

DIGITAL PAYMENT COUNTY RESIDENT SURVEYS

KEY HIGHLIGHTS

Findings from the Digital Payment County Resident Surveys underline several key takeaways:

- When paying their property taxes, the majority of respondents make payments directly to the county and prefer to use checks. Respondents largely indicated that **checks are preferred as they are convenient and have low transaction fees.**
- When renewing their motor vehicle registrations, **results indicated a preference for digital payment methods**, such as eChecks, credit cards or debit/ATM cards, citing convenience as the main reason.
- **Most respondents indicated that fees and service charges have impacted their usage of digital payment options** such as credit or debit cards and eChecks.
- The second survey revealed that **most respondents have previously used digital payment methods for transactions with the county.** Furthermore, most respondents indicated they are very likely to continue doing so in the future.
- Even individuals that preferred to pay their property taxes in-person or by mail indicated they are **likely to use digital payments in the future.**

TOPLINE RESULTS FROM 2018 - 2019 RESIDENT SURVEY

NACo, in collaboration with Lancaster County, developed and administered a survey to county residents in 2018. The survey used two means of administration: in-person and online. In-person surveys were administered at POS station in county offices.

TABLE 10

Survey Results by Method of Administration

In-Person Survey Responses (Total)	Online Survey Responses	Real Estate Survey Responses	Total Survey Responses
665	270	166	1,101

Source: NACo Survey of Lancaster County residents, 2018-2019

The surveys targeted residents who were paying their real estate taxes, motor vehicle registration fees or driver's license renewal fees. Online surveys were made available at the County Treasurer's website and MyCart – Lancaster County's real estate tax web portal. Through the survey, NACo sought to track resident satisfaction and perception of digital payments – specifically, seeking insights into residents who prefer traditional payment methods versus those who prefer digital payment methods.

ANALYSIS OF SURVEY RESPONSES (IN-PERSON AND ONLINE)

FIGURE 10

Most respondents indicated they prefer to use digital payment methods when renewing their motor vehicle registrations and checks when paying property taxes

Preferred payment types

MOTOR VEHICLE REGISTRATION

1101 survey responses



PROPERTY TAXES

935 survey responses



Source: NACo Survey of Lancaster County residents, 2018-2019

Notes: The first Digital Payments Survey was administered through two modes: in-person at county locations and online. The online surveys were placed on the County Treasurer's website and on the Online Real Estate payment receipt (i.e. for those who paid property taxes online). This chart is based on analysis of the combined survey results.

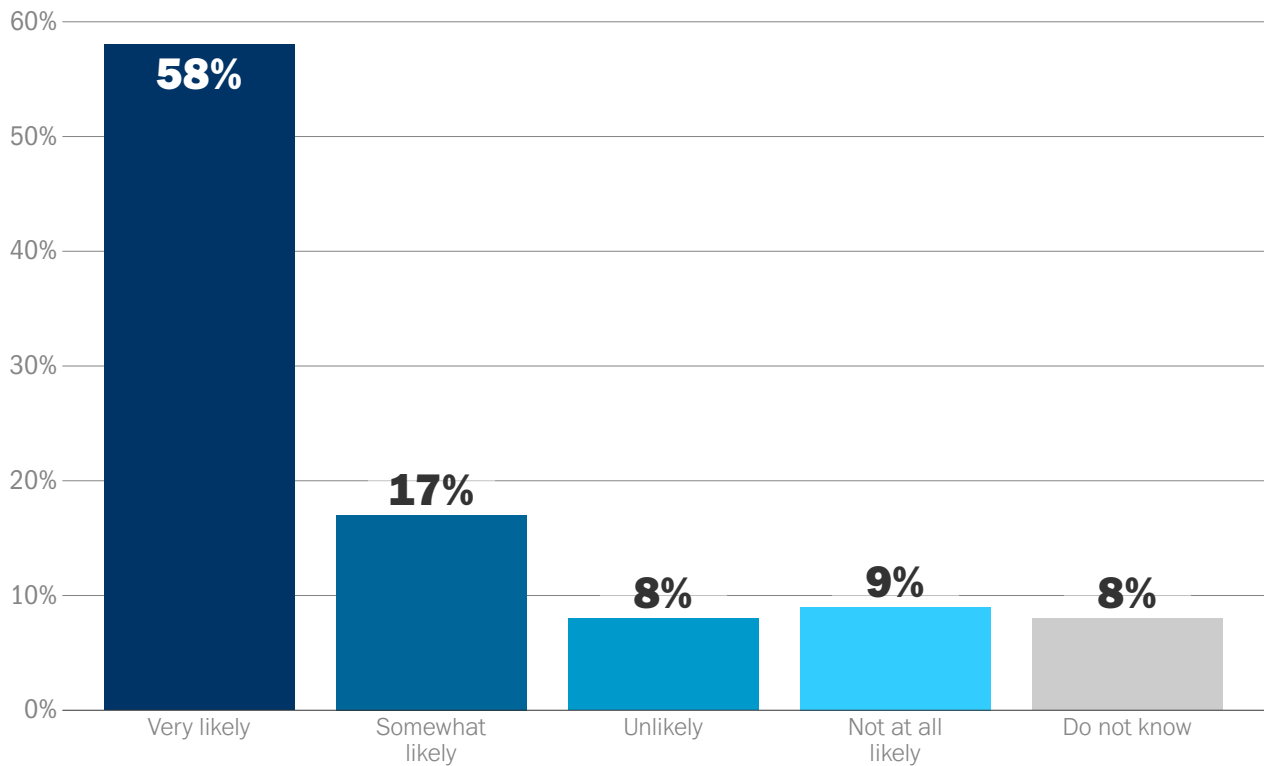
Digital payment methods (credit/debit cards and online transactions) are preferred amongst residents when renewing their motor vehicle registrations. Most respondents (62 percent) indicated that when renewing their motor vehicle registrations, they prefer to use digital payments whereas only 34 percent prefer using digital methods when paying property taxes. In 2018, the typical motor vehicle transaction cost a resident an average of \$185.63. Because of the lower dollar amounts, an average transaction incurs low fees, incentivizing residents to pay using digital means. These smaller transactions might explain why 62 percent of respondents prefer to go digital when renewing their vehicle registration or driver's license. In descending order, the most preferred methods of payment for motor vehicle registration across all surveys were check (28 percent of respondents), debit/ATM card (23 percent), credit card (22 percent), online (17 percent), cash (9 percent) and other (1 percent).

On the other hand, residents who are paying for their property tax typically prefer using checks. Forty-three (43) percent of respondents indicated that they prefer to use traditional payment methods (i.e., cash and checks) while **34 percent** prefer to pay with digital payment methods. During 2018, the average check transaction was \$3,153.67. Unlike the lower dollar amounts of the motor vehicle registrations, these larger transactions incentivize residents to use payment methods without additional fees. In descending order, the most preferred methods of payments for property taxes across paper and online surveys were check (**39 percent**), other (**23 percent**), debit/ATM card (**19 percent**), credit card (**15 percent**), and cash (**4 percent**). Other responses included payment methods such as money order, escrow or over the phone.

FIGURE 11

58 percent of respondents indicated that they are likely to use digital payments for future transactions with the county

Likelihood of using digital payments for future transactions.



Source: NACo Survey of Lancaster County residents, 2018-2019

Notes: The first Digital Payments Survey was administered through two modes: in-person at county locations and online. The online surveys were placed on the County Treasurer's website and on the Online Real Estate payment receipt (i.e. for those who paid property taxes online). This chart is based on analysis of the combined survey results.

Overall, 75 percent of respondents reported being "very likely" or "somewhat likely" to use digital payments for future transactions with the county. This response highlights the importance of having digital payment options available for residents in the future, since the majority will want to use these methods. Only 9 percent indicated they are "not at all likely." The "unlikely" and "do not know" options each received 8 percent of responses.

TOPLINE RESULTS FROM 2019-2020 RESIDENT SURVEY

A second survey was administered to county residents to track the usage of digital payments with the goal of comparing results from the previous survey, and to better understand resident payment preferences. Additionally, a link to the online survey was included in the property tax receipts sent to residents. The in-person surveys were distributed at the downtown county building and Department of Motor Vehicles (DMV) locations. The survey was administered from December 2019 through April 2020.

TABLE 11

Survey Results by Method of Administration

PAPER SURVEY RESPONSES (TOTAL)	ONLINE SURVEY RESPONSES	PROPERTY TAX IN-PERSON SURVEY RESPONSES	DMV IN-PERSON SURVEY RESPONSES	TOTAL SURVEY RESPONSES
1,232	283	193	1039	1,515

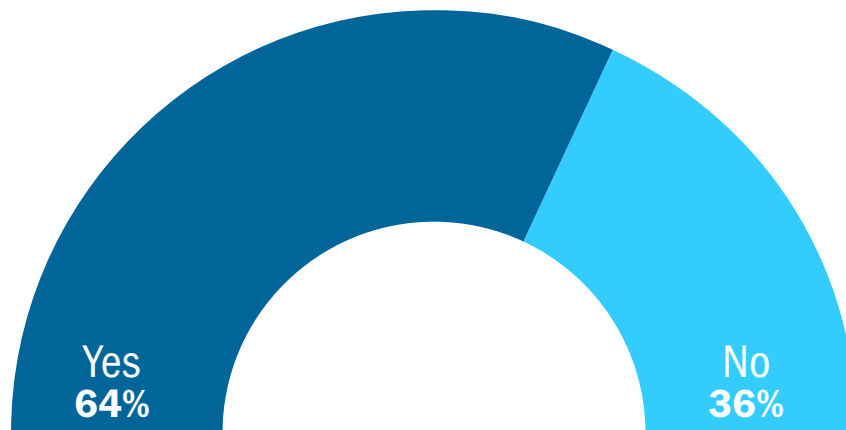
Source: NACo Survey of Lancaster County residents, 2019-2020

Analysis of In-Person Survey Responses

FIGURE 12

Most of respondents have used digital payments in the past when completing a transaction to the county

Percentage of Respondents that have used digital payments with the county



In-person survey responses revealed that most residents have a history of using digital payment methods with the county. There were **788 respondents (64 percent)** who indicated that when making payments to the county, they have used digital payment options such as ACH, eChecks, Bill Pay, credit card and debit card. There were 444 respondents (36 percent) who indicated that they have not used digital methods when making payments to the county and instead utilize cash or check payment options.

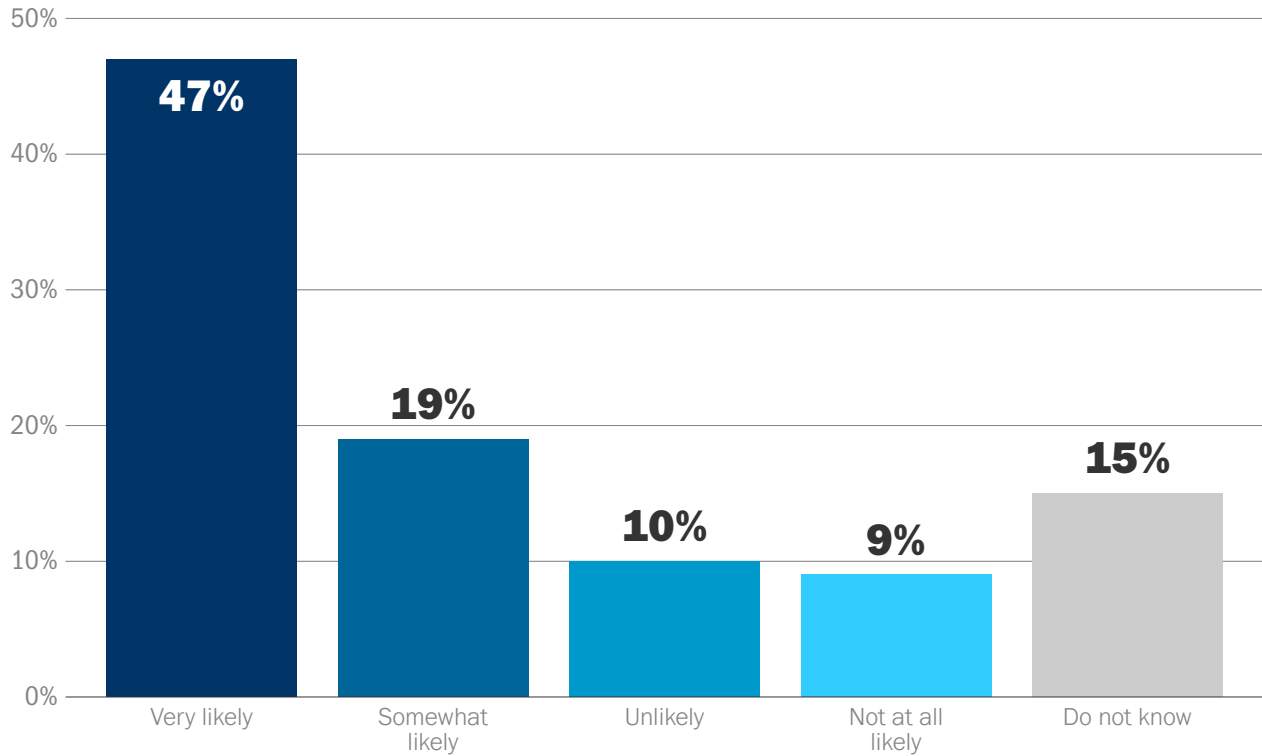
Source: NACo Survey of Lancaster County residents, 2019-2020

Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of combined in-person survey responses about property tax and motor vehicle transactions.

FIGURE 13

Results from the second survey showed a continued interest in residents using digital payment methods for future transactions with the county

Likelihood of using digital payment methods for future transactions with the county



Source: NACo Survey of Lancaster County residents, 2019-2020

Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of combined in-person survey responses about property tax and motor vehicle transactions.

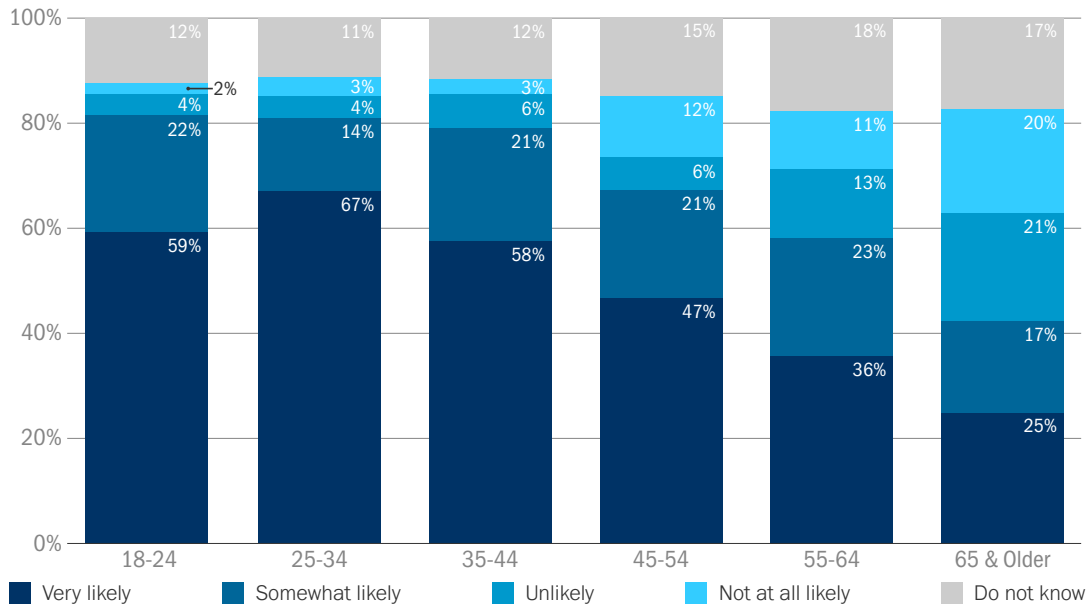
Nearly half of respondents (47 percent) indicated that they are very likely to use digital payments for future transactions. Building off the responses from the first survey, this further validates respondents' interests in using digital payments for future transactions with the county. Furthermore, only **19 percent** of respondents indicated "somewhat likely" and **nine percent** of respondents indicated "not at all likely". "Unlikely" and "don't know" were selected by **10 percent and 15 percent** of respondents, respectively.

**NEARLY HALF OF RESPONDENTS (47 PERCENT)
INDICATED THAT THEY ARE VERY LIKELY TO USE DIGITAL
PAYMENTS FOR FUTURE TRANSACTIONS.**

FIGURE 14

Younger cohorts of residents (between ages 18 and 44) report a greater likelihood to use digital payment options for future transactions with the county than older cohorts (age 45 and up)

Likelihood of using digital payments for future transactions.



Source: NACo Survey of Lancaster County residents, 2019-2020

Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of combined in-person survey responses about property tax and motor vehicle transactions.

Overall, **47 percent** of respondents across all the age groups said they were very likely to use digital payments in the future when renewing their motor vehicle registration or paying their property taxes. In the three youngest categories (that is, 18-24, 25-34 and 35-44), most respondents indicated that they were very likely to use digital payments in the future. The largest percentage was seen from the 25-34 age group where **67 percent** responded that they would be very likely to use digital payments in the future. These results show resident support or buy-in for digitizing future county transactions and illustrate how counties must consider the interests of their unique demographics before implementing digital payment methods.

NOTES ON ONLINE SURVEY METHODOLOGY

To prevent respondents from seeing questions that do not apply to them, the second Digital Payments Survey (online version) contained skip logic or conditional branching functionality. This ensured that respondents obtained a custom path through the survey that varies based on their answers. For instance:

- Respondents that indicated they paid their property taxes through their mortgage company or escrow account were redirected to the survey questions about payment preferences for DMV transactions.
- Individuals that indicated that they preferred to pay their property taxes in-person or by mail were redirected to questions asking about their behavior and opinion towards digital payments

Thus, the following analysis of the online survey responses is done by subgroups (i.e., property taxes paid directly to the county, online property tax payment, in-person or by-mail property tax payments, and whether or not a respondent owns a motor vehicle registered in the county).

ANALYSIS OF ONLINE SURVEY RESPONSES

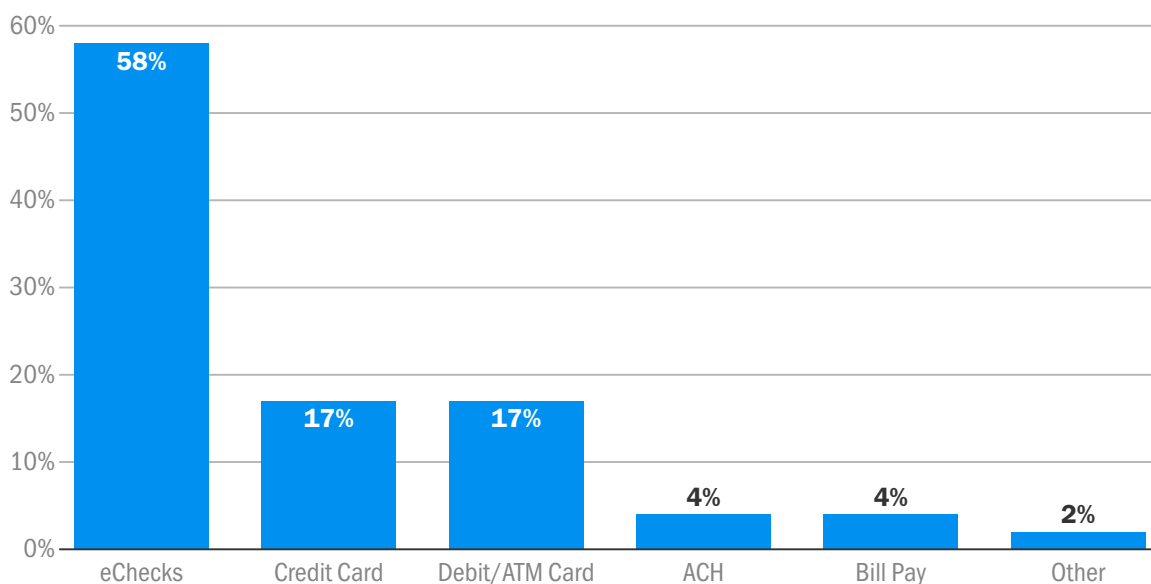
PROPERTY TAX PAYMENTS

Most respondents (270) pay their property taxes directly to the county rather than paying through their mortgage company or an escrow account. Among these individuals, 83 percent of them indicated that they prefer to pay their property taxes online. The remaining 17 percent indicated that they prefer to make their property tax payments in person. These respondents were redirected to the “In Person or Mail Property Tax Property Tax Payments” section of the survey.

FIGURE 15

There is greater preference for using digital payment methods over traditional when paying property taxes

Payment Preferences for Property Taxes



Source: NACo Survey of Lancaster County residents, 2019-2020

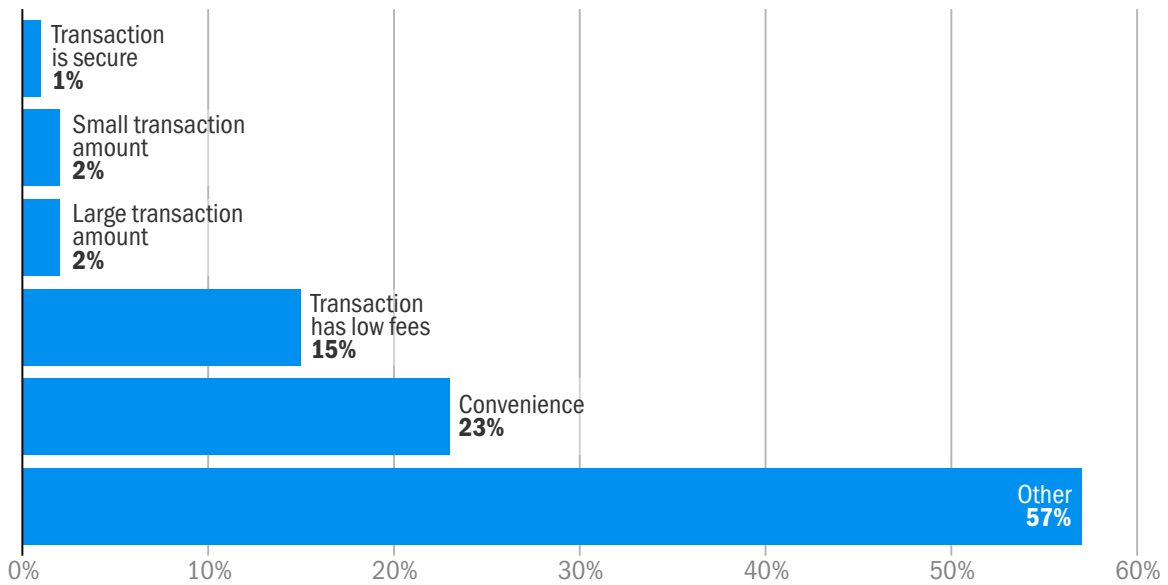
Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of online survey responses from residents who indicated that they pay their about property taxes directly to the county.

The second survey showed a greater preference for using digital payment methods over traditional when paying property taxes. Among respondents who specified that they pay their own property taxes, **58 percent** indicated that they prefer to use eChecks, **17 percent** prefer using credit cards and debit/ATM, **4 percent** prefer using ACH and Bill Pay and **2 percent** selected “other.” Thus, the most preferred method when paying property taxes online is eChecks.

FIGURE 16

Majority of respondents listed reasons such as using their credit card to earn points or being able to pay the amount in installments when asked about their preferred payment method for property taxes

Reasons for Payment Preferences for Property Taxes



Source: NACo Survey of Lancaster County residents, 2019-2020

Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of online survey responses from residents who indicated that they pay their about property taxes directly to the county.

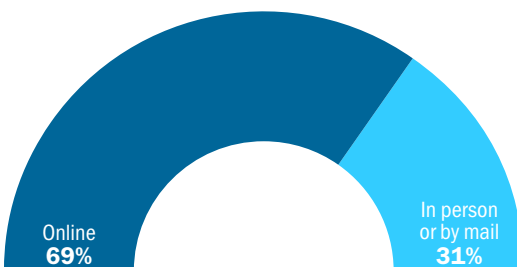
When asked about why they used their preferred payment method, **the majority of respondents (57 percent) selected “other”** and included reasons such as using their credit card to earn points or being able to pay the amount in installments. The next highest response was convenience with **23 percent** then low fees with **15 percent**. “Large transaction amount” and “small transaction amount” each received **2 percent** and secure transactions received just **1 percent** of responses.

MOTOR VEHICLE REGISTRATION PAYMENTS, ONLINE SURVEY RESPONSES

FIGURE 17

Digital payments are preferred payment method even for renewing motor vehicle registrations

Payment Preferences for Renewing Motor Vehicle Registrations



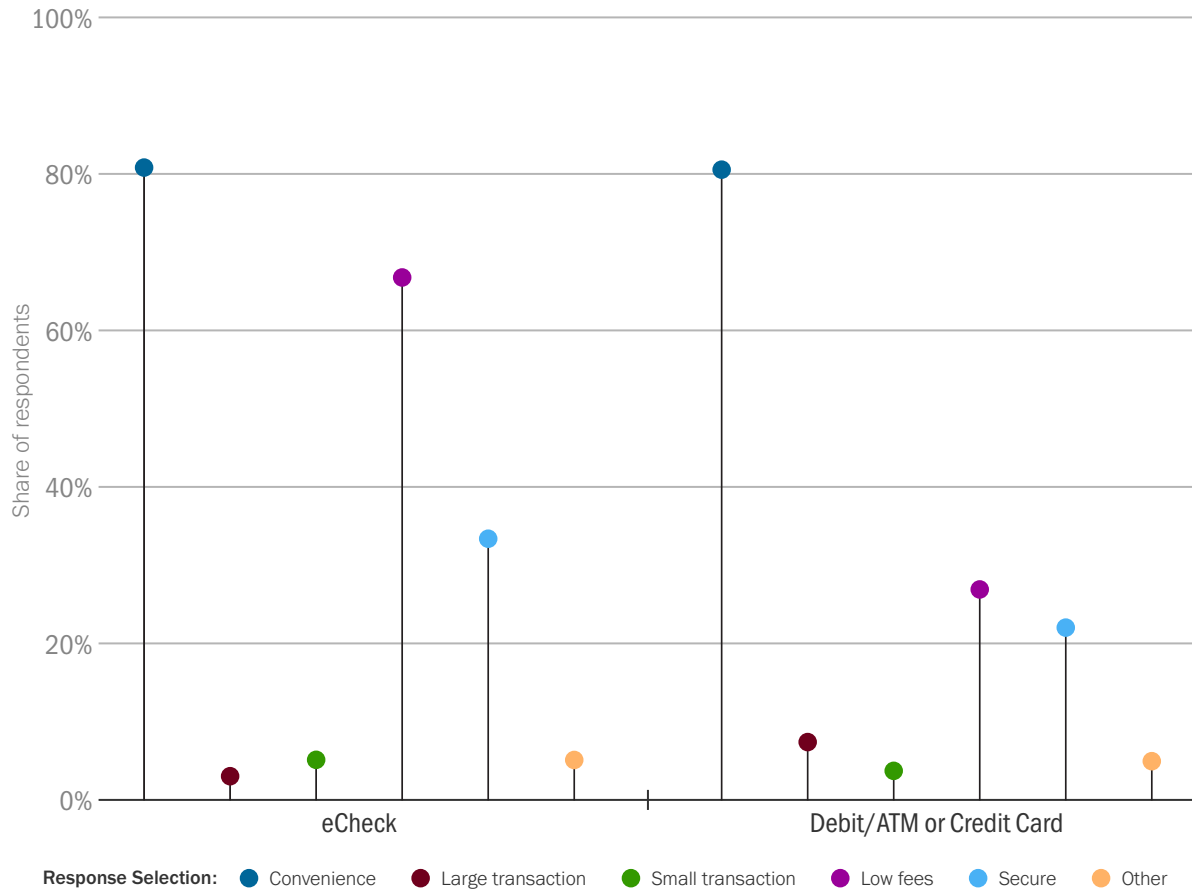
Out of the 262 respondents who indicated that they currently have a vehicle registered in Lancaster County, 181 respondents indicated that they prefer to pay online when renewing their motor vehicle registration. On the other hand, 81 respondents indicated that they preferred to pay in person or by mail.

Source: NACo Survey of Lancaster County residents, 2019-2020

FIGURE 18

Convenience is the main priority when individuals choose their payment method

Reasons for Payment Preferences for Renewing Motor Vehicle Registrations



Source: NACo Survey of Lancaster County residents, 2019-2020

Survey question: Why do you use your preferred payment method when paying your registration online?

Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of survey responses from residents who indicated that they have a motor vehicle registered in the county.

In addition to asking respondents their preferred payment method when renewing motor vehicle registrations, we also asked why they prefer the selected method. Respondents could check all that apply and among those who indicated that they prefer online payments, 99 of them reported that they prefer to pay with eChecks. **Eighty-one (81) percent** of those respondents stated that they preferred this method because of its convenience and **67 percent** because of the low fees. On the other hand, among the 82 respondents that indicated that they either preferred using credit or debit/ATM cards, **81 percent** of those individuals said they preferred this payment method because of its convenience and only **27 percent** said it was because of low fees. Therefore, individuals seem to prefer eChecks as the primary method of paying their registrations online because it is convenient and has low fees. Additionally, it seems those who use credit or debit/ATM cards do so mostly because it is convenient and not because of low fees.

In-Person or Mail Preference for Payments, Online Survey Responses

Overall, 126 individuals indicated that they preferred to pay for their motor vehicle registrations or property taxes in-person or by mail. When asked if they had used digital payments with the county before, the majority (**62 percent**)

indicated that they had while **38 percent** responded that they have not (see Table 12 below).

TABLE 12

Breakdown of Online Survey Responses Related to In-Person Transactions

OVERALL		PROPERTY TAXES		MOTOR VEHICLE REGISTRATION	
Yes	No	Yes	No	Yes	No
62% (78)	38% (48)	60% (27)	40% (18)	63% (51)	37% (30)

Source: NACo Survey of Lancaster County residents, 2019-2020

Survey question: Have you ever used digital payment methods for a payment to the county?

Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of survey responses from residents who indicated that they have a motor vehicle registered in the county.

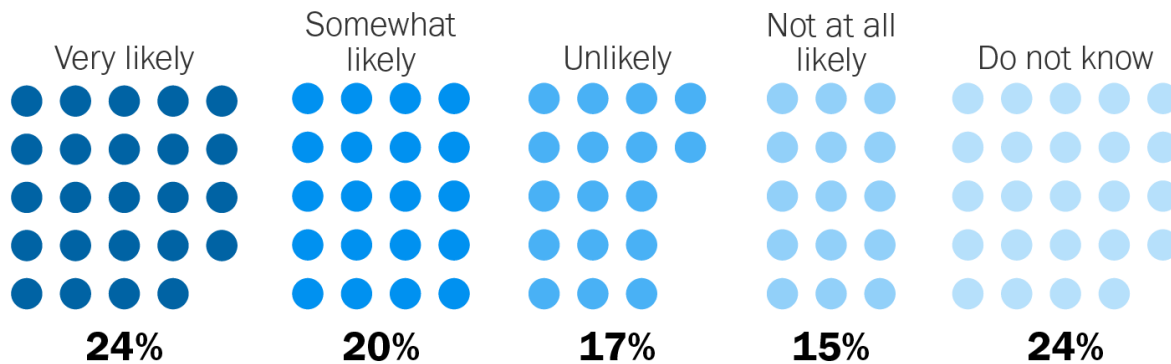
The majority of individuals that prefer to pay their property taxes in-person or by mail reported that they have used digital payment methods when making a payment to the county. For property taxes, 45 respondents indicated that they prefer to pay in-person by mail; however, **60 percent** indicated that they have used digital payment methods before that include ACH, eChecks, Bill Pay, credit card and debit card. For motor vehicle registration fees, 81 individuals indicated that they preferred to pay their registration fees in-person or by mail, yet the majority (**63 percent**) have used digital payments for past payments to the county.

FIGURE 19

Respondents that prefer to pay their property taxes in-person or by mail are likely to use digital payments in the future.

Future use of digital payment methods

HOW LIKELY ARE YOU TO USE DIGITAL PAYMENTS FOR FUTURE TRANSACTIONS WITH THE COUNTY?



Source: NACo Survey of Lancaster County residents, 2019-2020

Survey question: How likely are you to use digital payments for future transactions with the county?

Notes: The second Digital Payments Survey was administered through two modes: in-person at county locations and online. The above chart is based on analysis of survey responses from residents who indicated that they have a motor vehicle registered in the county.

The respondents that prefer to pay their property taxes in-person or by mail are likely to use digital payments in the future. Out of 46 individuals, **44 percent** indicated that they are very likely or somewhat likely to use digital payments for their future transactions with the county.