

A photograph of the Reserve Bank of New Zealand building, a modern structure with a prominent glass entrance and a series of steps leading up to it. The building's facade is composed of concrete and dark metal elements. The sky is clear and blue. The title text is overlaid on the upper portion of the image.

Online Digital Currency Familiarity Survey Analysis

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Introduction

The Digital Currency Familiarity survey was designed to capture the New Zealand public's current transaction methods, banking preferences, and knowledge of central bank digital currency. Through an online Qualtrics form, respondents answered optional questions that allowed for data collection.

Technology and Frequency of Use

Within the online survey, a section was created to evaluate the types of technology a person uses and then asked to rate the frequency of use by each type of technology. Each respondent could select from the following types of technology: *Computer*, *Smartphone*, *Tablet*, *Smartwatches*, and *Other*. After they selected the types of technology they use, they were then asked to rank it by frequency, which showed that Computers and Smartphones were the most frequently used, followed by Tablets.

In addition to the frequency of use of technology, there was a question that asked for the frequency of cash usage. Of the seven respondents, four stated that they use cash once or twice a week, while the other three said they never use cash.

Preexisting Knowledge

Another section of the survey was aimed at gathering the current knowledge levels of the respondents. The first of these questions, which asked respondents to rate their familiarity with digital currency, gathered seven responses. Of these responses, two rated their familiarity as

basic knowledge, four rated their knowledge as advanced, and one respondent stated that they had expert knowledge. On the five-point scale¹, these answers fell to the upper 60%.

In addition, the seven respondents also rated their familiarity with central bank digital currencies (CBDCs) on the same five-point scale. Two said they had no knowledge, two had some, another two had basic knowledge, and one said expert knowledge. In both instances, the same respondent stated that they had expert knowledge of the matter.

Digital Payment Tools:

The digital payment tools section was a significant portion of the survey, as it looked to identify current payment tools used by different New Zealand residents. These questions were designed to gather what tools are most used, which tools residents are confident in using, and their trust in the payment system. Together, these can help identify possible design features for a future CBDC based on other digital payment tools.

From the seven respondents, all given types of digital payment tools² were chosen at least once. Payment cards were both used by all seven respondents and were the most frequently used form of digital payment when asked to rank by order. The second most frequently used form of digital payment was online electronic payment systems, with five stating they use them. Of these five, four stated that they use online electronic payment systems slightly less frequently as payment cards. Although six of the seven respondents stated they used mobile

¹ The five-point scale was as follows: No knowledge, some knowledge, basic knowledge, advanced knowledge, and expert knowledge.

² The given types of digital payment tools were payment cards, mobile payment systems, cryptocurrency, online electronic payment systems.

payment systems, the frequency of use was much less and was about equal to the use of cryptocurrency, which was only used by three respondents.

CBDC Potential Factors:

Within the online survey, questions surrounding potential CBDC motivations were included to gather opinions on what would encourage people to use a CBDC. The first two questions, which asked for respondents to rate the importance of data privacy and payment method reliability, all six respondents answered with the highest rating of importance. When asked to rate the importance of user-friendliness, two stated “neutral” while the other four respondents believed it was “important.” The following question, which asked users to rate the importance of anonymity to them, was the only question that received an answer of “not important” by one respondent. In addition, another three respondents said anonymity was “important,” one respondent stated that it was neutral to them, and one respondent was unsure. The final question of the section asked residents to rate the importance of transaction speed. Five of the six stated that it was important, with the final respondent answering “neutral.”

Banking Preferences:

Another section of the online survey looked to identify the public’s current perceptions and opinions on banking. Within this section, residents were asked about their satisfaction with banks, what kind of banking (online/in-person) they prefer to do, and if they trust each style of banking. The first question of the section asked respondents to rate their satisfaction with their bank(s). Although no respondents stated that they were dissatisfied, four respondents answered that they were somewhat satisfied with their banks, and two stated that they were satisfied. The following questions asked residents whether online or in-person banking is preferred which our

of the six responded with online, one responded with in-person, and one answered with “no preference.” Following their preferences, respondents were asked if they had trust in their data’s privacy while both in-person and online banking. For in-person banking, four respondents stated that they were confident and two stated they were somewhat confident. For online banking, it was split with three respondents stating they were confident and another three stating they were somewhat confident.

Awareness About a Potential CBDC in New Zealand:

A total of six New Zealand residents answered the questions related to CBDCs in New Zealand. When asked if they had heard of the Reserve Bank of New Zealand’s research on CBDCs, only two of the six had heard about it, with another three never having heard of it and one respondent stating that they were unsure. Following our research, we noticed that a CBDC could be distributed through two options: commercial banks and the central bank. The final two questions of the survey worked to identify if there was interest in one distribution over the other. Yet, after evaluating the data, there was no difference, with each question receiving four answers stating, “somewhat interested” and two answers stating, “not interested.” In addition, respondents did not change their answers based on the question, showing that there is no one preferred method.