



Household Bills and Financial Health After a Year of COVID-19

The Financial Impact of Working from Home



A deep dive into the financial effects of the rise of remote work due to COVID-19, focusing on the effects of the pandemic on Utilities, Cable & Internet, and Mobile bills.

www.doxo.com/insights

About doxoINSIGHTS

doxoINSIGHTS leverages doxo's unique, aggregate, anonymized bill pay data comprised of actual bill payment activity to confirmed household service providers across the country.

5M+

Statistically significant, with over 5 million paying consumers.

30,000+

Geographically diverse, capturing payment activity in all 30,000+ U.S. zip codes

100,000

Covering 45 different biller service categories, with more than 100,000 unique billers

All income brackets

Economically representative, with participation from all income brackets.

All payment funding sources

Capturing all payment funding sources, including bank accounts, credit cards, and debit cards.

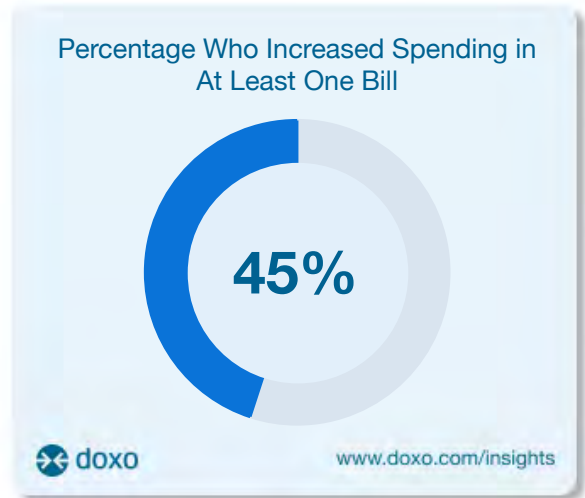
doxoINSIGHTS provides a comprehensive look into the household bill pay industry, with a deep dive into category size and average spend at the national, state, and regional level. doxoINSIGHTS aims to bring transparency to the U.S. bill pay market by bringing together the broadest available data set for analyzing actual household payment activity, and providing the foundation for bottoms-up market sizing for the 10 most common household bills.

This report takes stock of the effects of remote work on household bill expenses last year. Consumers, the report shows, shouldered a larger bill pay burden in 2020, to account for the fact that they were often spending much longer at home and without access to employer facilities. The results have a 3% margin of error based on a survey of 1,120 sampled households conducted in April-May 2021.

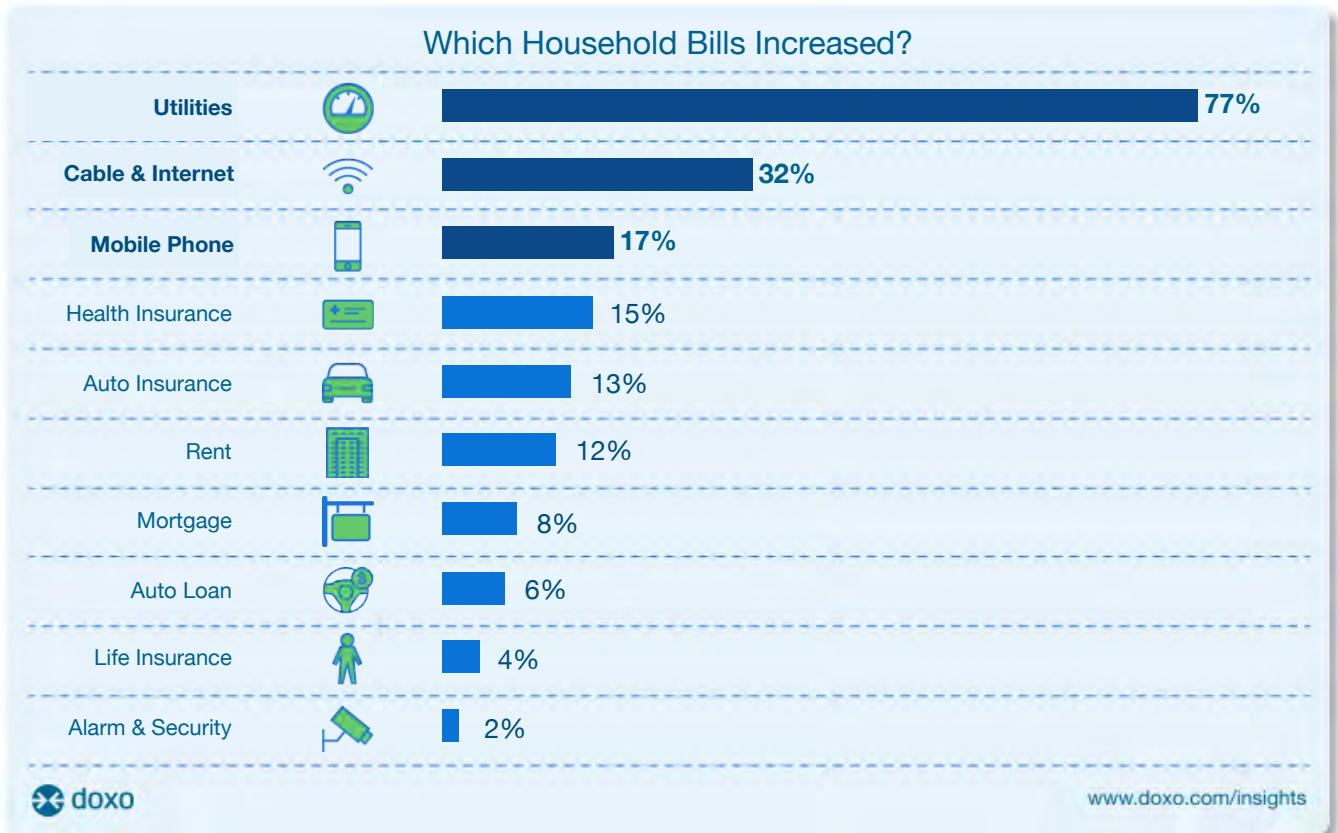
For more information about doxoINSIGHTS visit www.doxo.com/insights.

45% of people experienced an increase in spending in at least one household bill over the past year

Almost half of respondents said they experienced an increase in spending in at least one of their household bills. The bills that increased were categories that most likely changed due to the increase in remote work brought on by the COVID-19 pandemic: Utilities, Cable & Internet, and Mobile Phone.

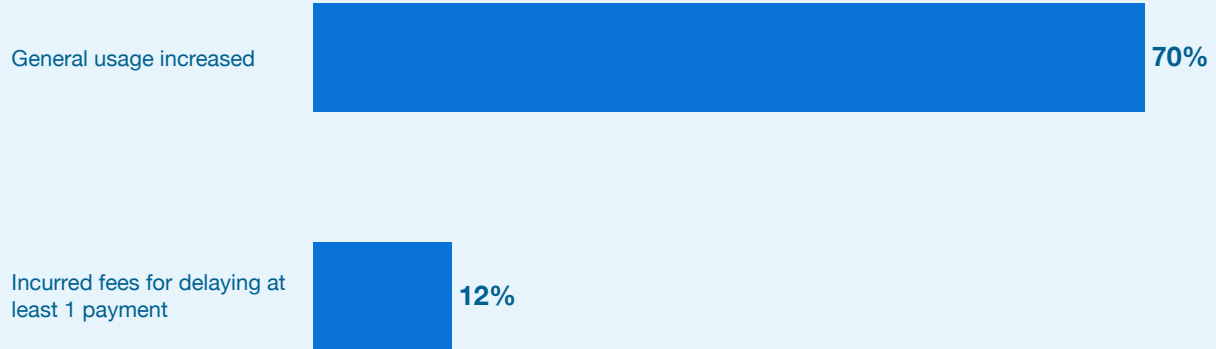


Household bills that increased were the categories most impacted by remote work



70% of Utility bill increases were due to higher usage during the pandemic

Reasons why households' Utilities expenses increased



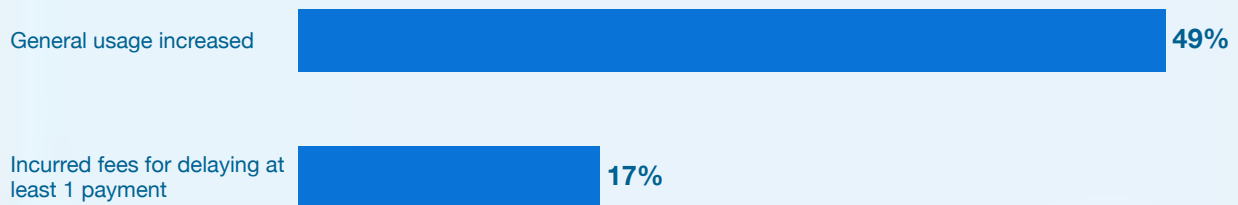
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The vast majority (70%) of Utilities bill increases were due to higher usage. The shift to working from home was responsible for the lion's share of this, as individuals spent more time in their homes and required more air conditioning, heating, water and other services that they earlier had used in their office buildings. In addition to this, a substantial percentage of individuals paid higher bills because they incurred fees for delaying at least one Utilities payment.

49% of Cable & Internet bill increases were due to higher usage

Almost half of individuals who experienced increases in their Cable & Internet bills did so because their general usage of the service increased. This is unsurprising, considering the increased need for rapid internet connections during the rise of remote work, as well as the decrease in entertainment options due to the pandemic. A significant percentage of people, almost one fifth of respondents whose Cable & internet bills increased, had to pay more because they incurred fees for delaying at least one bill payment.

Reasons why households' Cable & Internet expenses increased

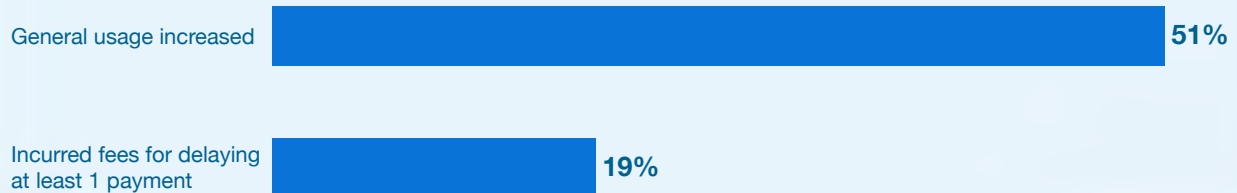


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51% of Mobile bill increases were due to increased usage

More than half of individuals whose Mobile expenses increased received higher bills because their general usage of the service increased. With the onset of remote work, usage of mobile phones and cellular data increased. Almost a fifth of respondents (19%) had higher Mobile expenses because they incurred fees for delaying at least 1 payment.

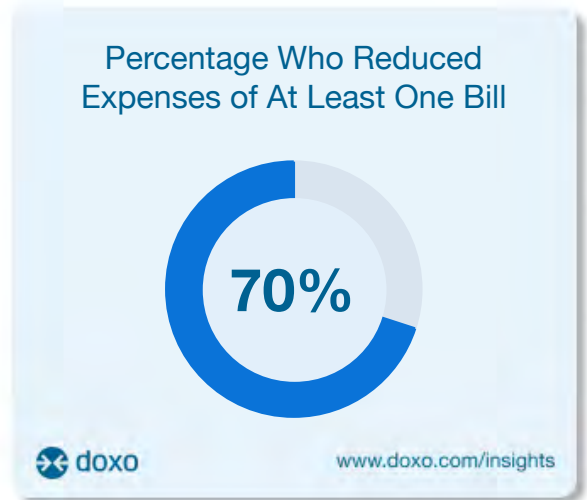
Reasons why households' Mobile expenses increased



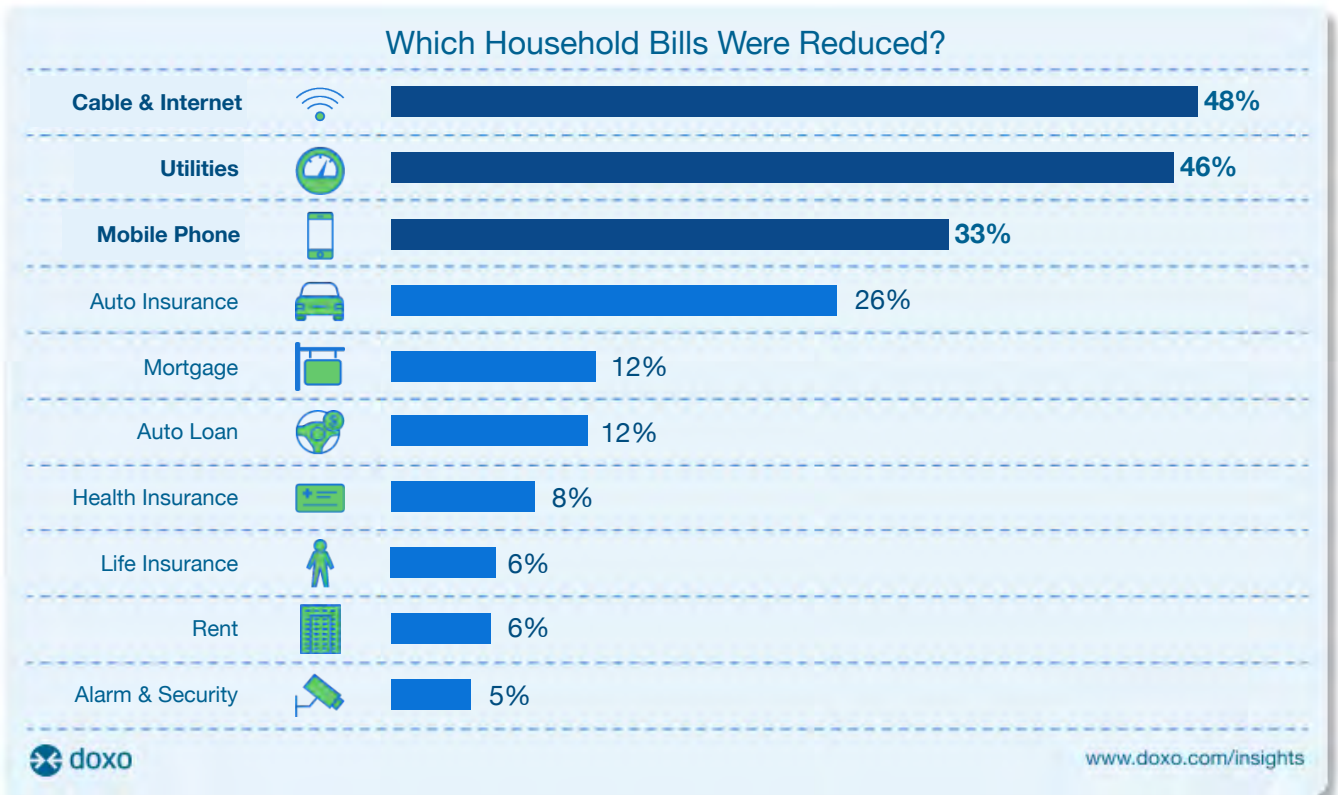
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70% of people cut spending in at least one household bill category over the past year

Due to the financial constraints of the COVID-19 pandemic, 70% of survey respondents cut spending in at least one of their household bills. The three most common bills to be reduced were all in categories likely to be impacted by the shift to remote work: Cable & Internet, Utilities, and Mobile. Unsurprisingly, reductions in Rent costs were uncommon, as many individuals spent an unprecedented amount of time at home. Reductions in Health Insurance or Life Insurance were also rare.



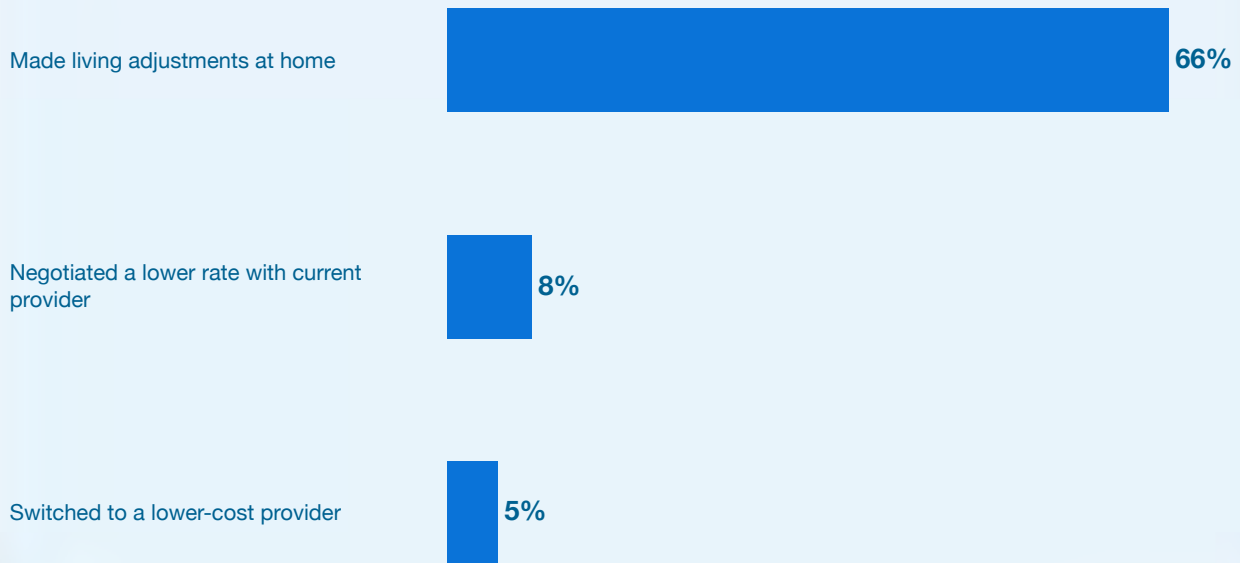
Cable & Internet, Utilities, and Mobile were most commonly trimmed bill categories



66% of those who reduced their Utilities expenses made living adjustments at home

Among households that reduced their Utilities expenses, by far the most common way of doing so was by making living adjustments at home to lower service usage. For example, individuals may have lowered the settings for heat during the winter or air conditioning during the summer, installed window treatments or other home features to improve insulation and conserve costs, or used their larger appliances (dishwashers, laundry machines, etc) less frequently than they did before the pandemic.

How households cut back on Utilities expenses



51% of people who trimmed Cable & Internet expenses reduced costs with their current provider

Among households who reduced expenses on Cable & Internet bills, a majority retained their current provider but trimmed expenses within their deal: for example, by downsizing to a less expensive plan or negotiating a lower rate. More than 1 in 5 individuals also eliminated at least one Cable & Internet account. This could mean cancelling one cable subscription in a house with multiple, or simply choosing to cut the cord entirely.

How households cut back on Cable & Internet expenses

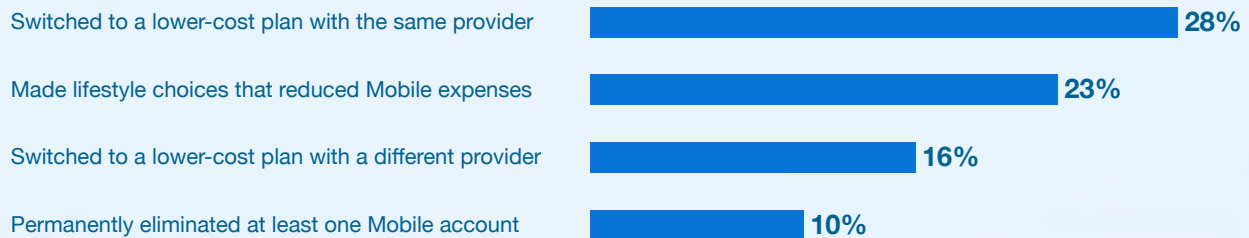


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44% of people who reduced mobile expenses switched to a lower-cost plan

People who saved on Mobile expenses used a variety of methods for doing so. The largest group of individuals (28% of all who reduced Mobile expenses) switched to a lower-cost plan with the same provider, but 16% switched to a more affordable plan with a different provider, meaning 44% of individuals who reduced their expenses did so by switching plans. 23% of people made lifestyle changes that resulted in lighter usage; for example, using less mobile data than they did before, or turning off roaming. One in 10 individuals even permanently eliminated at least one of their Mobile accounts.

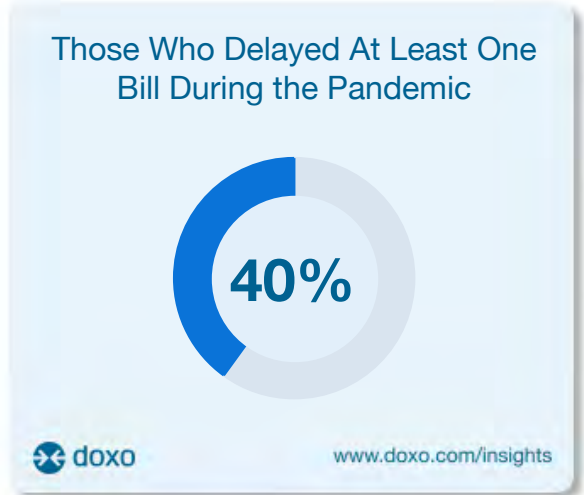
How households cut back on Mobile expenses



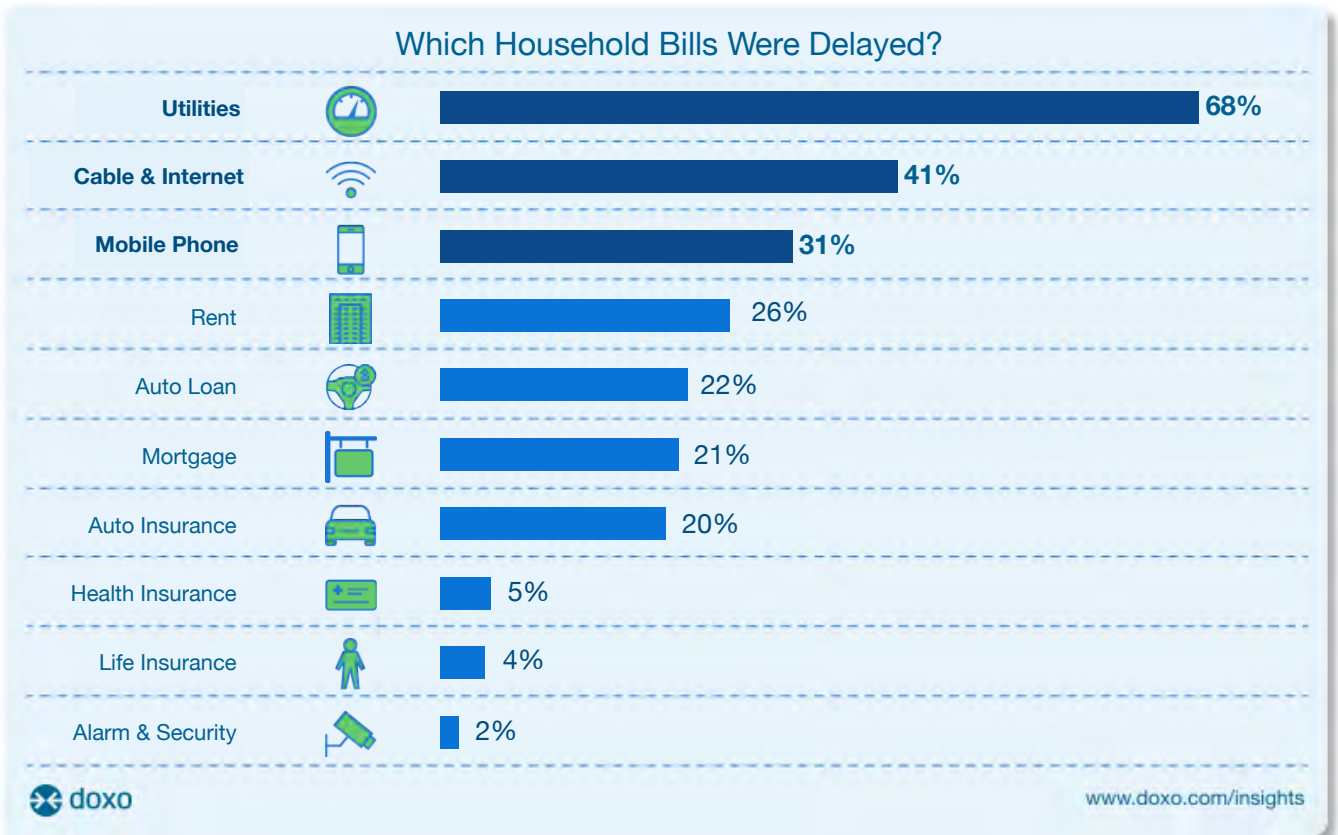
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40% of people delayed paying a household bill payment at some point in the past year

Delays in bill payments were also common due to the COVID-19 pandemic. Two of every 5 respondents said they had delayed at least one bill during the pandemic. The categories of bills most likely to be delayed were also those most likely to be impacted by the rise of working from home: Utilities, Cable & Internet, and Mobile.



Utilities, Cable & Internet and Mobile were the bills most commonly delayed due to COVID-19



About doxo

doxo provides simple, secure all-in-one bill payment to any biller, with any payment method, on any device. A doxoPLUS subscription adds free bank payments and five essential financial protections that boost household financial health.

Through these services, doxo currently serves over five million paying users who can make payments to over 100,000 local and national businesses, making doxo the largest bill pay directory in the nation. Billers on the network get paid directly, fast and free – and consumers have complete bill pay independence over when and how they pay their bills.

doxo expanded its user base by more than 70 percent in the past year and is expanding its team to further accelerate growth and change the bill pay landscape to focus on the customer. doxo investors include MDV, Sigma Partners, and Bezos Expeditions. doxo is based in Seattle, WA.

For more information visit www.doxo.com.