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:

- 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
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)

- Took on a new job: 3%
- Spouse/Partner took on a new job: 2%
- Laid off/furloughed: 13%
- Spouse/partner laid off/furloughed: 7%
- Reduced work hours: 17%
- Working same job but fewer hours: 14%
- Spouse partner reduced work hours: 11%

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

- Chose to pay some bills instead of others: 23%
- Missed a bill payment: 15%
- Missed a rent/mortgage payment: 9%
- Likely to miss a bill payment in the next 3 months: 18%
- Likely to miss a rent/mortgage payment in the next 3 months: 13%
- Received financial support from a family member or friend: 13%
- Needed to take out a loan: 9%

Financially Stressed Consumers Reveal Their Bill Pay Hierarchy

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

- Mortgage/rent: 52%
- Electric utility: 19%
- Mobile phone: 8%
- Internet: 6%
- Water utility: 5%
- Vehicle payment: 5%
- Gas utility: 2%
- Cable TV: 2%

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

<table>
<thead>
<tr>
<th>Pre-COVID</th>
<th>Post-COVID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving customer experience</td>
<td>Making it easier for customer to pay</td>
</tr>
</tbody>
</table>

2017 Pre-COVID

2020 Post-COVID

66% 81%
Consumer Changes:
Since Onset of COVID-19
How Is COVID-19 Changing the Way Consumers Are Paying Bills?

- 26% of consumers said they made changes to the way they pay for services.
- 24% of consumers are saying that they are charging more than usual on credit cards.
- 23% of consumers are saying they are choosing to pay one bill instead of another due to financial distress.

Source: Expectations and experiences – Consumer Finances During COVID-19, Fiserv, July 2020
What Kind of Changes Are Consumers Making in Viewing Bills

- **21%** went completely paperless for a bill

Where are consumers preferring to view their digital bills?

- **12%** switched to a digital bill to be viewed at the website of the company issuing the bill
- **10%** switched a bill to be viewed at their bank’s website/account

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

Source: Expectations and Experiences – Consumer Finances During COVID-19, Fiserv, July 2020
Consumer Vision: The New Normal
## COVID-19 Changing Consumer Outlook on Their Bill Pay Activities

<table>
<thead>
<tr>
<th>Consumer bill pay activities</th>
<th>Consumers say they intend to do less of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speaking with customer service rep. by phone</td>
<td>32%</td>
</tr>
<tr>
<td>Through the mail</td>
<td>34%</td>
</tr>
<tr>
<td>In-person/In-office</td>
<td>45%</td>
</tr>
<tr>
<td>Using cash</td>
<td>48%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Method</th>
<th>Intend to Do More Of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Using my credit card</td>
<td>24%</td>
</tr>
<tr>
<td>Using my debit card</td>
<td>22%</td>
</tr>
<tr>
<td>Through my bank website</td>
<td>21%</td>
</tr>
<tr>
<td>Through the website of the company issuing the bill</td>
<td>20%</td>
</tr>
<tr>
<td>Using automatic/Recurring bill pay</td>
<td>18%</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>Features consumers say important</th>
<th>Consumers acknowledge biller offers this feature</th>
<th>Fulfillment Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to view my bill from my bank accounts</td>
<td>65%</td>
<td>~2/3</td>
</tr>
<tr>
<td>Ability to view my bill in multiple places (biller website, at my bank, in the mobile wallet on my phone)</td>
<td>58%</td>
<td>~2/3</td>
</tr>
<tr>
<td>Ability to access my bill from the mobile wallet on my phone (Apple® wallet, Google Pay®)</td>
<td>42%</td>
<td>~2/3</td>
</tr>
</tbody>
</table>

Source: Expectations and Experiences-Consumer Finances During COVID-19, Fiserv, July 2020
### Are You Aligned With What’s Important to Your Customer for Communications?

<table>
<thead>
<tr>
<th>Features consumers say important</th>
<th>Consumers acknowledge biller offers this feature</th>
<th>Fulfillment Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email communications on ways to set up bill pay reminders</td>
<td>57%</td>
<td>~1/3</td>
</tr>
<tr>
<td>Email communications on ways to switch from paper billing to digital billing</td>
<td>55%</td>
<td>~1/3</td>
</tr>
<tr>
<td>Communications on fees being waived during COVID</td>
<td>63%</td>
<td>~1/2</td>
</tr>
</tbody>
</table>

---

Source: Expectations and Experiences-Consumer Finances During COVID-19, Fiserv, July 2020
Are You Aligned to Payment Preferences?

<table>
<thead>
<tr>
<th>Payment Features</th>
<th>Consumer says important</th>
<th>Consumers acknowledges biller offers this feature</th>
<th>Fulfillment Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to use debit card</td>
<td>46%</td>
<td>68%</td>
<td>~1/3</td>
</tr>
<tr>
<td>Ability to set up autopay with debit or credit</td>
<td>45%</td>
<td>64%</td>
<td>~1/3</td>
</tr>
<tr>
<td>Ability to make payments over the phone through IVR</td>
<td>30%</td>
<td>53%</td>
<td>~2/5</td>
</tr>
<tr>
<td>Ability to walk-in and pay at a physical location</td>
<td>23%</td>
<td>45%</td>
<td>~1/2</td>
</tr>
</tbody>
</table>

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)

Currency consists of Federal Reserve notes and coin outside the U.S. Treasury and Federal Reserve Banks.
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
What Do **Customers Want**?

- **IMMEDIATE INFORMATION**
- **DETAILED INFORMATION**
- **ACTIONABLE INFORMATION**
Utilities have **Solutions**

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

...and a few **Challenges**

- Customer Satisfaction: 20%
- Assisting Customers Financially: 33%
- Communicating with Customers: 40%
- Conservation Educations: 7%
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, 2019)

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. (Cisco, 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
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

Your bill amount has changed from last month.

Click Here to See Why
What personalization can look like for Utilities

Step 1

Step 2 Targeted Video Bill

Step 3

Step 4
What personalization can look like for Utilities

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

Step 3 Call to Action: Rate Comparison Calculator

SIGN UP
What personalization can look like for Utilities

Follow-up Email

Hi John Smith,

Thank you for taking the time to try out our Rate Comparison Calculator! We offer several rate solutions to help fit different customer needs, and we hope this tool helped you understand some of your options.

If you would like to see all rate plans available to you, visit our website at www.utilname.com/rates. You can also use the calculator at any time!
Results

<table>
<thead>
<tr>
<th>General Numbers</th>
<th>Covid-19 Messaging</th>
<th>Text Messages</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 15% Call Reduction</td>
<td>• 40% increase in CTR</td>
<td>• 97% positive feedback on the effectiveness of the</td>
</tr>
<tr>
<td>• 97% find messages very</td>
<td>• NPS Score increase 7 points (increase</td>
<td>communication channel and 95% of recipients requested</td>
</tr>
<tr>
<td>or somewhat useful</td>
<td>of 23%)</td>
<td>to continue to receive the messages.</td>
</tr>
<tr>
<td>• 29% CTR, 14X higher</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>than industry</td>
<td></td>
</tr>
</tbody>
</table>

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