



2023 ACI Speedpay® Pulse Report:

# Billing and Payment Trends and Behaviors

# When Consumers Have More Payments Choice Than Ever, It's Time for Billers To Add More Value



In pursuit of convenience and cost savings, billers have assembled an array of payment choices that allow them to serve almost any consumer. This is only right. Choice in payments ensures continued accessibility to the financial system for every demographic, no matter whether they prefer to pay by cutting a check or scanning their face.

The unintended result, however, is that payment types are almost never retired. They just keep becoming more numerous.

In this edition of our annual ACI Speedpay® Pulse consumer survey, we see how the trends of today are playing out against this long-term backdrop. We see, for example, how the payment preferences and experiences of today's consumers are impacted by rampant and accelerating digitization — and by rising inflation and interest rates.

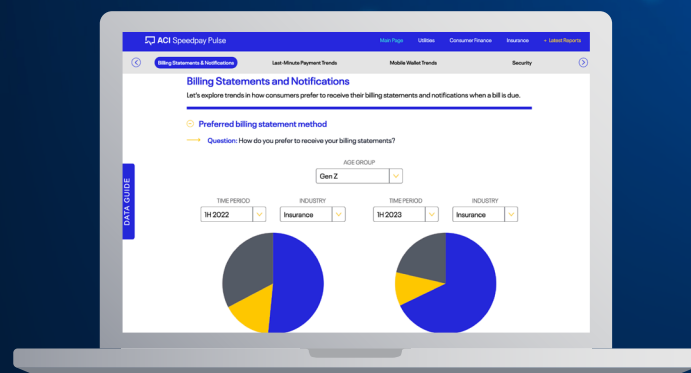
We also see these influences come through in how, where and when they prefer to pay. (Last-minute payments are on the rise, which billers can better facilitate with real-time payments.) And yet we also see that the same innovations driving better payment experiences have created new opportunities for fraudsters, who can leverage technology to more often and more cost-effectively target consumers.

All this paints a clear picture of the need for billers to work with their payment partners to add value beyond choice and convenience by increasing payments reliability, speed and security. That way they can increase consumer trust in newer, cheaper payment methods — and start charting a path to retirement for older, more expensive ones.

We hope you enjoy the report. As always, it is a necessarily high-level summary of a much wider survey, which you can explore at your leisure using our [interactive data exploration tool](#).



**Ron Shultz**  
Head of Biller Segment  
ACI Worldwide



## Data at Your Fingertips

As a premier authority in the billing and payments industry, ACI prides itself on keeping a pulse on the evolving needs of consumers, as well as the trends impacting the industry.

Our interactive tool is designed to let you quickly view the billing and payment preferences of thousands of consumers over several years.

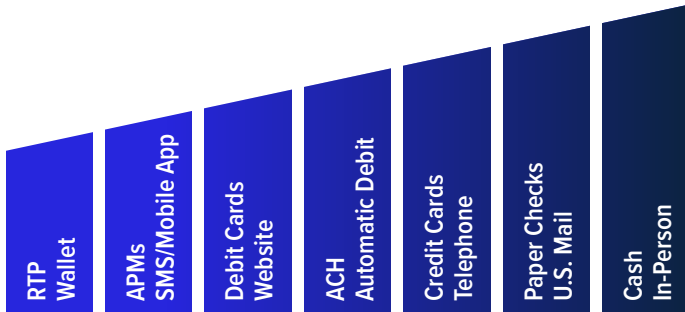


# Consumer Satisfaction Is High — But Some Organizations Have Room for Improvement



Figure 1

Payment methods and channels have grown significantly over time



As Figure 1 shows, the range of payment methods and channels available to consumers and billers has grown substantially over time.

But our survey reveals that some industries have been more successful than others at harnessing greater choice to drive higher consumer satisfaction. While Figure 2 shows strong levels of satisfaction with billing and payment experiences overall, Figure 3 shows that property tax billers, student loan providers, and those charging higher education tuitions fees and expenses, all have room for improvement.

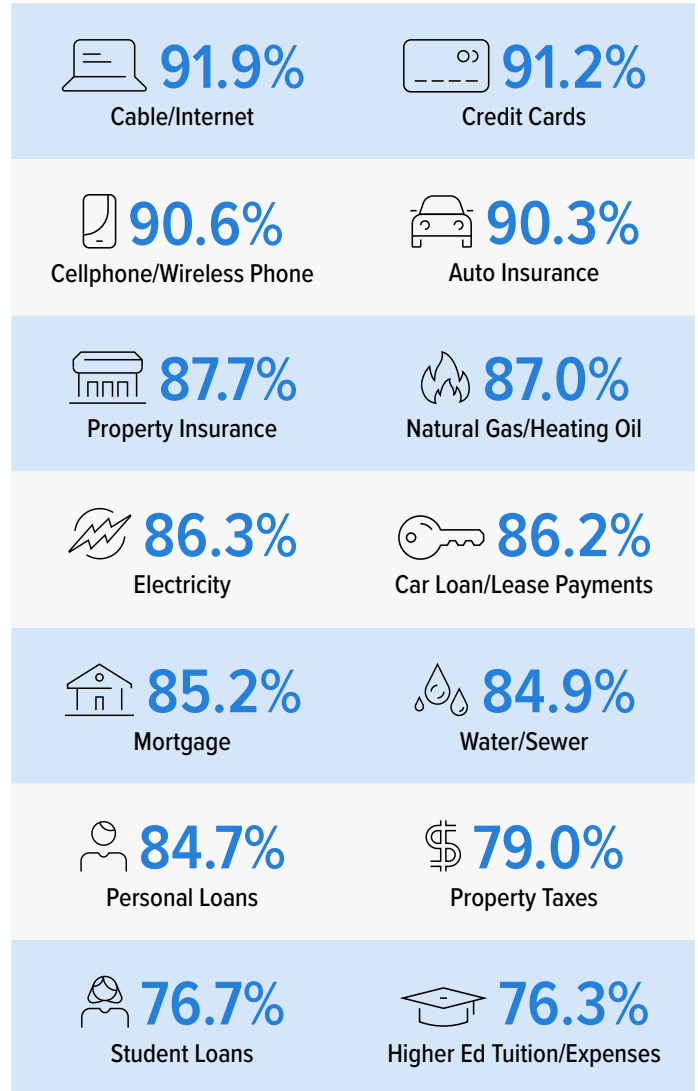
Figure 2

In general, across all of your bills, what is your level of satisfaction with the following aspects of your billing and payments experience\*

Number of payment channels available	86.0%
Number of payment methods available	86.0%
Security of payments experience	85.9%
Speed of payment processing	85.1%
Communication from your billers	79.8%

Figure 3

In general, what is your level of satisfaction with the payment options offered by your billers across each of the bills you pay?\*



\*Sample Size: 2,544, 1H 2023



**Gen Z**  
Born after 1997



**Millennials**  
Born 1981-1996



**Gen X**  
Born 1965-1980



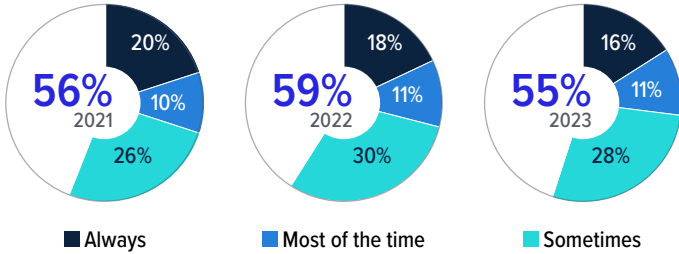
**Boomers+**  
Born before 1965

# Money Worries Make for Bill-Pay Anxiety Among Younger Consumers



Figure 4

I get anxious when I think about my bills



I find the bill payments experience stressful

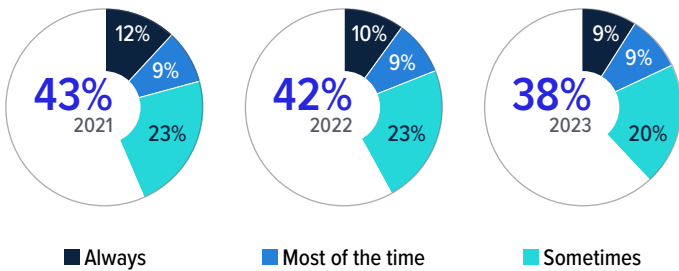
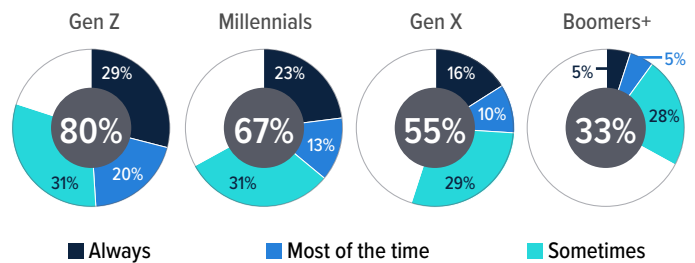


Figure 4 shows that feelings of stress and anxiety over paying bills are becoming less common among consumers, particularly when it comes to bill payment experiences. This potentially signals that consumers are experiencing the benefits of more control and convenience provided by innovations such as mobile payments.

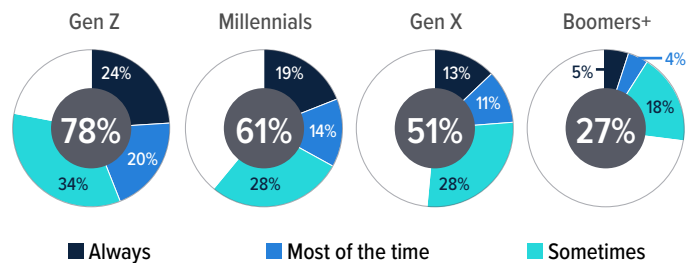
Yet in Figure 5 we see that the money worries of younger consumers are still causing concern when it comes to paying bills. Billers could ease these worries by embracing faster ways to pay (which Page 6 shows would be welcome). This would make it easier for consumers to pay at a time that is convenient them, as soon as they have the funds, and help to reduce delinquencies overall.

Figure 5

I get anxious when I think about my bills



I am worried about money and whether I will be able to pay my monthly bills



Billers looking to minimize anxiety and maximize payments collected when customers do fall overdue should also check out the insights on [Page 8](#).

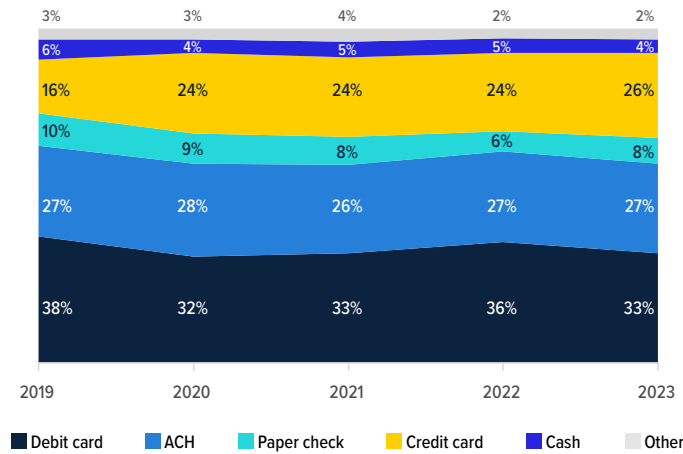


# Boomers' Payment Habits Are Proving Costly

Gen Z and Millennials overwhelmingly prefer debit cards while nearly one in five Boomers are still writing checks. Boomers are also driving more credit card transactions than other generations (Figure 6).

Figure 6

What is your preferred method for making one-time bill payments?



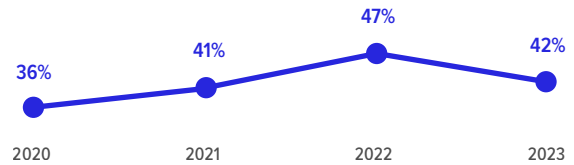
Credit cards and checks are the two most expensive payment methods to serve, contributing to the picture that the older generation's payment habits are pushing up the cost of accepting payments across the board. As such, there are major opportunities for billers to reduce costs — to benefit both the bottom line and their own competitiveness — by converting older generations to newer payment methods.

Also of note are signs of a potential increase in delinquencies in the pipeline. Even as interest rates sit at their highest levels for more than a decade, preference to pay by credit card is up significantly since 2019.

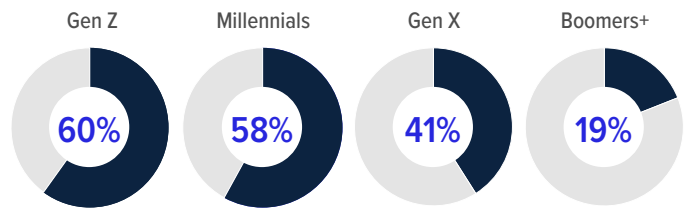
Finally, the interest among younger consumers in alternative payment methods is getting harder to ignore for billers targeting this demographic (Figure 7).

Figure 7

Would you consider paying a bill with an alternative payment method like Venmo or PayPal?



Consumers seeking more ways to use alternative payment methods



## Payments in Action: Monroe County Water Authority Adds PayPal and Venmo

Discover how this water utility offered 200,000 customers an easier, more convenient way to pay with ACI Speedpay. You can also learn more about accepting alternative payment methods on our [So Many Ways To Pay guide page](#).

**Monroe County Water Authority Gives 200,000 Customers Easier Pay Option**

Monroe County Water Authority has added an easier way to pay with 200,000 customers in the Republic, the first in the state to offer digital payment options for public utility bills, such as PayPal and Venmo. The Republic is the only utility in the state to offer digital payment options to pay bills with these methods, providing its customers with greater choice and convenience.

**The Challenge**

- Utility customers could not pay bills with digital payment methods.
- Customers were unable to pay bills with digital payment methods.
- Customers were unable to pay bills with digital payment methods.
- Customers were unable to pay bills with digital payment methods.
- Customers were unable to pay bills with digital payment methods.

**The Solution**

- Monroe County Water Authority implemented ACI Speedpay, a digital payment solution that allows customers to pay bills with digital payment methods.
- ACI Speedpay is a digital payment solution that allows customers to pay bills with digital payment methods.
- ACI Speedpay is a digital payment solution that allows customers to pay bills with digital payment methods.
- ACI Speedpay is a digital payment solution that allows customers to pay bills with digital payment methods.
- ACI Speedpay is a digital payment solution that allows customers to pay bills with digital payment methods.

**The Results**

- 200,000 customers are now able to pay bills with digital payment methods.
- Customers are able to pay bills with digital payment methods.
- Customers are able to pay bills with digital payment methods.
- Customers are able to pay bills with digital payment methods.
- Customers are able to pay bills with digital payment methods.

**Quote:** "As consumer demand for more digital payment options, including digital wallet payment methods and the ability to pay by smartphone or at a kiosk, has increased in the bill payments sector, we can conveniently meet our customers' evolving needs."

Manager of Customer Services, Monroe County Water Authority

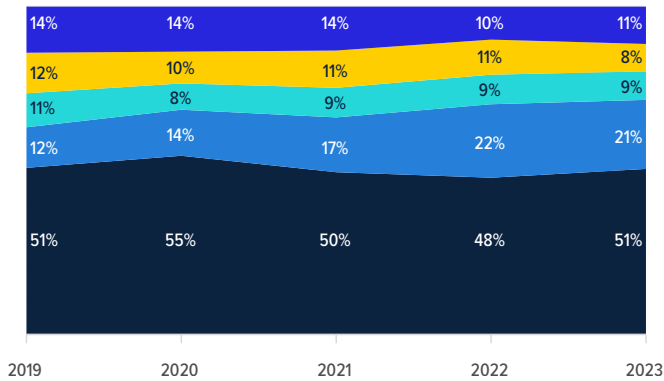


# Mobile Wallets Gaining Traction

In 2021, [15% of digital wallet users told McKinsey](#) they leave their residence regularly without their “old-school version”, backing up our Pulse survey findings that preference for paying by mobile has dramatically increased since 2019 (Figure 8). The same is true of the amount of consumers that would consider paying their bills using a mobile wallet (Figure 9).

Figure 8

What is your preferred channel for making one-time bill payments?



Website Mobile Phone In person Mail

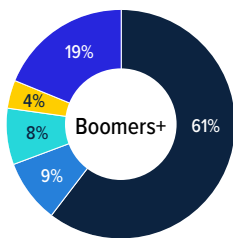
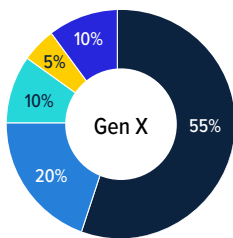
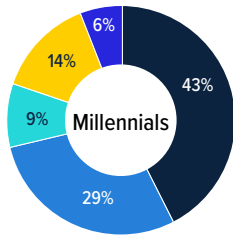
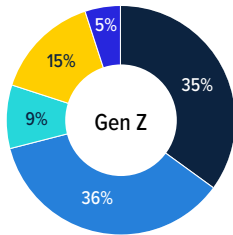
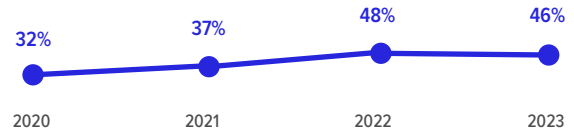


Figure 9

Whether or not you currently use a mobile wallet to pay bills, would you consider doing so in the future?



Yet one in five Boomers still pay by mail, despite the rising cost of postage and the risk of loss, theft or other delays.

But with 24% of Boomers happy to consider switching to a mobile wallet, billers have an opportunity to target these customers with incentivized enrollment campaigns driving them to add their bills as passes in their digital wallet. The two leading platforms, Apple Wallet and Google Wallet, can be onboarded via simple, standard enrollment buttons, QR codes or SMS links — customer education is usually the biggest barrier.

More widely, these findings point the way for billers to improve the way they communicate with all customers. Apple Wallet or Google Wallet are installed by default on the majority of smartphones, and their native functionality offers unique ways for billers to take payment and to drive self-service through push notifications and links embedded in wallet passes.



In 2023,

**40%**

of consumers have used a mobile wallet to make any sort of payment, up from 26% in 2020.

Nearly half are interested in paying bills with their mobile wallet, including 24% of Boomers.

## Payments in Action: How One Auto Lender Modernized Loan Payments

Discover how one large auto loan servicer reduced inbound call volume and drove paperless adoption with additional payment channels including mobile wallets.





# Consumers Are Ready for Real-Time

As Figures 10 and 11 show, one in three consumers is ready to consider switching payment channel or method for faster processing. That comes as more consumers are making urgent or same-day payments than they were in 2020 (Figure 10).

When it comes to making those last-minute payments more efficient and reliable, one in three consumers are interested in billers offering Request for Pay. This adds to the business case for billers to accelerate adoption of this emerging payment method, and to accelerate the delivery of the savings it offers compared to credit cards.

Figure 10

Interested in billers offering "Request for Pay" feature

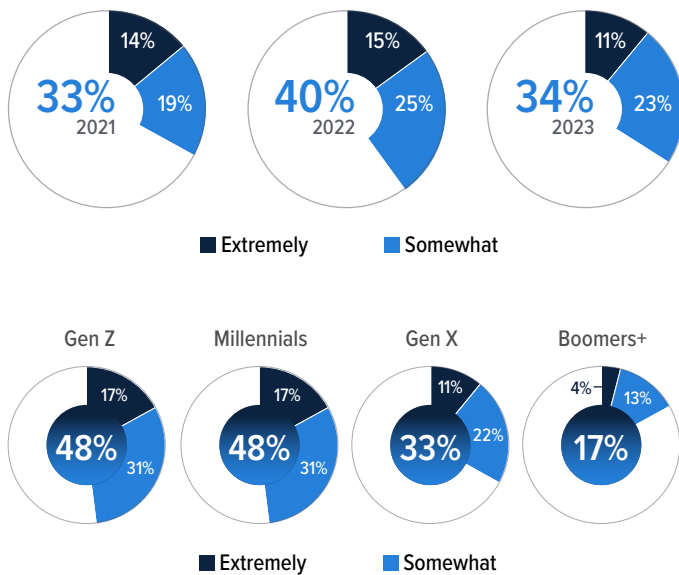
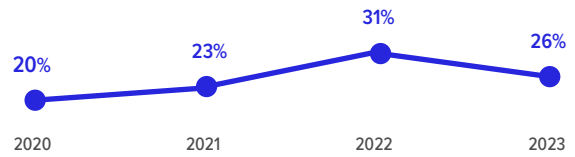
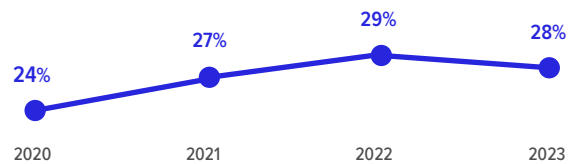


Figure 11

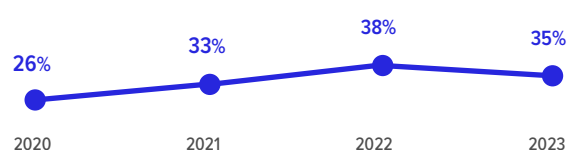
Over the past 12 months, have made an "urgent" or same-day payment



Frustrated by the length of time it takes for companies to process bill payments



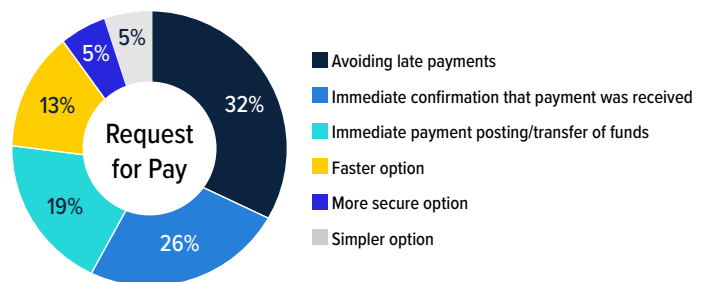
Would consider changing payment channel or method for faster processing



The list of the most important benefits of Request to Pay as highlighted by consumers (Figure 12) also adds to the business case for APM adoption by billers. Here we see further opportunities for billers to improve the bill payments experience and reduce anxiety over late-arriving payments leading to late fees.

Figure 12

Most important benefit of "Request for Pay"



## Discover More Real-Time Payment Trends

Learn more about real-time payment trends on the [Inside Real-Time platform](#), a video-led research project featuring exclusive data from analysts at GlobalData. Or head to ACI's explainer page for everything you need to know about the new [FedNow® instant payments service offered by the Federal Reserve Bank](#).



# Overdue Customers Would Prefer Self-Service

More than half of those surveyed said they avoid communications from debt collectors by ignoring phone calls and dunning notices (Figure 13). Reasons for this range from feeling uncomfortable sharing financial information with strangers to feeling nervous over communicating with debt collectors.

Figure 13

When it comes to overdue bills, do you avoid communications from debt collectors?

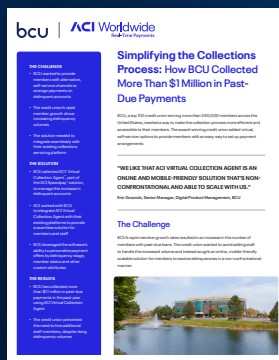


Why?



This confirms growing suspicions around the effectiveness of debt collection strategies built around intrusive and relatively expensive CSR-driven, real-time communications channels.

The better news, however, is that most respondents reported preferring to set up their own arrangements on a website or mobile device. Here, we see a major opportunity for billers to embrace virtual collection agents and self-service platforms. These solutions offer a path to lower-cost, more scalable debt collection functions that are still more likely to increase the rate at which they can bring customers up to date — and help them stay there. They also set billers up to increase goodwill and loyalty by alleviating stress for customers at a difficult time.



## Payments in Action: BCU's Self-Service Platform Collects \$1M+ in Past-Due Payments

Discover how this top 100 credit union leveraged a virtual collection solution to collect more than \$1M in past-due payments, preventing the need to hire additional staff even as delinquencies continued to rise.





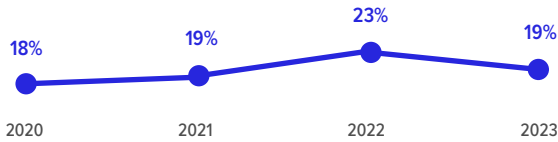


# Password Habits Opening the Door to Fraud

A 2022 [study](#) from Javelin Strategy & Research found identity fraud to be among the fastest-growing criminal enterprises, with 27 million U.S. consumers affected and losses reaching \$28 billion in 2021. Our Pulse data backs this up, recording an increase in identify theft reports over the years (**Figure 14**).

Figure 14

Have you ever been a victim of online identity theft?



Yet consumers have been slow to embrace best practices when it comes to securing their online credentials. Almost a third write their passwords down on paper (**Figure 15**); 16% use the same or similar password across all of their billers. And nearly half of consumers change their password less often than once a year or only when prompted by billers (**Figure 16**).

Figure 15

How do you remember your passwords for the online portals or mobile apps where you pay your bills?

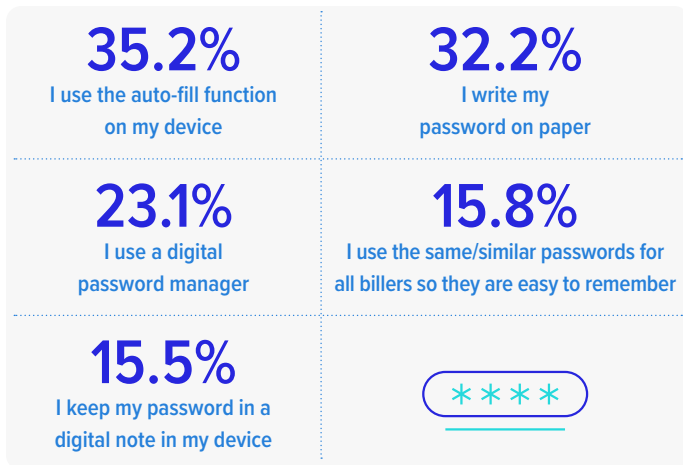
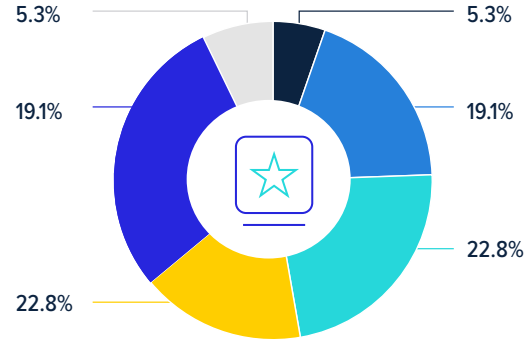


Figure 16

How often do you change the passwords for the online portals or mobile apps where you pay your bills?

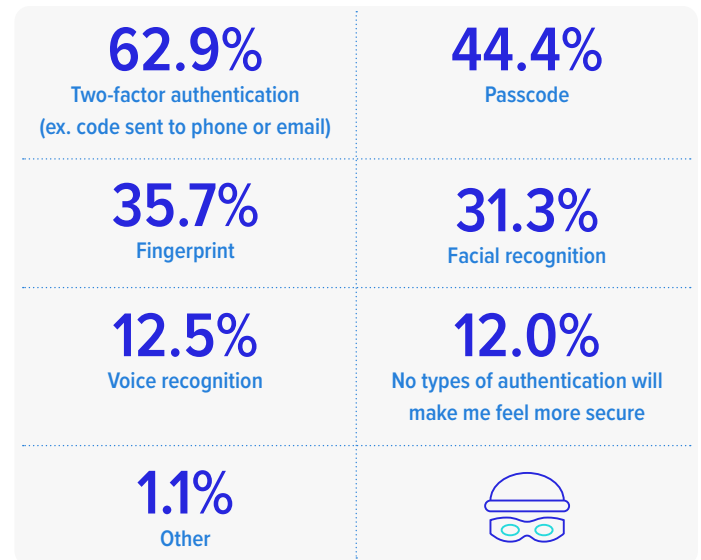


Weekly Monthly Annually Less than once a year Only when prompted Never

For billers looking to encourage customers to better secure their accounts, and so limit their own exposure to the financial and reputational consequences of fraud and identity theft, **Figure 17** shows consumers' preferred authentication methods.

Figure 17

Which types of authentication can companies incorporate to make you feel more secure in utilizing mobile and digital platforms?





# Summary

Billers will always be under pressure to increase payments choice, as digitization and new technologies continue to bring more ways to pay and engage with their customers.

However, choice cuts both ways. Having stood up a range of payment methods to serve any customer, at almost any time, billers can now make strategic choices about which ones they promote, and how.

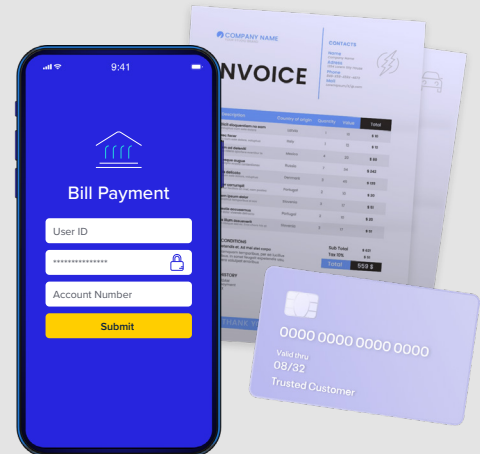
That decision will be made according to each organization's strategy. But the consumer preferences — current and emerging — covered in this report offer three considerations.

## 1. Embrace mobile wallets for both payments and communications

There is clear and growing consumer acceptance of mobile wallets. These solutions offer a trusted channel with high reachability, through which [billers can provide secure, digital experiences that increase self-service payments and reduce costs.](#)

2. **Allow customers to pay when they want, not just how** [Faster payment methods such as real-time payments are cheaper to accept.](#) A significant portion of consumers is placing higher value on the flexibility they offer when it comes to paying at a time convenient to them, in the moment or at the last minute. A similar principle should be applied to the way virtual collection agents can be deployed to [help overdue customers bring themselves up to date.](#)

3. **Bring customers into the fight against fraud** Some consumers clearly require additional encouragement to better secure their online accounts with billers. By offering [a range of authentication methods,](#) billers can allow customers to take control of this aspect of their payments experience, too.



## ACI Speedpay Pulse Methodology

The ACI Speedpay Pulse is a longitudinal consumer billing and payment trends research study conducted by Brownstein Group in partnership with ACI Worldwide. Each ACI Speedpay Pulse data set includes responses from a survey of at least 3,000 unique respondents (no repeat participation within a one-year period). Each survey sample is U.S. Census-balanced among adults age 18 and older who are responsible for submitting payments for at least two of their household's monthly bills. Survey margin of error is less than 1.8% for questions answered by the entire sample. Questions with a smaller base will have a higher margin of error. If presented, statistical testing is at the 95% confidence level.

## About ACI Worldwide

ACI Worldwide is a global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintechs and financial disruptors to process and manage digital payments, power omni-commerce payments, present and process bill payments, and manage fraud and risk. We combine our global footprint with a local presence to drive the real-time digital transformation of payments and commerce.