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Fiserv Survey Shows Consumers Managing Cash Flow by Using Multiple Bill Payment Methods

- Nearly a quarter of consumers report that they change the ways they pay their bills month to month.
- The primary reasons consumers visit the websites of companies from which they receive services are to make payments and view bills.
- Consumers utilizing paperless billing are more satisfied with their service provider than those receiving paper bills in the mail.

BROOKFIELD, Wis.--(BUSINESS WIRE)-- [Fiserv, Inc.](#) (NASDAQ:FISV), the leading global provider of financial services technology solutions, today announced the results of the [2010 Billing Household Survey](#), which offers a holistic view on consumer use of a broad range of billing and payment options. The survey showed that consumers are gravitating toward payment options that provide them more control and allow them to hold onto their money as long as possible. The surveyed consumers reported increased usage of online, phone, and walk-in payment methods, and 23 percent said that they change the ways they pay their bills month to month. In addition, consumers indicated that making a payment or viewing a bill are the primary reasons they visit the websites of companies from which they receive services. The survey also revealed that consumers who receive paperless bills are more satisfied with their service provider than those who receive mailed paper bills.

A whitepaper with additional findings can be downloaded at www.fiserv.com/research-papers.htm.

"This year's survey clearly demonstrates the need for billers to offer a variety of billing and payment options to meet household needs and expectations," said Jardon Bouska, division president, [Biller Solutions](#), Fiserv. "Consumers are adjusting their payment behaviors based on financial and personal situations, and what they perceive to be convenient."

Variation in Monthly Bill Payment Methods Providing More Control

According to the survey, consumers value payment control and flexibility, particularly when they are experiencing cash flow difficulty. Thirty-eight percent of the consumers surveyed had made a late payment or missed paying a bill altogether in the previous 12 months. Fifty-seven percent of them identified the source of the late payment to be cash flow difficulties.

The survey results indicate that consumers rely on varied payment methods, with 23 percent of those surveyed reporting that they change the ways they pay their bills month to month. The survey also found significant growth in channels that provide consumers with greater control over the delivery and timing of their payments, including:

- The number of consumers who use online bill payment at the bank site increased 11 percent, surpassing auto-debit payments for the first time. This would project to mean that approximately 36 million households are now turning to the online banking channel for at least one bill payment in a given month, while 35 million use auto-debit.
- The number of consumers utilizing the phone channel increased 27 percent, to 17.4 million households in 2010. This dramatic increase is due in part to more users paying bills via their mobile phone.
- The number of consumers utilizing the walk-in channel increased 16 percent, to 27 million households in 2010.
- In the previous 12 months, 34 percent of consumers used a credit or debit card to make a one-time bill payment that they normally pay by some other method, even though this meant one-third of them paid a convenience fee.

Customers Predominantly Visit Service Provider's Websites for Bill Payment

The survey found that consumers visit a service provider's website to make payments and view bills more often than any other activity, including shopping for products, finding educational information on a new service or learning more about the company. Seventy-four percent of survey respondents visited one of their service provider's website in the previous six months and 66 percent said doing so helped them avoid calling the company.

Of the consumers who visited their service provider's website in the previous six months, 66 percent did so to pay a bill, and 48 percent accessed their monthly bill or viewed payment history.

Paying a bill was the top reason for a consumer to visit the websites of credit card, electric, cell phone and cable/satellite companies, specifically:

- 68 percent of consumers who visited their credit card company website did so to pay a bill
- 66 percent who visited their electric company website did so to make a payment
- 65 percent of consumers who visited their cell phone provider site did so to pay a bill, compared to 33 percent who shopped for products and services
- 63 percent of consumers visited a cable or satellite company site did so to pay a bill, compared to 25 percent who shopped for products or services, or 11 percent who went to learn more about the service.

In total, approximately 48 million households paid at least one bill online at a service provider website in a given month.

Paperless Billing Delivers Higher Customer Satisfaction and Loyalty to the Biller

The survey found that consumers utilizing paperless billing, in which they receive an electronic version of their bill online at either the company website or their financial institution website, are more satisfied with their service provider than those receiving paper bills in the mail.

Thirty-four percent of those who received paperless bills (e-bills) at a company website said e-bills improved their relationship with the company. Thirty-seven percent of those who received e-bills at a financial institution website stated that e-bills improved their relationship with the company from which they received the bill, and 33 percent indicated electronic

billing made them less likely to switch to a competitor. Further, 58 percent of respondents said the environmental impact is an important aspect of their decision to view and pay bills electronically, unchanged from last year.

The study provides good news for billers seeking higher paperless billing adoption rates, particularly when offering e-bills through financial institutions. Thirty-three percent of all consumers who pay a bill at their financial institution's website, or 12 million households, also receive at least one e-bill there, up from 24 percent in 2009. In addition, almost 36 percent of non-users expressed interest in trying e-bills.

The Fiserv-sponsored online survey, conducted in March 2010 by The Marketing Workshop, reflects the responses of 2,001 adult consumers who are responsible for paying their household bills. The results are representative of the United States online population of households, which is approximately 90.5 million out of the 120 million households in the United States.

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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