

## Americans Pay More than Half of Their Bills Online

### New benchmark data from ACI Worldwide and Aite Group reveals distinct generational differences among consumers when it comes to bill payment behaviors

NAPLES, FL -- (Marketwired) -- 01/24/17 -- While the shift to online payments continues to ascend, there are stark generational differences when it comes to paying bills, according to new benchmark data, "[How Americans Pay Their Bills](#)," from [ACI Worldwide](#) (NASDAQ: ACIW) and Aite Group. U.S. consumers spent a record-setting amount on bill payments in 2016 (\$3.9 trillion). They are faced with a wide range of transactions involving myriad methods of payments and channels, leading households to reprioritize how and when they pay their bills.

The survey data\*, encompassing bill pay habits of nearly 2,500 consumers across the U.S., uncovers insights into how each generation is paying bills and how the various channels and methods consumers used in 2016 to pay their most common bills have evolved compared with 2013 and 2010.

Principal findings include:

- | Approximately 8.2 billion bills -- or 56 percent of all bills -- are paid online via a biller, bank or third-party website.
- | Bills paid by check declined 20 percent between 2010 and 2016, while the number of bills paid via ACH increased by 10 percent, and those paid by a credit card have doubled to 15 percent.
- | Credit card issuers outpace other biller categories with 46 percent of credit card bills paid online; this is compared to an overall average of 36 percent of bills paid online across all biller categories.
- | Nearly three quarters (72%) of online bill payments are made on a billers' websites, growing 18 percent since 2010.
- | Only 32 percent of bills are set up on a recurring basis and the remaining 68 percent are made as one-time payments.

"Our data shows significant bright spots in the shift toward electronic bill pay, including the 72 percent of online bill payments are made on billers' websites," said Sheri Chin, vice president, ACI Worldwide. "It is critical to develop cost-effective, innovative payment solutions that appeal to consumers' gradual shifts toward online and automated payments, which will benefit banks, billers and consumers alike."

### **Generational Differences**

- | Not surprisingly, seniors pay fewer online bills and pay more bills via snail-mail, at 40 percent. Bills paid via mail declines with each younger generation -- down to 15 percent for millennials, while online bills as a percentage of total bills increases with younger generations: millennials at 61 percent, Gen Xers at 60 percent, baby boomers at 52 percent and seniors at 42 percent.
- | Seniors pay a larger percentage of bills using checks than younger generations: 31 percent of seniors pay by checks versus 23 percent for baby boomers, 15 percent for Gen Xers and only 8 percent for millennials.
- | Millennials and Gen Xers pay more of their bills using debit cards than older consumers: 22 percent and 16 percent respectively, versus 11 percent for baby boomers and 5 percent for seniors.
- | 78 percent of online bills paid by millennials are made at the billers' websites, versus 60 percent for seniors, whereas banks' websites represent only 22 percent of millennials' online payments versus 39 percent for seniors.

"While a large segment of older Americans still pay bills through the mail, in-person and by check, overall trends are shifting toward online and mobile bill payment," said David Albertazzi, senior analyst, Aite Group. "Banks and billers need to have a long-term view and dedicate resources to digital channels that provide a frictionless payment process and encourage consumers to pay online and through automated channels."

Electronic Bill Presentment and Payment (EBPP) Services are part of ACI's UP [Bill Payment solution](#). ACI's [Universal Payments](#) (UP) portfolio of solutions orchestrates all aspects of payments processing for any payment type, any channel, any currency and any network.

To receive a complimentary copy of the report, please click [here](#) or visit <https://www.aciworldwide.com/billpayhabits>

**\* Methodology and Demographics:**

The analysis is based on a Q3 2016 Aite Group survey of 2,429 U.S. consumers. The survey was conducted online among U.S. consumers who participated in a research panel. The sample is in proportion to the U.S. population for age, gender, income, geographic region, and race. The data have a margin of error of 3 points at the 95% level of confidence. The report solely focuses on the consumers who indicate that they are involved in paying most or all of the bills in their households. Much of the analysis in the report is based on the volume of bills paid by these households: 31,238 bill types or 285,382 bills paid by the 2,429 respondents. Population data from the United States Census Bureau was used to calculate projections for the total U.S. bill payment market. Also, in this report, seniors are defined as individuals who were born before 1946, baby boomers between 1946 and 1964, Gen Xers between 1965 and 1980, and Gen Yers or millennials between 1981 and 2000.

**About ACI Worldwide**

ACI Worldwide, the [Universal Payments](#) (UP) company, powers [electronic payments](#) for more than 5,100 organizations around the world. More than 1,000 of the largest financial institutions and intermediaries as well as thousands of [global merchants](#) rely on ACI to execute \$14 trillion each day in payments and securities. In addition, myriad organizations utilize our [electronic bill presentment and payment](#) services. Through our comprehensive suite of software and [SaaS-based solutions](#), we deliver real-time, [immediate payments](#) capabilities and enable the industry's most complete [omni-channel payments](#) experience. To learn more about ACI, please visit [www.aciworldwide.com](http://www.aciworldwide.com). You can also find us on Twitter [@ACI\\_Worldwide](#).

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Media Contact:

Dan Ring

E-mail: [dan.ring@aciworldwide.com](mailto:dan.ring@aciworldwide.com)

Phone: 781-370-3600

Andrea Snyder

E-mail: [andrea.snyder@aciworldwide.com](mailto:andrea.snyder@aciworldwide.com)

Phone: 781-370-4817

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