

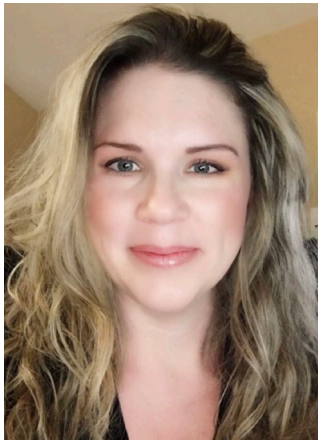
Post COVID-19 Pivotal Strategies to Enable Payments

Rob Piatkowski
Key Account Manager



Jacqueline Martine, Senior Advisor
Billing, Payments and Communications





Jacqueline Martine, Senior Advisor Billing, Payments, and Communication Solutions

Jacqueline helps Fiserv clients re-think the way they approach their customer's billing & payment experience. Jackie has over 14 years of experience in applying technology and solutions to solve complex business problems that drive business results. Her goal is to drive more meaningful customer engagement and satisfaction while streamlining the billing and payment process for her clients. Feel free to connect with Jackie at Jacqueline.Martine@fiserv.com



Rob Piatkowski, Key Accounts Manager

Rob Piatkowski serves as a Key Account Manager for Apogee Interactive to several of the nation's largest utilities. Rob's responsibilities include identifying customer metrics of success and leveraging different aspects of the Apogee platform to meet new and existing customers' goals. Prior to joining Apogee Interactive, Rob was a senior account executive in the energy efficiency and demand-side energy consulting industry. He served in a variety of roles with EMCOR, United Technologies, and Servidyne. rpiatkowski@apogee.net



- ▶ Software as a Service (SaaS) provider focused on three major utility initiatives:



Customer
Engagement



Customer
Satisfaction



Program
Participation

- ▶ Best in class Data Analytics
- ▶ Providing Consistency, Building Customer Trust



Who We Are
Leading the market in
customer engagement

In our **27th** year

Serving
HUNDREDS
of utilities, reaching
MILLIONS
of customers

145 Million+
payments processed

more than **1 in 3** use
Fiserv for account processing

\$75 Trillion+
moved annually

50 Million+
active bill payment users

50 Million+
deposit accounts

 **29 Million+**
Active eBill pay consumers

 **\$15 Billion+**
revenue

Innovation

Expertise

Commitment to Quality

44,000
associates worldwide



proprietary consumer research
every 90 days



12,000 clients
in more than 155 countries

140 patents+
issued and pending

75 Million walk-in bill
payments processed in 2019



24/7/365
service and support

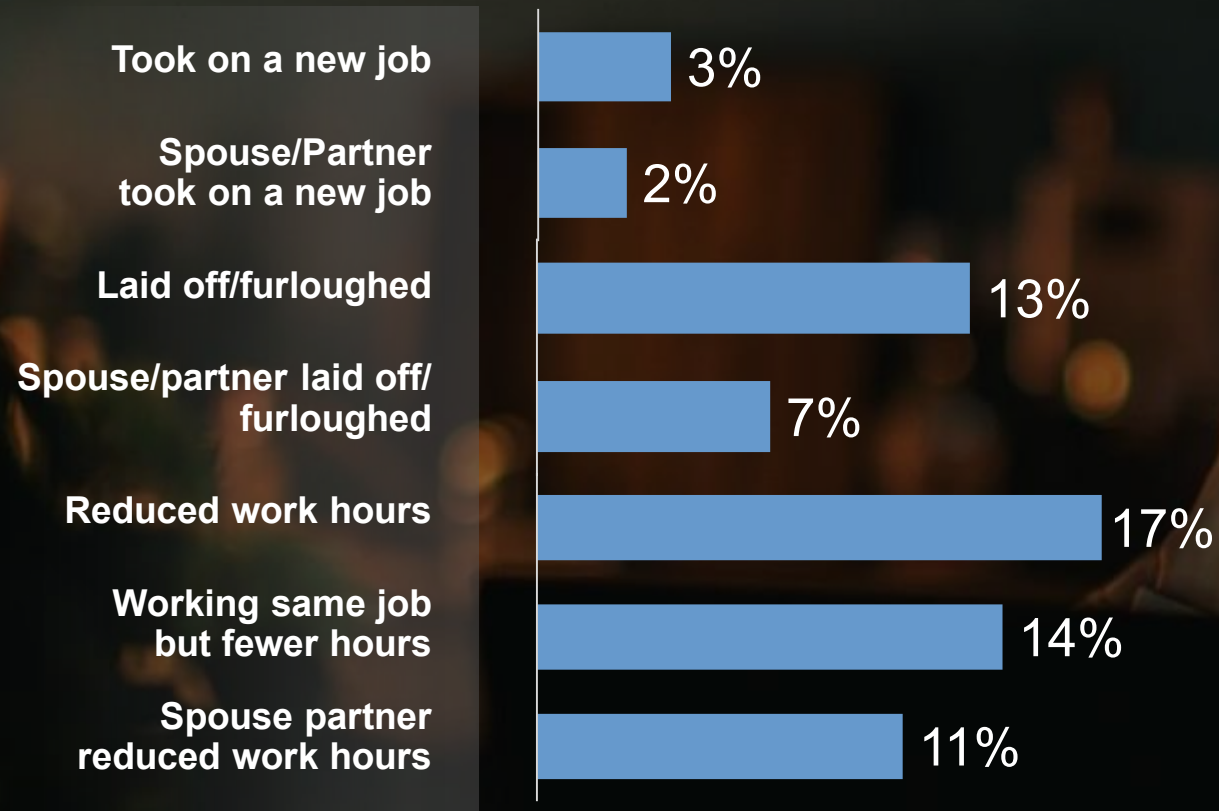
Post COVID-19 Consumer Billing and Payment Behavior – How to Prevent Satisfaction Gaps

- Consumer Trends: Consumer Outlook on Their Ability to Pay
- Consumer Changes: Since Onset of COVID-19
- Consumer Vision: The New Normal
- Reality Check on The New Normal Consumer Preferences
- Communication Alignment
- Key Takeaways
- Q&A

Consumer Trends: Consumer Outlook on Their Ability to Pay

COVID-19 Impact on Consumer Employment

Impact of Pandemic on Personal Finances (% Yes)



Source: Expectations and Experiences – Consumer Finances During COVID-19, Fiserv, July 2020

What Analysts Say on Consumer Ability to Pay

“The COVID-19 pandemic’s effects on some homeowners’ ability to make their mortgage payments could not be more apparent.

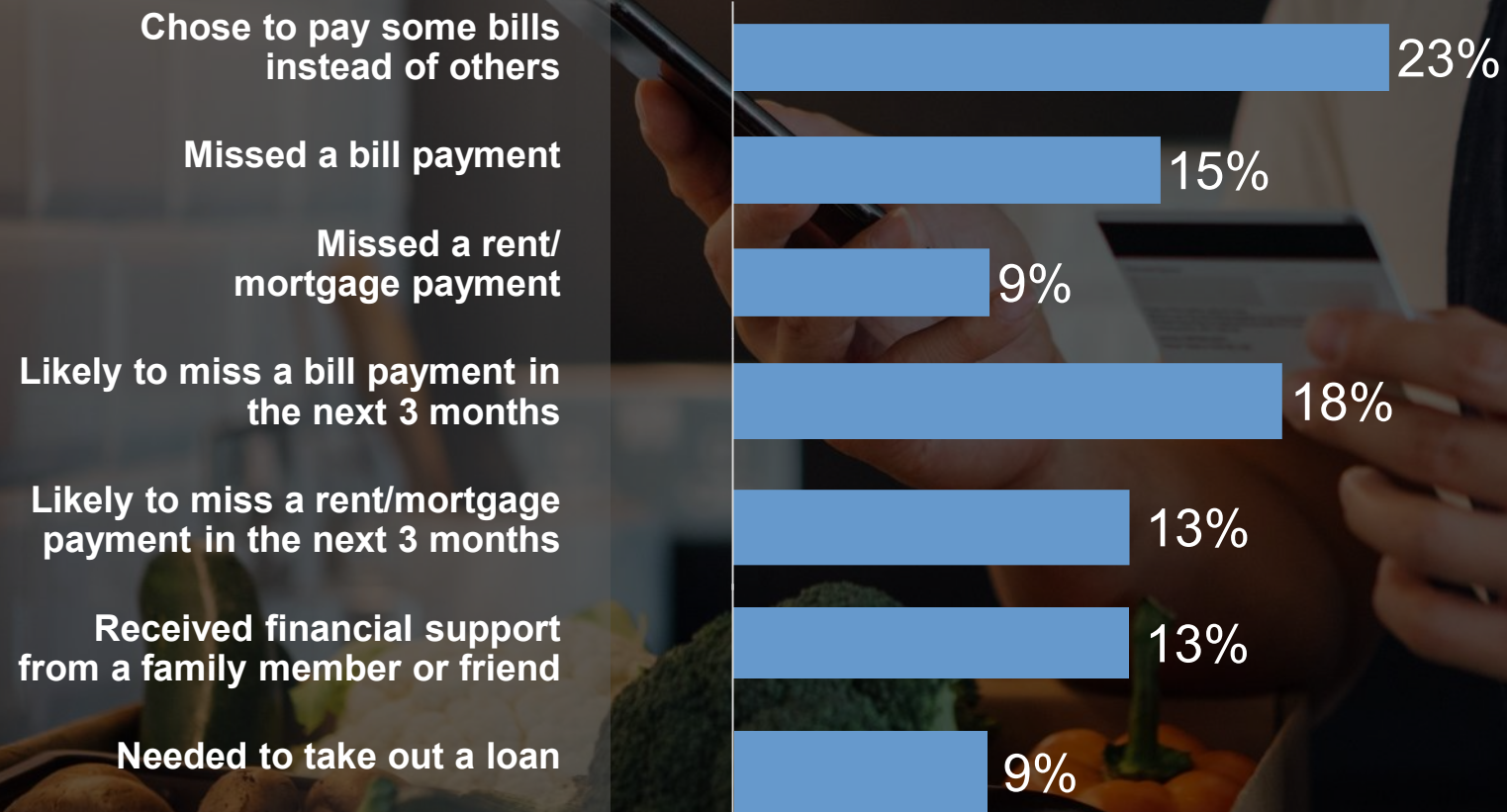
The nearly four percentage point jump in the **delinquency rate was the biggest quarterly rise in the history of MBA's survey.**”

“The second quarter results also mark the **highest overall delinquency rate in nine years**, and a survey-high delinquency rate for FHA loans”.

Marina Walsh, MBAs Vice President of Industry Analysis.

Consumers' Outlook Paints a Challenging Future

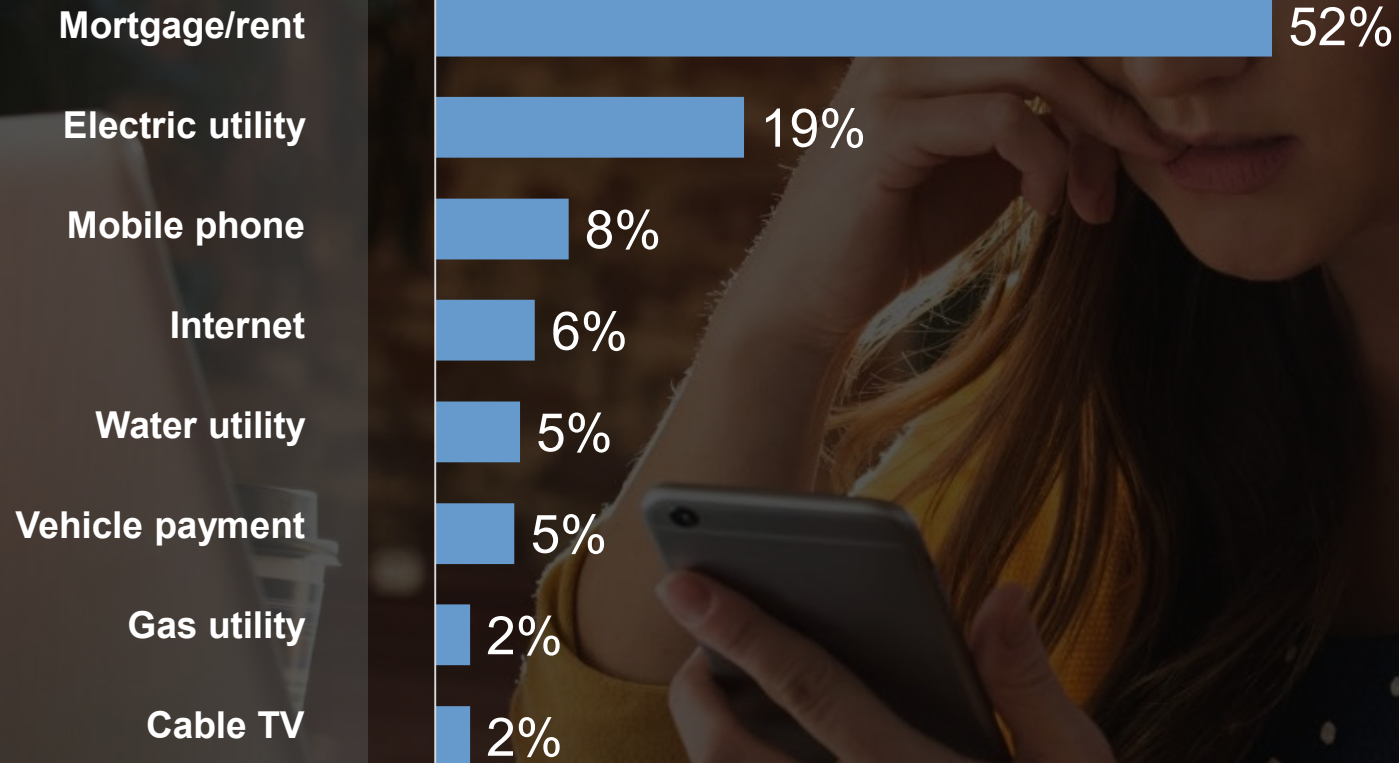
Consumer Outlook on Ability to Pay Bills



Source: Expectations and experiences – Consumer Finances During COVID-19, Fiserv, July 2020.

Financially Stressed Consumers Reveal Their Bill Pay Hierarchy

If you could only afford to pay one bill next month, which would it be ...?



Source: J.D. Power PULSE Survey July-2020.



“

Those that successfully build these capabilities for the long term to foster relationships with their customers and help them manage their obligations will be better equipped to reduce credit losses while helping their clients navigate the most volatile economic crisis in recent decades.

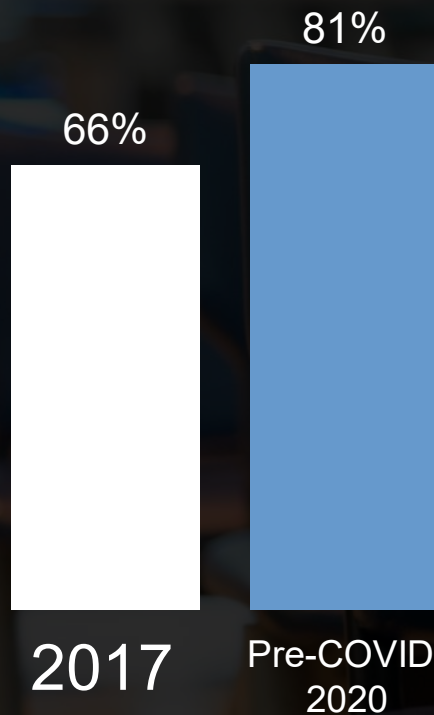
”

**Reimagining Customer Service to Manage
Delinquencies after COVID-19
– McKinsey June 30, 2020**

Protecting Your Revenue Stream – Requires a Focus Shift

Executives Say –

“We’re competing on the basis of the customer experience ...”



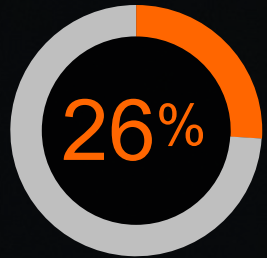
Focus Shift

Pre-COVID
Improving customer experience

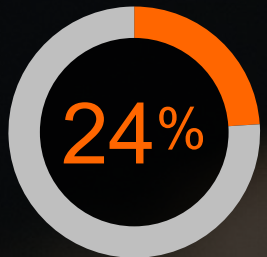
Post-COVID
Making it easier for customer to pay

Consumer Changes: Since Onset of COVID-19

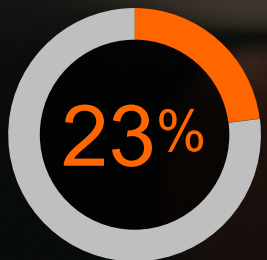
How Is COVID-19 Changing the Way Consumers Are Paying Bills?



of consumers said they made changes to the way they pay for services.



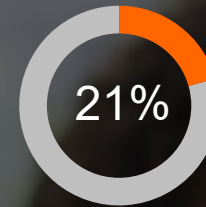
of consumers are saying that they are charging more than usual on credit cards.



of consumers are saying they are choosing to pay one bill instead of another due to financial distress.

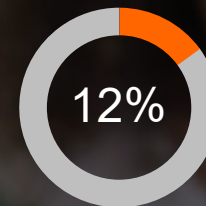
What Kind of Changes Are Consumers Making in Viewing Bills

Went completely paperless for a bill



Where are consumers preferring to view their digital bills?

Switched to a digital bill to be viewed at the website of the company issuing the bill



Switched a bill to be viewed at my bank's website/account



~ 50/50 split in preference for viewing digital bills at bank versus biller website

Consumer Vision: The New Normal

COVID-19 Changing Consumer Outlook on Their Bill Pay Activities

Consumer bill pay activities

Consumers say they intend to do less of

Speaking with customer
service rep. by phone

32%

Through the mail

34%

In-person/In-office

45%

Using cash

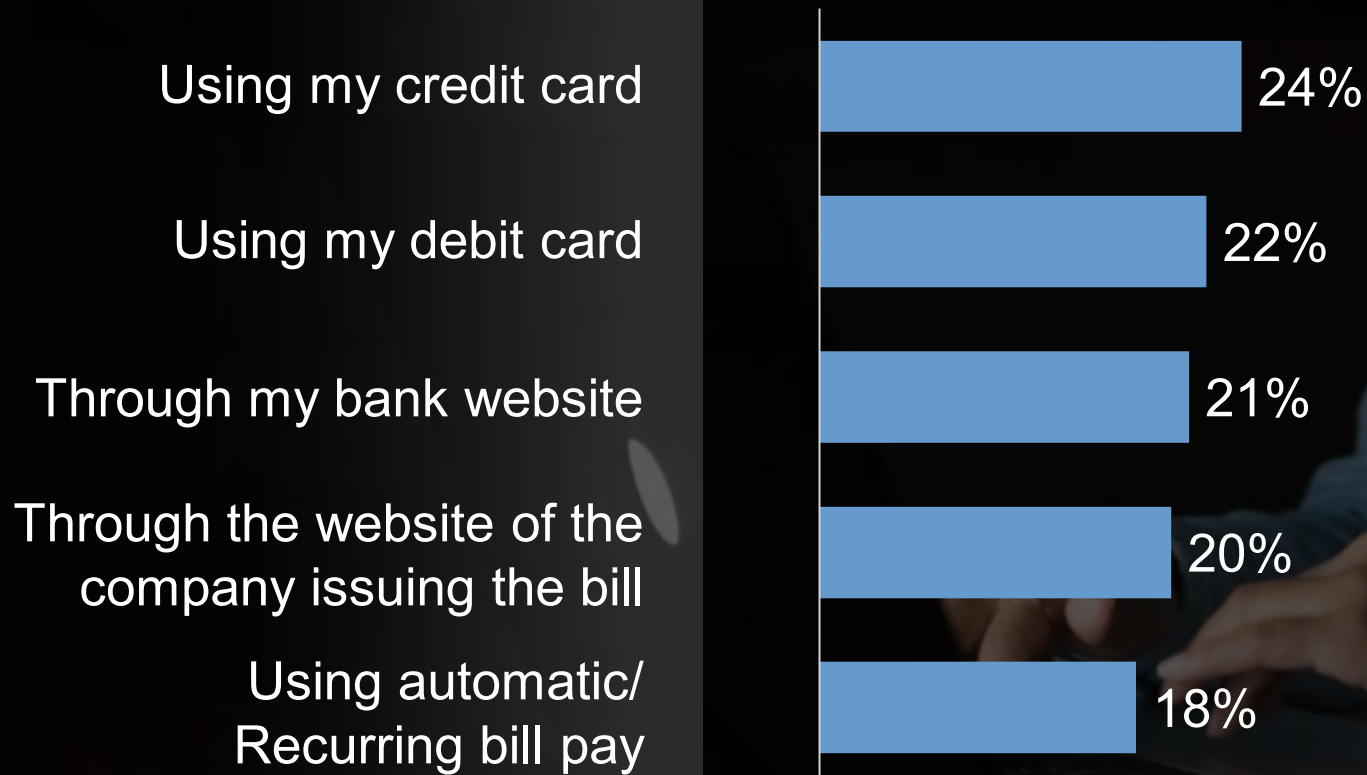
48%

Source: Expectations and Experiences – Consumer Finances During COVID-19, Fiserv, July 2020

COVID-19 Changing Consumer Outlook on Their Bill Pay Activities

Consumer bill pay activities

Consumers say they intend to do more of



Source: Expectations and Experiences – Consumer Finances During COVID-19, Fiserv, July 2020

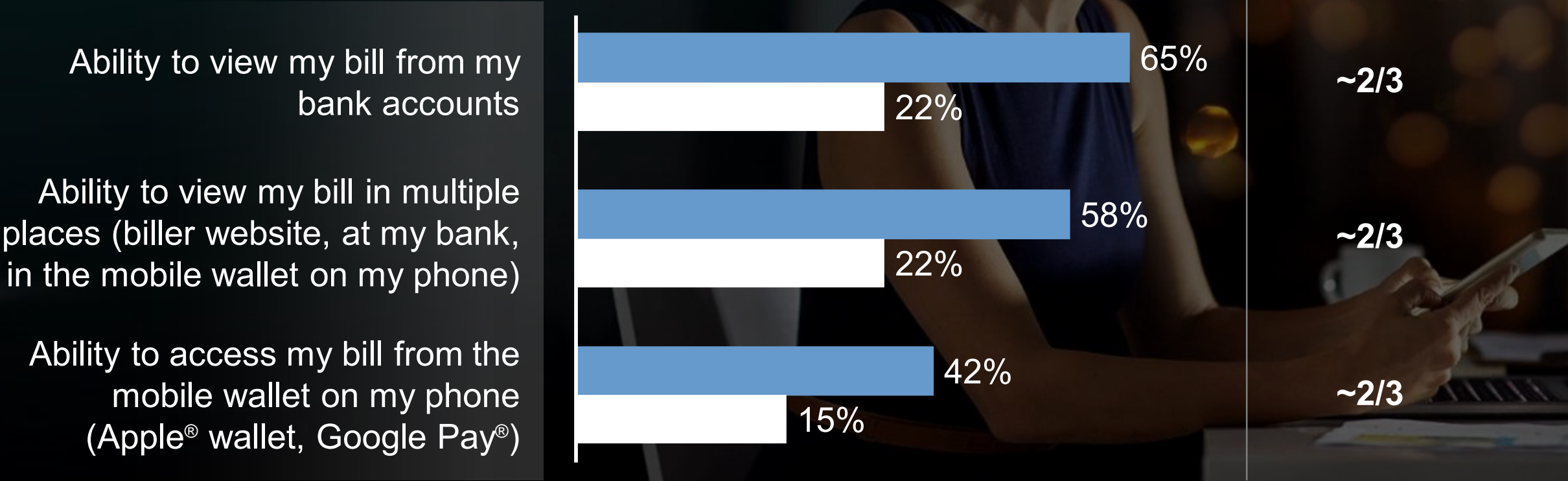
Reality Check on The New Normal Consumer Preferences

Are You Aligned With What's Important to Your Customer for eBills?

Features consumers say important

Consumers acknowledge biller offers this feature

Fulfillment Gap



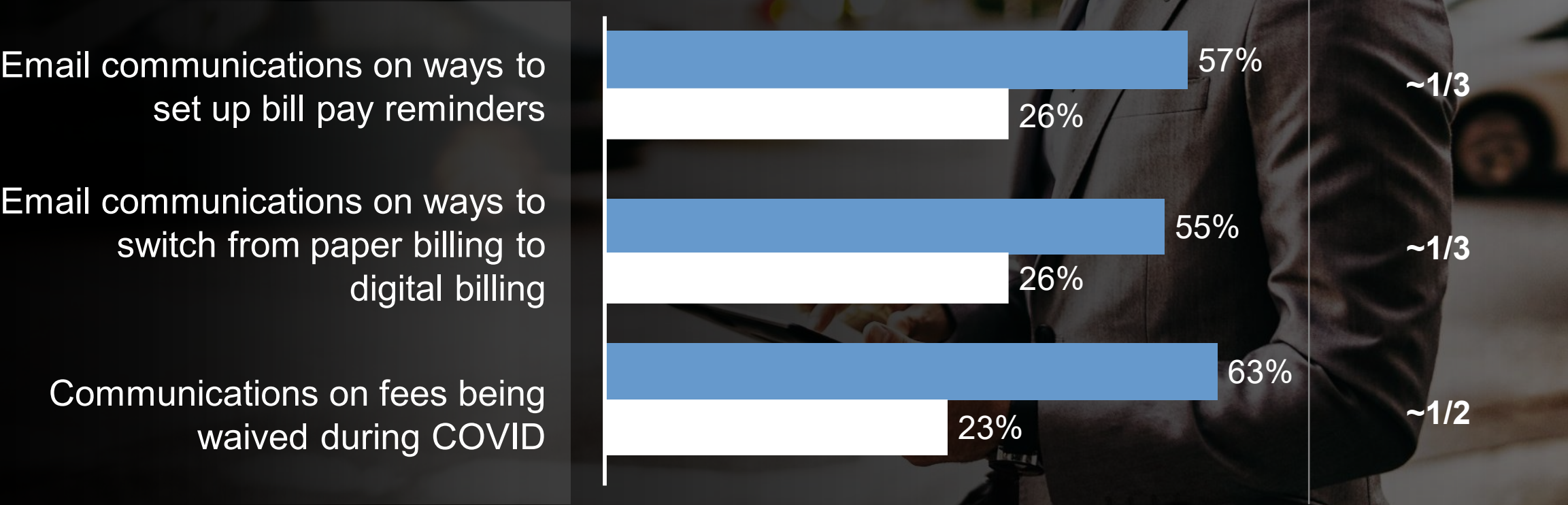
Source: Expectations and Experiences-Consumer Finances During COVID-19, Fiserv, July 2020

Are You Aligned With What's Important to Your Customer for Communications?

■ **Features consumers say important**

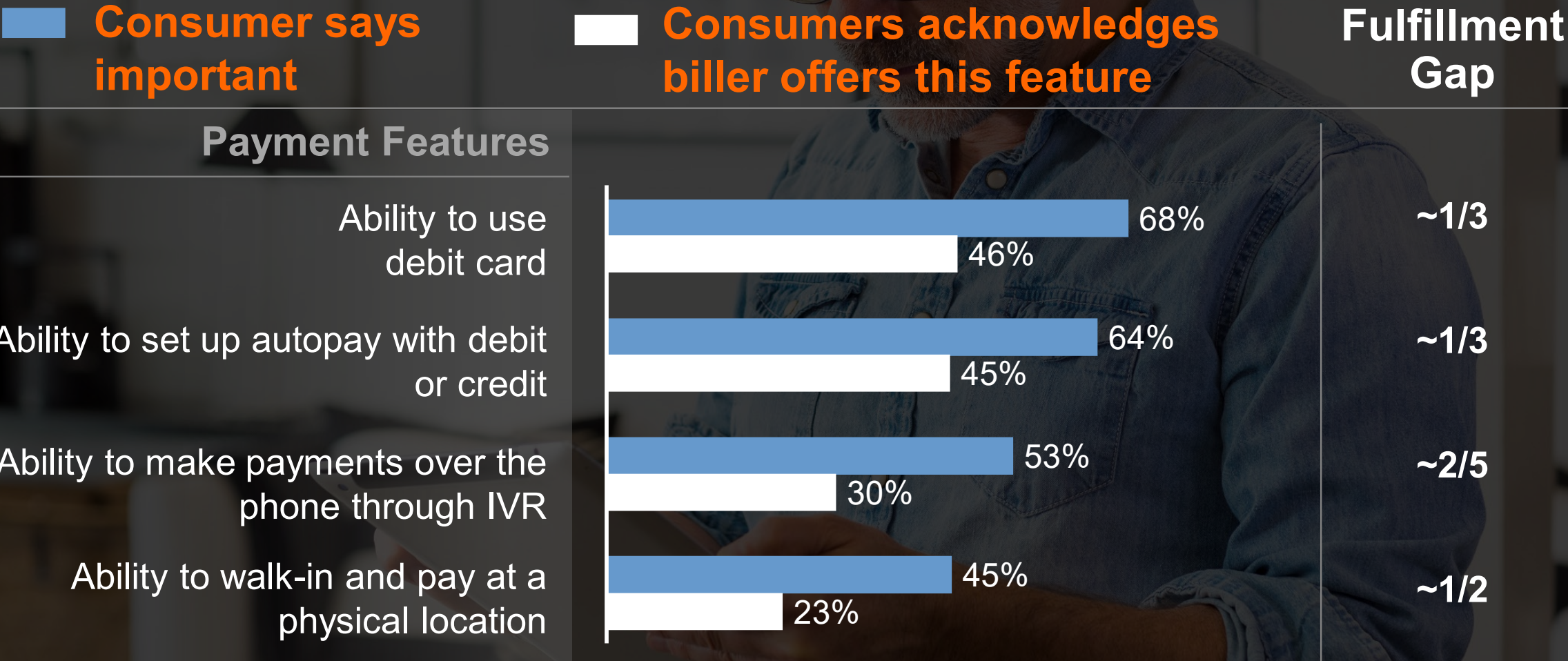
■ **Consumers acknowledge biller offers this feature**

Fulfillment Gap



Source: Expectations and Experiences-Consumer Finances During COVID-19, Fiserv, July 2020

Are You Aligned to Payment Preferences?



Source: Expectations and Experiences-Consumer Finances During COVID-19, Fiserv, July 2020



“

What we've discovered is that cash is actually holding a stable, ongoing position in the payment ecosystem.

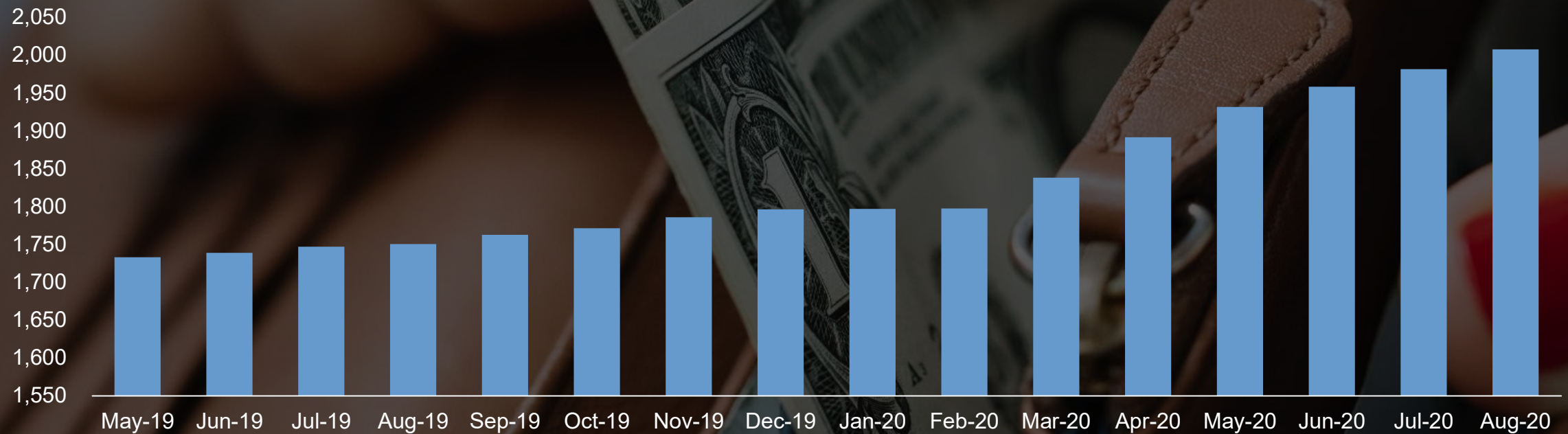
”

Will the Pandemic Spell the Real Death of Cash?
– Pymnt.com, July 8, 2020

Surprisingly, Cash in Circulation Is at All Time High

**Over \$2 Trillion in cash in circulation
(August is up 9% over March)**

Cash in Circulation* (\$ billions)



*Source: Federal Reserve Statistics- Currency in Circulation, October 2020.
Currency consists of Federal Reserve notes and coin outside the U.S. Treasury and Federal Reserve Banks.

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FORTUNE World's Most Admired Companies®
2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020

fiserv.

Third-Party Network – Sustains In-Person/ Cash Payments Revenue Stream



Consumer – Convenience, Security and Options

- More choices including essential business locations
- Open seven days/week with extended hours
- Provides reassurance of real-time payment posting with receipt in hand
- Locations set up for safe interactions



Biller – Resiliency and Lower costs

- Allows for closures without impact to in-person payment revenue stream
- Shows commitment to cash-preferred consumer
- Reduce exposure to employees
- Digitize cash with real-time notification of payment
- Alternative to kiosks



Empowering Utilities for the Future

What Do **Customers Want?**



IMMEDIATE
INFORMATION



DETAILED
INFORMATION



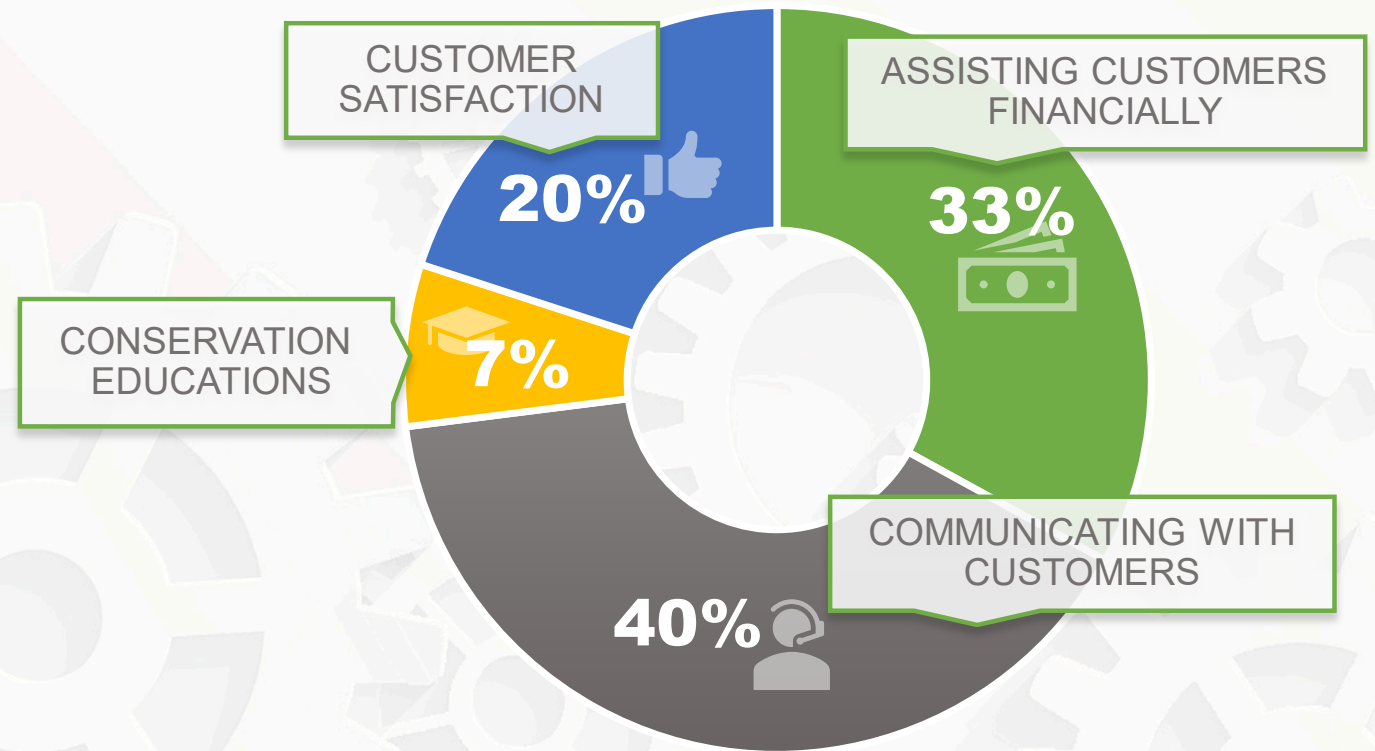
ACTIONABLE
INFORMATION

Current State of Affairs: The Utility Advantage

Utilities have **Solutions**

- ✓ Payment Options
- ✓ Rate Options
- ✓ Payment Assistance
- ✓ Low Income Programs
- ✓ Delayed Disconnect

...and a few **Challenges**



Goals for Utilities

- »»» Increase **Customer Satisfaction**
- »»» Educate customers on **Energy Efficiency**
- »»» Improve **Customer Engagement**
- »»» Implement **Self-Service** tools to increase program participation



Crisis Communications

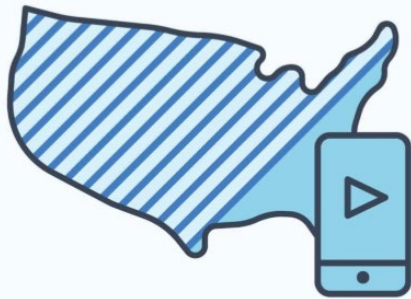
1. **Adjust** your tone
2. **Use** your voice
3. **Practice**
transparency
4. **Be fair** but firm
5. **Start** the
conversation



Source: Forbes July 30, 2020

Use Video ... Key Video Statistics

Internet Users Everywhere Enjoy Video Content



85%

of all internet users in the
United States watched
online video content monthly
on any of their devices.

(Statista, 2018)

Video as a Powerful Marketing Tool



87%

of marketing
professionals use
video as a
marketing tool.

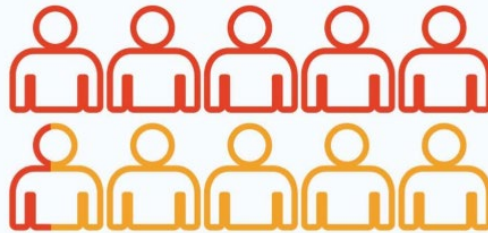
(Wyzowl, 2019)

Demand for Video Content is Increasing

54%

of consumers want to
see **more video content**
from a brand or
business they support.

(HubSpot, 2018)



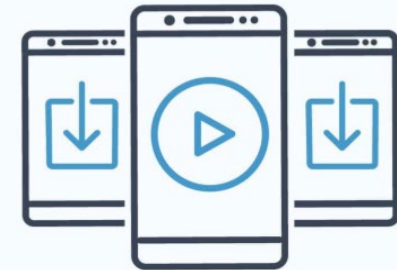
Video's Role in Internet Traffic

In 2022,

82%

of the global internet
traffic will come from
**video streaming and
downloads.**

(Citico, 2019)



What's Next for your Digital Communications?

1

Communicating with customers about what they care about

2

Add in your marketing initiatives (EE, program, etc.)

3

Push to a Call to Action with scenario-based online applications

4

Marketing Automation for follow-up communications

Personalization

Forbes Report

- **90%** found personalization **appealing**
- **80%** prefer businesses that used personalization

**SOURCE:*

*emarsys, B2C marketing automation
Forbes Top Marketing Trends for 2020*



What personalization can look like for Utilities

Step

1

Video Bill Explanation

2

3

4

Your bill amount has
changed from last month.

[Click Here to See Why](#)



Your bill amount has
changed from last month.

[Click Here to See Why](#)



Best reason for changes in your electric bill. But other
also cause your energy use to vary.

Learn why your bill is different compared to last month.



Atlanta, GA 30084
these emails?
[is](#) or [unsubscribe from this list.](#)

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What personalization can look like for Utilities

1

Step

2

**Targeted
Video Bill**

3

4



What personalization can look like for Utilities

1

- Provides an easy way to understand the rate
- Allows members to knowledgeably make decisions based on useful information
- Links the customer back to the program adoption page.

2

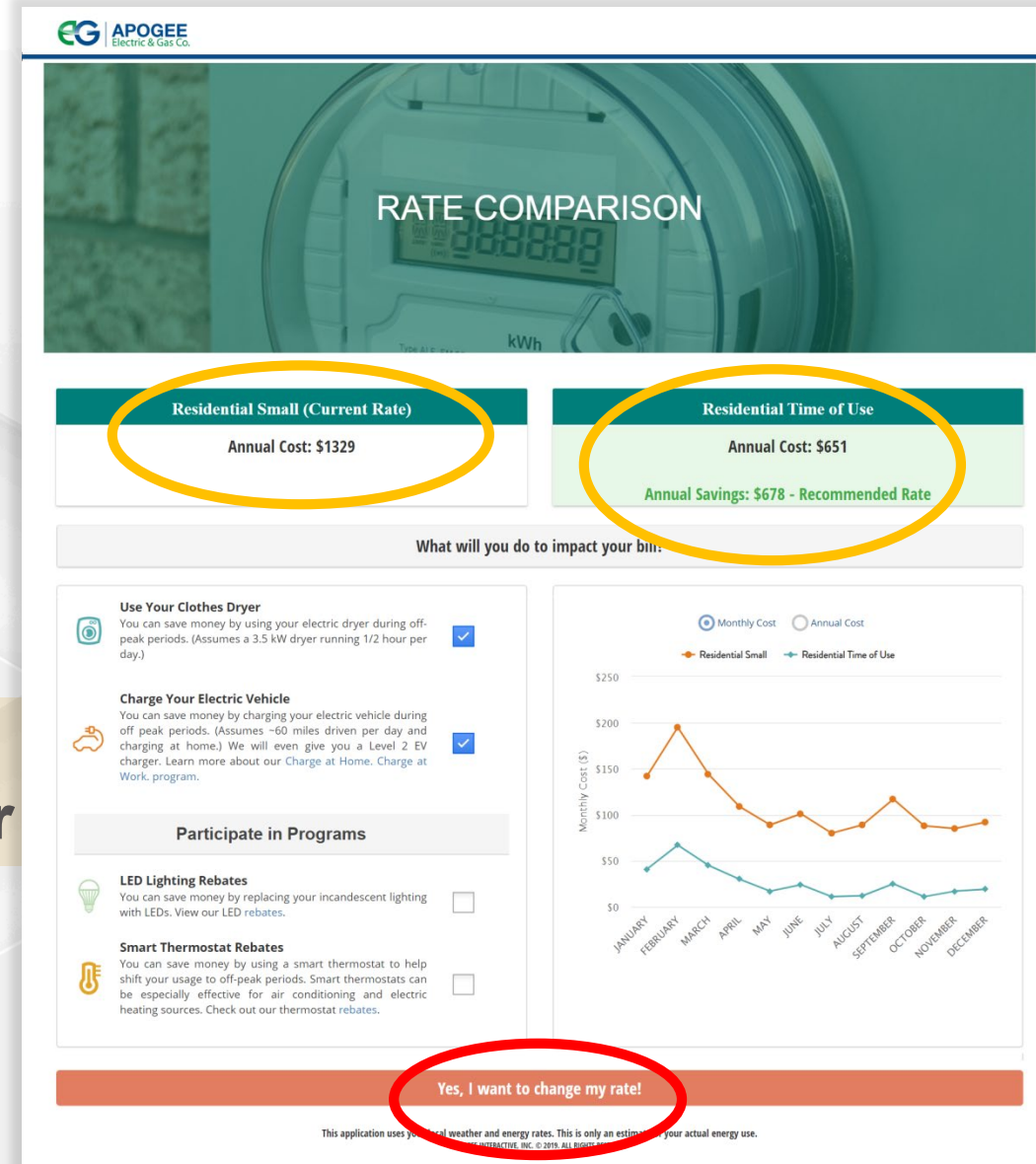
Step

3

Call to Action: Rate Comparison Calculator

4

SIGN UP



What personalization can look like for Utilities

1

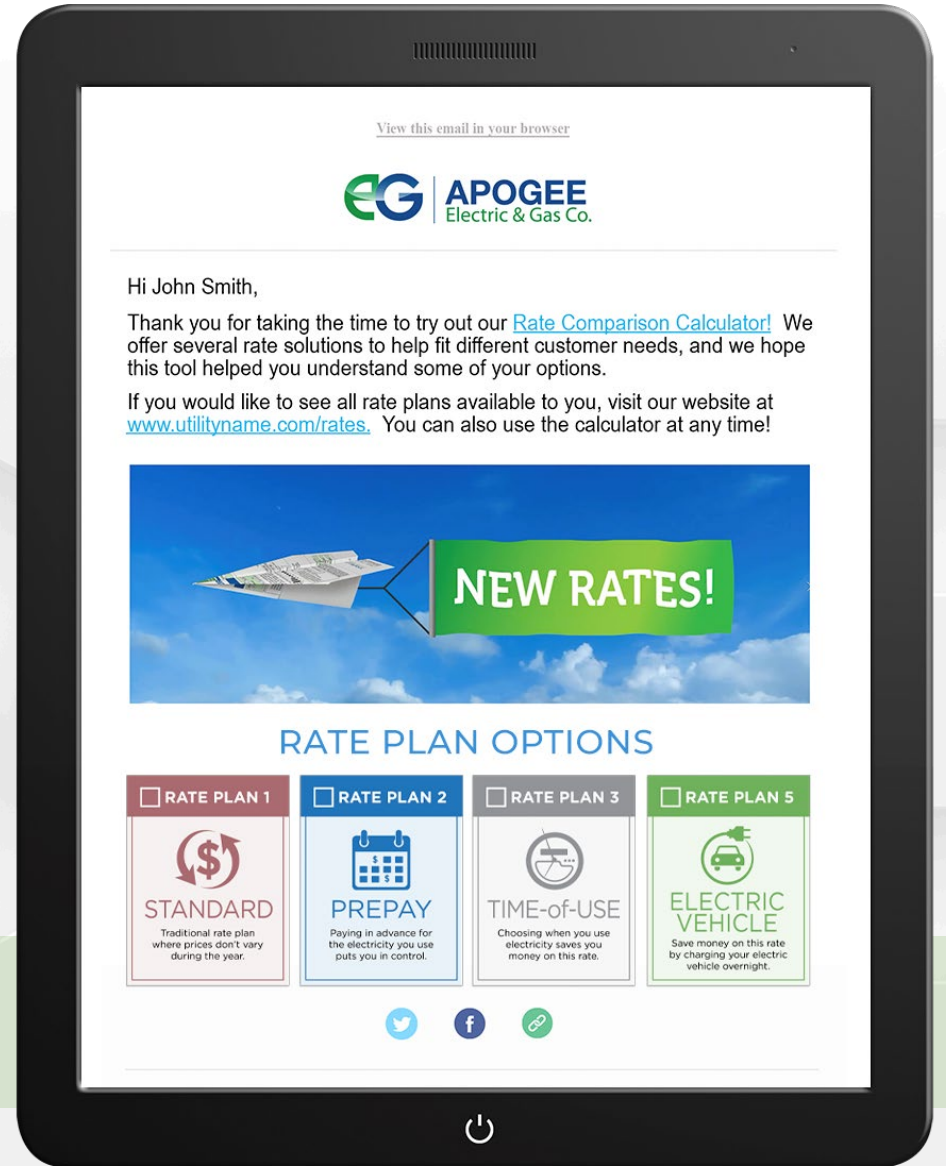
2

3

Step

4

Follow-up Email



Results

General Numbers	Covid-19 Messaging	Text Messages
<ul style="list-style-type: none">• 15% Call Reduction• 97% find messages very or somewhat useful• 29% CTR, 14X higher than industry	<ul style="list-style-type: none">• 40% increase in CTR• NPS Score increase 7 points (increase of 23%)	<ul style="list-style-type: none">• 97% positive feedback on the effectiveness of the communication channel and 95% of recipients requested to continue to receive the messages.

Conversion to Programs

Wrap-Up

- ✓ How COVID-19 has impacted utilities and their customers
- ✓ What customers want...now
- ✓ Lessons from leaders
- ✓ Relevance and personalization is key
- ✓ Video and voice
- ✓ Marketing automation has its benefits
- ✓ Transforming digital communications
- ✓ Continuous Optimization



Key Takeaways

1. COVID-19 Requires Billers to Take Stock

Billers need to change their focus to how they can make bill pay as easy as possible



Consumers are financially stressed.



Delinquency is on the rise.



Ease of bill pay can affect who gets paid.

2. Biller Transformation Needs to Match Pace of Consumer Transformation

Billers should consider addressing the following emerging gaps in functionality to meet consumer post COVID-19 expectations



Consider eliminating fees



Accept credit (Where appropriate)



Provide multiple choices on where to access to eBill



Support customer transition to self serve options with communications



Enable In-person/cash payments

Any Questions



Upcoming Webinars

January 28, 2020 – 2:00PM EST

“Making the Smart Grid Relevant to Mainstream”

Presented by:

Apogee Interactive, Inc. & Siemens

Special Guest - Chris King, Siemens, EVP, eMobility



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Thank You!