

Online Bill Pay a “Green” Activity

Javelin Strategy & Research has published a new report titled "2007 Online Banking and Bill Payment: Trends, Forecasts, and Strategies for Reinvigorating Growth and Adoption" that suggests that "consumers can financially do well by doing good, improving financial control while eliminating the paper bills, statements and checks that harm the environment through forest destruction, wastewater, fuel consumption, air pollution and landfill waste."

"Paper checks, bills and statements are set to become a historical artifact with consumers," said James Van Dyke, President of Javelin Strategy & Research, "as banks, credit card providers and other companies increasingly offer online services that are 'green, safe, and practical' rather than just 'new-and-cool'. Yet we're at a crossroads because the rate of new consumer adoption of online banking and bill pay has actually slowed. As environmental concerns increase, more people will understand that they can more effectively control their finances without causing damage to the environment."

This report builds on an extensive new research survey to show how current and emerging technologies actually fulfill common needs, ranging from the basic (access to one's complete financial picture) to emerging capabilities (mobile banking and payments, live chat, banking blogs, Web 2.0 bank-sponsored community forums, or bulletin boards). Companies can also provide important safety advantages with paperless options that minimize criminal mail access, user-defined activity alerts, fraud-loss guarantees and the ability to safely log in and monitor activity from nearly anywhere.

Key Findings of the Javelin Strategy & Research Report:

- Javelin's report reveals that 61 million households currently bank online (53% of the U.S. household population) which is projected to reach 82 million households by 2012, or 67% of U.S. households.
- 39 million households pay bills at individual biller sites today, and this number is projected to reach 50 million by 2012. Yet bills viewed or paid at bank sites will grow even faster as financial providers give consumers the features they've wanted all along.

The Yearly Benefits – If All U.S. Households Viewed and Paid Bills Online:

- Saves 2.3 million tons of wood, or 16.5 million trees.
- Reduces fuel consumption by 26 million BTUs – enough energy to provide residential power to San Francisco for an entire year.
- Decreases toxic air pollutants by 3.9 billion pounds of CO2 equivalents (greenhouse gases), akin to having 355,000 fewer cars on the road.
- Reduces toxic wastewater by 13 billion gallons, enough to fill almost 20,000 swimming pools.
- Lowers solid waste generated by 1.6 billion pounds – equal to 56,000 fully loaded garbage trucks.
- Removes 8.5 million particulates and 12.6 million nitrogen oxides from the air – on par with taking 763,000 buses and 48,000 18-wheelers off the streets.
- Saves landfill space and curbs the amount of toxic chemicals, including methane gas, released into the atmosphere as paper decomposes.

In assessing other trends illustrated by the report, author Mary Monahan added, "People manage their assets and bills online to gain control of time, finances and safety. Bankers can meet consumer needs while providing vital environmental benefits. In addition, emerging features such as two-way mobile or email alerts (interactive financial messages, or IFMs™) and preset user-defined limits and prohibitions (UDLAPs) can transform today's overwhelming flood of online information into an experience that is green, safe and practical for everyone."

BillingTree can help your business “go green” by reducing paper usage and accelerating the receivables processes by utilizing electronic payment strategies. For an analysis of your organization’s payment practices, please contact BillingTree at (877) 377-2677 or visit our web site at mybillingtree.com for more information.