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Fiserv Research Reveals Rapid Growth of Mobile Bill Payments, Multiple Billing and Payment Choices Key to Customer Satisfaction

- | Twenty-seven million U.S. online households pay at least one bill from their mobile phone each month
- | Consumers prize choice, using an average of three different bill payment methods each month
- | Survey results indicate a strong relationship between customer satisfaction and the billing and payment experience

BROOKFIELD, Wis.--(BUSINESS WIRE)-- The Seventh Annual Billing Household Survey from [Fiserv](#), Inc. (NASDAQ:FISV), a leading global provider of financial services technology solutions, revealed that mobile bill payment use is growing rapidly among U.S. consumers, with 27 million U.S. online households now paying at least one bill from their phone, up nearly 70 percent over 2013. While the popularity of mobile payments continues to accelerate, billers would be wise not to neglect other channels and methods, as the survey also showed that consumers not only prize choice, they use an average of three different payment methods each month.

"Mobile bill pay is becoming a go-to-channel alongside traditional bill payment methods, creating a ripe opportunity for billers to rethink and expand their multichannel strategies to help stimulate customer satisfaction," said Eric Leiserson, senior research analyst, Biller Solutions, Fiserv. "Billers that cast a wider billing and payment net with offerings that meet the diverse needs of their customers extend their reach and build stronger, more loyal relationships with customers across channels."

Overall survey results indicated that a strong relationship exists between customer satisfaction and the billing and payment experience. Based on the survey findings, billers should consider the following billing and payment strategies to improve customer satisfaction and loyalty: make mobile bill pay a priority, give consumers choice with multiple billing and payment methods, enable emergency and non-registered "guest checkout" payment options, and help consumers by offering bill pay due alerts.

Make mobile bill pay a priority

Mobile bill pay continues to experience robust growth, becoming an increasingly popular channel for U.S. online households to pay bills. According to the survey, 65 million U.S. online households now have a smartphone, and 40 percent of smartphone owners pay at least one bill from their phone. Smartphone bill payers paid an average of two bills a month from their phone. Among Millennials (Gen Y), 62 percent pay a bill using their smartphone, and Gen Y smartphone bill payers paid an average of three bills a month from their phone.

The most popular bills paid via phone include mobile (15 million), cable (14 million) and electricity (8 million). The Fiserv survey found that among smartphone owners, 60 percent reported that a mobile payment option would improve their satisfaction with the biller.

Tablet is also a growing channel. In 2014, 19 million U.S. online households paid a bill using their tablet device each month, up from 13 million in 2013. The number of tablet owners interested in receiving and paying bills via their device increased to 23 million, up from 18 million in 2013.

Give customers choice with multiple billing and payment methods

Consumers use an average of three bill payment methods each month, and many switch methods from month to month. Forty-three percent of consumers say having multiple billing and payment options improves satisfaction with their biller, regardless of the bill type or the size of biller. Offering multiple billing and payment options, such as enabling e-bill delivery at financial institution sites, can also directly address consumer concerns of keeping monthly bills organized.

Enable emergency and non-registered "guest checkout" payment options

Consumers demand expedited and emergency payment options, with 74 percent saying they expect their billers to offer

them. Consumers prefer to make urgent, same-day payments via biller websites (46 percent), over the phone (41 percent), via financial institution websites (30 percent), or through a walk-in payment location (29 percent). Fifty-seven percent of respondents revealed they would be more satisfied with the biller if or when emergency payment options are made available.

The 2014 survey revealed a surge in non-registered bill payments with 28 percent of the respondents who paid a bill at a biller site using the guest check out option, compared to 7 percent in 2013. The top reasons for using a non-registered guest checkout option include the desire to only pay once (46 percent), registering takes too much time (40 percent), and not wanting to establish another username and password (34 percent). All reflect consumer's desire for speed, ease and overcoming password fatigue.

Help customers by offering bill pay due alerts

Consumers are interested in technology that helps them easily manage their lives and reduce hassles, such as digital bill pay reminders. Bill pay alerts become a digital "parent" providing useful nudges before consumers miss a payment. The survey found that 66 million online households are interested in setting up bill pay due alerts, which can streamline and simplify their finance routines and prevent late payments. This practice can help break down the barriers to e-bill adoption and help billers increase the likelihood of customers activating the service, as due date alerts are tied to the receipt of an e-bill. Seventy-seven percent of respondents interested in receiving alerts say the functionality would enhance customer satisfaction.

"The takeaway for billers that offer a variety of strategic billing and payment options, along with extras such as emergency payments and alerts, is a happy, more satisfied customer," said Leiserson.

Fiserv enables companies to securely offer robust billing and payment channels with the broadest, single-source range of award-winning billing and payment solutions.

Additional Resources:

- ▮ SlideShare: Seventh Annual Billing Household Survey from Fiserv - <http://fisv.co/2014-billing-household>
- ▮ White Paper: Boosting Satisfaction and Loyalty with Billing and Payments - <http://fisv.co/billing-satisfaction>
- ▮ Video: Omni-Channel Strategy for Bill Pay Omnivores - <http://fisv.co/1CFXSmM>
- ▮ Biller Solutions from Fiserv - <https://www.fiserv.com/payments/biller-solutions.aspx>

Methodology

The Billing Household Survey was conducted in May 2014 by The Marketing Workshop on behalf of Fiserv. It was completed by 3,021 respondents at least 21 years of age and responsible for paying bills. The results are representative of the U.S. population of online households, which is approximately 99 million out of 122 million total U.S. households.

About Fiserv

This year, Fiserv Inc. (NASDAQ: FISV) celebrates 30 years of leadership in financial services technology. As one of FORTUNE® magazine's World's Most Admired Companies, Fiserv is helping clients worldwide achieve best-in-class results by driving innovation in payments, processing services, risk and compliance, customer and channel management, and business insights and optimization. For more information, visit www.fiserv.com.

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