



U.S. Consumers Expect More Mobile Options for Bill Pay

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About this Survey

PayNearMe conducted an online survey in April 2021 to determine perceptions and preferences for how U.S. consumers want to pay their bills. The survey captured responses from a broad distribution of 2,676 Americans aged 18 and older.

The Survey Aimed to Uncover:

- How consumers want to pay their bills
- What types of features and functionality would make the bill pay experience easier
- What consumers expect from their bill pay experience in the future
- How businesses must adapt their bill pay experience to meet shifting consumer expectations

Respondent Profile

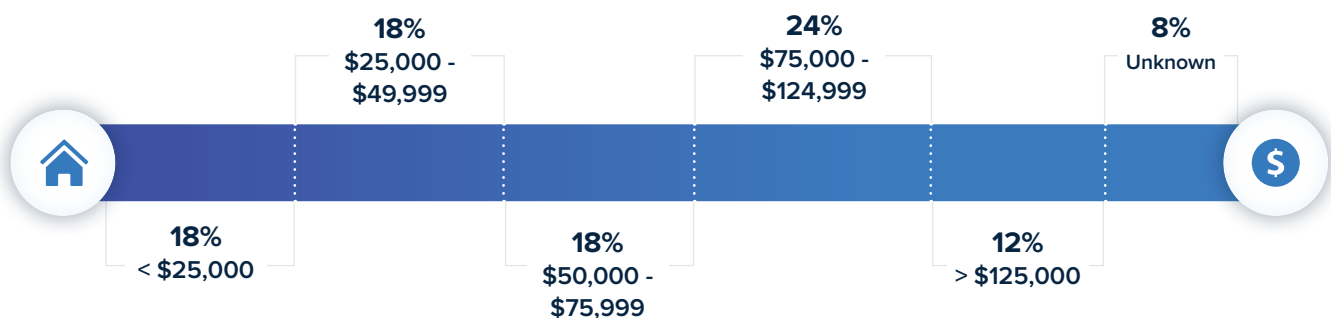
2,676 adult consumers (age 18+) with representatives from all 50 U.S. states



Age Ranges



Household Incomes



Overview

In our research paper “How Consumers Pay Bills: Expectations vs. Reality,” we explored how payments innovation has caused a fundamental shift in the way consumers want to pay bills and how this compares with the options they are given today. This paper uncovered new and surprising insights into the minds of the modern bill payer.

In this, our second report of four key themes revealed by our research, we’ll uncover the mobile payment options consumers want for bill pay, the mobile channels they want to use to pay their bills and guidance for billers on how to transition traditional payers (e.g. those who prefer to pay via call center or mail a check) to mobile payment methods.

Why Mobile, Why Now?

Mobile devices are at the center of U.S. consumers’ lives. In fact, 94% of our survey respondents opted to use their mobile phones or tablets, with the remaining 6% using their desktop computers.

From P2P payment apps (think PayPal and Venmo) to easily scannable QR codes, mobile payment options are on the rise. For example, by 2024, eMarketer predicts there will be more than 100 million Venmo users in the US, representing nearly a third of the population. ¹

Digital wallet adoption is also on the rise. Apple Pay currently makes up 5% of global card transactions,

and the mobile payment system is on track to Account for 10% of global card transactions by 2025 ². And these are just two of the increasingly popular mobile payment options available today.

With many consumers using their mobile devices regularly, it makes sense for organizations to also provide mobile options during the bill pay process. This helps organizations meet their customers where they are, and increase both convenience and customer satisfaction.

Let’s take a closer look at the mobile payment types and channels consumers want for bill pay.

Device Types

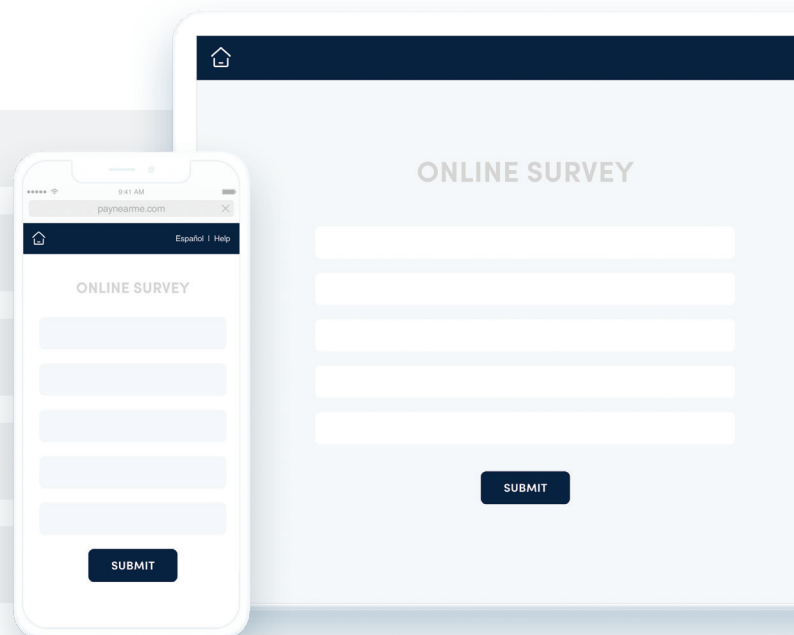
61.73% iOS Phone / Tablet

31.99% Android Phone / Tablet

4.70% Windows Desktop / Tablet

1.17% MacOS Desktop / Tablet

0.41% Other



¹ “How the biggest mobile P2P payment players stack up.” eMarketer. Accessed August 13, 2021. <https://www.emarketer.com/content/breaking-down-mobile-p2p-payments-biggest-players>

² “Apple Pay is on pace to account for 10% of all global card transactions.” Quartz. Accessed August 3, 2021. <https://qz.com/1799912/apple-pay-on-pace-to-account-for-10-percent-of-global-card-transactions>

How Your Customers Want to Pay

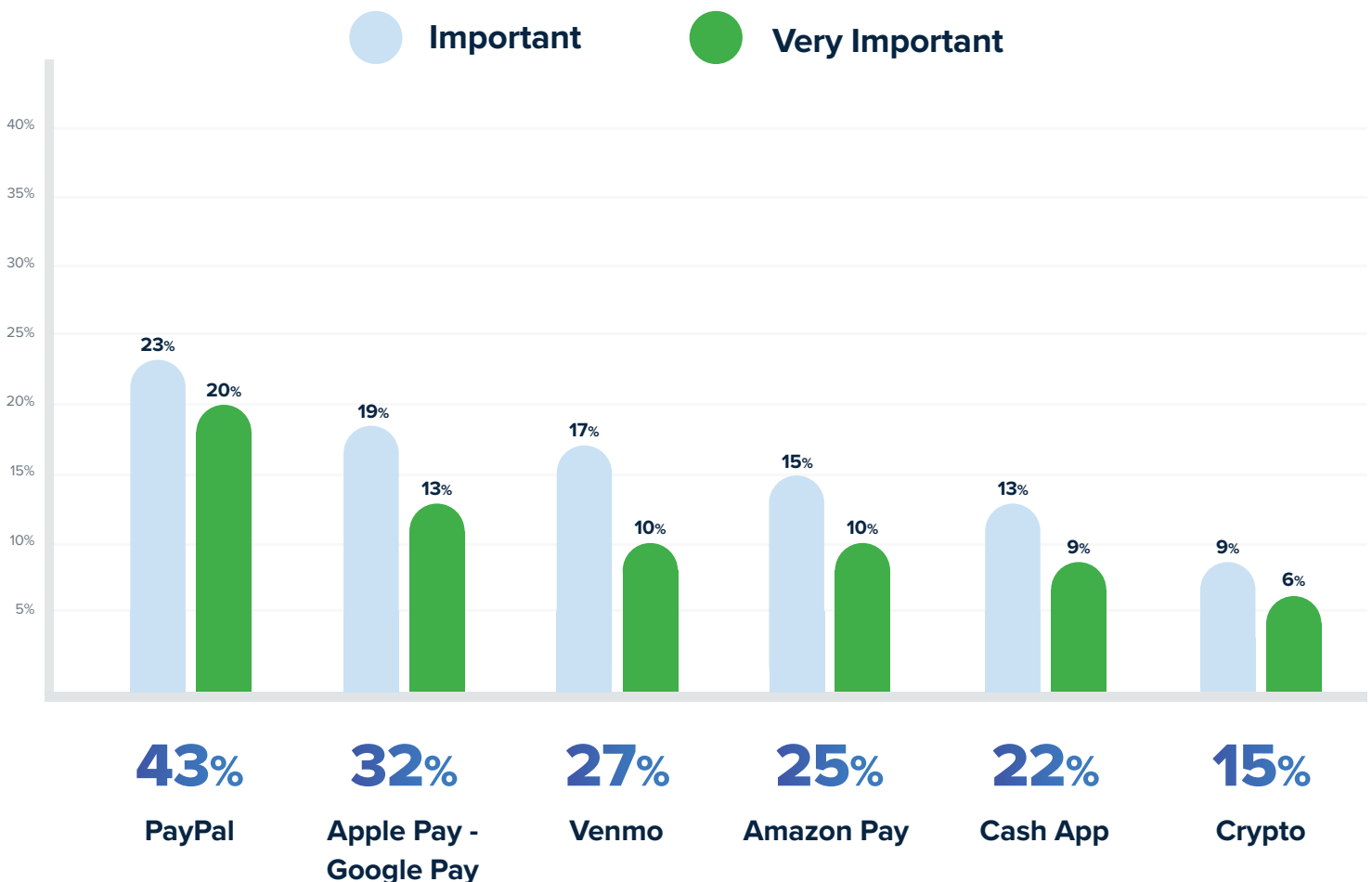
One of the common themes of our survey responses is that consumers expect more mobile bill payment options. Peer-to-peer payment app PayPal was at the top of the list as an “important” or “very important” option for 43% of respondents. This was closely followed by Apple Pay and Google Pay at 32% of consumers and Venmo, at 27%.

25% of respondents wanted access to Amazon Pay, while 22% would use CashApp if given the opportunity. Finally, 15% stated they would find the option to have cryptocurrency “important” or “very important.”

While it’s interesting to see which mobile payment options came out on top, the big picture is just as important: consumers want more payment choice when paying bills.

Consumers Expect More Mobile Bill Payment Options

Consumers want more options for how they pay their bills. Here are a few of the mobile payment options businesses need to consider for bill pay.



Where Your Customers Want to Pay

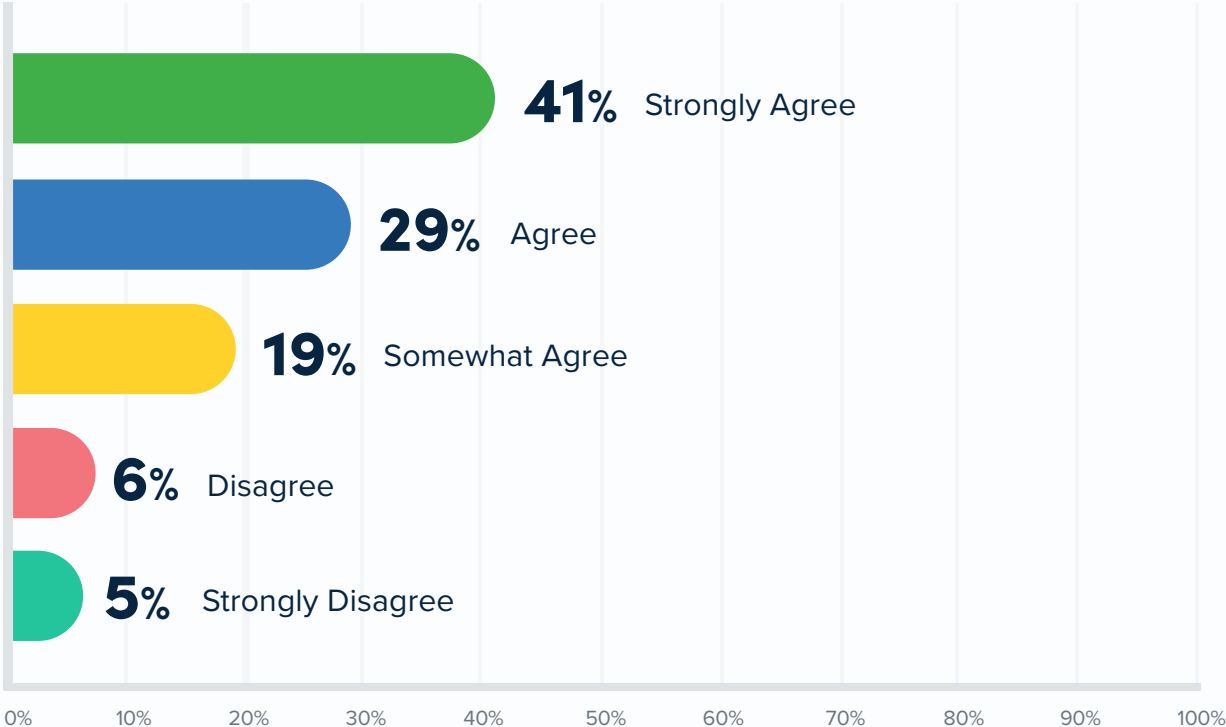
In addition to different mobile payment options, consumers also want a wide variety of mobile payment channels—69% of respondents would rather use digital payment channels to pay their bills instead of more traditional channels such as mail, phone or in-person.

Of these mobile payment channels, there are a few standout options such as mobile apps (75%) that probably aren't surprising. However, there are some options that aren't available

from most organizations for bill pay today that present an opportunity to increase customer satisfaction.

For example, 37% of respondents would be “likely” or “very likely” to pay via their digital wallets (Apple Pay or Google Pay) and 26% would be “likely” or “very likely” to pay by text message if offered, while slightly fewer (25%) would want to pay by email.

When paying my bills, I prefer digital channels rather than paying by mail, phone or in-person.



If offered, how likely would you be to pay your bills in the following ways?

	NOT AT ALL LIKELY	NOT LIKELY	SOMEWHAT LIKELY	LIKELY	VERY LIKELY
Paying directly from an email	25%	25%	26%	16%	9%
Pay by text message (SMS) on my mobile phone	27%	23%	24%	16%	11%
By scanning a QR code on my bill and paying using my mobile phone	20%	16%	30%	21%	13%
Through the biller's mobile app	11%	9%	26%	29%	26%
Using my mobile wallet (Apple Pay / Google Pay)	19%	18%	27%	20%	17%
Cash in-person at a retail location (e.g. CVS, 7-Eleven)	33%	21%	21%	15%	11%
Via online chat on the biller's website	31%	24%	22%	14%	9%



Digital Wallets

Let's take a closer look at digital wallets. A study from Juniper Research found that total digital wallet spend will exceed \$10 trillion in 2025, up from \$5.5 trillion in 2020.³ How are consumers using these wallets? Nearly 40% of respondents said they're using their digital wallets to save or store their gift cards or coupons; however, only 22% are using them to store bills today.

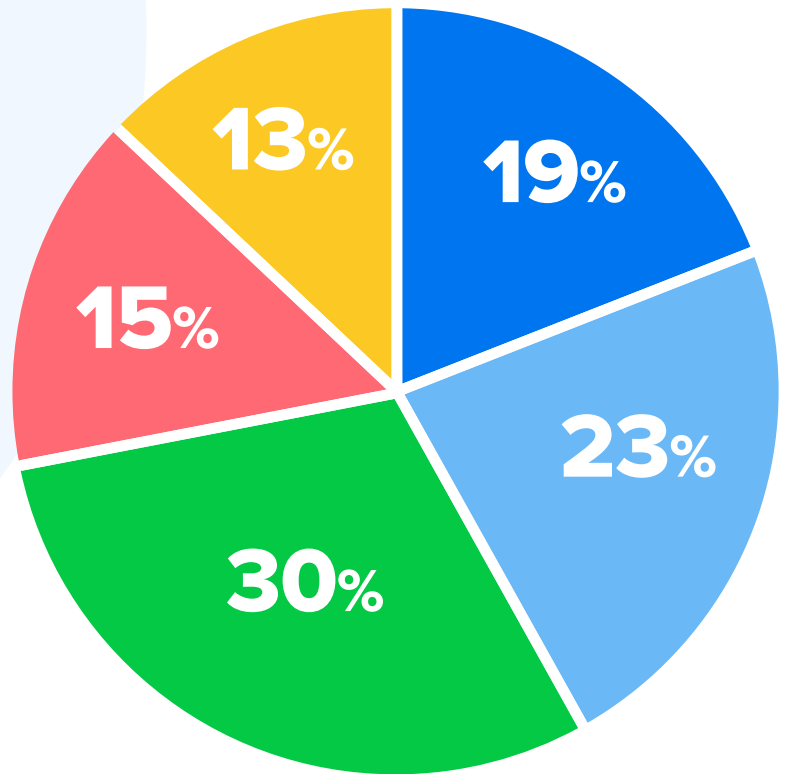
As digital wallet usage is increasing for e-commerce, there's a growing comfort level and demand from consumers to have the option to use the wallets in other areas, including bill pay. In fact, 42% of respondents said they would like to store, view and pay their bills from a single place (their Apple or Google wallets) if given the option.

³ "Growth of Digital Wallets and Contactless Payments Set to Explode." The Financial Brand. Accessed August 3, 2021.

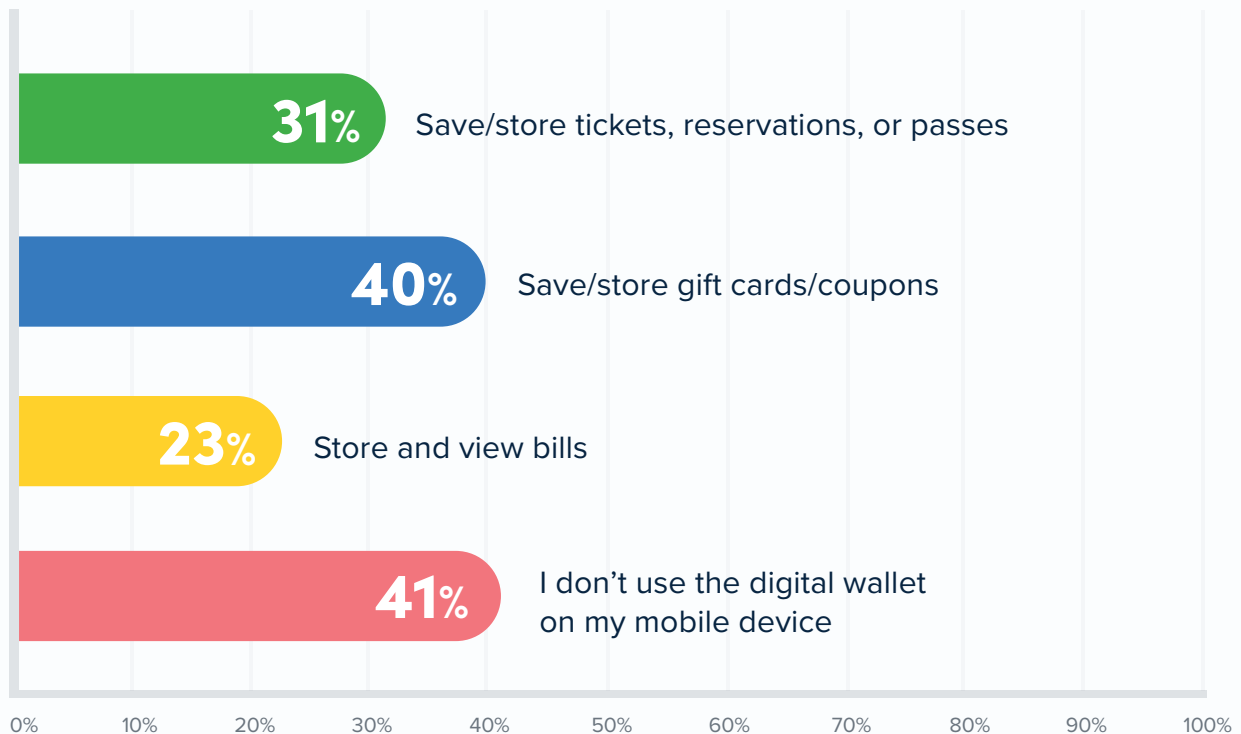
<https://thefinancialbrand.com/108592/growth-digital-wallets-contactless-payments-data/>

If your bills were accessible in the digital wallet on your mobile device, how likely would you be to use your digital wallet to store, view, and pay them from a single place?

- VERY LIKELY
- LIKELY
- SOMEWHAT LIKELY
- NOT LIKELY
- NOT LIKELY AT ALL



I have used or plan to use the Apple Wallet/ Google Wallet on my mobile device to...





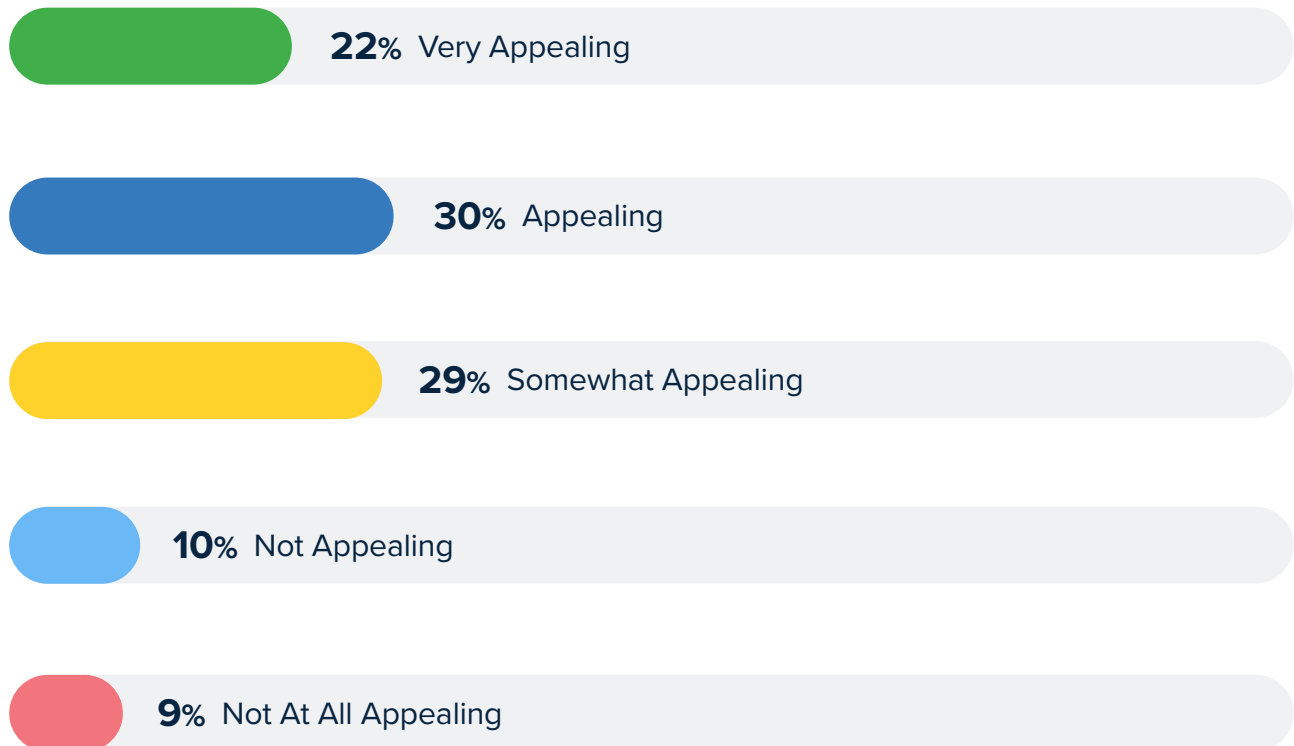
QR Codes

QR codes are another growing payment channel. The total number of QR code payment users is expected to increase by 240% in the US by 2025, according to Juniper Research.⁴ The COVID-19 pandemic drove a significant paper increase in consumers' comfort level with this payment channel, and our survey shows that consumers would be interested in paying their bills by scanning a QR code, as well.

We asked respondents if they would find scanning a QR code from their paper bills and going directly to a mobile payment flow appealing, and nearly 52% answered that they would find it “appealing” or “very appealing.”

Modern billers are using QR codes on paper bills to increase on-time payments and guide customers towards a self-service mobile payment experience.

Imagine you could scan a QR code to pay your bills. How appealing is this for you?



⁴ “QR Code Payment Users to Reach 2.2 Billion Globally by 2025, as Services Expand Beyond China & India.” Juniper Research. Accessed August 3, 2021. <https://www.juniperresearch.com/press/qrcode-payment-users-to-reach-2-2-billion>

SMS & Email

Mobile payment channels can also make it easier to pay bills on time. Two standout channels for driving on-time payments are SMS and email payments. Over 45% of respondents believe that receiving a text message or email with a reminder to pay their bill would make the process easier, while 38% of respondents also prefer

this text message/email to have a clickable link to make an electronic payment.

By providing these options to consumers, organizations can increase their likelihood of receiving on-time payments—and increase customer satisfaction at the same time.

Which of the following do you feel would make it easier to pay bills on time?



- 35% Ability to store my bills in Apple/Google Wallet and pay via my smartphone
- 30% Other mobile payment options such as Venmo and PayPal
- 29% The ability to use different payment types each billing cycle
- 45% Receiving a text message/email reminding me when a bill is due
- 38% Receiving a text message/email reminding me when a bill is due along with a link that I can click to make an electronic payment
- 30% A simple way to set up automatic recurring bill payments
- 11% None of the above

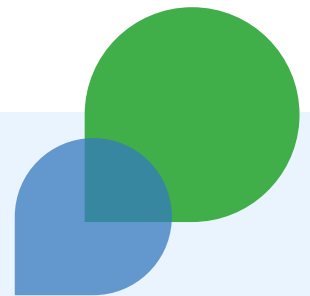
Recommendations for Moving Forward

Having the right payment technology in place is a great start, but it isn't enough to ensure your customers are taking advantage of all of the mobile payment options available to them. You'll also need a plan to help guide those customers who are accustomed to using more traditional payment methods to transition to mobile—and, in the process, enable them to self-service.

Consumers are increasingly turning to self-service to meet their needs before (or instead of) contacting call centers. According to Nuance, “nearly 9 in 10 consumers say they have used an automated self-service system to complete a transaction, such as paying a bill or scheduling an appointment with a company with whom they do business.”⁵

Moving your customers to self-service via mobile channels can be achieved in a number of ways. For example, you could send automated or agent-led text, email or push notifications with a direct payment link to make mobile payments simple. Or, remove service fees for mobile self-service channels like digital wallets and QR codes to encourage adoption.

Building mobile wallet and QR code options seamlessly into your online bill pay experience can also help. Give customers the ability to scan QR codes on their paper bills using their mobile phones to go directly to their personalized payment experience, and consider providing the option to add their bill as a “living” pass to their Apple or Google Wallet to always stay on track with due dates and amounts due.



Conclusion

Consumers are clear: they want a wide range of mobile options as part of their bill payment experiences. By offering customers mobile payment options, channels and solutions, organizations like yours can drive customer loyalty, improve customer satisfaction and, in turn, increase profits.

⁵ “Millennialization of Customer Service.” Nuance. Accessed August 4, 2021.

https://www.nuance.com/content/dam/nuance/en_au/collateral/enterprise/white-paper/wp-millennialization-of-customer-service-en-us.pdf

About PayNearMe

PayNearMe develops technology that drives better payment experiences for businesses and their customers. Our modern, flexible and reliable platform helps businesses increase customer engagement, improve operational efficiency and drive down the total cost of accepting payments. PayNearMe enables more ways to pay by offering all major payment types and channels in a single platform.

PayNearMe today processes all forms of payment including cards, ACH, Apple Pay and Google Pay, and has enabled cash payments through our proprietary cash network since 2009. PayNearMe cash payments are accepted at more than 31,000 retail locations in the U.S. including participating 7-Eleven®, Walmart®, Family Dollar®, Casey's General Stores® and ACE Cash Express®, among others.

Thousands of businesses partner with PayNearMe to manage the end-to-end customer payment experience in industries such as Consumer Finance, Property Management, Insurance, Utility and Municipality, and iGaming and Sports Betting.

To learn more about PayNearMe, please visit www.paynearme.com
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