Mobile Is Transforming Bill Payment Habits of All Age Groups – Bi-Annual ACI Speedpay Pulse Survey

July 26, 2022

Mobile bill pay brings daily lifestyle convenience for younger generations and is prompting older generations to change lifelong habits

MIAMI--(BUSINESS WIRE)--Jul. 26, 2022-- Mobile has emerged as the catalyst for continual change, with consumers across generations rapidly switching and using this channel to pay bills, according to the bi-annual (1H) 2022 ACI Speedpay Pulse consumer survey. ACI Worldwide (NASDAQ: ACIW) is the leading global provider of real-time electronic payment and banking solutions and the ACI Speedpay solution serves thousands of billers across multiple verticals in the U.S.

Increased familiarity with — and trust in — the mobile channel has prompted a sharp increase in mobile wallet usage, with 58 percent of users reporting using it to make a payment at least once a week in 1H 2022, compared to 46 percent in 1H 2021. When paying bills, 49 percent of consumers would consider using a mobile wallet, compared to 36 percent in 2021 (and 28% in 2018).

“New habits and attitudes are still emerging, but the ones we see so far signal a huge opportunity for companies to double down on transforming and modernizing their billing experiences. Diversifying with new channels and the payment methods consumers want is important. However, remaining agile to more quickly respond to future changes in their preferences is equally critical. This may soon emerge as a crucial long-term competitive advantage,” said Sanjay Gupta, Head of Billers, ACI Worldwide.

Evidence of consumers’ growing pursuit of greater convenience, and payment experiences that better fit their daily lives, can be seen in how and what they use mobile devices for:

ACI SPEEDPAY PULSE KEY FINDINGS 1H 2022	KEY TAKEAWAY
Growing appreciation of the utility of mobile • Increased tendency to **use mobile wallets to store non-payment items**, such as digital tickets, identification, loyalty cards and billing statements. Today, 39.2% of consumers report this kind of activity compared to 25.2% in 2021. • **Preference for text bill pay reminders are gaining ground against email and paper mail**. They jumped to 20.2% in 2022 from 15.1% in 2021, while email went down to 38.1% from 44% and paper/mail to 27.7% from 30.4%.	As consumers feel safer and more familiar with mobile channels, they increasingly value their convenience and efficiency, resulting in increased regular usage.
Faster bill pay experiences and rise of urgent payments • **38.4%** are more **willing to adopt new channels and methods for faster payment** processing than in 2021 (30.9%). This uptick might be driven by **frustration with bill payments processing times** (29.6% in 2022 vs. 26% in 2021). • **One in three consumers** say that they have had to **make an urgent or same-day payment** in this past year, which is significantly higher than in 2021 (one in five). Part of this can be attributed to an **increase in total bills**, most marked among younger bill payers, which has made keeping track of them more difficult.	With urgent payments rising, digital channels are a crucial enabler for making them more easily, also playing a key role in mitigating the risk of last-minute payments being late or missed.
Billers’ apps challenge web’s dominance • **Billers’ websites** remain the **most popular bill payments channel** across all generations. However, **preference is declining**: 31.7% prefer it in 2022, compared to 38.8% in 2021. Meanwhile, preference for **billers’ mobile apps rose** to 15.4% from 10.1%. • In 2022, consumers are significantly **more likely to use a mobile app to make urgent or same-day payments** than in 2021: 24.2% vs. 19.6%. • Older consumers continue to prefer websites, while **younger consumers** are driving **preference for mobile and smart devices**, channels that are native to them.	As Gen Z takes more responsibility for their bills, billers’ digital experiences will need to match their expectations. This would help to attract and retain younger bill payers, while also educating older audiences to convert them to more cost-effective and data-rich channels.

Other key findings:

- Checking account deductions to pay monthly bills still dominate, with three in five consumers using them in 2022. Meanwhile, debit card use is up 8.6% in 2022, pushing past the 50% mark (51.1%) for the first time since our survey began in 2018. Overall, the paper check is down to 18.5% in 2022 from 25.3% a year earlier — a fall of 6.8%.

- Alternative payment methods (APMs) such as Venmo, Apple Pay and PayPal are increasingly catching on, recording a near 5% increase in consumers' preference to use them to pay bills.
- Real-time payments functionality is also growing, with 41.2% saying they would be interested in Request to Pay (RtP). The top three most important benefits of real-time payments include: avoiding late charges (32%), immediate confirmation that payment was received (24.9%) and immediate payment posting/transfer of funds (20.8%).
- Despite the high publicity, crypto has yet to impact consumer preferences for paying bills. Younger generations show the most signs of potential future adoption. Specifically, Millennials are significantly more likely to believe cryptocurrency payments are secure (42.7%), followed by Gen Z (35.3%), Gen X (28.3%) and Boomers (just 5.7%).

Visit www.aciworldwide.com/acispeedpaypulse for more billing and payment insights.

To download the full report: https://go.aciworldwide.com/2022ACI_SpeedpayPulse_AnnualReport-Registration.html.

On Wednesday, August 3, ACI will conduct a webinar to go through findings in detail. To join, please register at: https://go.aciworldwide.com/PulseWebinar_RegistrationPage.html.

Methodology

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 one year). Each survey sample is U.S. Census-balanced among adults aged 18 and older responsible for submitting payments for at least two of their household's monthly bills. Survey margin of error is less than 1.8 percent for questions answered by the entire sample. Questions with a smaller base will have a higher margin of error. If presented, stat testing is at the 95 percent confidence level.

About ACI Worldwide

ACI Worldwide is the global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintechs, financial disruptors and merchants 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.

© Copyright ACI Worldwide, Inc. 2022

ACI, ACI Worldwide, ACI Payments, Inc., ACI Pay, Speedpay and all ACI product/solution names are trademarks or registered trademarks of ACI Worldwide, Inc., or one of its subsidiaries, in the United States, other countries or both. Other parties' trademarks referenced are the property of their respective owners.

View source version on businesswire.com: https://www.businesswire.com/news/home/20220726005578/en/

Media
Victoria Blanco
victoria.blanco@aciworldwide.com

Source: ACI Worldwide