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More than Three-Fourths of Online Americans Bank and Pay Bills Online

Fiserv survey finds more households pay bills online than paper checks for second consecutive year

BROOKFIELD, Wis., Aug 27, 2008 (BUSINESS WIRE) -- More Americans than ever, an estimated 63.1 million households or three-fourth of those online, are paying their bills online rather than writing paper checks, according to a survey sponsored by CheckFree, now part of Fiserv, Inc. (NASDAQ: FISV) a leading provider of information technology services to the financial industry. The 2008 Consumer Banking and Bill Payment Survey, the eighth conducted by CheckFree since 2002, highlights Americans' growing use of online banking and bill payment services to help manage their personal finances.

The survey indicates that consumers are more confident about online security as more Americans are gaining experience in using Internet services, making security concerns less of a barrier to online bill payment adoption than in the past. In the latest survey, only 13 percent of respondents cited online security as the top reason for not using the online bill payment service, down from 17 percent in the 2007 survey. Overall, online security ranked third among barriers to online bill payment adoption this year, compared to its number-one ranking in 2007. The primary barrier (15%) in the new study was "I don't know enough about how it works."

For the second year in a row, American consumers who go online each month paid more of their household bills online at bank and billing organization websites than by any other method, according to the survey fielded by Harris Interactive and sponsored by CheckFree.

An estimated 31 million households are using online banking websites to pay bills, 47.9 million households are using biller websites and 16 million are using both online banking and biller sites to receive and pay bills. Approximately 63.1 million of Internet-using households pay at least one bill online in an average month, up from 61 million in the 2007 survey. These households collectively paid 934 million bills in a typical month, according to the survey results.

Online bill payments continued to outpace check bill payments for the second consecutive year. Online bill payments made at both bank and biller websites rose to 42 percent of the total volume of household bill payments made each month, up from 39 percent in the 2007 survey. Online bill payment adoption has significantly grown since the 2002 survey, when only 14 percent reported paying their bills online.

Check payments among survey respondents who use the Internet fell to their lowest level in six years, accounting for only 31 percent of the total volume of household bill payments -- down from the 34 percent recorded in the 2007 survey. Check bill payments have fallen by half on a percentage basis since January 2002, when Internet-connected Americans made 61 percent of their bill payments by check. Still, 59 million online households pay at least one of their household bills each month by check.

"As more consumers gain experience and become more comfortable using the Internet, their confidence in online security grows and we see an increase in the adoption of online banking and bill payment services," said Todd Leshner, division president, CheckFree electronic Banking Services, now part of Fiserv. "For a minority of users who haven't used the Web as long, we see that security concerns remain a significant barrier to online banking and bill payment adoption. We continue to work closely with our financial institution customers on joint programs that help educate consumers that online financial services are safer and more convenient than traditional, paper-based methods."

Survey findings include:

-- Internet-using households pay an average of 11 bills per month. Consumers use an average of three different ways to pay bills, with online, check, automatic debit and in-person topping the list of popular bill payment methods. Online bill payments at bank and biller websites comprised 42 percent of total monthly payments, followed by 31 percent of bills paid by check. [See Chart, "How Consumers are Making Their Monthly Bill Payments."]

-- Fifty-one percent of survey respondents cited the environment as a reason why they chose to view and pay bills online. Of these, 72 percent identified paper and clutter reduction as chief benefits, followed by tree conservation (19 percent) and reduction in gas consumption (16 percent).

-- Saving time and gaining control over their finances were major online bill payment benefits cited by 44 percent of respondents. Consumers surveyed also cited other important reasons for paying bills online, including eliminating the hassle of writing checks, enabling them to pay all bills in one step and saving the cost of stamps.

The 2008 Consumer Banking and Bill Payment Survey, fielded by Harris Interactive, polled 3,031 U.S. consumers who use the Internet, were at least 21 years of age and were at least partly responsible for household bill payments. The online survey has a margin of error of plus or minus 2 percent. The results are considered representative of the nation's 85.1 million Internet-connected households. For more information, additional survey findings and to download charts on consumer trends, please visit www.checkfree.com/banksurvey. For more information about online banking, electronic billing and payments and how to get started paying bills online, visit www.eBILLPLACE.com.

About Fiserv, Inc.

Fiserv, Inc. (NASDAQ: FISV), a Fortune 500 company, provides information management and electronic commerce systems and services to the financial and insurance industries. Leading services include transaction processing, outsourcing, electronic bill payment and presentment, investment management solutions, business process outsourcing (BPO), software and systems solutions. Headquartered in Brookfield, Wis., the company is the leading provider of core processing solutions for U.S. banks, credit unions and thrifts. Fiserv was ranked the largest provider of information technology services to the financial services industry worldwide in the 2004, 2005 and 2006 FinTech 100 surveys. In 2007, the company completed the acquisition of CheckFree, a leading provider of electronic commerce services. Fiserv reported nearly \$4 billion in total revenue from continuing operations for 2007. For more information, please visit www.fiserv.com.

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