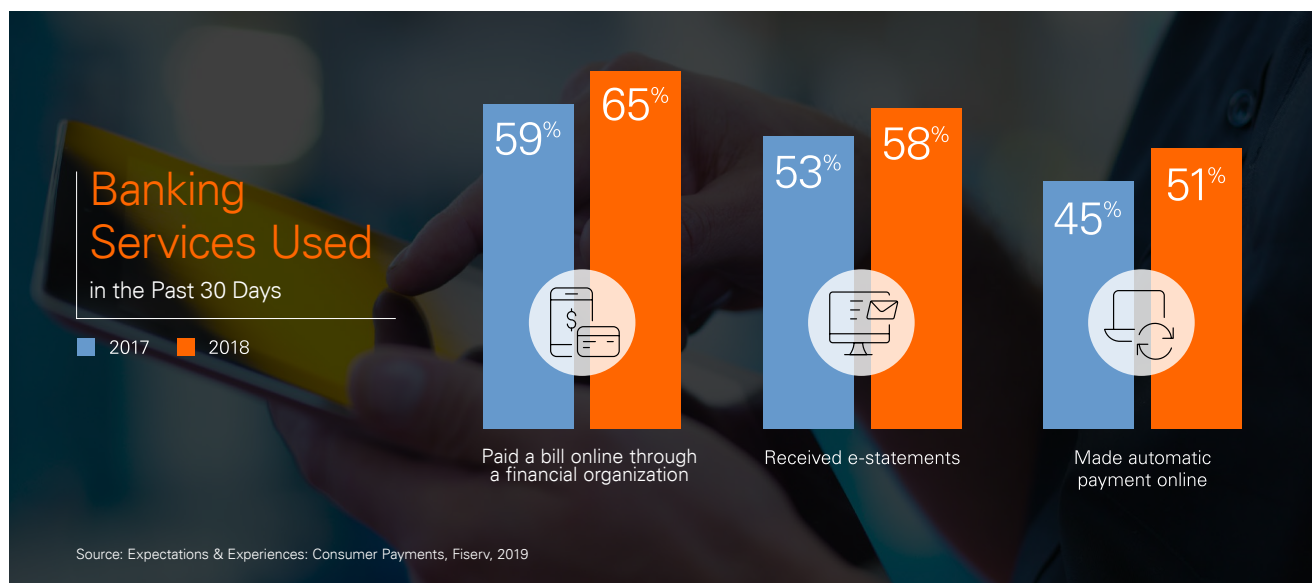


Smarter Bill Pay: Consumers Want Intuitive Guidance, Alerts and Financial Health Support

It's time to stop talking to consumers about online or mobile banking and start talking to them about their lives and their finances. Show consumers how next-generation capabilities can help them meet their needs and achieve their goals beyond just paying bills. Together with other payment and financial management capabilities, financial institutions can create a deeper level of engagement to improve satisfaction and retention.

Consumers are migrating from the traditional pen-and-paper mechanisms of the past toward digital solutions for day-to-day management of their financial lives. A 2019 consumer trends survey from Fiserv found 65 percent of those who use a checking account to pay bills or make purchases have used online bill pay in the past 30 days, up from 59 percent the previous year. Using the same parameters, 58 percent used electronic bills and 47 percent used mobile banking, both increasing five percent year-over-year, according to the [2019 Expectations & Experiences: Consumer Payments](#) survey conducted by The Harris Poll.

Is there still room for growth? Absolutely. Look for continued, measured increases as we approach what eventually could be 100 percent use of online and mobile bill pay in the coming years, especially for financial organizations that deliver a convenient, intuitive and personalized digital experience.



- At 53 percent, convenience is the leading reason for using online and mobile bill pay, according to the survey. Other top reasons include saving money and time compared to paying bills by mail (42 percent) and reducing paper and clutter (38 percent).
- Consumers have always relied on their cellphones for convenience. Now they expect smartphone capabilities will continue to evolve to keep up with how they want to engage.
- Digital financial services are at the same point. People are not only looking for convenience, but also intuitive guidance, alerts and support to enhance how they live their lives. It starts with giving consumers what they want – an intelligent, seamless and consistent digital bill payments experience.

Here are four ways financial institutions can meet those expectations.

1. Personalize the Bill Payment Experience

Financial institutions have deep data about consumers and their finances. Your organization can leverage that data to improve the billing experience by building out connections to systems and automating some of the services. It's about being more intuitive and providing answers about bills that need to be paid rather than relying on a "you tell us" approach.

Using the data already available to your organization is key to creating differentiated, intelligent and engaging experiences that provide the user with contextually relevant information. Data can be used to advise consumers about what they need to do and caution them about problems they may experience. Are they at risk of missing an upcoming payment? Is there a scheduled payment that will cause a potential overdraft?

Make it easy for consumers to do what they need to do and get where they need to go. Always be teaching, reminding, advising and anticipating.

2. Be the Advisor

Paying bills is a small piece of a broader, more comprehensive need to manage money in anticipation of achieving the goals people have for their lives – saving for college, paying off a car, improving credit to qualify for a mortgage. It's all about cash-flow management and gaining greater visibility to a full financial picture.

Financial institutions can be that advisor. The need is real: According to a 2017 survey by CareerBuilder, [78 percent of Americans say they live paycheck to paycheck](#), and 38 percent of consumers – and half of millennials – say it would be [difficult or impossible to pay back a \\$500 loan](#) if they had to do so today. No one wants to live that way, but they may not know the way out of their financial circumstances.

It's likely not a daily latte that's tripping up people who are struggling financially. Instead, they may have trouble budgeting for future expenses, saving for emergencies or earmarking money as it's coming in for bills that are due later in the month.

Financial institutions have access to information about direct deposits, incoming and outgoing bills, transfers and even balances in retirement accounts. Using that unique visibility into consumers' lives, financial institutions can coach people to better manage their money. Organizations that can help people manage their finances at that level will build trust and strengthen relationships.

3. Automate the Experience

Automatic payments are becoming the norm. In 2018, [Fiserv found 51 percent of households made an automatic, recurring online payment in the past 30 days, up from 45 percent in 2017.](#)

Look for those numbers to trend upward, especially for financial institutions that focus on making bill payment even easier and more personalized. People are used to providers such as Amazon anticipating the next step and offering to automate the process.

Data enables those experiences – easy, intuitive, hassle-free – in financial services by matching billers to payments, suggesting better ways to pay and providing real-time information about payments.

4. Provide Real-Time Notifications

In a world that never shuts down and where day-to-day responsibilities seem endless, keeping track of bills and payment activities is more difficult and time-consuming today than ever before. Providing consumers with real-time billing and payment alerts can calm the chaos and make their lives easier.

Leveraging real-time data and automation, your financial institution can send notifications, reminders and financial information the moment something happens, giving people the information they need to take immediate action.

The more you can simplify financial routines and provide immediate reassurance that consumers' needs will be met, the more your organization will become an active advisor in people's lives.

An Intelligent Bill Pay Experience

People want their bank or credit union to help them meet their financial management and payment needs. How that happens will change with the advent of new technologies.

People are already turning to innovations such as voice and speech recognition for authentication and easy login to their accounts. All-in-one devices link location with payment data. Disney's MagicBand wristband, for example, stores park tickets, ride reservations and payment information to create a seamless, personalized vacation experience. Google innovations include automatically scanning Gmail messages for notices about package deliveries, flight times, restaurant invitations and bill reminders and then using that information to send alerts and notifications.

Innovations that take similar advantage of consumer information are quickly making their way into financial services. Using a data-driven approach, financial institutions can create profound, differentiated and engaging digital experiences that have a positive effect on financial health and wellness.

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