unaware of the currency options on

a card machine or ATM abroad, the DCC Forum wants to improve understanding surrounding the choice to make a transaction in pound sterling via DCC or in the local currency. Where both options are subject to similar levels of exchange rates and fees, DCC offers consumers the familiarity of paying in pounds, and the ability to keep track of spending by clearly showing the amount of money leaving their bank account at the point of purchase."

For more information visit www.dccforum.com