

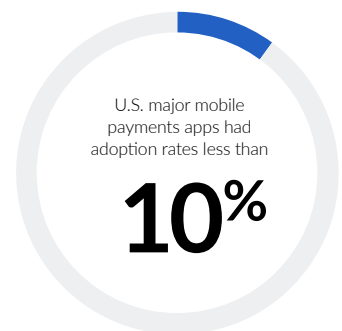
Digital Payments Strategy ✓! Now How to Increase Adoption Rates



With the prevalence of smartphones in the United States, it would be easy to assume that there is not much opportunity to accelerate the adoption rates of digital payments. However, due to legacy systems and rewards cards, the U.S. is actually behind in adopting mobile payments when compared to other countries e.g., China and India. For instance, [in 2019](#), U.S. major mobile payments apps had adoption rates of less than 10% while China had 80%.

Better Digital Disbursements

Business in the U.S. has a lot of incentive to catch up. An easy win, of course, is the savings gained from not sending paper checks, staff hours, postage, stop-payment fees, etc. But also, during a time where many are getting more [digital disbursements](#) from insurance and unemployment claims, it's more important than ever to have better accountability and tracking to reduce the likelihood of fraud. Of course, the customer experience is also improved. Customers receive funds at a greater speed and have better visibility into the arrival of their payment.



Driving Digital Payments

Accepting digital payments is also beneficial. There are operational efficiencies gained from more insight from in-depth reporting and analysis. But there is also the pleasant side effect of accelerating receivables through alerts and more convenience for customers. One way to increase the usage of digital payments is to, of course, provide a modern digital payment experience. The easiest bill to pay is the one that will get paid! Meeting customers where they are is key. Rather than making them use your website, you can allow them to make payments with the modern technology they are already using. For example, you can leverage an [AI chatbot](#) to accept payments through Facebook Messenger and intelligent personal assistants like Amazon's Alexa and Google's Assistant. And there is also the ever-popular pay-by-text. It takes minimal effort to pay a bill by text, and payers will appreciate the level of ease and convenience.

Fundraising and Donations

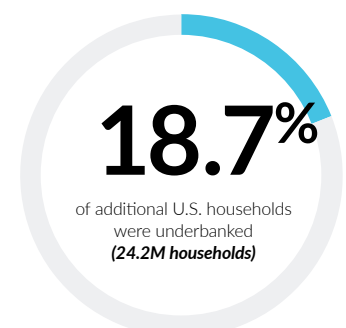
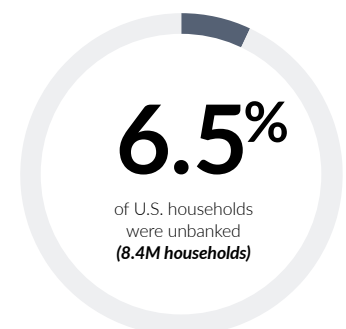
A modern digital experience isn't just important for traditional businesses. It also makes non-profit fundraising easier than ever. You've probably already donated on a GoFundMe page or contributed to a cause on Facebook. With that type of convenience, it's a lot easier to raise funds. A step further is the usage of QR codes for seamless payments or donations to expand your digital reach. The QR code can be scanned with phones to donate – which can be used in combination with direct mail to get the benefits but without sacrificing modern convenience. Examples of helpful QR codes in use for fundraising include placement on menus at fundraising events or galas, on posters at stores supporting a cause, and on receipts to encourage donations even after purchases. This is where Guest Pay is really helpful. When donating, you don't want to have to set up an account, a seamless easy way to pay is needed here.

Don't Forget About Commercial Clients

So we've talked about how to increase digital payments for individuals. When we talk about 'convenience', it is often individual customers that come to mind. However, a huge opportunity for financial institutions is to offer comprehensive EBPP Solutions to their commercial clients. By offering a modern EBPP solution, financial institutions can help their commercial account clients accept customer payments via online, mobile, agent, and IVR channels – while at the same time, cementing their reputation as a leading bank or credit union. This is particularly significant because commercial accounts are continuously seeking the ability to cut expenses and do more with less. The benefits for clients include reduced days of outstanding sales, reduced paper billing and operational costs, an increase in electronic billing rates, and more visibility into daily, payment-related activity.

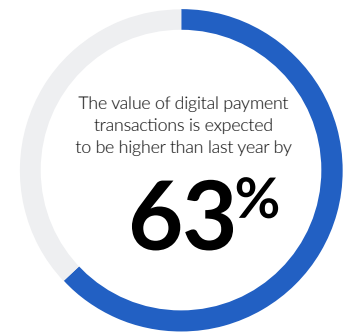
Potential for the Underbanked

Speaking of banking, the underbanked are often overlooked. The underbanked are described as both people and organizations, and they use fewer mainstream financial services. They are operating more with cash than is typical instead of using bank accounts, credit cards, and loans. The underbanked represent a significant portion of the population. The [latest study by the FDIC](#) indicated that 6.5% of U.S. households were unbanked (8.4 million households), and an additional 18.7 percent of U.S. households (24.2 million) were underbanked. Whether it is making receipt of funds more accessible via digital disbursements, or making payments for their bills via digital or physical experiences, this audience still needs to be reached and helped up into the financial ecosystem. Leveraging solutions that support beyond the glass solutions, like cash to digital for bill payments at physical locations, or making guest payments online without having to enroll, login, and jump through any additional hoops to make a payment. Making payments more accessible should be a centerpiece of our collective efforts.



In Conclusion

Overall, whether benefiting from the convenience of distributing payments or receiving them, there is a lot of opportunity for the U.S. for increasing digital payments. Already, the value of digital payment transactions is expected to increase to \$6.7 trillion in 3 years, which is 63% higher than last year. If you weren't already moved by that number, consider that it does not include the impact from the pandemic. Current events have provided huge incentives to move forward and catch up with the rest of the world, and now is the time to facilitate digital payments adoption.



Alacriti offers the most customizable billing and payments solution, Orbipay EBPP, for businesses of all sizes. The solution provides easy access to the payment channels (mobile, Facebook Messenger, intelligent assistants), payment methods (ACH, credit cards, debit cards), and payment options (one-time, recurring, autopay, and payment plans) that today's customer demands.

To find out how your organization can deliver a better customer experience, accelerate cash flow while reducing costs, and streamline operations, contact us at (908) 791-2916 or info@alacriti.com.