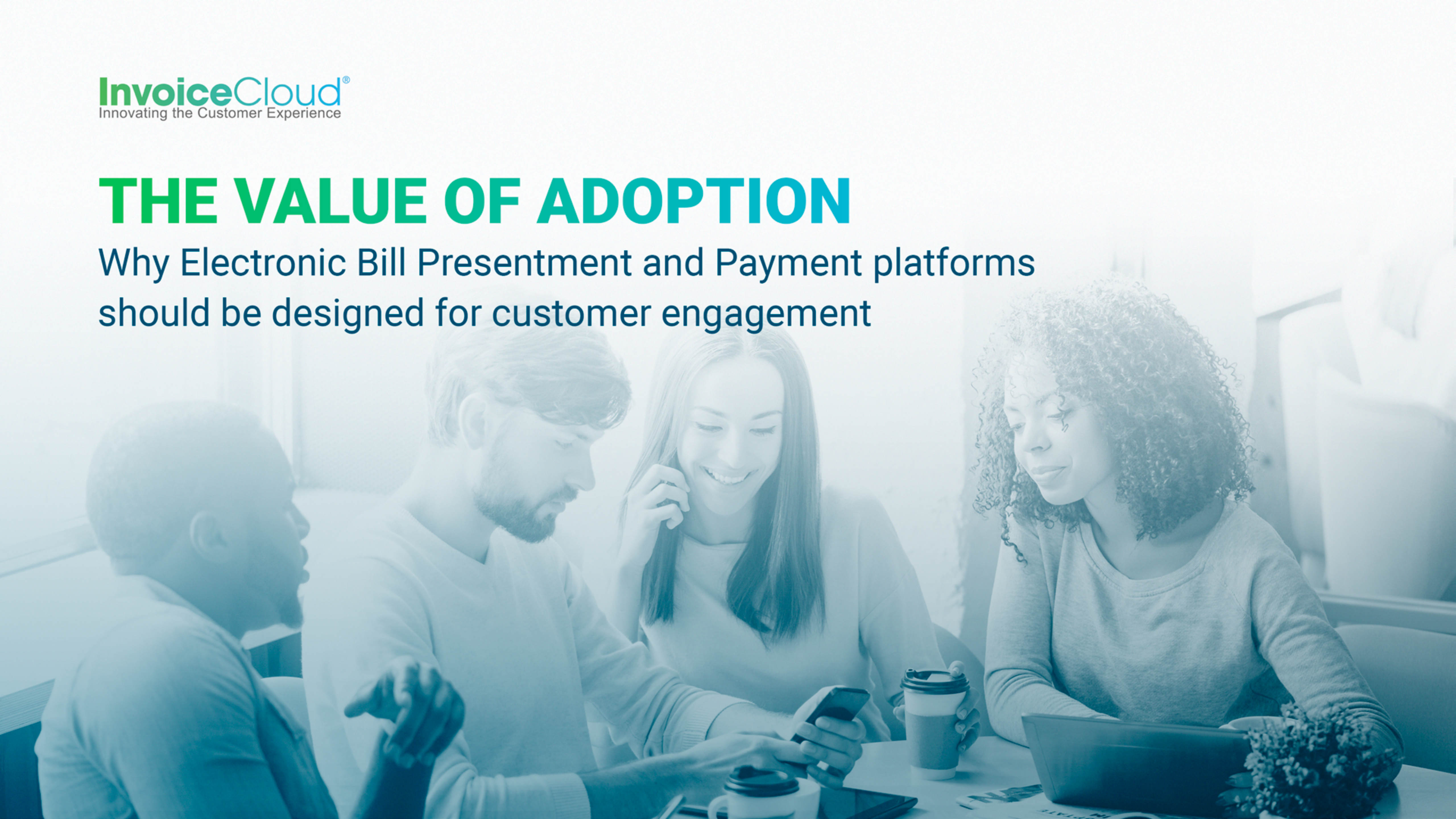**Invoice**Cloud®
Innovating the Customer Experience

# THE VALUE OF ADOPTION

Why Electronic Bill Presentment and Payment platforms should be designed for customer engagement

# HOW TO EVALUATE AN EBPP PLATFORM

When it comes to selecting an Electronic Bill Presentment and Payment (EBPP) platform for your organization, the list of criteria you can use to evaluate your options is seemingly endless. From product features, to customer registration, experience and ease of use, to integration with software—there are countless categories on which to base your decision.

Most EBPP solutions look very attractive on paper and in a demo. At the end of the day, however, the true benefits of an EBPP platform should be measured in terms of how well it drives customers to self-service. The platform that is most engaging for customers will move more customers to serve themselves and create time and cost efficiencies for your organization through paperless billing, quicker collections, shorter lines and fewer support calls.

**So, what is the best way to select an EBPP?**
By evaluating adoption compared to the alternatives.

But what is adoption? And how does it drive real business results for organizations like yours? This e-book offers an overview of adoption—what it is, why it matters, and how to drive higher adoption rates for your organization.

# WHAT IS ADOPTION?

When we talk about adoption, we are generally referring to 'e-adoption' or electronic billing and payment adoption. For an EBPP solution to drive results for an organization (biller), customers (payers) have to use the platform to pay (and/or receive) their bills. And while this might sound simple and straightforward, it's anything but. Many online payment platforms offer clunky or difficult to use customer interfaces that deter customers from paying their bills online. This often creates added work and headaches for the staff members responsible for customer service.

Customer adoption isn't limited to online or mobile payments, however, as adoption can also refer to any kind of customer self-service, such as enrolling in services like auto pay, e-reminders, electronic copies of reports (ex. annual water quality reports), or paperless billing. Ultimately, the key to driving higher adoption rates is improving customer engagement and the overall customer experience. The highest engagement generally comes from the simplest user interface, because many customers are reluctant to use online user interfaces until proven to be secure and effective.

## MEASURING ADOPTION

Many organizations measure adoption by the average number of electronic payments made divided by the total number of bills issued. For example, if 10,000 bills/month are issued and 2,500/month are paid electronically, that would result in 25% e-payment adoption.

For most billing organizations, the most desirable state is for customers to go paperless and sign up for automatic electronic payments, frequently referred to as auto pay. This provides the simplest, lowest cost collection for the biller that only requires servicing when a customer moves or changes payment remittance information (i.e. new credit card, new bank account). Since the vast majority of consumers who go paperless also pay online, e-payment adoption has become the most common measurement of EBPP adoption effectiveness.

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# WHY IS ADOPTION IMPORTANT?

The more customers who use the EBPP platform to pay their bills, sign up for paperless billing, or enroll in auto pay, the less time your staff needs to spend on each of these items. This means there is more time available to spend on higher value projects and opportunities. It also means a reduction in costs associated with manual processes such as paper billing and customer support.

Increased e-adoption and customer self-service translate to positive business results, such as:

## INCREASED CUSTOMER SATISFACTION

When an EBPP platform makes it simple for customers to adopt electronic payments and enroll in services like auto pay or paperless billing, it removes many friction points for your customer. This increased ability for customers to self-serve ultimately improves the customer experience.

## ACCELERATED COLLECTIONS

When customers use e-payment channels to pay their bills, the amount of time that needs to be spent manually collecting and processing payments is greatly reduced. And when customers enroll in services like auto pay, your organization is guaranteed that payments will show up on time, every billing cycle.

## COST SAVINGS

Increased enrollment in services like paperless billing translates to real cost savings in the form of decreased print and mailing costs.

## DECREASED MANUAL LABOR & STAFF WORKLOADS

For those who mail their own bills, fewer paper bills also means less time spent stuffing and mailing envelopes. With online bill payment, your staff also spends significantly less time processing manual checks. This means your staff can spend more time on higher priority projects, and more time communicating with customers to improve satisfaction and service levels. And an easy enrollment and payment process means less time that your customer service staff needs to spend fielding customer complaints or resolving customer issues.

# HOW TO DRIVE HIGHER CUSTOMER ADOPTION

Once you understand the importance of adoption in considering an EBPP platform, how can you tell if a platform is actually designed to engage customers? Features aside, the true value in this kind of solution comes from its ability to engage customers at the right time and place to make payments as convenient as possible.

A great EBPP platform naturally moves customers to use it due to its simplicity and pleasant experience, but customers need to know that the opportunity to pay through an EBPP platform exists. By maximizing customer touchpoints and providing a variety of easy to use options, a well-designed EBPP platform significantly increases the chance that a customer will pay online or enroll in time-saving services such as paperless billing, auto pay, or bill pay reminders.

## DESIGNING FOR CUSTOMER ENGAGEMENT

The user experience is the most important determinant of whether customers will adopt electronic payments and services. Solutions that are designed with the customer experience in mind will be better positioned to drive customer engagement and e-adoption.

What does a well-designed EBPP platform look like? Here are the factors that contributed to increased customer engagement and e-adoption.

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## Simple Processes

It shouldn't be difficult for your customers to use electronic services or enroll in paperless billing. For example, registration for electronic services shouldn't be required, as many customers are reluctant to create usernames and passwords, at least until those services are proven through experience. Many customers gain confidence in a service by paying online a few times before registering and enrolling in paperless billing and/or auto pay.

Beyond that, it should be simple and easy to make a payment—regardless of whether someone has registered or set up a payment profile. Creating gates like login screens or registration pages impedes the payment process and makes for a poor customer experience. The easier it is for your customers to make a payment online, the higher the adoption.

## Mirroring the Paper Bill Experience

One issue that customers often have when it comes to enrolling in services like paperless billing is that they don't want the experience to differ from receiving a paper bill. That's why bill presentment is such an important part of a good EBPP platform. Customers should be able to easily see a replica of their paper bill without logging in, registering, or having to download a file. This goes a long way toward encouraging higher levels of adoption.

## Payment Options

Your customers are constantly on the go and want to be able to make bill payments the same way they make other purchases—anytime, anywhere. That's why the customer payment experience needs to be available across all channels, whether that's a web payment portal, a mobile payment option, an Interactive Voice Response (IVR) system, or a pay by text functionality. The more e-payment options you provide to your customers, the higher the adoption will be. For example, many customers who are reluctant to pay online are perfectly happy to pay by phone using an IVR option.

Most importantly, the customer experience should be the same across all payment channels—meaning that a customer can interact with any channel you have in place and expect the same level of simplicity and ease of use.

## Security

When it comes to making payments online, your customers want to know that their data and payment information is secure. That's why it's important to select an EBPP partner with the highest levels of data security, to ensure company compliance and ease any customer concerns. If your customers are certain they can trust your online payment platform, they will be more likely to adopt online payments.

## LEVERAGING CUSTOMER COMMUNICATION

Depending on your business, it is likely that the billing process is the most frequent communication point your organization has with its customers. When you combine that with the fact that most customers won't go looking for options to enroll in paperless billing, the billing contact points you have with your customers are some of the most critical interactions for driving e-adoption.

For these reasons, it's important for the entire billing process to be designed around encouraging customers to pay online and go paperless. This relates to everything from the paper bill and envelope designs, to the bill notifications using email and text messaging, and to the frequency of communication. For example, one of the most important drivers of adoption is a message on the outside bill envelope—known as a teaser—suggesting that customers can "Pay Online and Go Paperless."

EBPP platforms that are designed to drive customer engagement are built on the premise that you only have a few touch points to encourage customers to pay online and enroll in services. That means communications should be clear and frequent enough to encourage adoption, and processes should be simple enough to enable easy enrollment.

## ONGOING INNOVATION AND IMPROVEMENTS

Digital behaviors are constantly changing—in terms of both technology and consumer preferences. This means that an EBPP platform will need to keep up with your customers' evolving expectations when it comes to online, mobile, and other digital payments. Many EBPP platforms are hosted, which means they require billers to upgrade or make updates in order to access new features. True software as a service (SaaS) EBPP platforms are the only solutions that can support automatic updates and improvements, meaning your organization will always have access to the latest payment innovations.

## SEAMLESS INTEGRATIONS

Organizations spend significant amounts of time and resources researching and implementing software products such as core billing systems. It is critical, therefore, that your EBPP platform has the capability to tightly and seamlessly integrate with your existing software partners. A good EBPP platform will have a network of existing integrations with industry software leaders.

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# HOW ADOPTION TRANSLATES TO REAL RESULTS

At Invoice Cloud, we have a proven track record of driving increased electronic and digital payments for our clients. And when it comes to translating increased adoption rates to real business results, we've seen many benefits.

## REDUCED STAFF WORKLOAD AND INCREASED MORALE

To meet its PCI compliance requirements, the City of Escondido, California moved its online payment processing to a third-party vendor. Unfortunately, the system that they implemented created challenges for the city and its citizens through a difficult user experience, lack of convenient payment options and lack of real-time integration, among other issues. After switching to Invoice Cloud, Escondido has seen several benefits, including increased self-service and paperless adoption leading to higher customer satisfaction, reduced staff workloads, and improved staff morale. After only 9 months live with Invoice Cloud, in fact, Escondido saw 52% overall e-payment adoption, which translated to a 69% reduction in inbound calls—improving morale as staff members spent less time resolving customer issues and more time focusing on important departmental objectives.

## SAVINGS ON PRINT AND MAIL COSTS

One utility company was dealing with a payment system that delivered a clunky user experience, resulting in low adoption rates. As a result, the utility faced high costs associated with printing and mailing paper bills. After just two months with Invoice Cloud, the client saw a 19% increase in online payments and a 36% increase in auto pay signups—leading to savings on print and mail costs that totaled more than $5,400 per month. In addition, the utility saw increased customer satisfaction rates, decreased churn, and vastly improved staff efficiencies.

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# HOW TO EVALUATE AN EBPP PLATFORM

When evaluating an EBPP platform for your organization, arguably the most important consideration is whether the solution is designed to drive customer engagement and increase e-adoption. If the platform you select isn't effective at encouraging adoption, then it will be difficult to realize the real benefits of this kind of solution.

As you consider your options, ask yourself a series of questions to determine the likelihood that a solution will successfully achieve the adoption rates you're looking for:

- Do customers have to jump through hoops to pay or see their bill?
- Is it easy for customers to make an online or mobile payment?
- Can customers easily and simply enroll in paperless billing, auto pay, or bill pay reminders?
- What options are customers given to pay their bill?
- Are customers engaged at every available contact point?

It's important to select an EBPP provider that can successfully increase your organization's adoption rates, so that you can begin realizing real business benefits such as accelerated collections, decreased costs, reduced staff workloads and improved customer satisfaction.

To learn more about how Invoice Cloud's platform can help drive results for your organization, visit invoicecloud.com today or schedule a demo.

**InvoiceCloud**®
Innovating the Customer Experience

Invoice Cloud provides trusted, secure e-payments and the highest
adopting Electronic Bill Presentment and Payment solutions.
To learn more, visit www.invoicecloud.com