

Top Ten e-Billing Trends

Evolving Technologies and Predictions on Business and Customer Response

WHITE PAPER:
CUSTOMER COMMUNICATION MANAGEMENT

Raymond Grant • Product Manager, Customer Communication Management,
Pitney Bowes Software



Top Ten e-Billing Trends

Evolving Technologies and Predictions on Business and Customer Response

2

ABSTRACT

THE BUTTERFLY EFFECT HAS GONE DIGITAL. THE FANCIFUL NOTION THAT AN INSECT FLAPPING ITS WINGS IN ONE HEMISPHERE CAN TRIGGER A TORNADO IN ANOTHER CAN NOW BE APPLIED TO MOUSE CLICKS AND THEIR IMPACT ON GLOBAL BUSINESS. BUSINESSES HAVE SEEN HOW SOCIAL NETWORKING CAN DRIVE EXPLOSIVE, VIRAL ADOPTION OR REJECTION OF A PRODUCT OR SERVICE. THESE “TECH TRENDS” HAVE ENORMOUS IMPLICATIONS, AND TODAY’S BUSINESS LEADERS MUST BE MINDFUL OF THEM—ALWAYS ALERT TO STAY AHEAD OF THE CURVE.

STAYING AHEAD OF THE CURVE IS ESPECIALLY IMPORTANT IN SUCH EVOLVING TECHNOLOGIES AS E-BILLING.

THIS PITNEY BOWES SOFTWARE WHITE PAPER LOOKS AT THE TOP TRENDS IMPACTING E-BILLING. LEARN ABOUT THE CHALLENGES AND OPPORTUNITIES THAT THESE TRENDS PRESENT. READ OUR PREDICTIONS ABOUT WHERE THESE TRENDS MAY LEAD AND HOW BUSINESSES AND CUSTOMERS MAY RESPOND.

MEASUREMENTS SUCH AS NET PROMOTER SCORE ARE CAUSING BUSINESSES TO LOOK AT THEMSELVES THROUGH THE EYES OF THEIR CUSTOMERS.

1. Customer Analytics Goes Big Time!

Knowing your customer is the golden rule. Billers are beginning to recognize the power that applied customer intelligence brings to customer relationships. By capitalizing on the powerful one-two punch of internet analytics and customer billing intelligence, billers can engage their customers with fresh, dynamic, behavioral-driven online experiences that improve both loyalty and top-line sales.

TREND PREDICTION: An ever-increasing number of billers will embrace customer behavioral information and data analytics.

2. Internet Leapfrog Makes Mobile an Important Billing Channel

Sometimes there's an advantage in being late to the game. In many Eastern and Southern regions of Europe, and across much of Asia and Africa, the now classic terrestrial broadband internet never made that last mile to the home.

As a result, Internet usage has lagged substantially over countries with a large fixed infrastructure. But mobile networks have taken off, and the worldwide rollout of 3G broadband is the juggernaut destroying the Internet status quo. In countries as far flung as Hungary and Indonesia where few have high-speed Internet at home, many have near gigabit speeds on their phones.

TREND PREDICTION: 3G Internet and the small screen emerge as the dominant part of online customer care in some of the most unexpected places.

3. Information Privacy Goes Global with Cloud Computing

The movement to cloud computing and storage raises serious information privacy concerns. With cloud computing, information can be stored and managed anywhere, crossing physical and governmental borders. That information in the cloud requires protection.

Today, information privacy laws are the jurisdiction of governmental agencies and therefore geographic in enforcement. In 1998 the European Commission recognized a need for standardization across the EU, creating the Directive on Data Protection, harmonizing these laws across all EU countries. In response, the U.S. Department of Commerce created the U.S.-European Safe Harbor Framework, allowing U.S. companies to certify compliance with European standards. But in 2010, safe harbor suffered a shot across the bow, as serious criticism emerged from Australia, citing the failure of some companies to comply, and Germany, calling for an immediate end to safe harbor.

As the world becomes separated by milliseconds, there's a need for a global process.

TREND PREDICTION: The conversation starts. EU and U.S., along with India (where many U.S. health records are already stored) become important participants in that conversation—a process that may take years and result in a powerful worldwide cooperative.

Top Ten e-Billing Trends

Evolving Technologies and Predictions on Business and Customer Response

4

4. Lean, Mean and Green

The recession has forced both large and small companies to become lean and mean, and we're already seeing businesses leverage green initiatives to drive cost savings. Well-thought-out e-billing, e-payment and online customer care consistently demonstrate huge cost-savings for companies while being eco-friendly.

SaaS based e-billing is an important movement that allows smaller billers to move from print to online.

TREND PREDICTION: Look for a renewed interest in e-billing and e-payment, particularly among billers that couldn't afford to engage an online solution before.

5. It's Not Just About Green, It's Also About Clutter

Studies have shown that among 20 to 30 year olds, the key reason for moving to e-billing is not about helping the environment, but about reducing life's clutter. And the clutter just isn't paper, but includes remembering to make payments, organizing finances, and having the ability to get at account information anytime and anywhere. This new consumer generation is the future and they're comfortable with the Internet.

TREND PREDICTION: e-bill marketing will turn from just a green initiative, to appeal to target customer segments by need as a way to improve adoption.

6. Bill Clarity Rules

Companies will continue to focus on reducing costs. According to J.D. Power and Associates, about 30 percent of inbound calls are related to billing. Companies will focus on reducing their call-center calls by offering simple and consistent bills to reduce those calls.

TREND PREDICTION: Online billing and payment services with detailed line item explanations and superior clarity and consistency will become an important tool in the arsenal of weapons that companies use to reduce costs.

7. Customers as Fans

Measurements such as net promoter score are causing businesses to look at themselves through the eyes of their customers. And this includes their online presence. While simple PDF bills and payment channels sufficed in the past, customers expect much more from their billers. Great online customer care can be a key ingredient in making customers into fans and it shouldn't be overlooked.

TREND PREDICTION: Leading companies will review and revamp their online customer care with the sole objective of turning customers into fans. They'll embrace Web 2.0 concepts, social marketing and other media in this quest.

YOUR CUSTOMERS NOW EXPECT MORE, THEY EXPECT AN EVER-CHANGING AND EVER-IMPROVING EXPERIENCE.

8. Fans as Social Leaders

When customers become fans, they promote your company among their social group. The group talks about your products and often makes buying decisions and recommendations together. They tweet, they mention you on Facebook, on YouTube. Each fan group can represent a catalyst for business growth or an inflection point for business demise.

TREND PREDICTION: Smart businesses will leverage fans as social leaders, offering buying opportunities and products that fan groups will engage.

9. Matter Meets No-Matter in a Killer-App for Customer Care

In his 1992 book “Future Perfect,” Stan Davis coined the term No-Matter in describing products where information and time are the critical component.

Since then, the Internet has created a plethora of No-Matter products. What’s happening, though, is that as Davis predicted, Matter is meeting No-Matter to change the customer relationship. For businesses where the relationship is based on a concrete object, the huge opportunity is in growing that relationship through customer care products.

It’s world where mobile operators become purveyors of conversations and relationships, where healthcare providers and insurers become trusted lifestyle advisors, where capital equipment finance companies become partners in managing and maintaining assets.

TREND PREDICTION: Billers will stop perceiving the billing event and e-bill as a commodity that drives cost savings, and start leveraging online customer care as a differentiating and transformational part of their total product offering.

10. Embrace Change and Continuous Improvement

The emergence of social media as a web powerhouse has taught us new lessons in human behavior. We like to be in the know, and we’ve gotten good at separating the wheat from the chafe. We’re all about being connected and find interest in streams of ever-changing real-time information on friends, the world, and even business.

As social media has blossomed, it has embraced and integrated video, mobile web, text messaging, and interactive voice calls as an integral part of a total user experience. Your customers now expect more, they expect an ever-changing and ever-improving experience. And that creates an incredible opportunity for your business.

Trend Prediction: Leading businesses will embrace change and continuous improvement as a core part of the total customer experience. They will create editorial teams that focus on bringing out the best in products and customer relations; updating information, processes, and the experience in real-time. They’ll react and pro-act as they learn more about their customers. They’ll stop looking at bills as a cost of doing business, and look at the customer service event as a centerpiece of a total customer experience.

Top Ten e-Billing Trends

Evolving Technologies and Predictions on Business and Customer Response

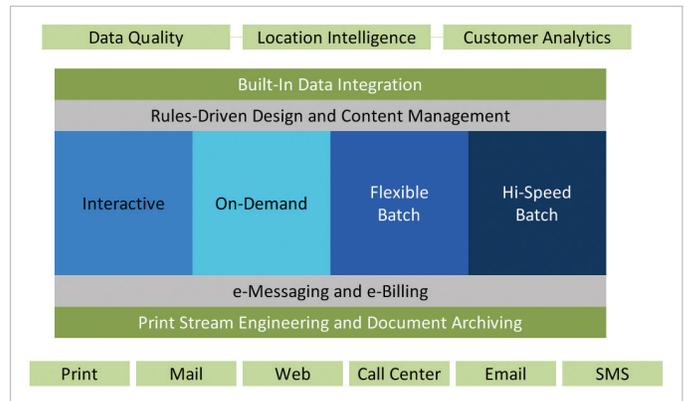
6

EngageOne Liaison™ from Pitney Bowes Software

The Pitney Bowes EngageOne Liaison™ self-service solution is a comprehensive suite of electronic bill presentment, payment, self-service, billing intelligence, mobile and customer-care solutions that allow billers to reach their customers and grow their relationship through a rich highly-personalized experience that's driven by billing information and trends.

Liaison adds personalized e-billing and customer intelligence to Pitney Bowes EngageOne™ Communications Suite. The EngageOne integrated multichannel solution enables companies to engage customers across every channel through more relevant, cost-effective, relationship-building contacts. Billers can easily integrate personalized document creation and high-performance archive and retrieval capabilities to manage a true end-to-end multi-channel solution.

NOW ORGANIZATIONS CAN CONNECT WITH CUSTOMERS, DEEPEN EXISTING RELATIONSHIPS, IMPROVE CASH FLOW, SPEED TIME TO MARKET AND REDUCE COSTS. TO LEARN MORE, VISIT WWW.PB.COM/SOFTWARE OR CALL 1.800.327.8627.



The EngageOne™ Communication Suite helps turn data into insight and insight into action with connections that create engaged customers.

ABOUT PITNEY BOWES ENGAGEONE LIAISON™ SELF-SERVICE SOLUTION

YOUR VISION, POWERED BY USE-CASE: Engage customers on your terms with a patent-pending, use case driven model that empowers you to quickly configure and adjust Liaison in your own unique way to express your unique business personality.

INDUSTRY AND USER COMPATIBLE: Telecommunications and cable, utilities, financial services, healthcare and other industries can quickly and easily deploy or extend their online presence, personalized to consumer or business customer needs.

BEYOND EXPECTED BILLING IQ: Billing information is leveraged by mining customer information individually in real-time, combining it with historical online behavior, segmenting and targeting customers for new offers to drive new sales and revenue.

WEB 2.0 E-BILLING FOR A BETTER CUSTOMER EXPERIENCE: Current billing data is converted into rich personalized electronic bills and invoices that can be analyzed and easily paid online. Highlights include:

- Logical bill breakdowns, drilldowns, sorting, filtering
- Downloads and print-ready views
- In-bill help facility to reduce call center billing questions
- Billing analytics and reporting
- Immediate, one-time and recurring payments
- Payment status and history
- Supports major credit cards, bank transfers and clearing house ACH payments
- Meets security and compliance requirements

TOOLS FOR TWO-WAY CONVERSATIONS: Both customers and staff receive and respond to notifications, utilize analytics, ask questions, report problems and track through to issue resolution. Our solution also integrates with interactive voice response (IVR) systems.

B2C AND B2B MODELS: Customer service rarely stops with the need to service only consumers. Liaison's robust B2B capabilities make it fast, easy and economical to also support complex corporate account structures and customer hierarchies.

SAAS OR LICENSED SOFTWARE: Both on-premise and on-demand software-as-a-service (SaaS) options are available.



Every connection is a new opportunity™

UNITED STATES

One Global View
Troy, NY 12180
1.800.327.8627

pbsoftware.sales@pb.com
www.pb.com/software

CANADA

26 Wellington Street East
Suite 500
Toronto, ON M5E 1S2

1.800.268.3282

pbsoftware.canada.sales@pb.com
www.pbinsight.ca

EUROPE/UNITED KINGDOM

Minton Place,
Victoria Street
Windsor, Berkshire SL4 1EG
United Kingdom

+44.800.840.0001

pbsoftware.emea@pb.com
pitneybowes.co.uk/software

ASIA PACIFIC/AUSTRALIA

Level 7, 1 Elizabeth Plaza
North Sydney NSW 2060

+61.2.9437.6255

pbsoftware.australia@pb.com
pbsoftware.singapore@pb.com
www.pbinsight.com.au