

# Billing and Payment Options Enhance Satisfaction

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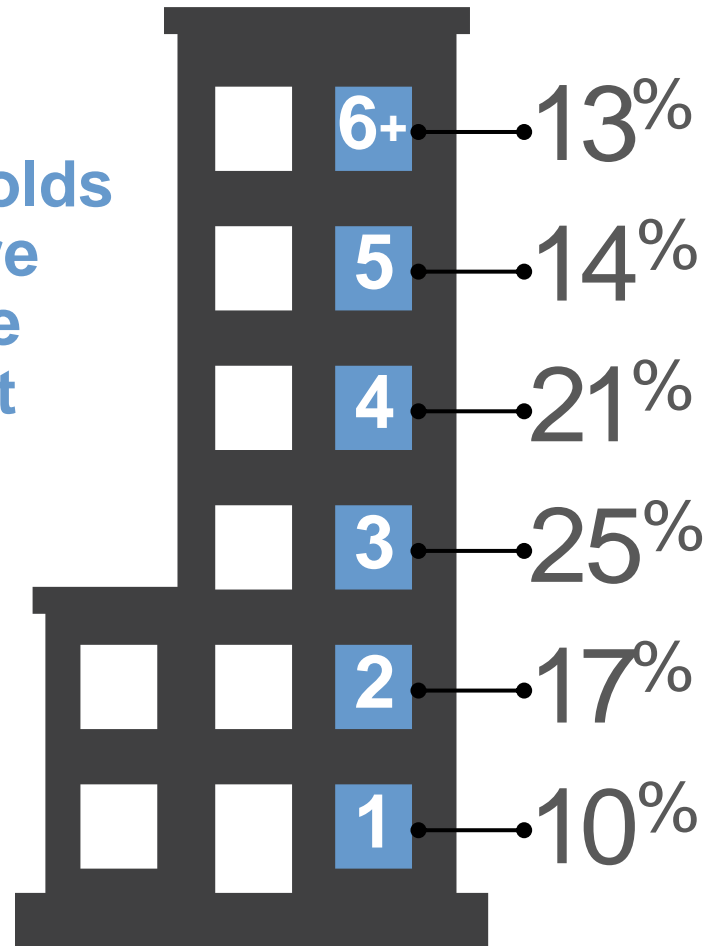


Consumers have high expectations about how they interact with the world around them.

They expect these experiences when it comes to viewing and paying bills, and want the ability to view and pay bills wherever, whenever and however they choose.

# Consumers Use Several Ways to Pay Bills

90% of households use more than one payment method



## Average Number of Payment Methods Remains High



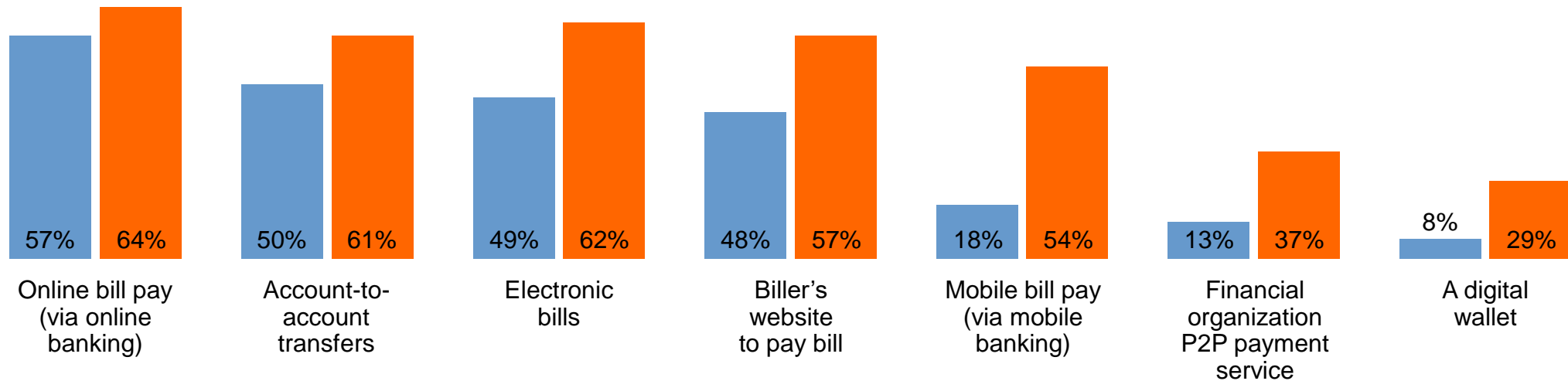
22 million households change how they pay bills from one month to the next as needed

# Millennials and Payments Diversity: They Pay in Every Way

## Payments service usage in the past 30 days

Percent of users in past month

■ All Other ■ Millennials



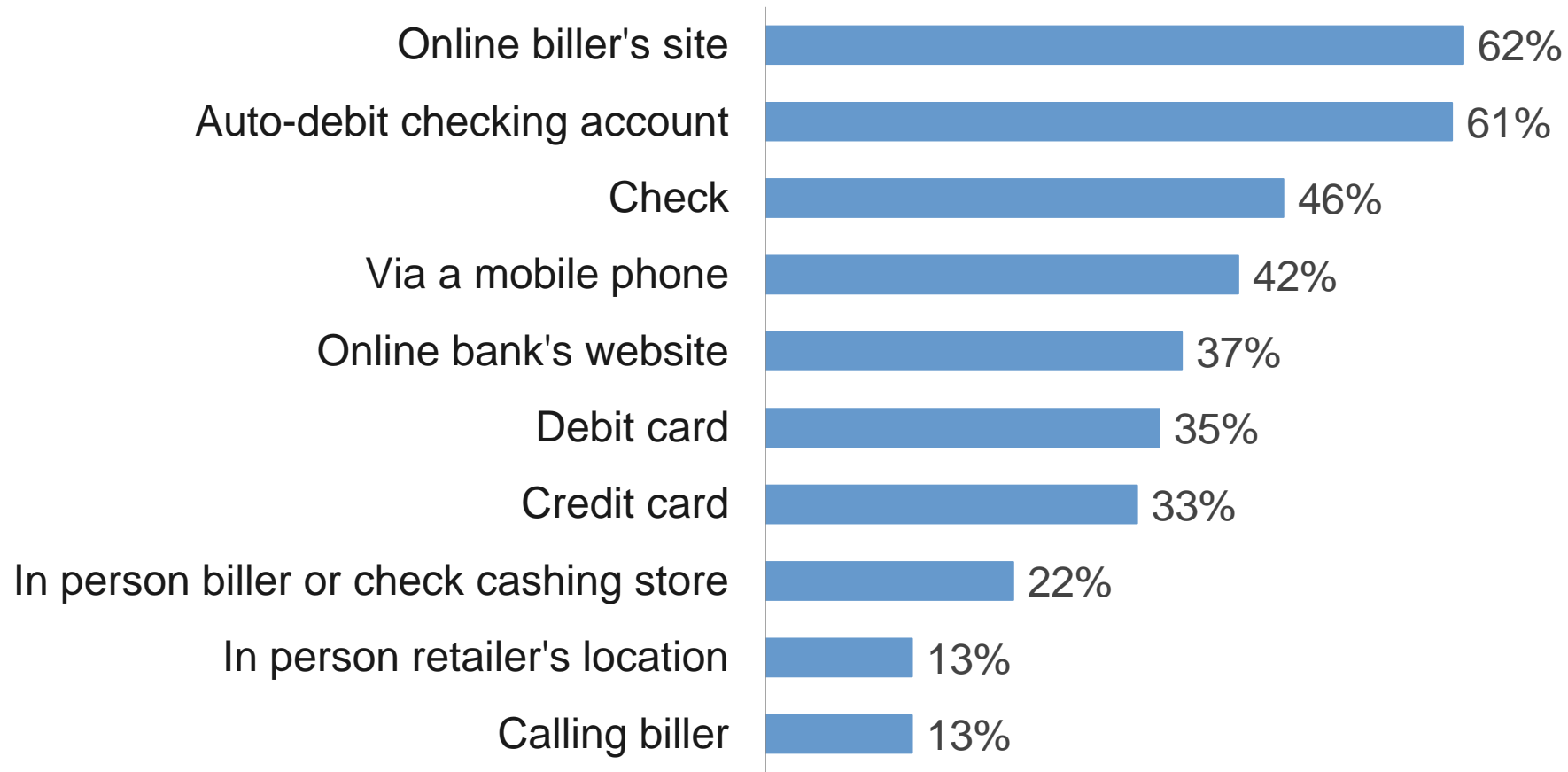
Expectations & Experiences | **Consumer Payments**

Fiserv 2017

Survey question to all qualified respondents: In the past 30 days, approximately how many times have you or your household used the following services? [Choice of 9 options.]

# Online and Mobile Delivery and Funding Methods in the Mix

Percent of Online Households Using Payment Method or Funding Type Last Month



# Consumers Use Different Methods for Different Reasons



**Biller Sites**  
*Speed*



**Bank Sites**  
*Consolidation and Control*



**Mail**  
*Reminders*



**Mobile**  
*Anytime, Anywhere Access*



**Auto-Pay**  
*Set it Forget it*



**Walk-In**  
*Immediate Confirmation*



**Cards**  
*Debit: Like a check*  
*Credit: Rewards*



**Phone**  
*Late Payments*

# High Expectations for Real-Time Payments

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Younger consumers are most likely to say real-time is important

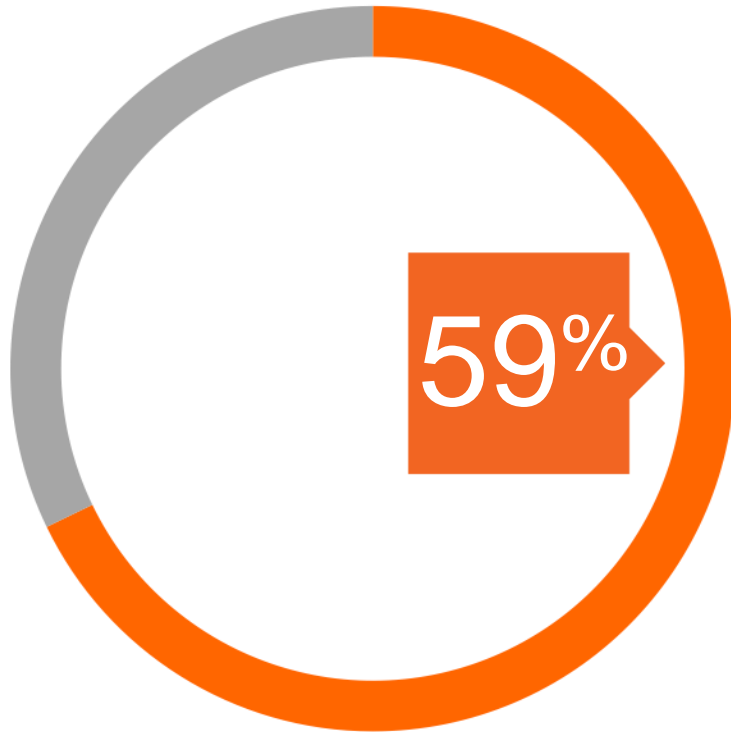
**93% of Millennials**

**85% of Gen Xers**

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Survey question to all qualified respondents: How important is it to you that payments you make are delivered in real-time (that is, within a few seconds)?

# Digital Channels Comprise Majority of Bill Payments



## Percentage of bills paid

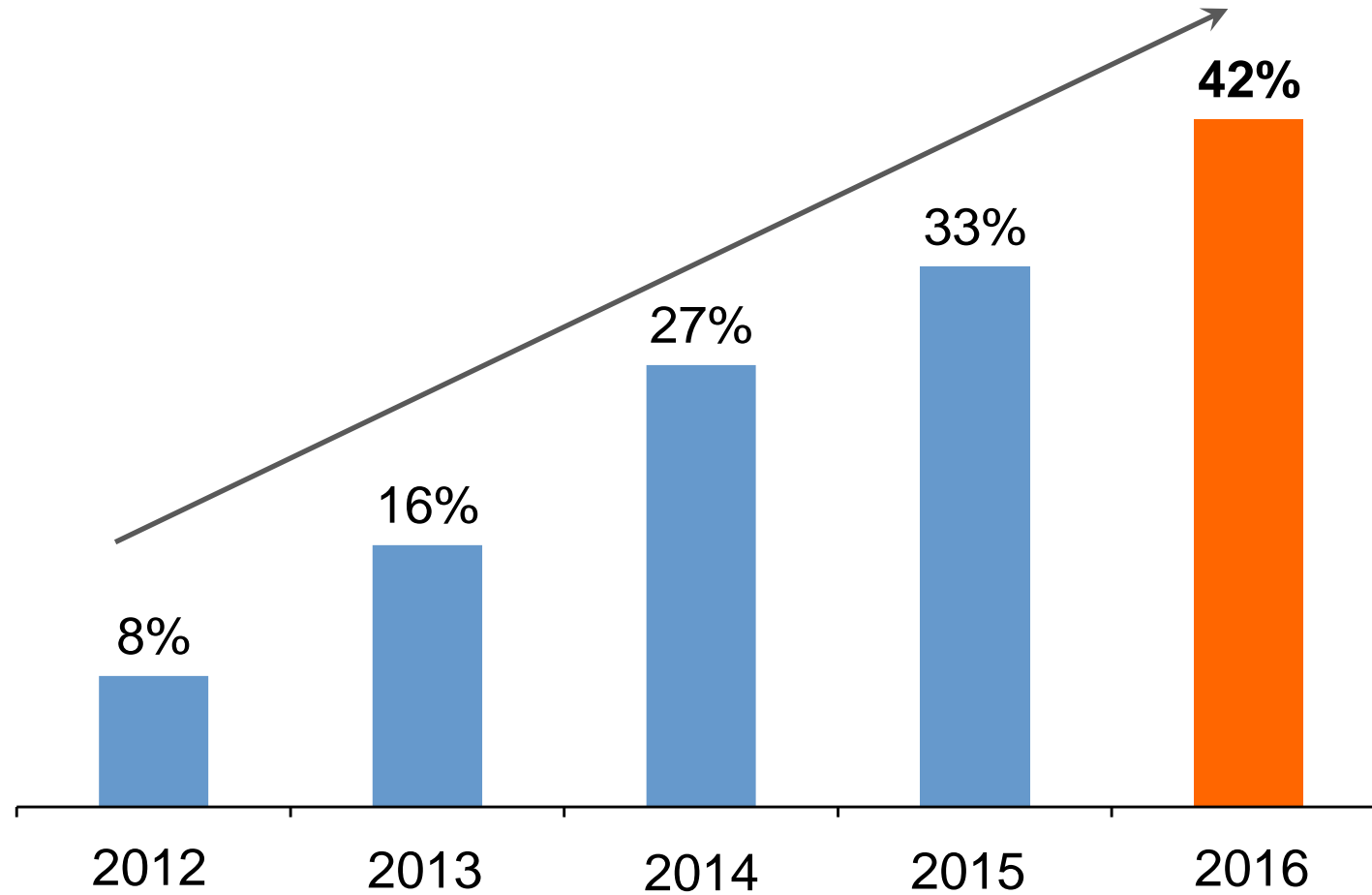
through either a financial organization's or a biller's online or mobile bill pay service

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Survey question to all qualified respondents: Please estimate the number of bills you paid using each of the following ways last month. [Choice of 9 options.]



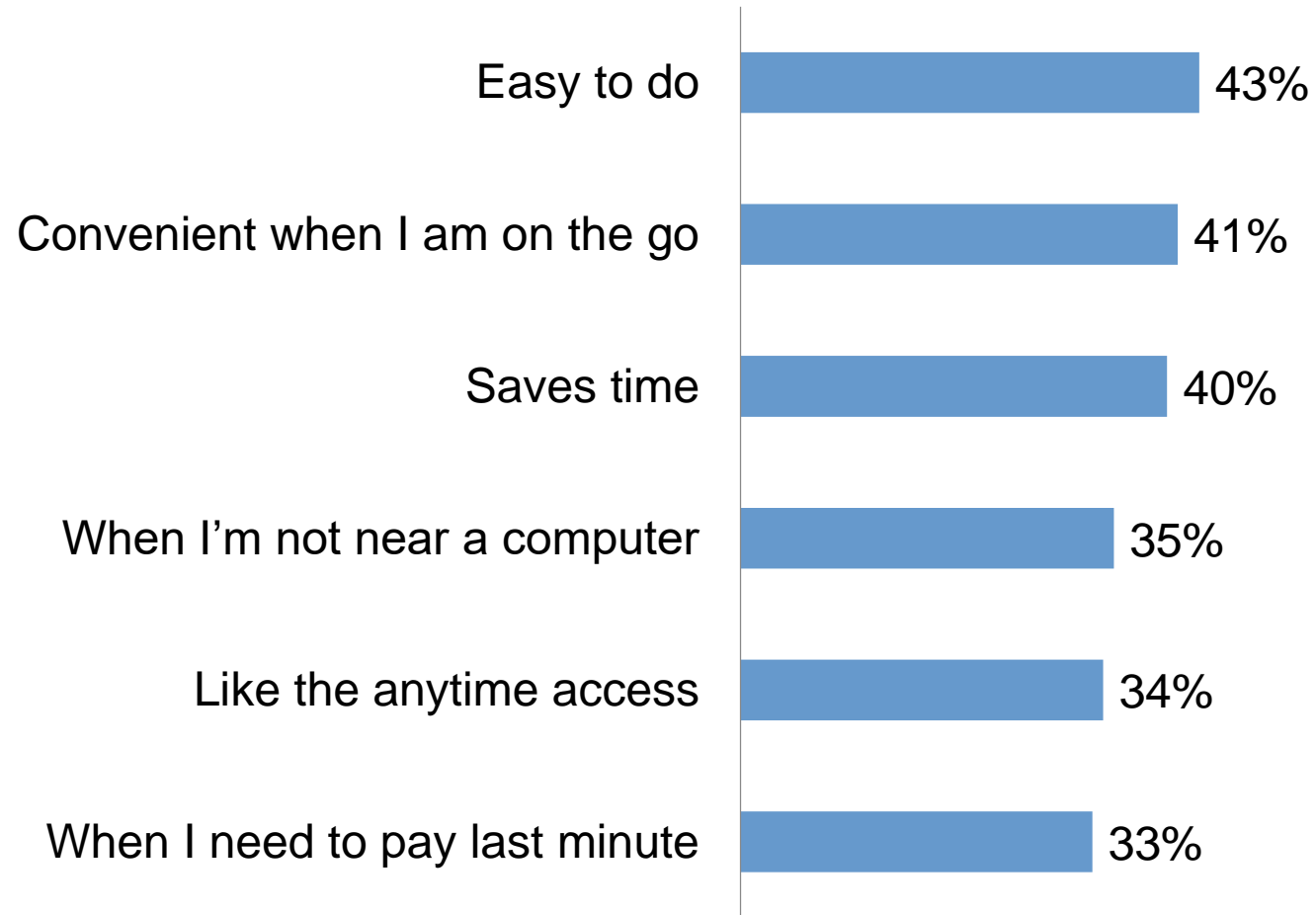
# Mobile Bill Pay Growing Rapidly



Source: Consumer Billing Preferences, 2016

# Growth in Mobile Due to Ease of Payment and Convenience

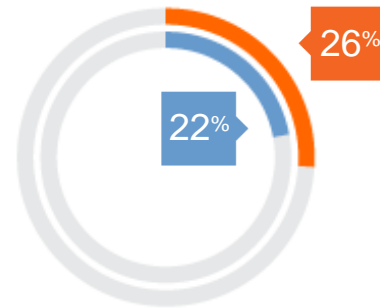
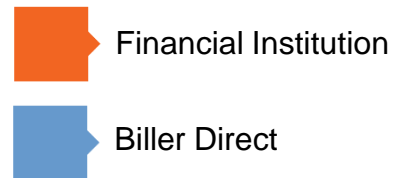
## Benefits of using mobile bill pay



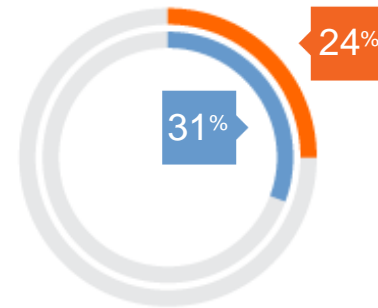
Source: Consumer Billing Preferences, 2016

# Financial Institutions vs. Biller Direct: Many Similarities in Rationale for Bill Pay Service Usage

Why people pay the way they do



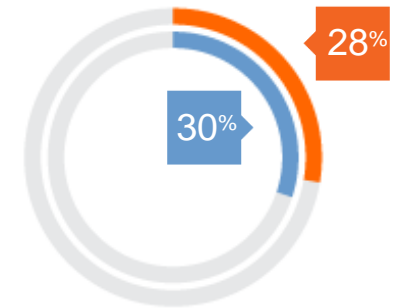
Security



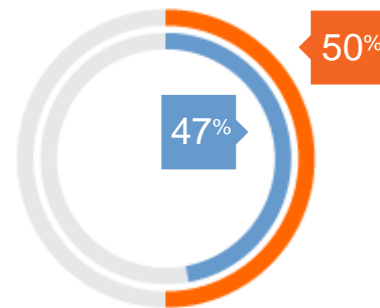
Payment gets there quickly



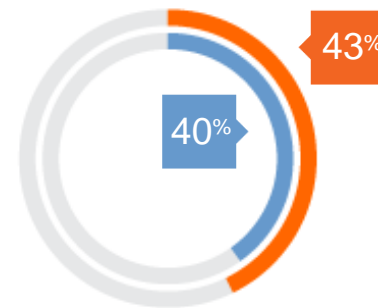
Pay multiple bills at once



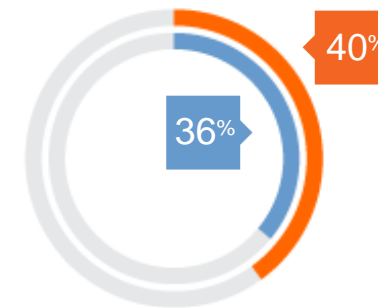
More control over timing



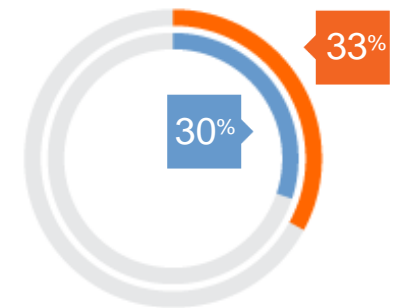
Convenience



Saves cost, less hassle than mail



Less clutter and paper



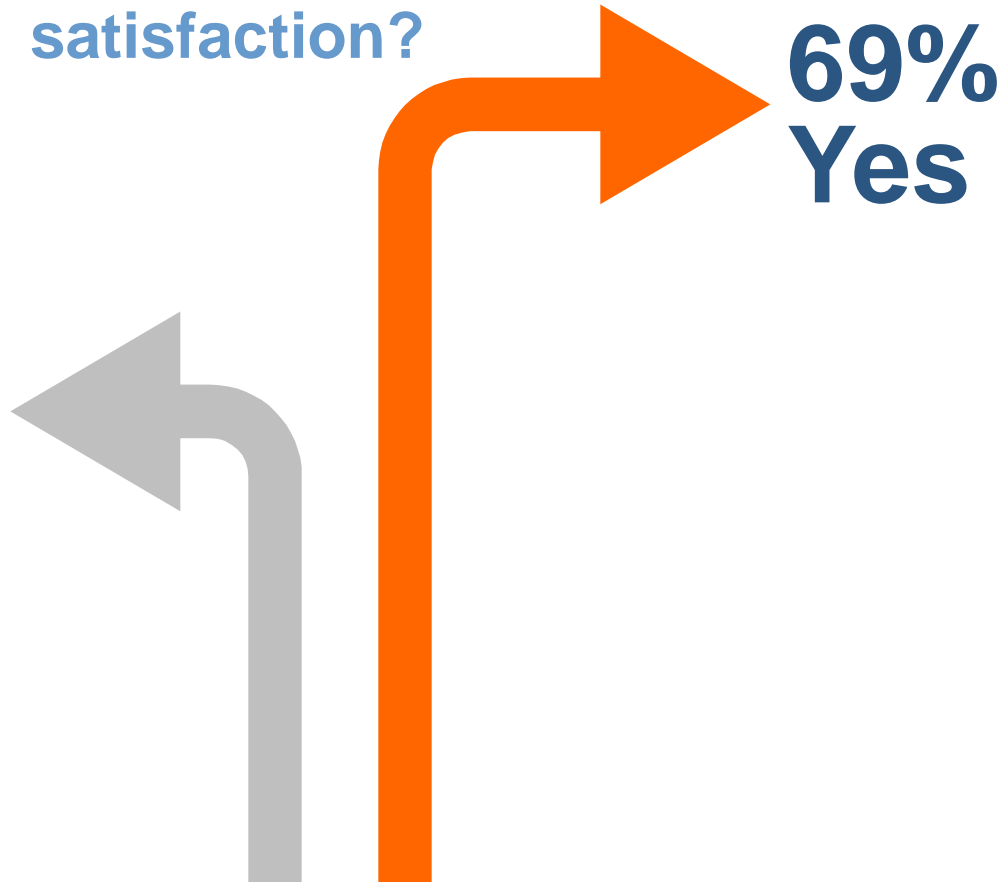
Speed

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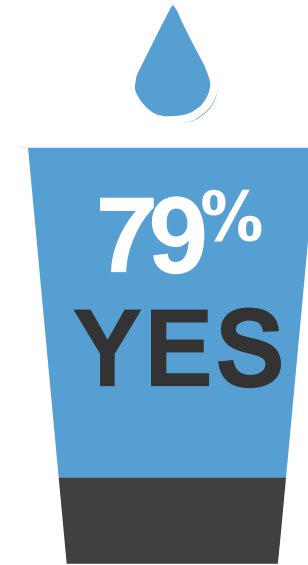
Survey question to those who use financial organization's online or mobile bill pay service or their biller's website or app: For which of these reasons do you pay some of your bills in the following ways? Select the top five reasons.

# Offering Billing and Payment Options Likely to Increase Consumer Satisfaction with the Biller

Do more options increase consumer satisfaction?



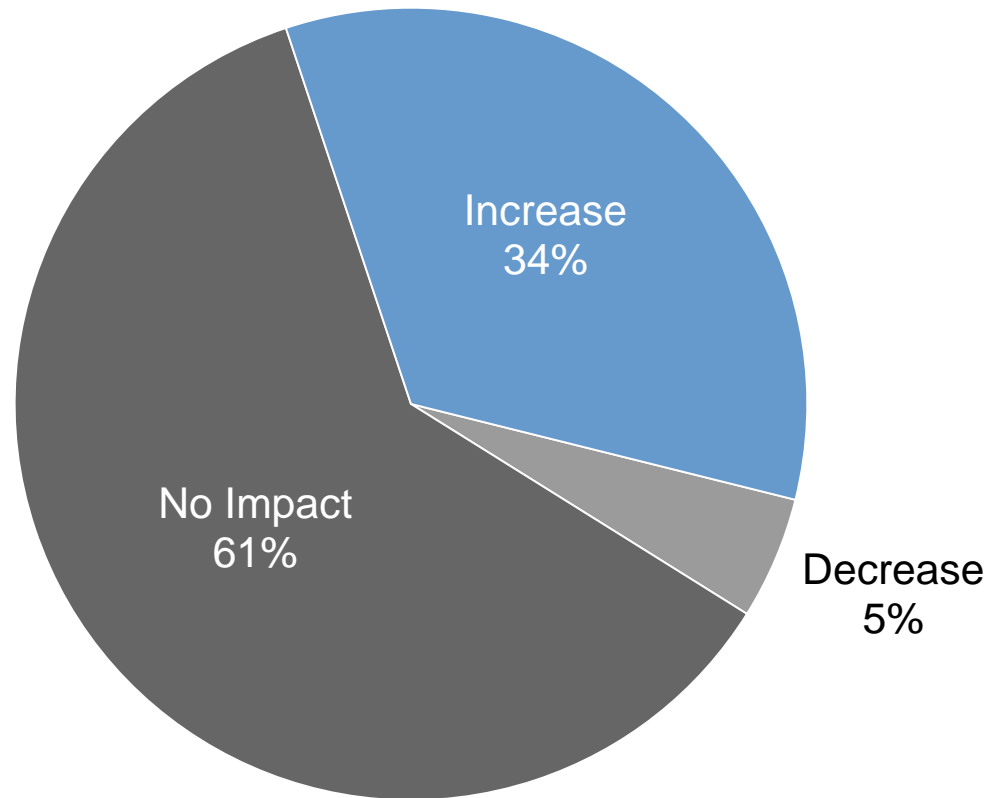
Should small billers such as municipal providers offer the same billing and payment options as large companies?



Source: Consumer Billing Preferences, 2016

# Billing and Payment on a Smartphone Creates Positive Impact on Biller Satisfaction

Effect of receiving and paying bills through a smartphone on satisfaction with biller providing that ability:



Size of positive impact:

- 34% Increase minus
- 5% Decrease equals
- Net **29% positive** impact

# Receiving e-Bills Improves Consumer Satisfaction and Loyalty to Biller

Do e-bill recipients feel that receiving bills electronically has:

Increased satisfaction with biller?

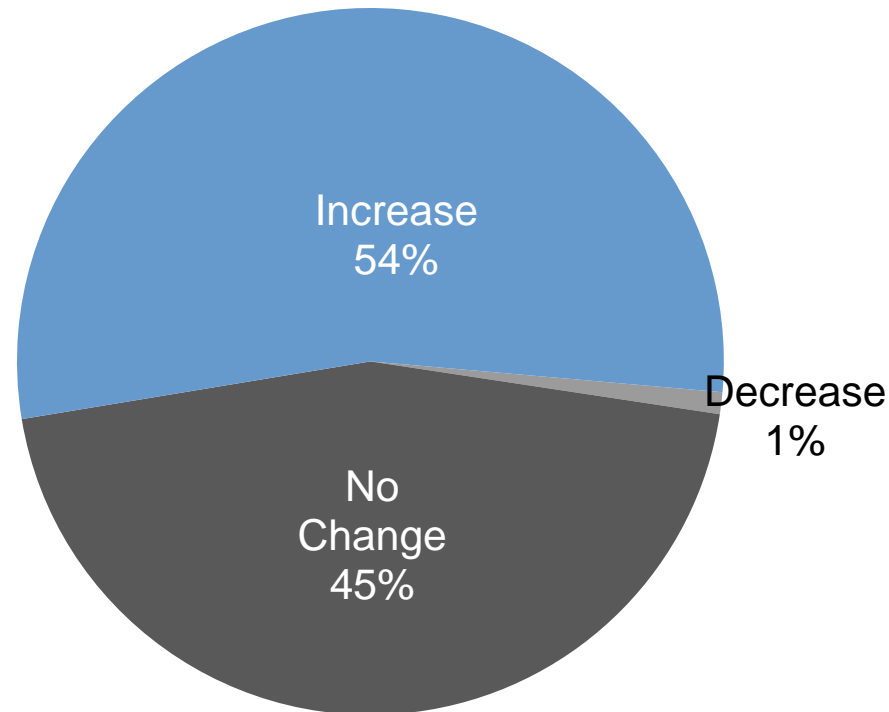
**70%** Increased satisfaction  
**29%** No difference  
**1%** Decreased satisfaction  
**69%** Net (% inc - % dec)

Made it less likely to switch to a competitor?

**49%** Less likely to switch  
**46%** No difference  
**5%** More likely to switch  
**44%** Net (% less - % more)

# Offering Emergency Payment Creates a Positive Impact on Biller Satisfaction\*

Impact of biller offering emergency bill payment on satisfaction with the biller:



\* In 2016, 36% of consumers made an emergency payment

- Size of positive impact:
- 54% Increase minus
  - 1% Decrease equals
  - Net **53% positive** impact

# Emergency Bill Payments through Bank Would Enhance Biller and Bank Satisfaction

Impact of biller allowing emergency bill payments through a bank's online bill pay service on satisfaction with:

## Biller

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Size of positive impact:

- 54% Increase minus
- 1% Decrease equals
- Net **53% positive** impact



## Bank

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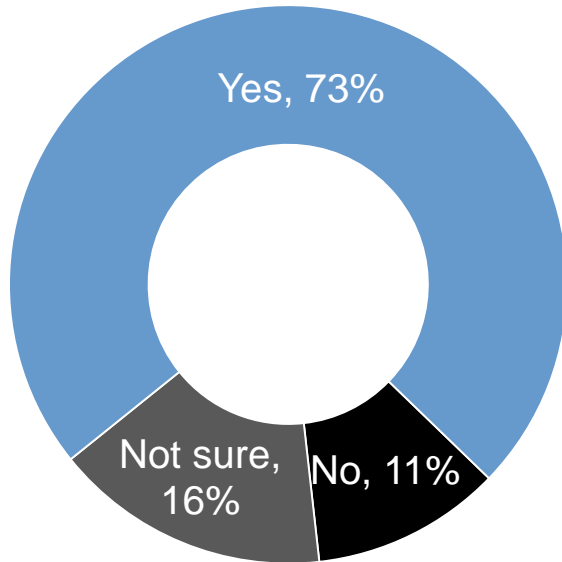
Size of positive impact:

- 64% Increase minus
- 1% Decrease equals
- Net **63% positive** impact



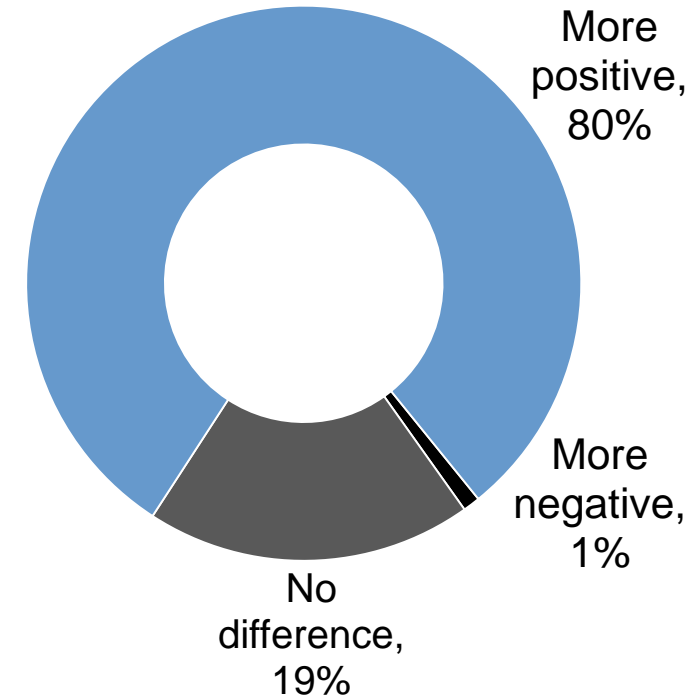
# Consumers Want Alerts; Would Enhance Satisfaction with Bank/Biller

Interested in receiving reminders that your bills are due



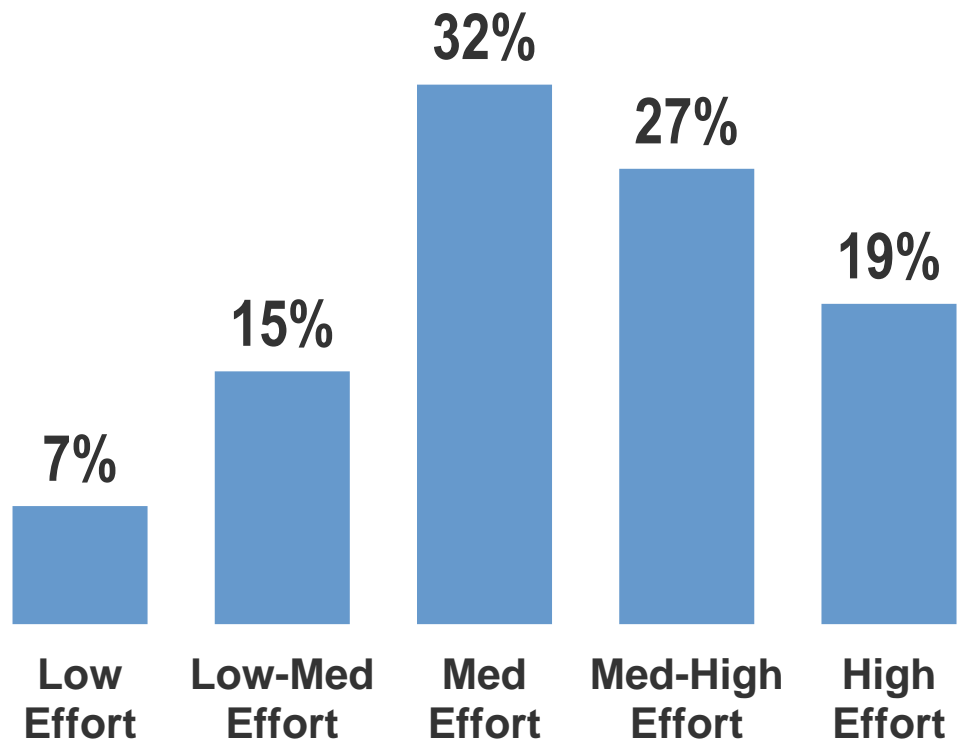
Net (% yes - % no) = **62%**

Impact of receiving reminders on satisfaction with bank or biller



Net (% more positive - % more negative) = **79%**

# Majority Expend Medium-to-High Effort in Receiving and Paying Bills; Down from Last Year



High effort (19%) down from 30% last year

# Summary

## Consumers use multiple methods...

- Mobile bill pay  
*Convenience*
- Biller Direct  
*Confirmations when payments clear*
- Bank Bill Pay  
*Better financial management*

## Consumers are worried about...

- Not having enough money
- Possibility of late payments
- Security of how they receive and pay bills

## Consumers consider bill pay a big effort...

- Tracking bill payments
- All the paper and clutter
- Amount of time spent

## Solutions to increase consumer satisfaction

- Offer multiple billing and payment options
- Capability to receive and/or pay bills via a smartphone
- Deliver e-bills
- Offer expedited payments
- Provide reminders that bills are due

## Connect With Me

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