



## Influencing Bill Pay Adoption – 5 Tips to Consider

A study by The Ohio State University found that marketing, not demographics, is the key to increased adoption of Web-based payment technologies. The study examined the role that factors such as age, income and education play in the embracing of online banking and found that people who believed the service was useful, reliable, secure and easy-to-use were more likely to try it, regardless of age or background.

According to Forrester Research, in 2005, electronic bill payment and presentment (EBPP) adoption grew by 34%, the highest annual growth rate in four years. Robust growth is expected for the next five years, as the number of EBPP users will grow by 63% accounting for more than 60 million households. Propelling this growth is Gen-Yers – this group will see a five-year growth rate of 157%.

### 1. Develop multiple coordinated marketing programs.

Statement and billing inserts alone are not enough to drive adoption rates to their fullest potential. Marketing programs need to be driven across multiple channels. Statement inserts, website promotion, print advertisements and in-person promotions should all mirror the main message to the biller's audiences. Additionally, businesses with call center agents should be encouraged and rewarded to promote the alternative ways to pay with every customer contact. The message must consistently focus on the key customer benefits – security, convenience, speed, control and "green" friendly.

### 2. Offer tangible value to consumers.

Consumers react to positive incentives. Sweepstake programs such as offering a chance for a free month of service, a one-time discount, or a reward for every paper statement that is turned off presents the consumer with a tangible reason that will ultimately benefit the biller.

### 3. Tackle security fears.

One of the primary objections consumers have to electronic bill pay is the perceived security risk – the fear of entering personal information online. What consumers don't realize is that online bill pay actually is MORE secure than physically paying bills. According to Javelin Strategy, security experts actually recommend consumers pay their bills online; as well as shred their monthly invoices as a precaution.

### 4. Manage identity theft concerns.

Perception versus reality – it is important to narrow the gap. The perception is that electronic transactions are riskier and offer greater exposure to identity theft. The reality is that paper leaves a more vulnerable and longer trail, while 128-bit encryption is much more effective at protecting data. Paper checks touch on average between 11 and 18 hands in the payment cycle. Additionally, any bill information or account information that is not routinely shredded can leave the consumer more exposed. "Dumpster Diving" is still the most common means of identity theft.

### 5. Move towards "free".

Billers should weigh the consumer benefits and internal cost across the entire spectrum of payment types, channels and timing. Convenience fee transactions continue to encourage adoption, but only as long as there is a true convenience such as avoiding late fees or service interruption; however, when a convenience fee is added as the normal course of business for accepting a payment, value analysis for the consumer changes. Studies show that consumers who are more ecommerce savvy in the bill payment arena tend to have higher bank balances and higher bills, in other words, your best customers. Retaining the best customers is a goal in any industry.



CERTEGY

A FIDELITY NATIONAL INFORMATION SERVICES COMPANY™

**To learn more** about how you can accept payments anytime, anyway, or anywhere, call 1.866.894.0774, email [Billpointe@fnis.com](mailto:Billpointe@fnis.com) or visit us at [www.fidelityinfoservices.com](http://www.fidelityinfoservices.com)