



## **Australian Online Shoppers Ignore Government Warnings and Put Themselves at Risk to Avoid Credit Card Fees**

**Sydney, Australia – 31st March 2006** – OZtion, Australia's second largest online auction site ([www.oztion.com.au](http://www.oztion.com.au)) has today announced the results of their recent survey into the payment preferences of Australian shoppers purchasing products online.

In February 2006, OZtion conducted research into the payment preferences of both Australian shoppers and Australian businesses and individuals selling products online at [www.oztion.com.au](http://www.oztion.com.au).

The survey found that 57% of shoppers prefer to pay for online item purchases using direct bank deposit. 31% prefer using a third party secure online payment system such as Paymate ([www.paymate.com.au](http://www.paymate.com.au)). Money orders/cheques were preferred by 5%. Credit Cards were preferred by only 5% of respondents. 1063 Australians responded to this question.

The Australian Government regularly issues warnings to online shoppers. The Australian Competition and Consumer Commission (ACCC) issued advice in February 2006 instructing Australian online shoppers to avoid paying for products via direct bank deposit, recommending instead the use of credit cards or third party payment systems such as Paymate.

Philip Druce, General Manager for OZtion commented, "Our research shows that Australian consumers overwhelmingly want to pay for online purchases by direct bank deposit. Australian online shoppers clearly understand that businesses selling online charge higher prices when processing credit card transactions, and are willing to ignore government warnings to avoid paying more."

Similar research was carried out asking businesses and individuals selling products online at [www.oztion.com.au](http://www.oztion.com.au) for their preferred payment methods. 52% of sellers preferred accepting payment via third party secure online payment systems. 46% of sellers preferred receiving payment via direct deposit. Credit cards were preferred by 1% of sellers. 819 Australian businesses and individual sellers responded to this survey question.

Dilip Rao, CEO of Paymate commented, "Credit card payments via Paymate make sense for buyers by reducing the risk of non-delivery and speeding up transactions online. Small businesses and auction traders can substantially reduce their risk of buyer fraud by using Paymate. Experienced sellers realize they can get more auction bids and higher value sales if they accept credit cards via Paymate – the fees simply become a cost of doing business online. Paymate's payment volumes have been doubling every year since our launch in 2001 and we are pleased to support OZtion."

Philip Druce continued, "The majority of the sellers at OZtion are small businesses. Our recent survey clearly shows that Australian small businesses dislike accepting payment via credit card for products they sell online. They don't like seeing their hard earned profit being gobbled up by transaction fees."



OZtion's online auction listings have grown 73% in the first quarter of 2006, currently averaging 81,600 simultaneous auctions.

Commencing online on 1st January 2005, [www.oztion.com.au](http://www.oztion.com.au) is the result of a unique Australian online auction system. All research and development for the site is carried out in Melbourne.

All items listed for sale via OZtion are offered by Australian businesses or individuals that have been security verified by OZtion's unique seller verification process.

Membership at [www.oztion.com.au](http://www.oztion.com.au) is free.

OZtion has grown rapidly by offering Zero Cost Listings for items being sold online. This service is one of Australia's safest and cheapest methods for small businesses to sell goods online, with more than 1,500 Australian small businesses now using OZtion to sell their products.

OZtion's Zero Cost Listing service enables any Australian individual or business to advertise their products online at no cost, with a very low fee being charged only in the event that the item is sold. The sale fee ranges from 1.5% to 3% of the sale price, with the fee capped at \$30.

The Zero Cost Listing service is a form of "Pay for Sale" online advertising. It is extremely simple to use, and allows businesses to greatly increase their Internet based product sales without wasting money paying for clicks from people that are merely window shopping.

In contrast, website based advertising offerings from most Australian online sites are priced based on the number of times an advertisement is shown, or on a "pay for click" basis.

### **About OZtion**

OZtion is an Australian online auction site, based on unique Australian designed and developed technology. Based in Melbourne, OZtion has grown enormously in 2005 to become the 2nd largest Australian online auction site. OZtion was recently voted Australia's best new website by the readers of Australian Netquide magazine. Visit [www.oztion.com.au](http://www.oztion.com.au) for more information.

### **About Paymate**

Paymate provide secure, reliable and innovative Internet-based services to individuals and businesses in Australia and overseas. Our mission is to help Australians trade with the world. Paymate was voted [#1 Website 2005 - Business & Finance - IT & Internet](#) by Internet traffic measurement firm Hitwise. Visit [www.paymate.com.au](http://www.paymate.com.au) for more information.

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