



# The Importance of Customer Engagement in Payment Collections

*Emerging Trends, Tools and Techniques*

Chris Wease, Regional Account Executive  
*Paymentus*

# How People Pay Their Bills Is Changing



**Digitization  
of Payments**



**Mass Adoption  
of Mobile Devices**



**Importance of  
Millennials**

# We're In The Midst Of A Major Shift

How payments are made is rapidly changing:

- In the U.S., digital wallets like PayPal, Venmo, Amazon Pay and Apple Pay are projected to overtake credit cards as the most popular online payment method in 2020 - [Worldpay](#)

Technological advancements are transforming how consumers and businesses interact:

- By 2021, 40% of consumers will use voice assistants like Alexa instead of websites or apps when service needs arise - [Capgemini](#)
- By 2020, 85% of all interactions between millennials and businesses will occur without human interaction, as self-service and chatbots become fully ubiquitous - [Gartner](#)

Those of whom embrace the shift, will have a significant advantage in the pursuit of maximum customer satisfaction and operational excellence while maximizing adoption.



# The Millennial Generation...

“America’s largest generation” with **75.4M** million people

**75%** of the workforce and **46%** of U.S. income by 2025<sup>1</sup>

**Digital natives**, raised in the era of digital payments

**67%** are more likely to trust tech-based companies<sup>2</sup>

**>20%** have never written a check<sup>1</sup>

**63%** don’t have a traditional credit card<sup>3</sup>

**86%** are smartphone users<sup>1</sup>

**38%** use apps and mobile tools to pay bills

<sup>1</sup>Source: First Data, The Unbanked Generation, 2015

<sup>2</sup>Source: Koski Research Study, 2015 (N=2,024)

<sup>3</sup>Source: A survey commissioned by Bankrate and compiled by Princeton Survey Research Associates  
<http://www.bankrate.com/finance/credit-cards/more-millennials-say-no-to-credit-cards-1.aspx>





# ... And the Popularity of Digital Wallets Exploding

By **2021**, alternative payment methods are projected to account for **~75%** of ecommerce payments worldwide<sup>1</sup>

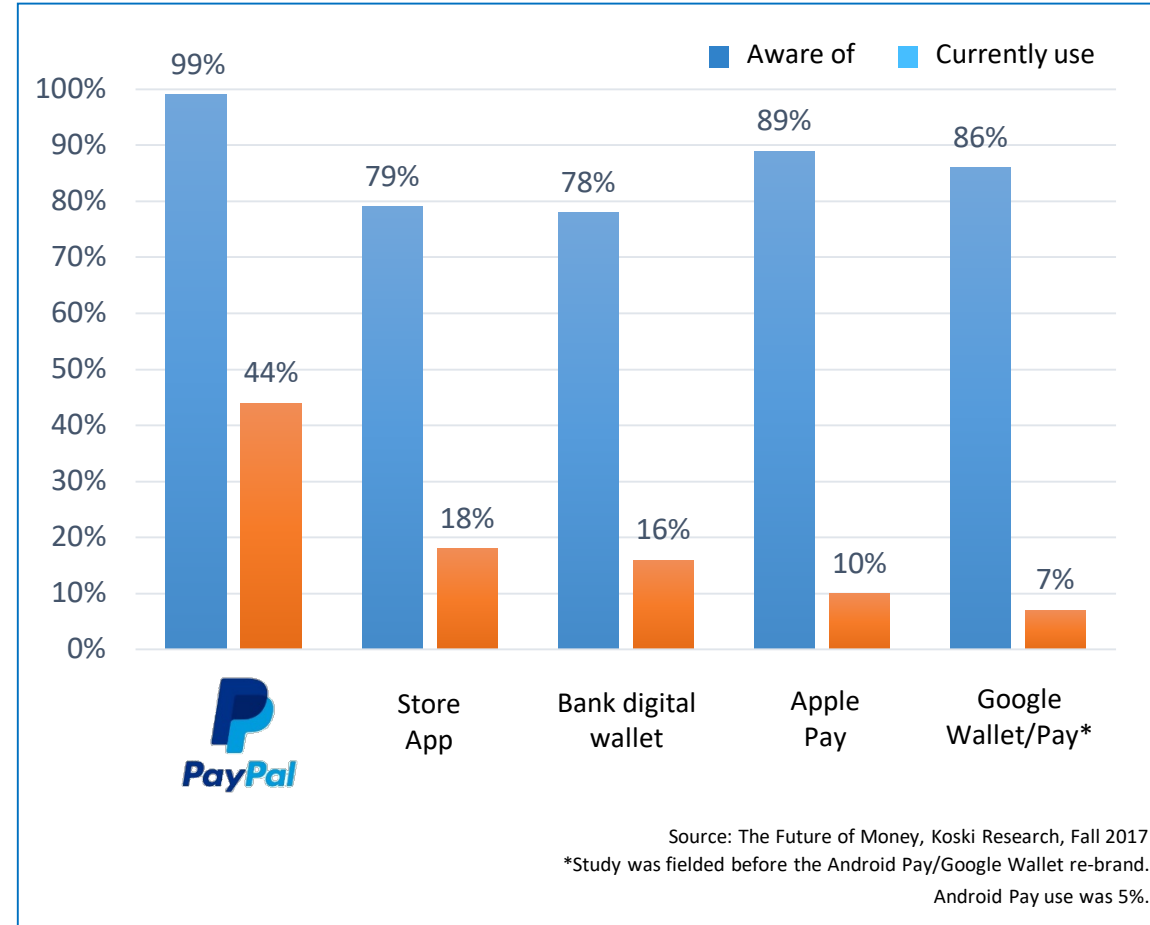
Digital wallets to surpass credit cards by **2021**<sup>2</sup>

**76%** of US consumers think Digital Wallets are a secure form of payment technology<sup>3</sup>

**73%** of US consumers claim security is more important than convenience when shopping online<sup>3</sup>

**77%** of US consumers believe PayPal is more convenient than other payment methods<sup>3</sup>

In **Q1 2018**, mobile represented **24%** of digital commerce sales<sup>4</sup>



<sup>1</sup>Source: yStats.com, Global Alternative Online Payment Methods: Second Half 2017, retrieved 3/2018

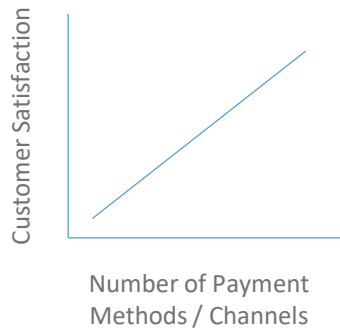
<sup>2</sup>Source: Forrester Research, "The Next Phase Of Digital Wallet Adoption," Sept 2017

<sup>3</sup>Source: Digital Trends Impacting Commerce, Kelton Research, June 2018

<sup>4</sup>Source: comScore, "State of the U.S. Online Retail Economy in Q1 2018"

# Consumers – Are Seeking More Options And Simplified Experiences

- According to J.D. Power, the 'Billing and Payment' experience drives up to 58% of total customer satisfaction scores
- Billers who receive highest 'Billing and Payment' customer satisfaction scores offer **more payment methods and simplified checkout experiences** vs. their peers
- Based on a 2018 ComScore Survey, 70% of consumers cite 'availability of payment methods' as top priority during payment experience



Positive Correlation Between Choice and Satisfaction:

One key factor that contributes to satisfaction in the 'Billing and Payment' category is payment choice; 'variety of payment methods' offered is highly correlated to customer satisfaction



## The Cost/Benefit Balancing Act of Credit Card Acceptance



Customer Service



Security Risk



Operational Efficiency



PCI Compliance Cost

# Balancing Payment Processing Complexities

- Cost
- Customer Satisfaction
- Traditional v. Emerging Payment Channels
- IT Resource Involvement
- PCI Compliance / Security
- Driving Adoption of your Preferred Channels & Your Customers

# Digital Wallets



venmo



Paymentus

# Mobile Wallet

- Mobile wallets are digital versions of traditional wallets.
- Digital wallets hold credit and debit cards for making payments, store coupons and loyalty programs, specific information about personal identity and more.
- Wallet eBill is a summary of a paper bill that will be stored inside of a mobile wallet.



# About PayPal

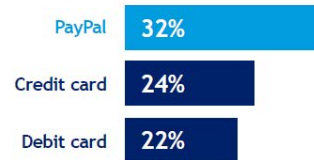


- Most used digital wallet in world
- Over 277 millions active users worldwide, 100 million+ in U.S.
- 64% of U.S. adults have used PayPal for an online transaction in the last year
- One Touch™ checkout results in 88% fewer keystrokes

## PayPal's the Preferred Online Payment

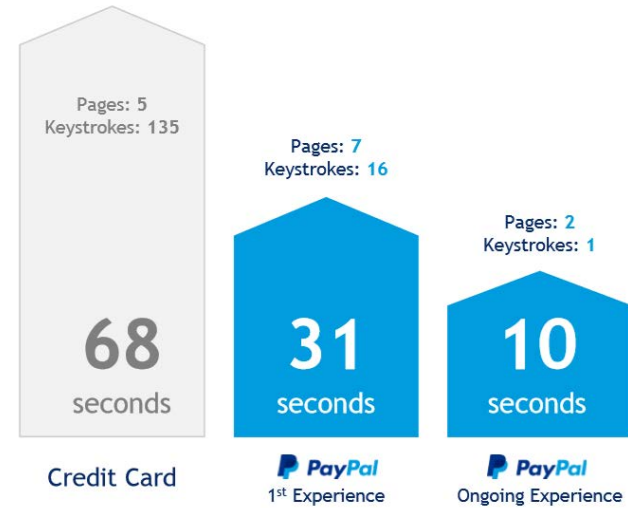
51% of users have abandoned a transaction because PayPal wasn't there

Preference by Users Online



Source: Ipsos, July 2016, online survey of 1,500 consumers in each of 7 global markets.

## Mobile Express Checkout Comparison

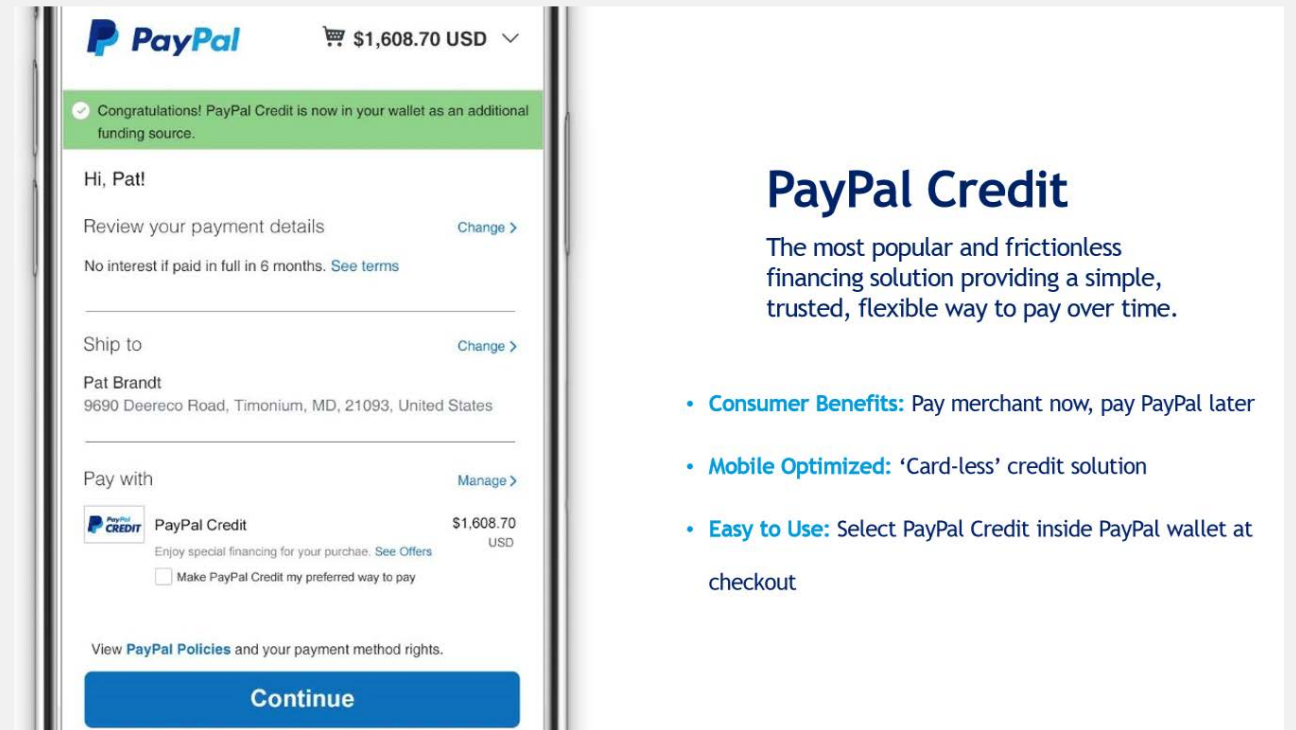




# About PayPal Credit



- Flexible revolving line of credit
- Interest free if balance is paid within 6 months
- Allows customers to pay over time
- 78% use PayPal Credit for everyday expenses and bills
- 33% of PayPal Credit users are millennials



## PayPal Credit

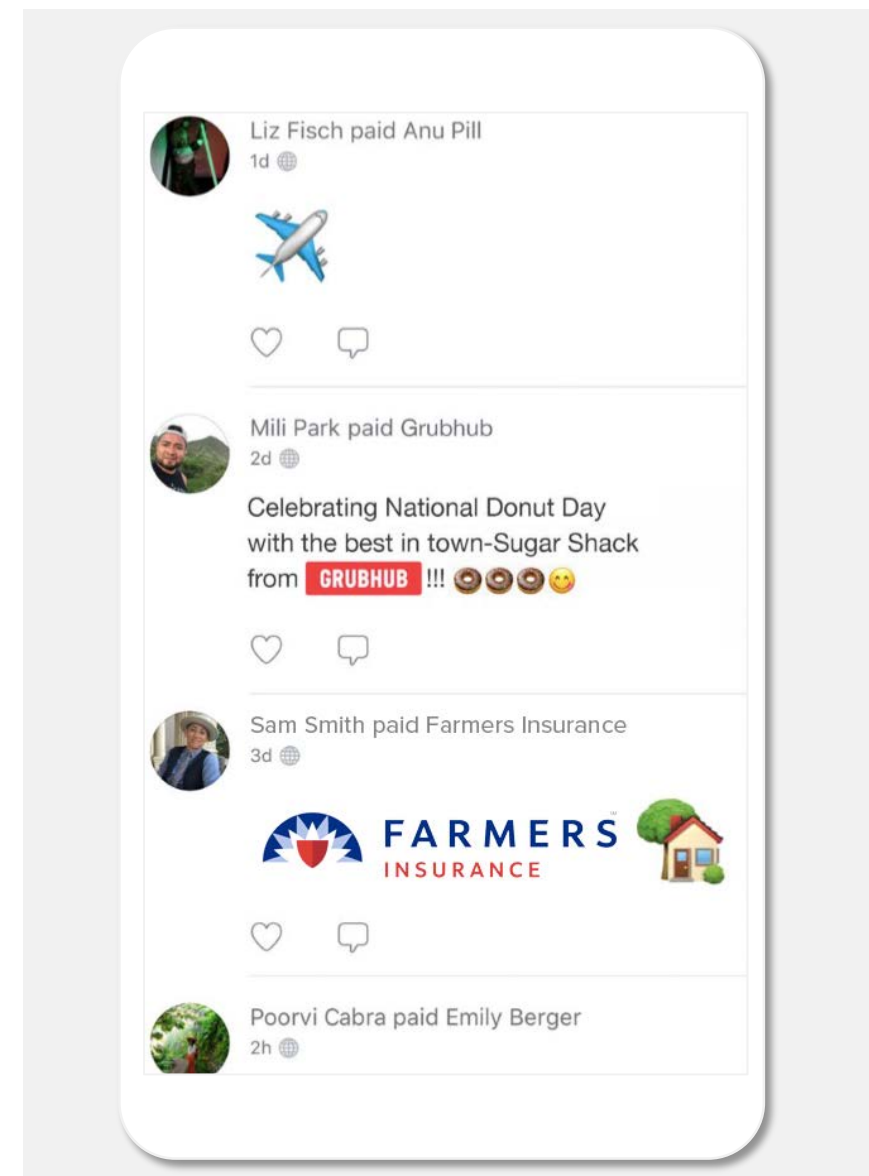
The most popular and frictionless financing solution providing a simple, trusted, flexible way to pay over time.

- **Consumer Benefits:** Pay merchant now, pay PayPal later
- **Mobile Optimized:** 'Card-less' credit solution
- **Easy to Use:** Select PayPal Credit inside PayPal wallet at checkout

# About Venmo



- 27 million active users, growing 80% YOY
- Preferred payment method of Millennials – 66% used Venmo in last 12 months
- The 'social' payment method with a strong network effect that is accelerating utilization



# About Amazon Pay

*"I trust Amazon. At websites online that are not Amazon, I will choose the merchants that offer Amazon Pay over another. I believe that the fewer places that have my payment information the better."*

*"I was very surprised when the payment required came up with credit cards or Amazon Pay. It was so quick and easy. Everything about Amazon is quick and easy. I LOVE IT!"*



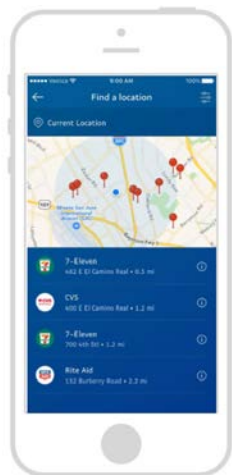
- 300 million Amazon accounts
- Over 100 million Prime members
- 91% of consumers who have used Amazon Pay would use it again if given the opportunity
- 84% rate Amazon Pay a 10 out of 10 on ease of use and speed of transaction
- 83% rate Amazon Pay a 10 out of 10 for 'security' and 'brand trust'

2018 Annual Brand Rankings (Kantar MillwardBrown)

# Digitized Cash – Solutions For The Underbanked

25 Million U.S. Households are 'Underbanked' and have limited options for how to pay bills, until now....

Consumer has cash and wishes to pay bill(s).  
Locates closest store on PayPal App



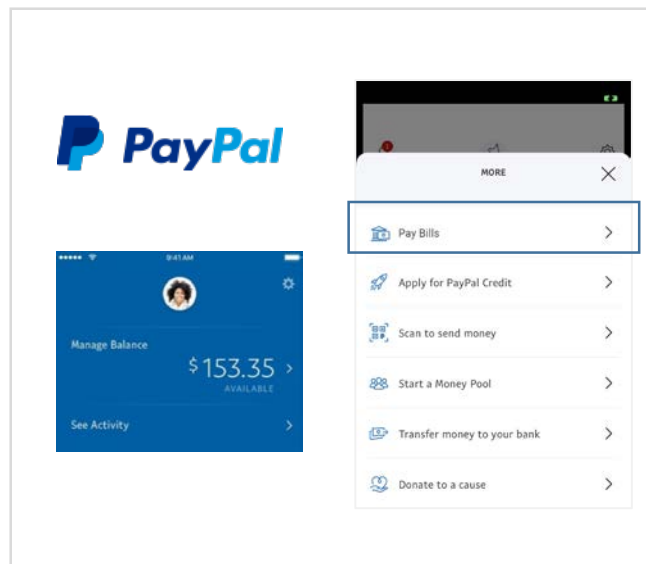
Over 70,000 Store Options



Consumer's cash is 'digitized' and made available in PayPal wallet



Billers selected, bill paid from PayPal wallet



Powered By  
**Paymentus**



Digital Payment  
Posts in Real-Time

**ABC Biller**















How is Paymentus adding these digital wallets and what are the new emerging channels?



# What's Next? More channels, more payment methods

<b>Modern Channels</b>	<p>Voice-Based Assistants</p> 	<p>Facebook</p> 	<p>Chat</p> 	<p>Mobile Wallet</p> 	<p>Pay-by-Text</p> 
<b>Modern Payment Methods</b>	<p>PayPal Credit</p> 	<p>Venmo</p> 	<p>PayPal</p> 	<p>Apple Pay</p> 	<p>Google Pay</p> 

# Voice-Based Assistants

Rapidly adopted by consumers as they are trainable, controllable and always learning

Most basic inquiries that require a call to customer support today, can be easily addressed by voice-based assistants that are integrated with the Paymentus platform;

- Balance, due date, recent payment inquiries
- Payment acceptance
- Autopay setup
- eBill enrollment
- **"Your current month's CenturyLink High Speed Internet usage has exceeded your plan data usage. Please refer to the Download Guidelines, or upgrade your Internet service plan with more Mbps, chat with us."**
- **"We noticed that you have made several long distance calls to Canada this month. By adding Easy Talk Canada 1000 to your CenturyLink Unlimited Long Distance plan you can call friends and family in Canada for up to 1000 minutes of calls for a low fixed rate, chat with us."**

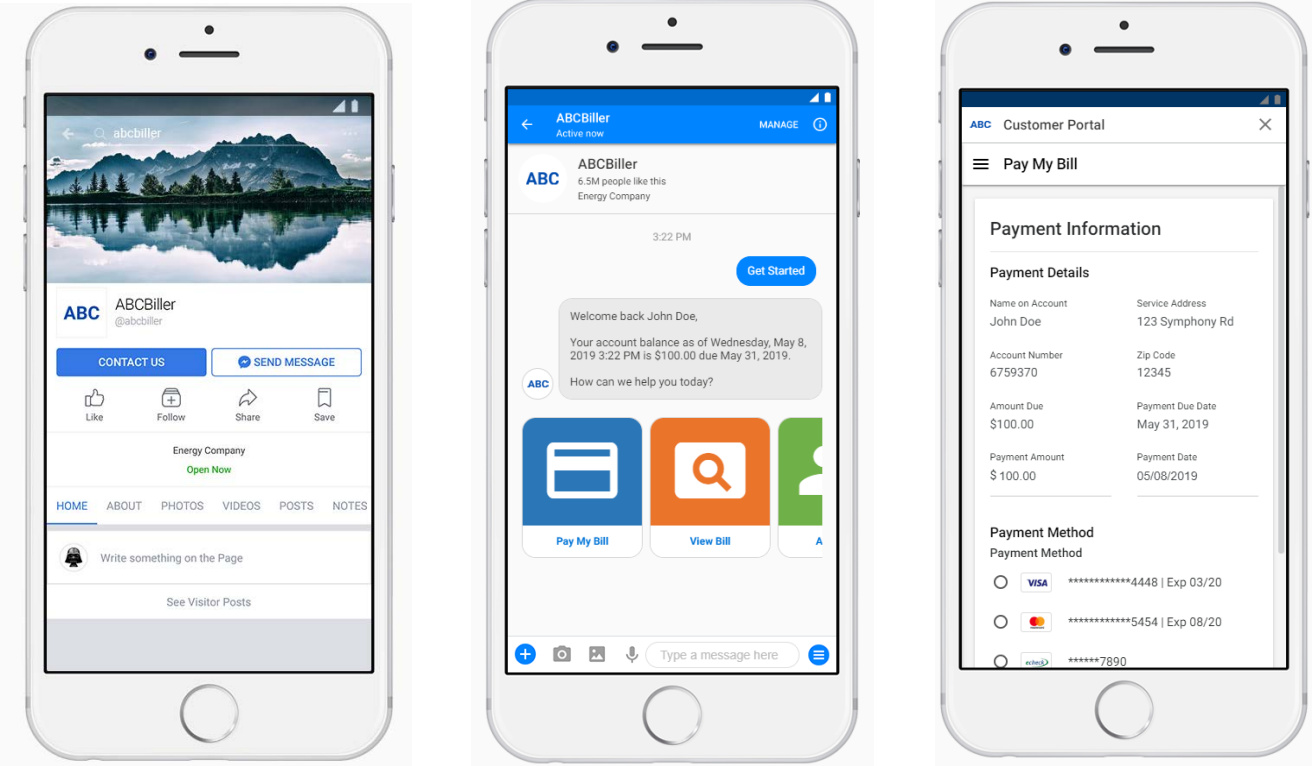
*"Your current power bill is \$56.43 due on July 5<sup>th</sup>, would you like me to pay this using your Visa ending in 5454?"*



# Facebook

Billers are increasingly using Facebook to serve customers

## Facebook Messenger



Within Facebook Messenger, customers can view bills, send message, make payments and more

# Social Payments

## Facebook Payments

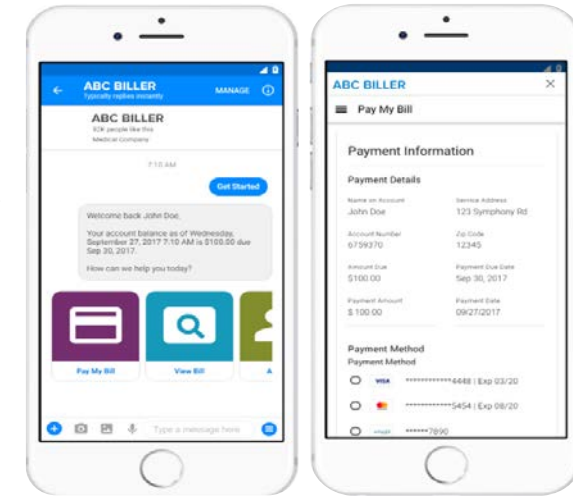
- Paymentus has integrated with Facebook to provide our full suite of billing and payment options using a chatbot in Facebook Messenger.
- For one-time payments, the customer enters account information for validation. For registered customers, we link their social media account to their profile in our system. We send eBills and two-way notifications to Facebook Messenger so payments can be made directly.

## Social Login

- The #1 breakage point in the payment flow is authentication. Users abandon the payment because they don't remember their login or password. To ease accessibility and improve customer satisfaction, you can allow users to link social login details (e.g., Google, Facebook).

## Emerging Payments

- As a market leader, Paymentus continues to invest in innovations that create frictionless billing and payment experiences. This includes research and investments in blockchain technology, artificial intelligence and bots for integration with additional social platforms and natural language processing bots for voice payments via Google Home, Amazon Echo and Siri.

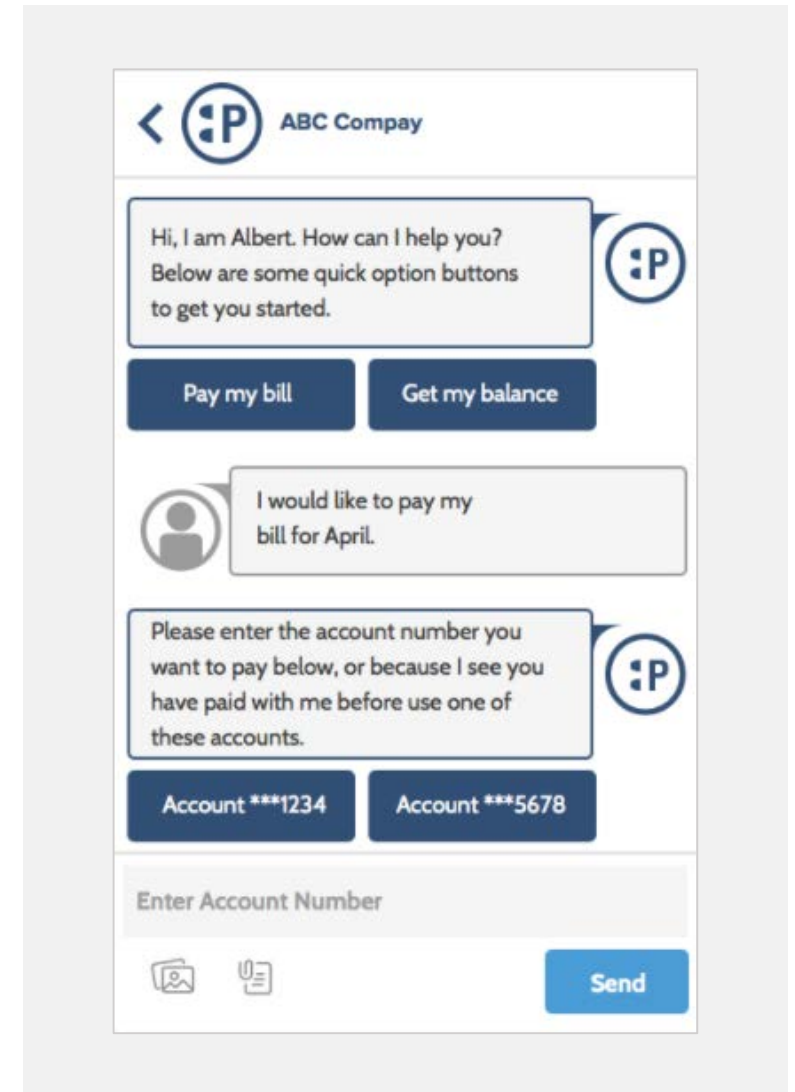


# Conversational Chatbot

Chatbots are a core pillar in efficient and effective customer support

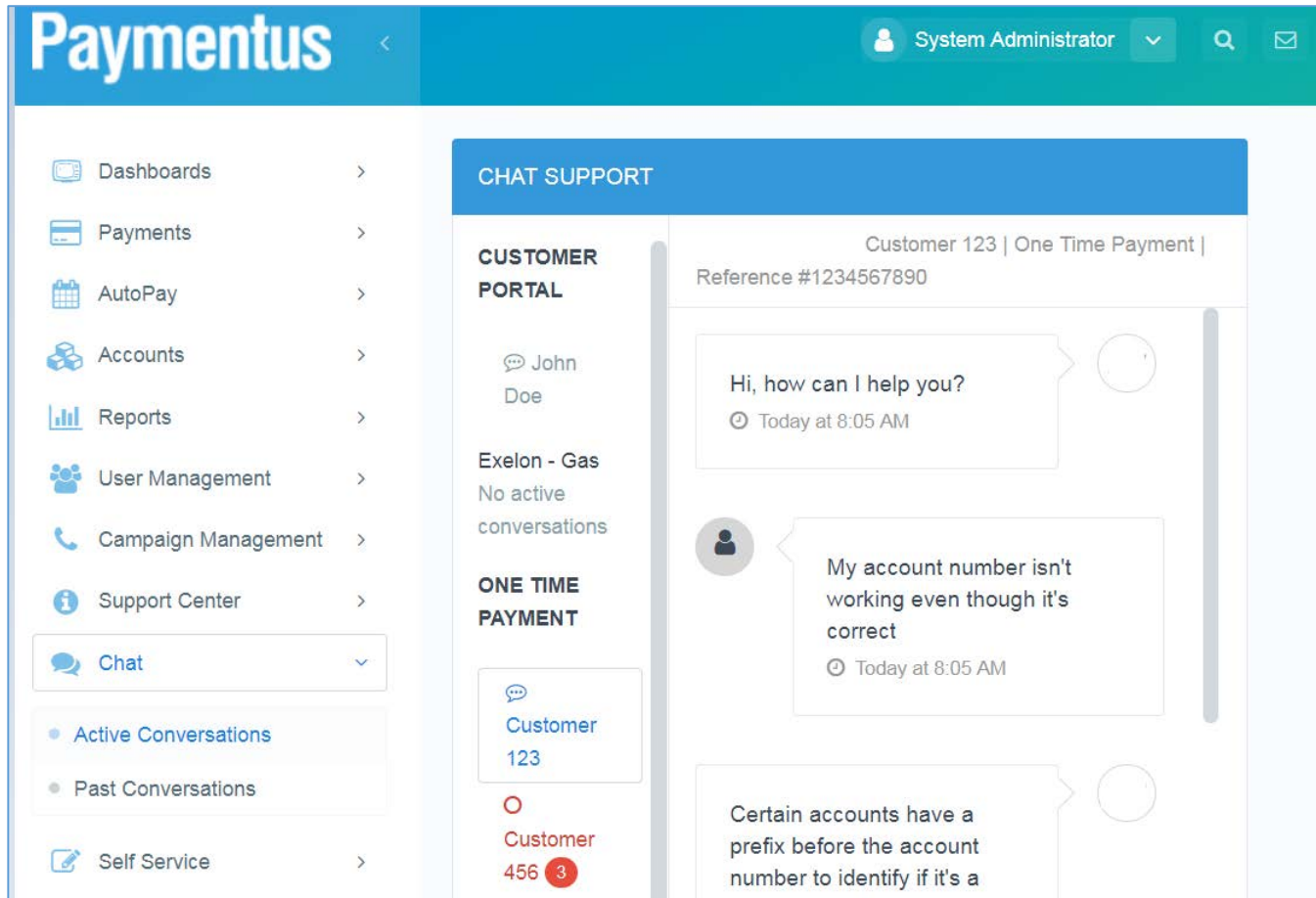
The Paymentus chatbot;

- Can be configured to account for your brand personality
- More than payments, communication





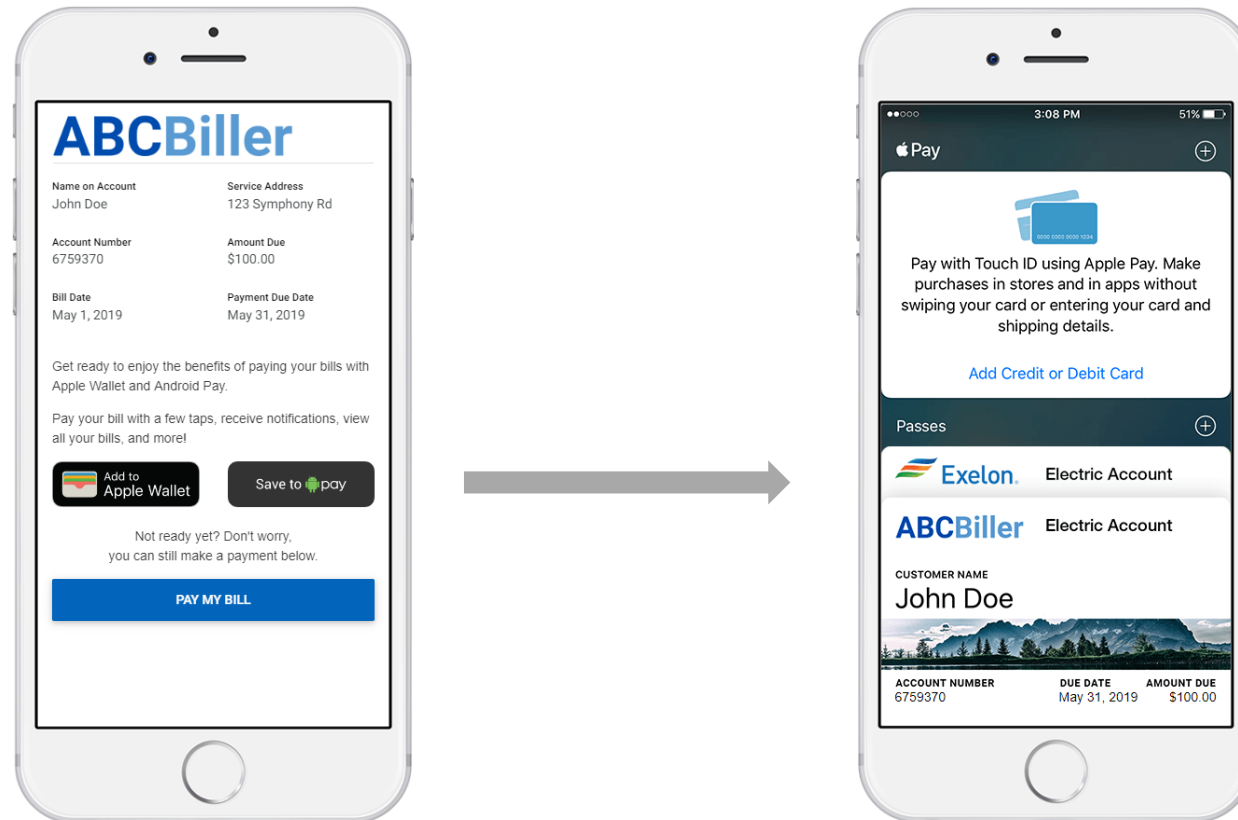
# Customer Chat Support



The Paymentus solution offers an option to give your customers a secure chat service directly from your website via Paymentus Integrated Widgets. Your customers can chat directly with your CSRs through our Agent Dashboard.

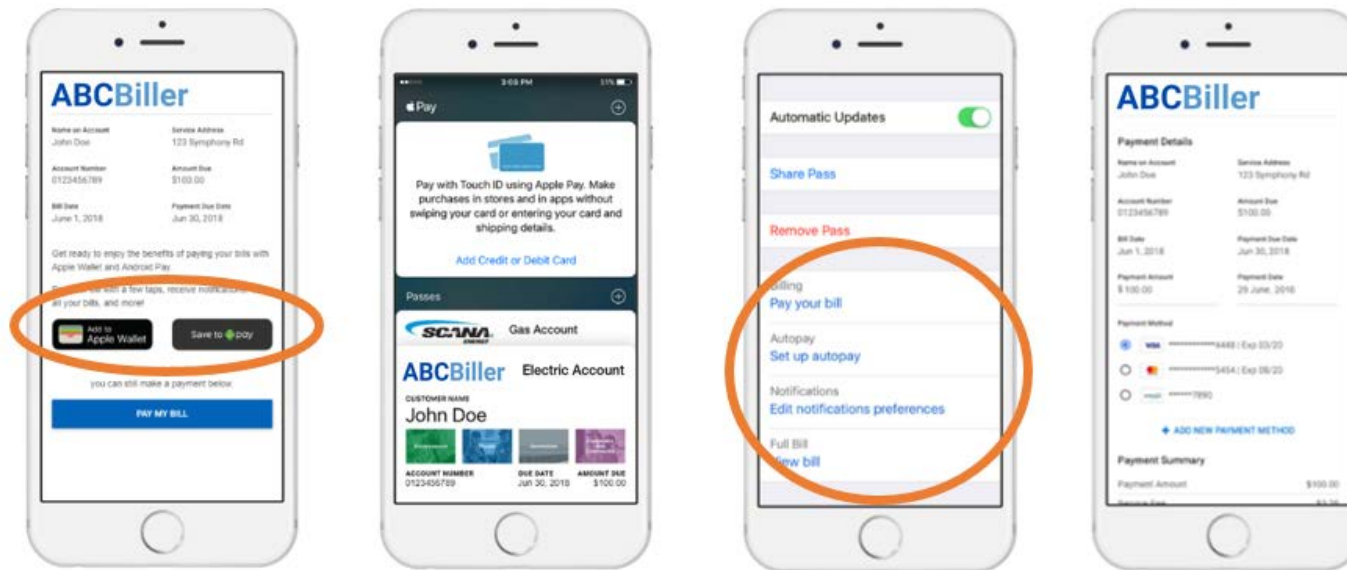
# Bill Presentment Directly To Device-Based Wallets

- Paymentus enables bill presentment, notifications and payment capabilities that leverage native wallet functionality available through Apple and Android devices
- Customers are able to enroll easily and have future bills sent directly to their mobile wallet



# Mobile Wallet Bill Card

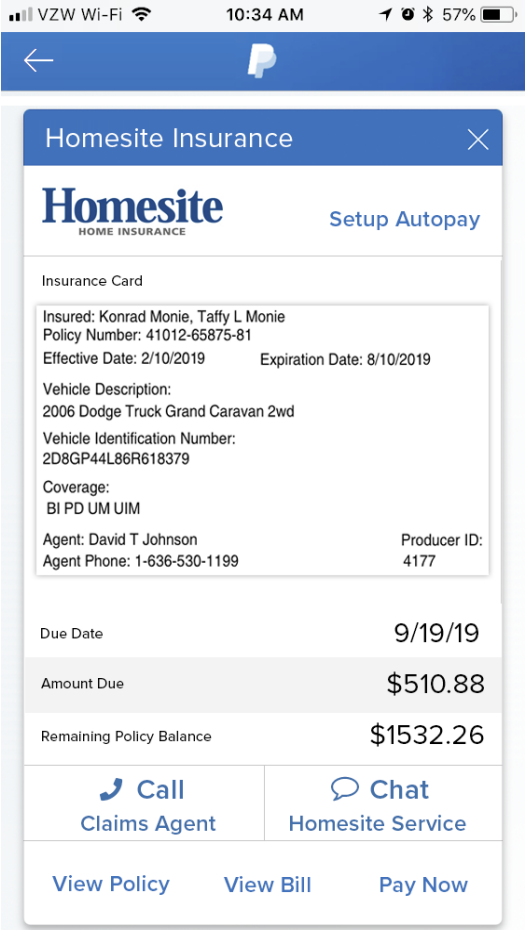
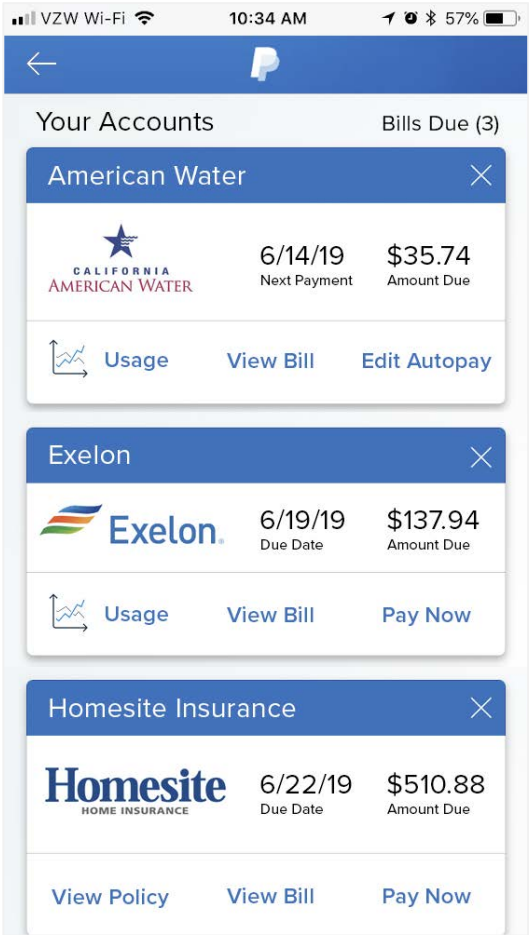
- Customer uses link add the bill to Apple Wallet or Google Pay
- Customer receives new bill notification in OS outside of app
- Bill summary statement automatically delivered each month within the wallet app on their mobile device
- Customer Portal experience in WebView used to pay, view their bill and setup autopay



# PayPal App – Bill Pay

We are the engine that is powering PayPal’s bill pay capabilities

From the PayPal app, your customers will have full functionality (view bills, receive notifications, send messages, make single payments, set up autopay and more) to efficiently manage their accounts



# Digital Wallets In Call Center

Digital wallets (e.g. PayPal, Venmo and Apple Pay) can be utilized to simplify payment acceptance and reduce/remove PCI scope in call center environments

ABCBiller

Agent Dashboard

System Administrator

Dashboards

Payments

Make Payment

Pay Multiple Accounts

Encrypted Swipe Payment

Make Refund

Find Payment

Customer Wallet

Find Payment Velocity

AutoPay

Accounts

Reports

User Management

Campaign Management

Support Center

Self Service

Broadcast Messaging

Account Information

Customer & Payment Information

Coordinate Payment

Please enter all of the information below and click Continue.

Contact Information

\* First Name: John

Middle Name:

\* Last Name: Doe

\* ZIP Code: 28201

\* Daytime Phone Number: ( 704 ) 222 - 1133 ext.

Email Address: jdoe@email.com

Please provide an email address so we may send you a confirmation of payment. Your e-mail address will not be used for any other purpose.

Retype Email Address: jdoe@email.com

\* Callback Number: (416) 555-1111 ext. 145

Registered Customers

\* Select a customer:

Payment Information

\* Payment Date: Now Later

\* Payment Method: Apple Pay

\* Payment Amount: \$ 100.00

Send Text Back Cancel

Payment Information

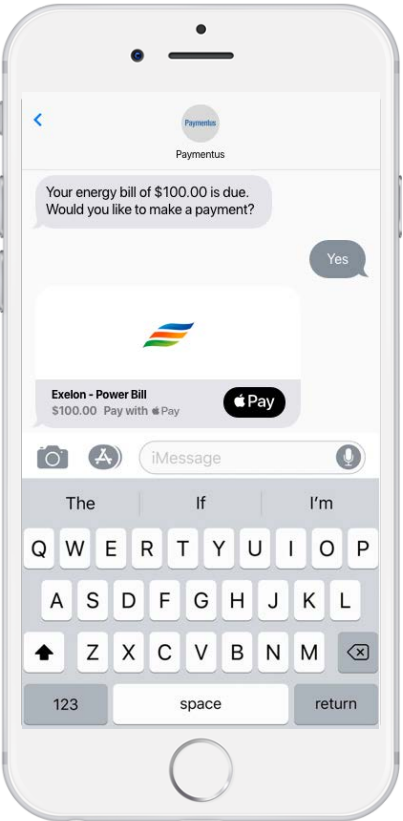
\* Payment Date: Now Later

\* Payment Method: Apple Pay

\* Payment Amount: \$ 100.00

Send Text Back Cancel

Paymentus system generates a text that invokes preferred digital wallet



Payment confirmed by customer, agent is notified systematically. No payment details furnished over the phone



# Improving Customer Experience = Maximizing Adoption

Give customers –

- A quick, convenient way to pay bills
- The option to pay any time, anywhere
- Flexibility to pay with various payment methods
- More options to see their eBill
- A simple and straightforward user experience
- Require fewer steps to complete a payment
- Understand the customer's preference regarding notifications

# Utility Case Study – ABC Utility

## New Client deployed in 2019

- Water utility serving approximately 38,000 accounts billed monthly
- 2018: 2 staff members at front counter - 13 Customer Care staff members
- 2019: 1 staff member at front counter – 8 Customer Care staff members
- Fast growing area and utility in the valley

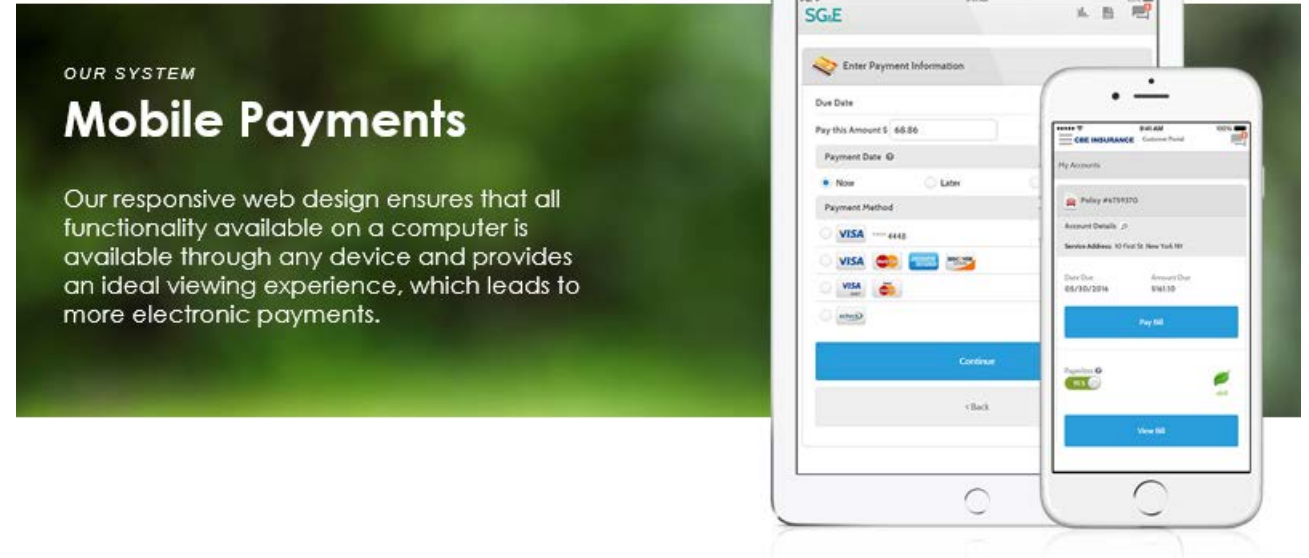
# Before Paymentus

- High customer call volume for payment issues and shutoff
- Web; CS calls and mail payments were only options for Utility customers to pay bills
- No real-time posting; caused a lot of problems with shutoffs
  - Customers would pay, billing system would not be updated with the payment posting until next day



# With Paymentus

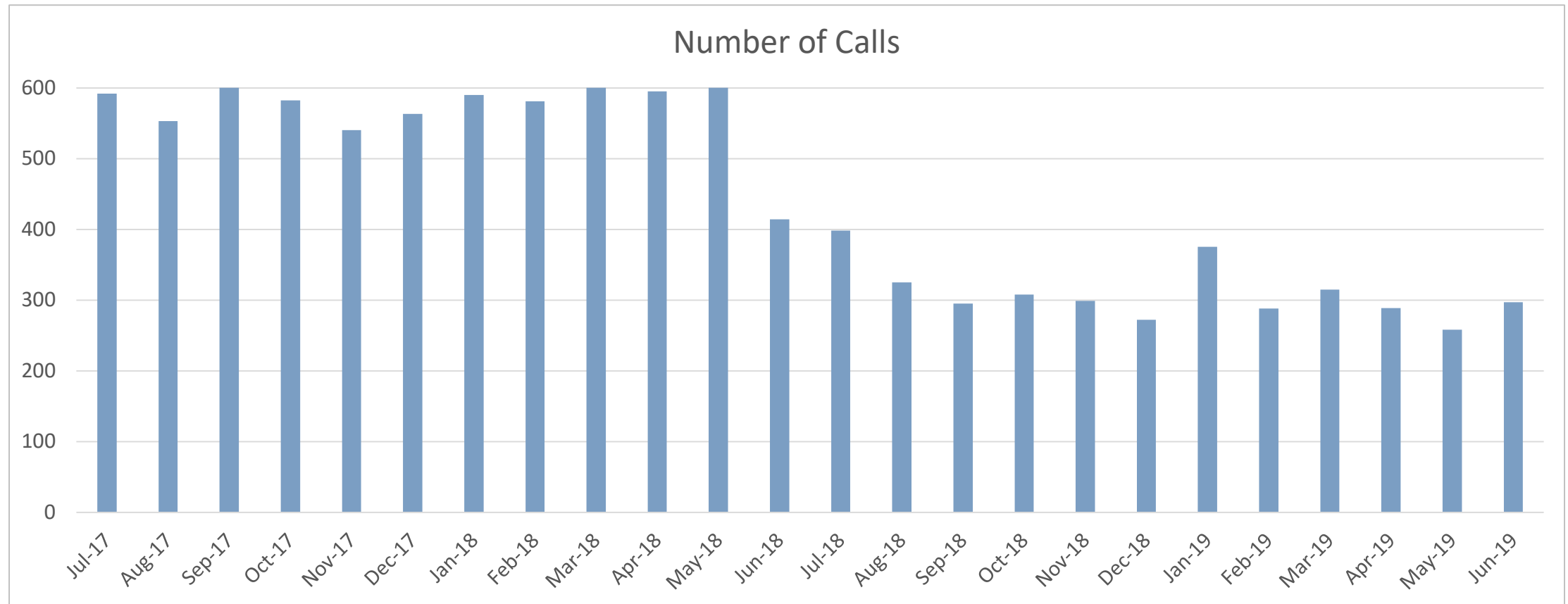
- More payment options for customers
  - IVR (automated phone)
  - Web (registered and non-registered)
  - Responsive site renders to all devices
  - eBilling
  - Pay-by-Email (secure PDF)
  - Pay-by-Text
- Real-time payment posting



# Call Volume

- Before Paymentus – average of 597 Calls
- After Paymentus – average of 310 Calls

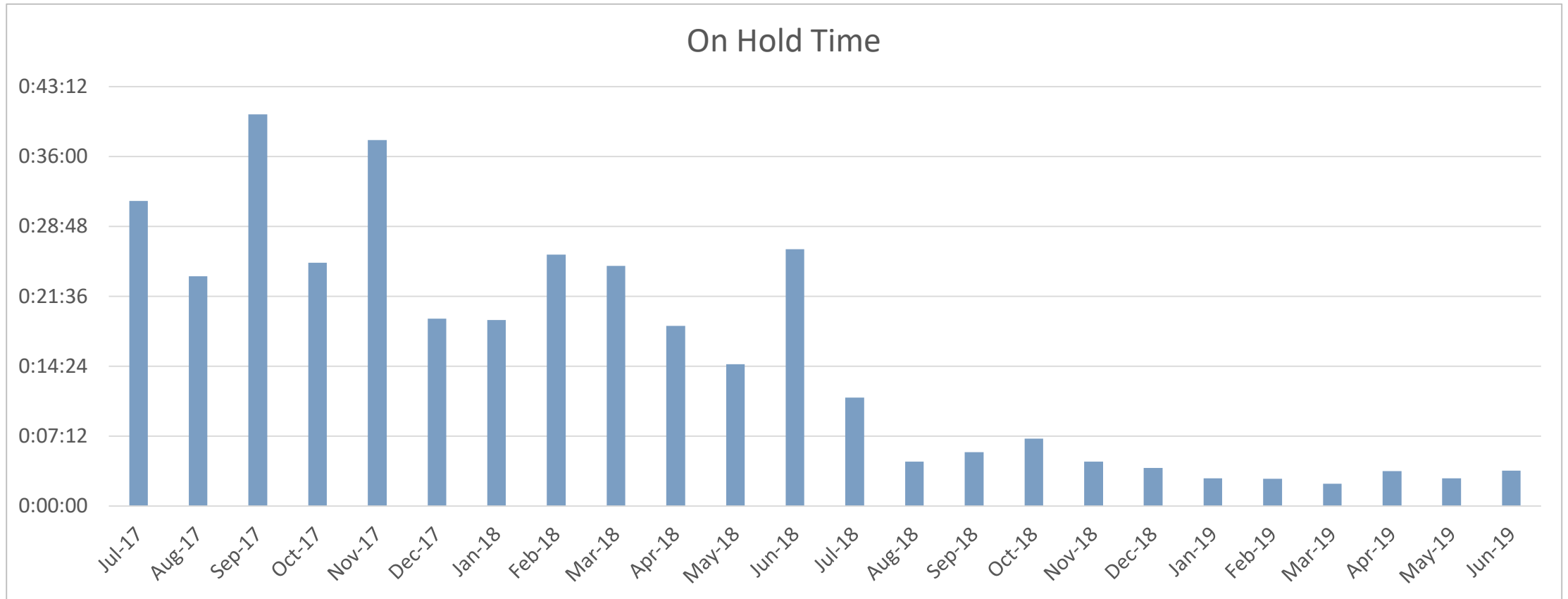
Call volume reduced by 48%



# On Hold Time

- Before Paymentus – average of 25.5 minutes
- After Paymentus – average of 4.5 minutes

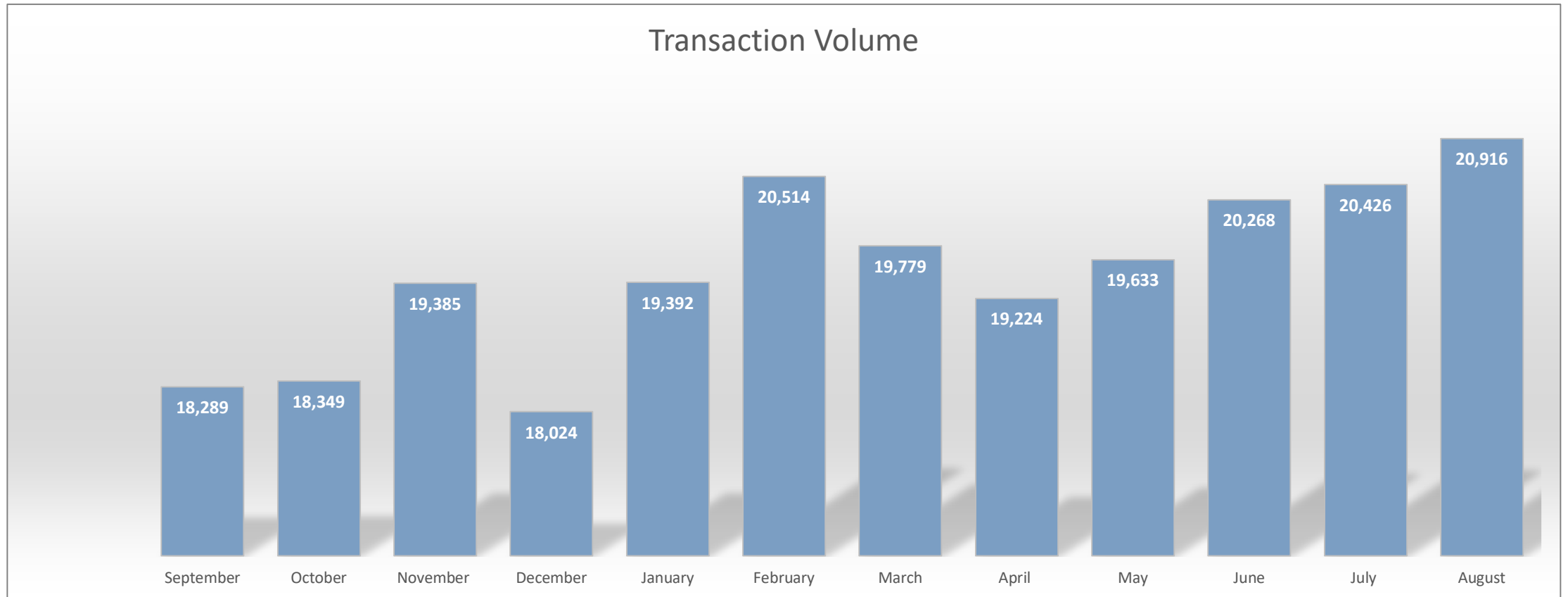
On hold time reduced by 82%





# Payment Volume Growth

- Transaction volume increase (Sept vs Aug) - averages 7%
- Average monthly transaction volume = 19,500



# Adoption

- Breakdown of how monthly payments are received:

AutoPay (Debit ACH)	6,000	16%
Check	5,400	14%
Banking BP	2,000	5%
Paymentus	<u>24,500</u>	<u>65%</u>
	38,000	

- Only processing 14% of payments manually
- Check payments reduced by 64% (15,000 → 5,400)

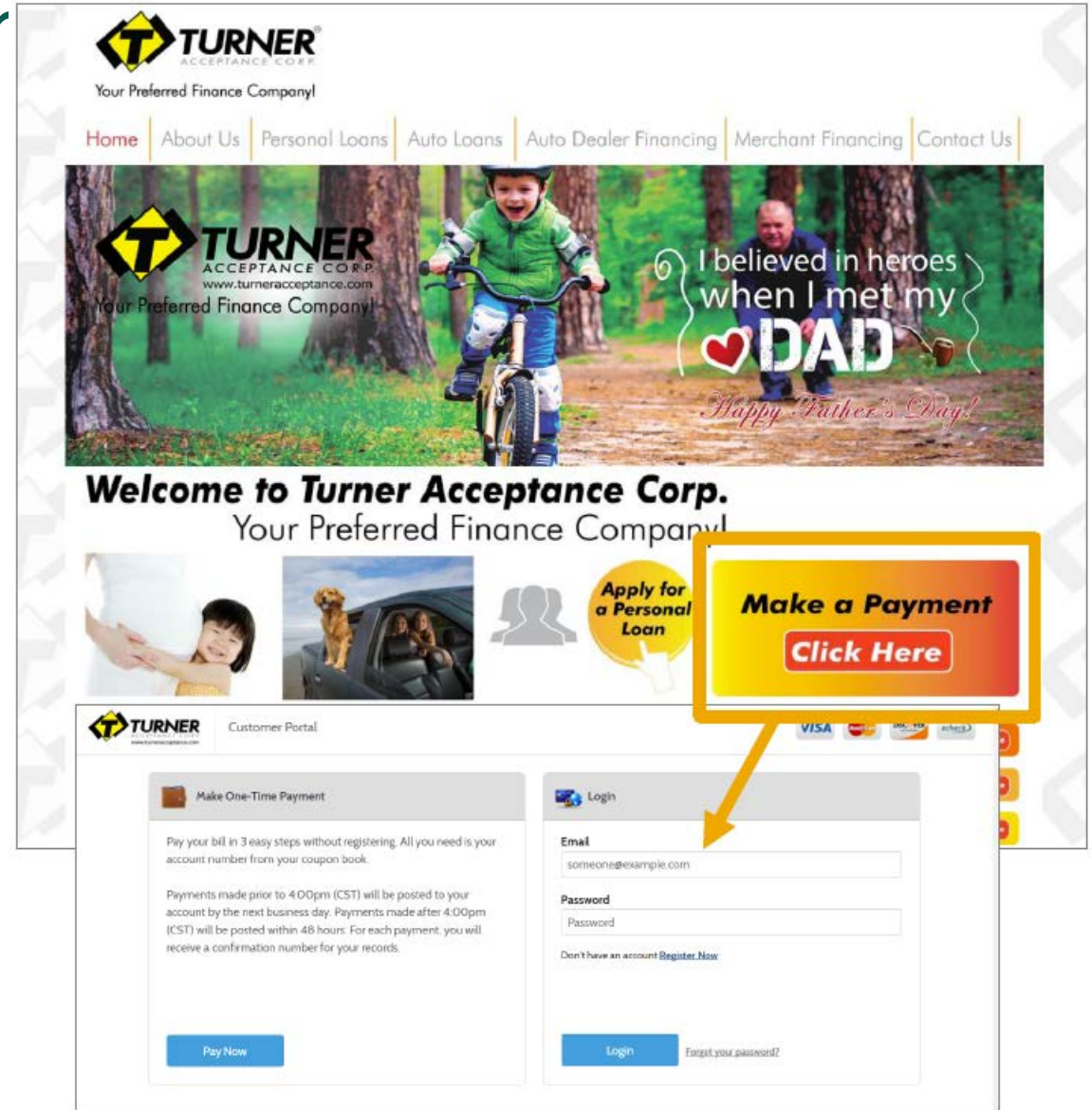


**86% adoption of automated, self-serve payment channels**

# Add Options & Promote Their Website Home Page Link


The #1 reason customers visit your website is to make a payment.

- Prominent
- Easy to find
- Direct to payment site




# Promotion on Paper Bill

- Prominent
- As close to the amount due as possible





**FAIRFIELD MUNICIPAL UTILITIES**  
1000 WEBSTER STREET  
FAIRFIELD, CA 94533-4883  
707-428-7346

Pay online @ <http://www.fairfield.ca.gov/depts/finance/paybill.asp>  
Pay by phone @ 1-866-207-6045  
Pay with cash at your local 7 - Eleven



FAI1011B 2000000004 1/4



 SAMPLE CUSTOMER  
1234 MAIN ST  
SAN RAMON CA 94583-9127

**CONSUMPTION HISTORY**

**ACCOUNT INFORMATION**

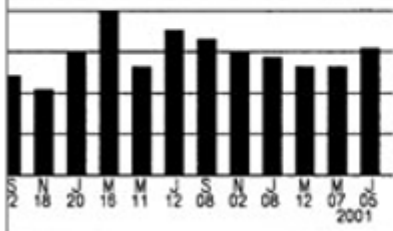
ACCOUNT NUMBER:  
SERVICE ADDRESS:  
SERVICE PERIOD:  
BILLING DATE:

**ACCOUNT ACTION**

(16 -Summary of Charges)

Month	Payments/Adjustments	Past Due Amount	Late Payment Charges	Current Charges	Total Amount Due
12/22	-49.22	50.00	0.00	179.40	229.40

Usage History/Daily Average Usage (gpd) (17)



Message Area (18)

Make bill payments easy  
SIGN UP NOW  
E-Bill Service  
Automatic Bill Payment  
They are available  
Visit our website at [www.kauaiwater.org](http://www.kauaiwater.org)

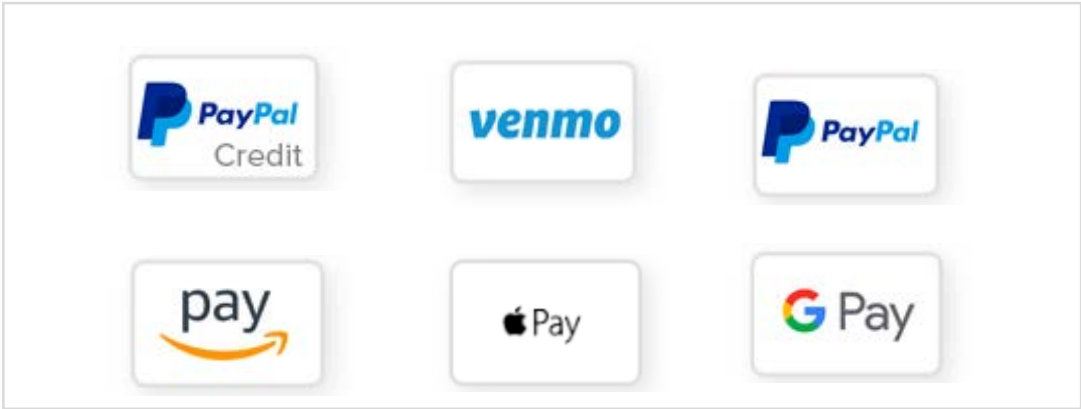
# Advancing Your Current Solution (Only Possible With Paymentus)

**Paymentus:** helping you make the move from Legacy to Advanced

Legacy Solutions

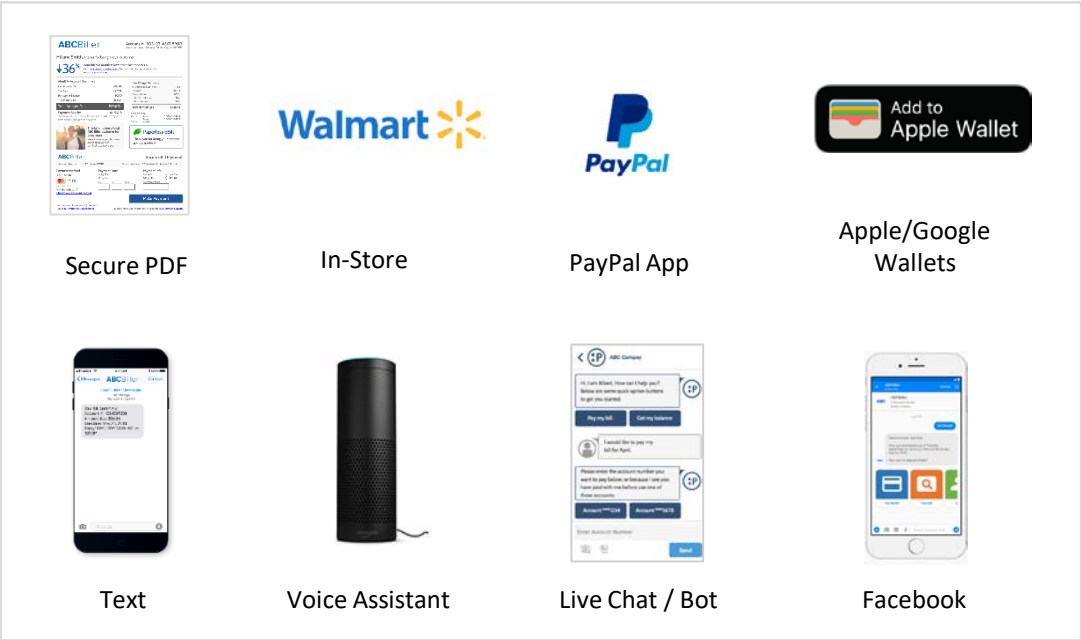


Advanced Payment Methods

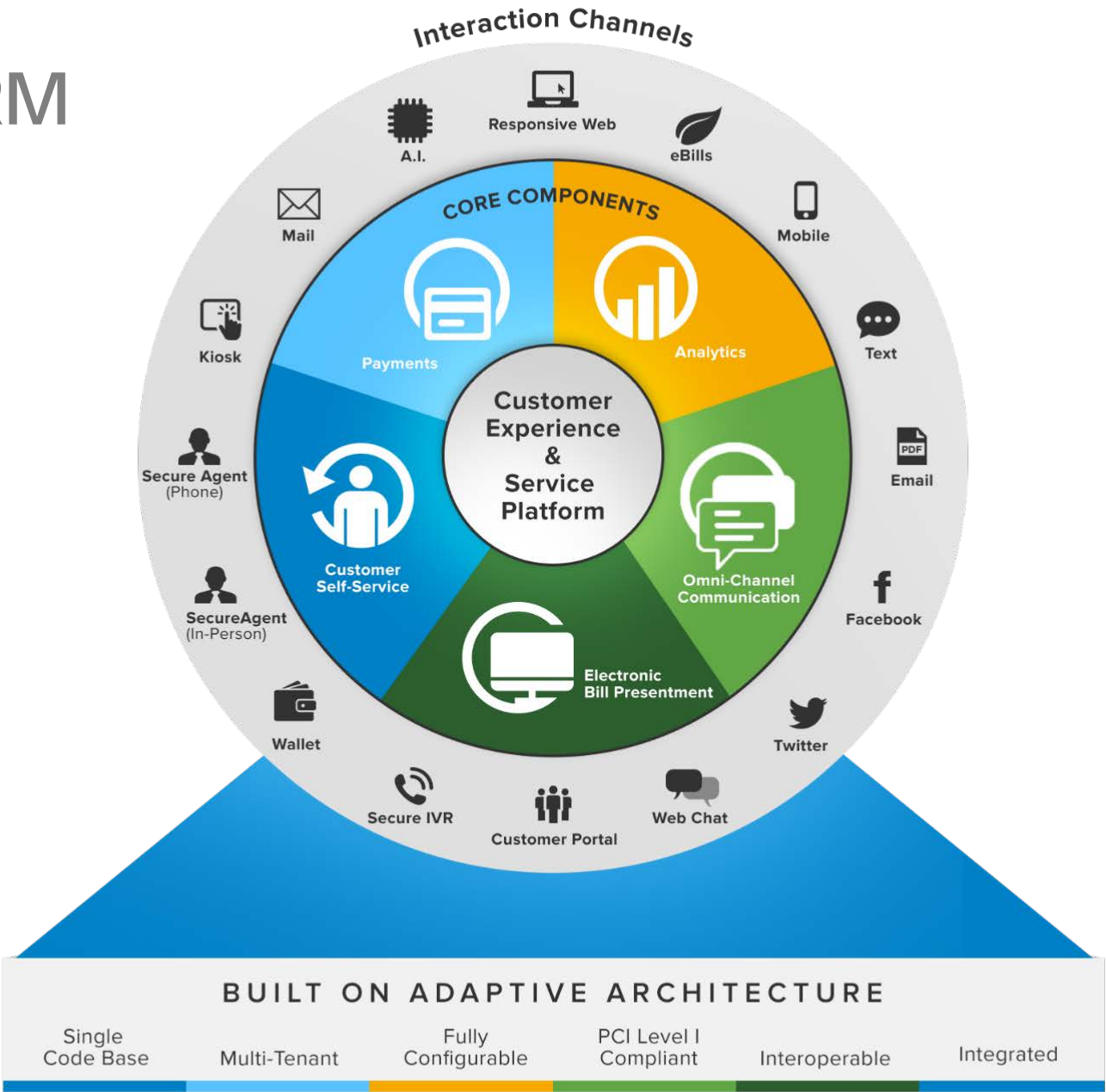


**Paymentus**

Advanced Payment, Presentment and Messaging Channels



# ONE PLATFORM



Paymentus will equip you with all of the tools you need to increase revenue, reduce operational costs and improve customer relationships

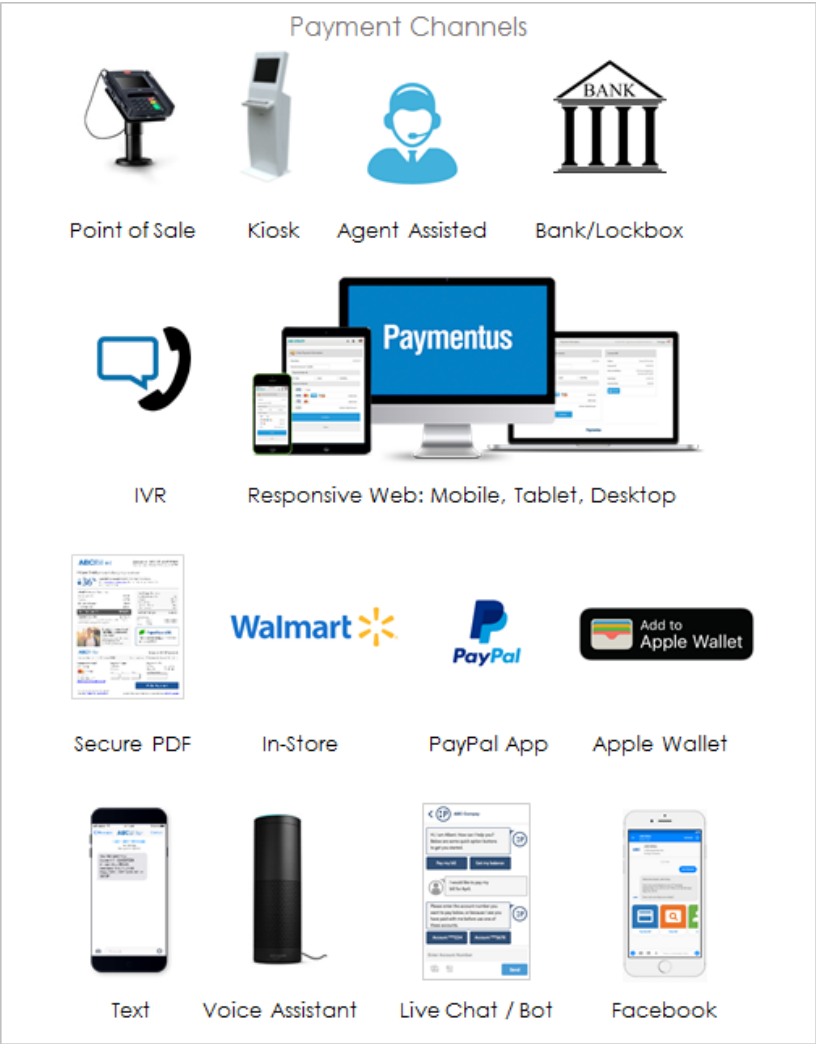


# A Complete Platform – One Provider (Biller View)

Legacy Payment Methods

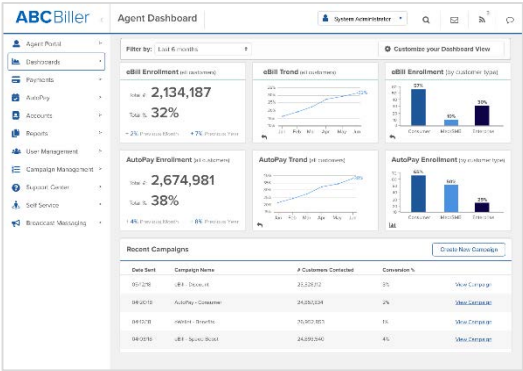


Emerging Payment Methods



## Paymentus

Paymentus provides visibility into every payment in all channels



Giving you the complete picture, all while satisfying your customers

A person's hands are shown holding a white smartphone. The person is wearing a silver metal watch on their left wrist. The background is a blurred city skyline at night, with several green circular light bokeh effects. The text "Thank You." is overlaid in white.

# Thank You.

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704.695.2686



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