

May 25, 2010



Online Bill Payment Now Mainstream, Women Edge out Men, Says Fiserv Survey

Annual survey also shows e-bill usage grew nine percent in one year

BROOKFIELD, Wis.--(BUSINESS WIRE)-- [Fiserv, Inc.](#) (NASDAQ: FISV), the leading global provider of financial services technology solutions, today shared the results of the most recent Consumer Billing and Payment Trends survey, which has tracked online consumer bill payment habits since 2001. The 2010 survey shows [online banking](#), [bill payment](#) and [e-bill](#) usage continues to grow, and that the online bill payment population has changed significantly during the last decade.

Between 2000 and 2010, the number of households that use online banking increased more than six-fold, and the number that use online bill payment increased nearly eight-fold. Online bill payers now represent a wide cross-section of the U.S. population, and women have edged out men as the primary users of the service.

A comprehensive overview of the 2010 [Consumer Billing and Payment Trends](#) survey results can be downloaded at www.fiserv.com/trends.htm.

Online Banking and Bill Payment Boast Diverse User Base

During the course of the Consumer Billing and Payment Trends survey, online bill payment has moved into the mainstream. Currently, 72.5 million U.S. households, 80 percent of all households with Internet access, use online banking, while 36.4 million households, 40 percent of all households with Internet access, use online bill payment.

In 2002, men represented the majority of online bill payers, at 61 percent, and they maintained the lead in usage of the service through 2009. In 2010 the tables turned, with women edging ahead to represent 51 percent of online bill payers.

Today, the age of online bill payers is also more representative of the entire U.S. population than when the study began. In 2002, more than half of online bill payers were between the ages of 35 and 54. In 2010, consumers age 21-34 made up 28 percent of online bill payers, consumers age 35-54 made up 48 percent, and consumers over age 55 made up a sizeable 24 percent of all online bill payers, underscoring the fact that the service is not only for the young.

Consumers of all income levels have embraced online bill payment as well. In 2002, middle-income consumers dominated use of the service, whereas, in 2010, more than a third of online bill payers had a yearly household income of less than \$50,000. Usage among the highest income brackets has grown as well.

"The face of online bill payment has changed significantly over the last decade," said Geoff Knapp, vice president, Online Banking and Consumer Insights, Fiserv. "Early users were tech-savvy and tended to be young and male, as is typical with new technology. Now it's moms and seniors and people at all income levels using the service. Online bill payment has become mainstream, and there's still room to grow."

Decline in Paper Checks, Growth of e-Bills

Among households with Internet access, online bill payment, both at financial institution websites and company (biller direct) websites has grown substantially during the last 10 years, with a corresponding reduction of paper checks. While other forms of payment have remained relatively stable as a percentage of overall bill payments, paper checks have declined from 61 percent of all payments in 2000 to 26 percent in 2010, while online bill payments have grown from 12 percent to 45 percent of all payments.

Electronic bills, or e-bills, which contain all the same information as paper bills but are delivered online, also appear to be catching on, perhaps due to technology that has made e-bills more visible within the online banking and bill payment service as well as increased efforts to educate consumers about the benefits. The number of consumers that receive an e-bill jumped nine percent between 2009 and 2010. Today, 33 percent of all consumers who pay a bill at their financial institution website also receive at least one e-bill there, up from 24 percent in 2009.

To hear more about e-bills and their growing popularity, listen to the podcast at www.fiserv.com/trends.htm.

Online Bill Payment Use Correlates with Deeper Banking Relationships

Consumers who pay bills online have consistently used more services from their financial institution than the average customer, with usage of additional services becoming even more pronounced in recent years. The connection between online bill payment and consumer loyalty has remained strong as well.

In 2005, consumers who used the online bill payment service at their financial institution were eight percent more likely than the average customer to have a savings account at the same institution, and by 2010 that number had increased to 13 percent. The percentage of customers who used online bill payment and also had a mortgage with their financial institution increased from two percent in 2005 to 10 percent in 2010. In addition, 49 percent of customers who use online bill payment said they were less likely to switch to another financial institution as a result of their experience with the service.

Mobile Banking and Person-to-Person Payments

Newer technologies such as [mobile banking](#) and [person-to-person payments](#) are areas to watch over the next decade, and are already showing an adoption trajectory similar to online bill payment. In just two years, the number of mobile phone users who conducted one or more banking services via their mobile phone increased from 23 percent in 2008 to 30 percent in 2010. The number of mobile banking users who receive or pay bills via their mobile phone jumped from 18 percent in 2008 to 30 percent in the same time period. This is most likely due to the increasing adoption of smartphones.

Person-to-person (P2P) payments also are gaining support. Over half of the respondents who gave or sent money to friends, relatives or other people in the past year said they used

an online payment service.

The 2010 Consumer Billing and Payment Trends survey reflects the responses of 3029 consumers who were at least 21 years old and responsible for paying their households bills, and is representative of the habits of the 90.5 million households in the United States with Internet access. The Fiserv-sponsored survey was conducted in January 2010 by The Marketing Workshop.

The Consumer Billing and Payment Trends survey is an initiative of Consumer Insights from Fiserv, which conducts primary studies on consumer financial behavior.

About Fiserv

Fiserv, Inc. (NASDAQ: FISV) is the leading global provider of information management and electronic commerce systems for the financial services industry, driving innovation that transforms experiences for financial institutions and their customers. Fiserv is ranked No. 1 on the FinTech 100 survey of top technology partners to the financial services industry. For more information, visit www.fiserv.com.

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Source: Fiserv, Inc.