



# United States of Bill Pay: How Americans Pay Their Bills

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doxoINSIGHTS 2022 Report



This report examines who the bill pay consumer is, and how and when they pay their household bills. When it comes to bill pay practices, the report shows, there is no normal.

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## 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.

# 7M+

Statistically significant, with over 7 million paying consumers.

# 97%

Geographically diverse, capturing payment activity in 97% U.S. zip codes

# 120,000

Covering 45 different biller service categories, with more than 120,000 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. For more information about doxoINSIGHTS visit [www.doxo.com/insights](http://www.doxo.com/insights).

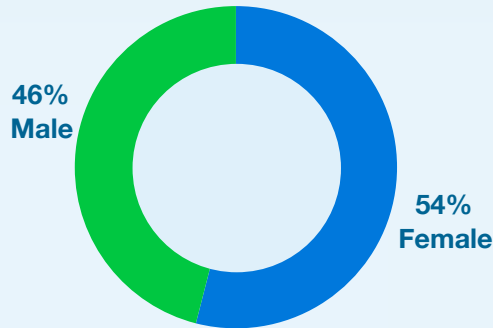
The “United States of Bill Pay: How Americans Pay Their Bills” report breaks down doxoINSIGHTS’ key findings for 2022 related to how and when consumers pay the 10 most common household bills. These bills include Utilities, Mortgage, Rent, Auto Loan, Auto Insurance, Mobile Phone, Cable & Internet, Health Insurance, Life Insurance, and Alarm & Security.

# Who is the bill pay consumer?

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## Bill Pay Consumers: A Breakdown

(1)



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Average bills to pay per month <sup>(2)</sup>

10



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Percentage of bills paid with cards (credit, debit, prepaid): <sup>(3)</sup>

57%



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Percent of households with variable income <sup>(4)</sup>

29%



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Percent who delay one or more bills each month <sup>(5)</sup>

16%



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(1) doxoINSIGHTS data (2) ACI, Billing and Payment Trends 2020 Annual Report (3) Federal Reserve Bank of Atlanta, The 2020 Diary of Consumer Payment Choice (4) Federal Reserve, Report on Economic Wellbeing of US Households, May 2021 (5) Federal Reserve, Report on Economic Wellbeing of US Households, May 2021

## How much does the average consumer pay in household bills?

Monthly Household Bill Spend <sup>(1)</sup>

**\$2,003**



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Annual Household Bill Spend <sup>(1)</sup>

**\$24,032**



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Annual Household Income <sup>(2)</sup>

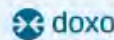
**\$67,521**



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Percent of Household Income Spent on Bills <sup>(3)</sup>

**36%**



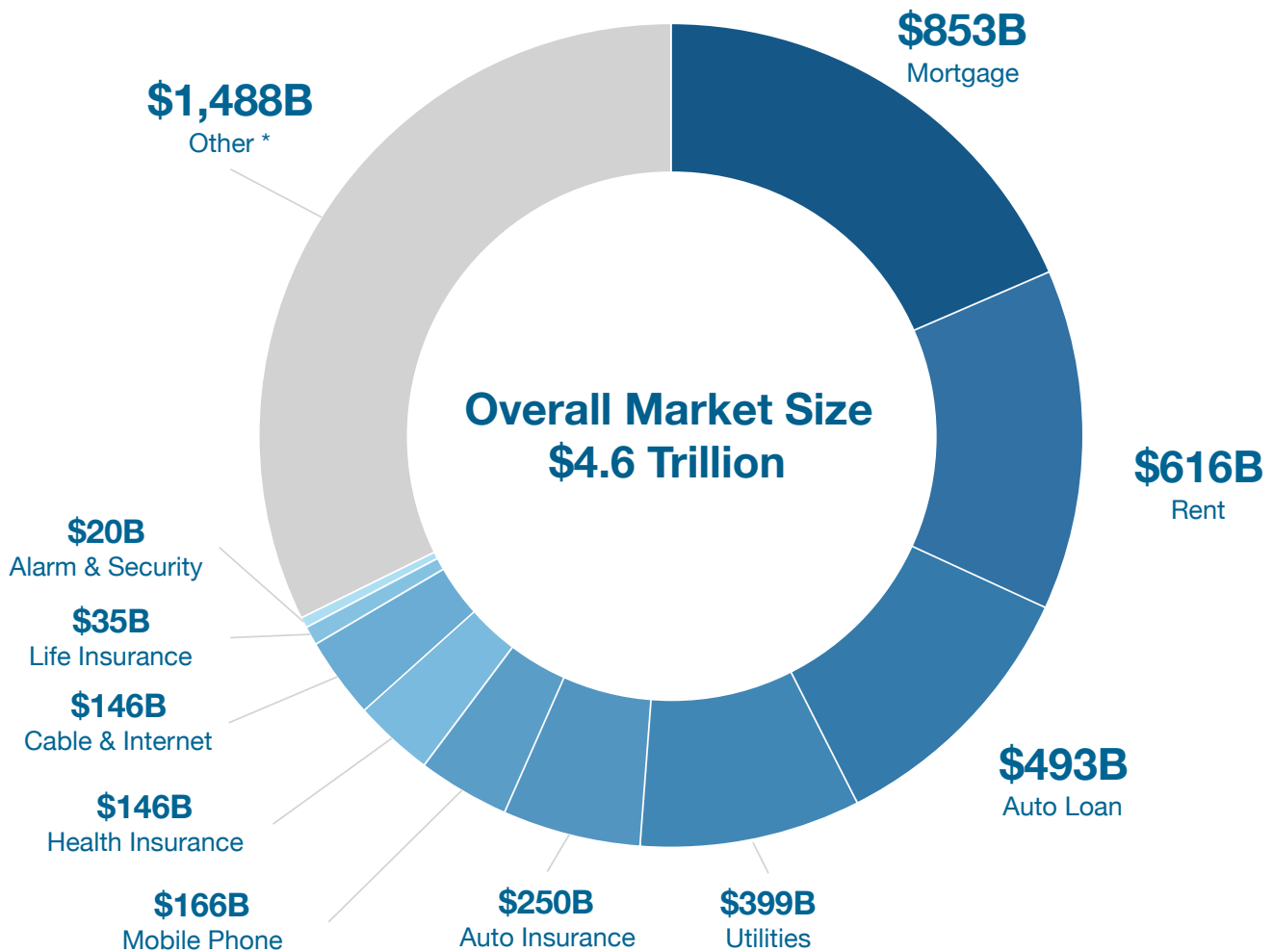
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# How much do consumers spend on household bills?

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## Total bill pay market size is \$4.6 trillion per year

US households spend \$4.6 trillion on bills in total. \$3.12 trillion is spent on the 10 most common household bill categories: Utilities, Mortgage, Rent, Auto Loan, Auto Insurance, Mobile Phone, Cable & Internet, Health Insurance, Life Insurance, and Alarm & Security. To read more about bill pay market size in the US, see the [2022 U.S. Household Bill Pay Market Size & Category Breakout report](#).

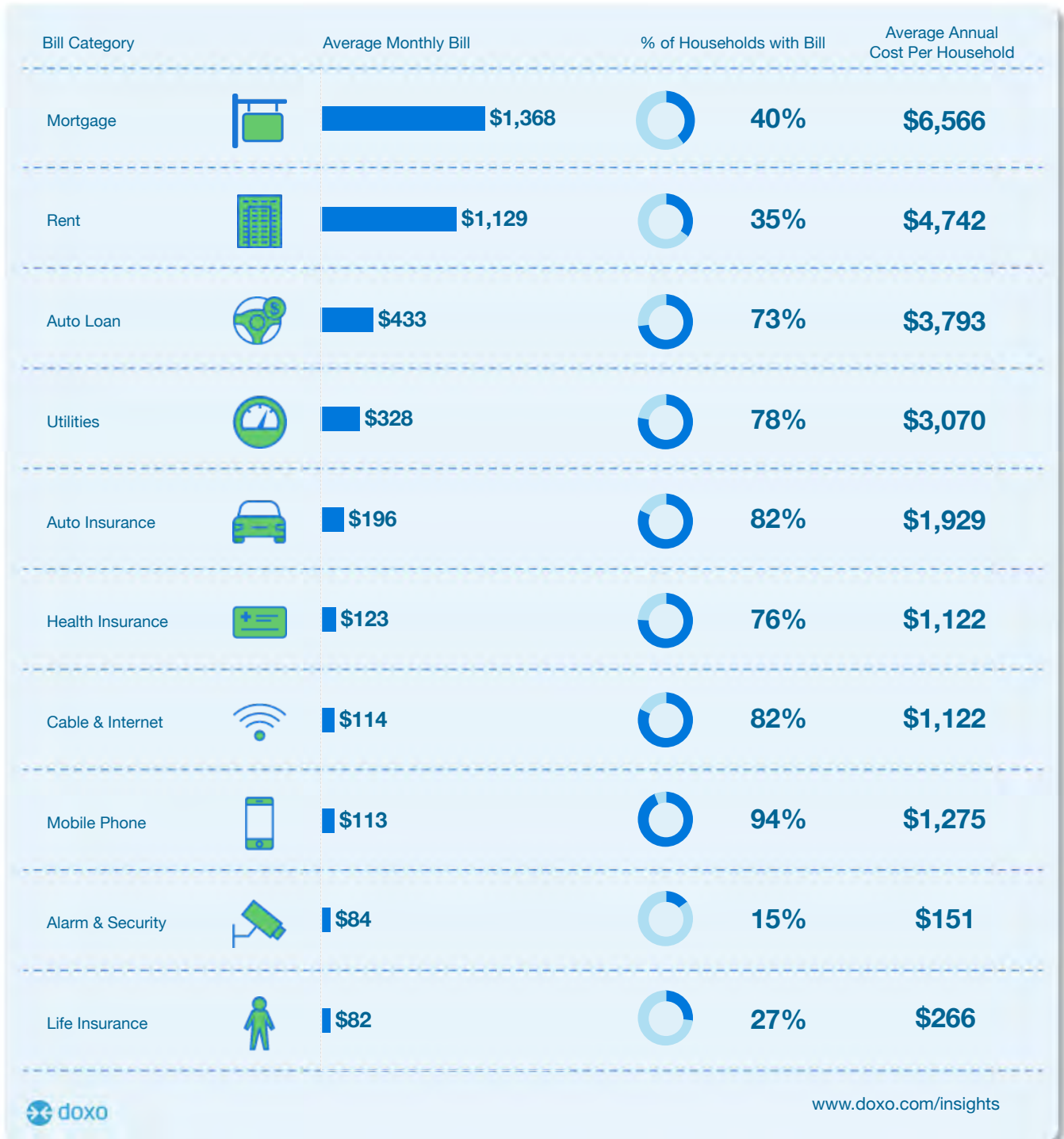


U.S. Households spend **\$3.12 Trillion** annually on the ten most common household bills.

\*Other includes credit card payments, taxes and non-recurring fees like health care lab expenses, and toll roads.

TO NOTE: Category specific data is sourced from actual bill payment activity via doxo's platform, with the exception of Rent and Mortgage, which is sourced from the U.S. Census Bureau.

## How do average household bills break down according to category?



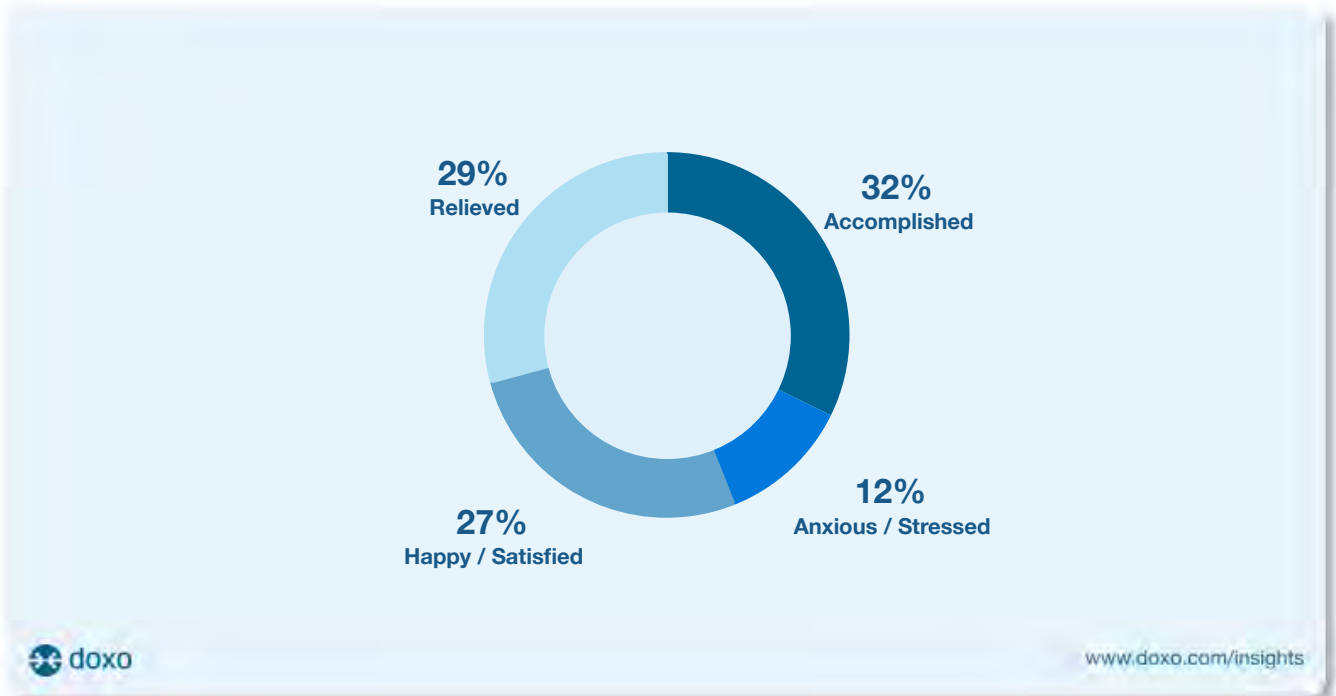
\*The ten most common household bills do not take into account such things as credit card payments, taxes and non-recurring fees like health care lab expenses and toll roads.



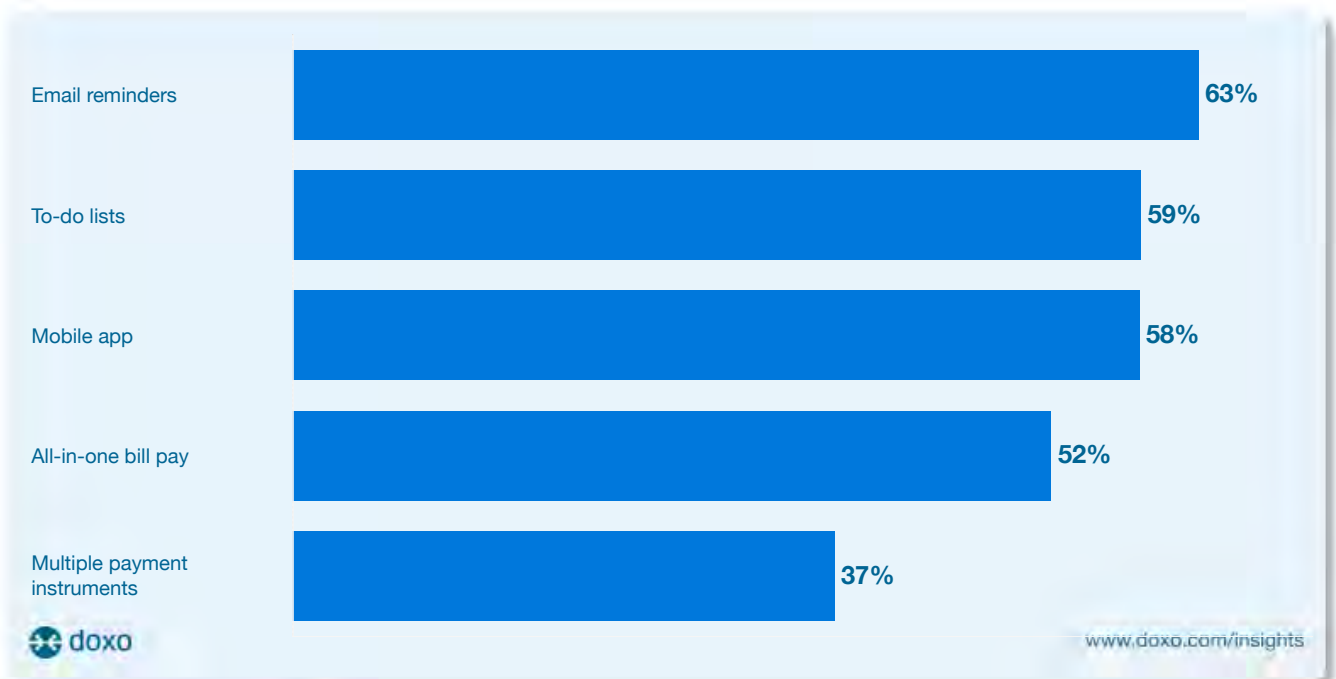
# What do consumers want from bill pay?

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## How do consumers feel when paying their bills?

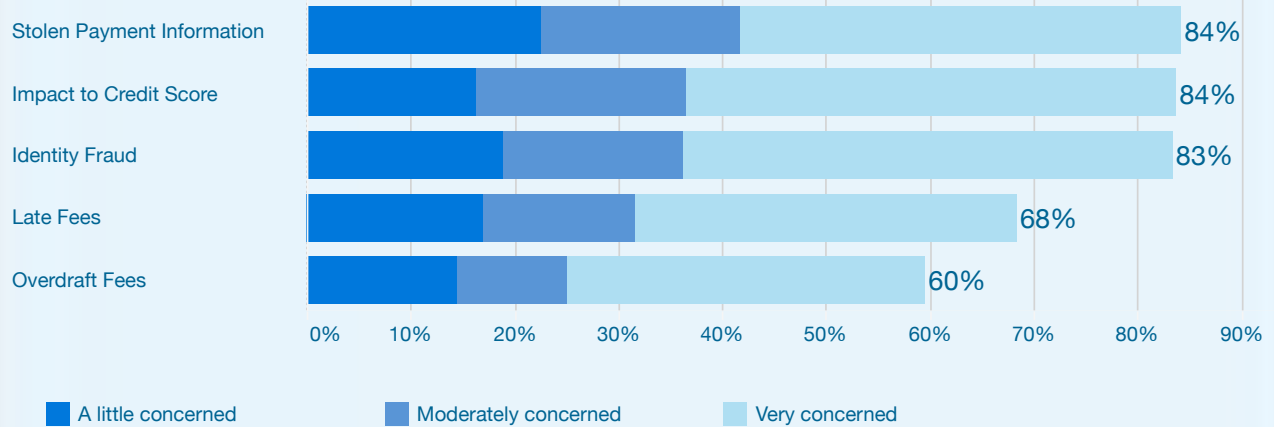


## How do consumers want to improve their bill pay experience?



## What are consumers' top bill pay concerns?

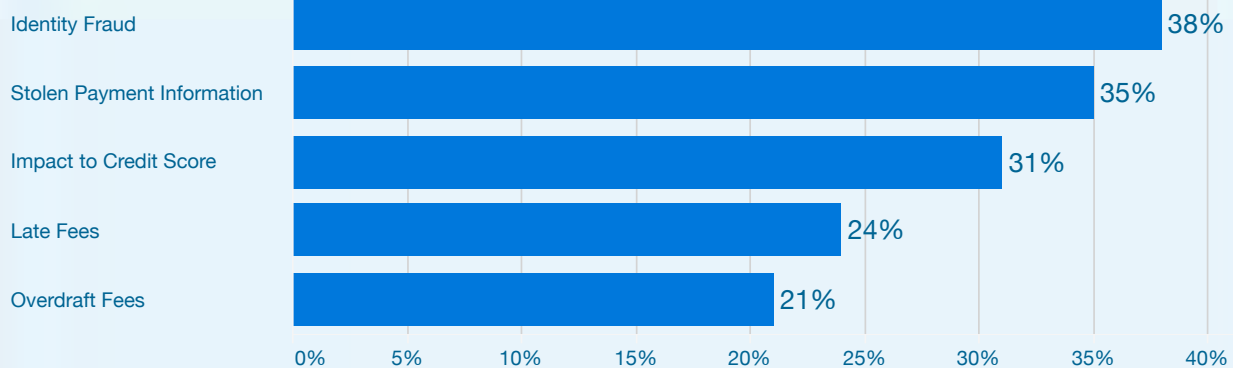
When paying their bills, stolen payment information emerges as the top concern for U.S. consumers, with 84% of bill paying consumers surveyed indicating concern about the issue. Other identified concerns for bill payers are impact to credit score (84%), identity fraud (83%), and late fees (68%). To read more about such concerns, see [doxoINSIGHTS' 2021 report on the Hidden Costs of Bill Pay](#).



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## How do consumers' bill pay concerns compare to last year?

For many households, concerns about bill payments have only mounted during the past year. The largest spike was in concern about identity fraud: 38% of surveyed households were more concerned about it than they were last year. Other mounting concerns, also documented in the Hidden Costs of Bill Pay report, were stolen payment information (35%), impact to credit score (31%), and paying late fees (24%).



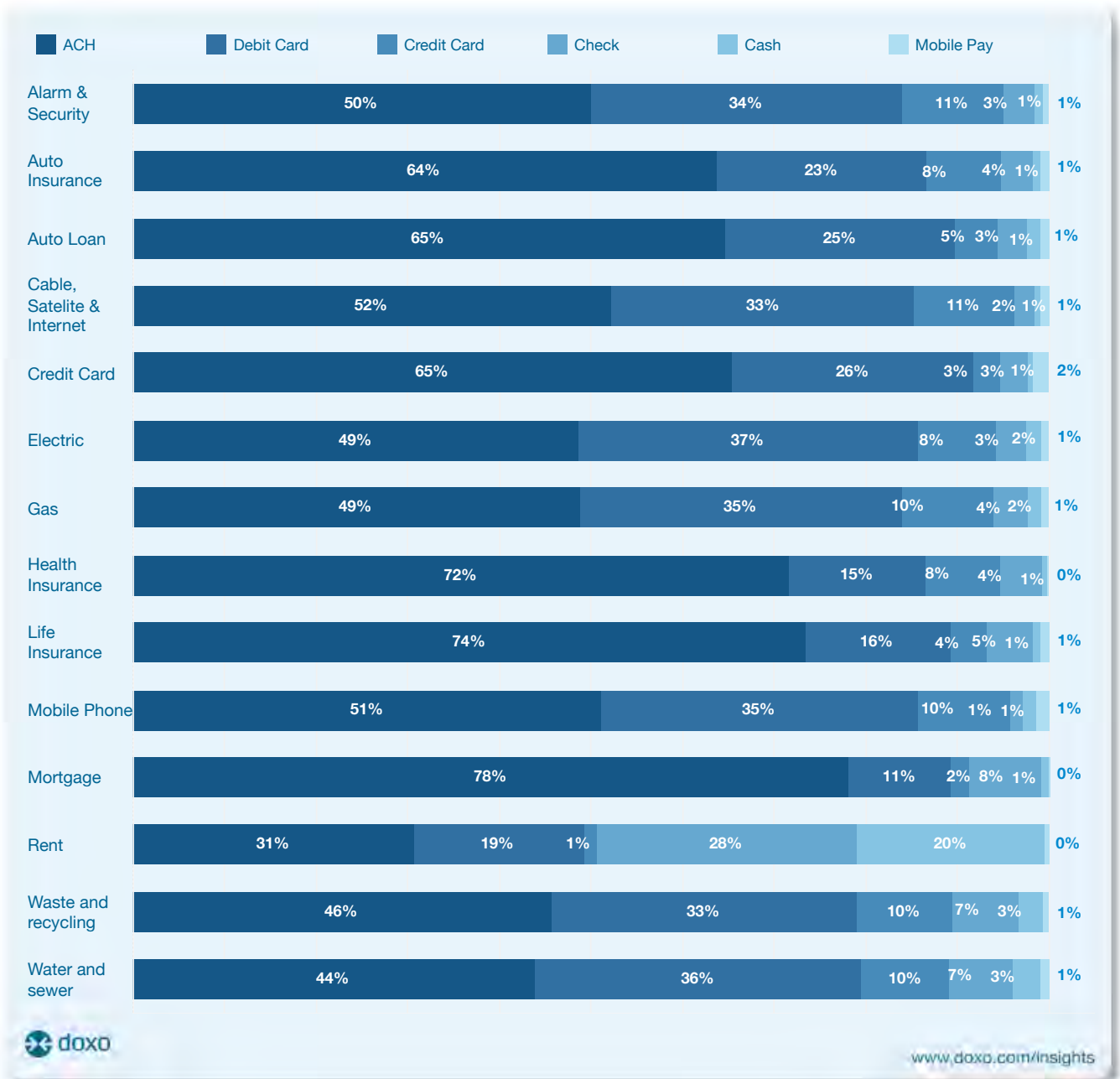
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# How and when do consumers pay their bills?

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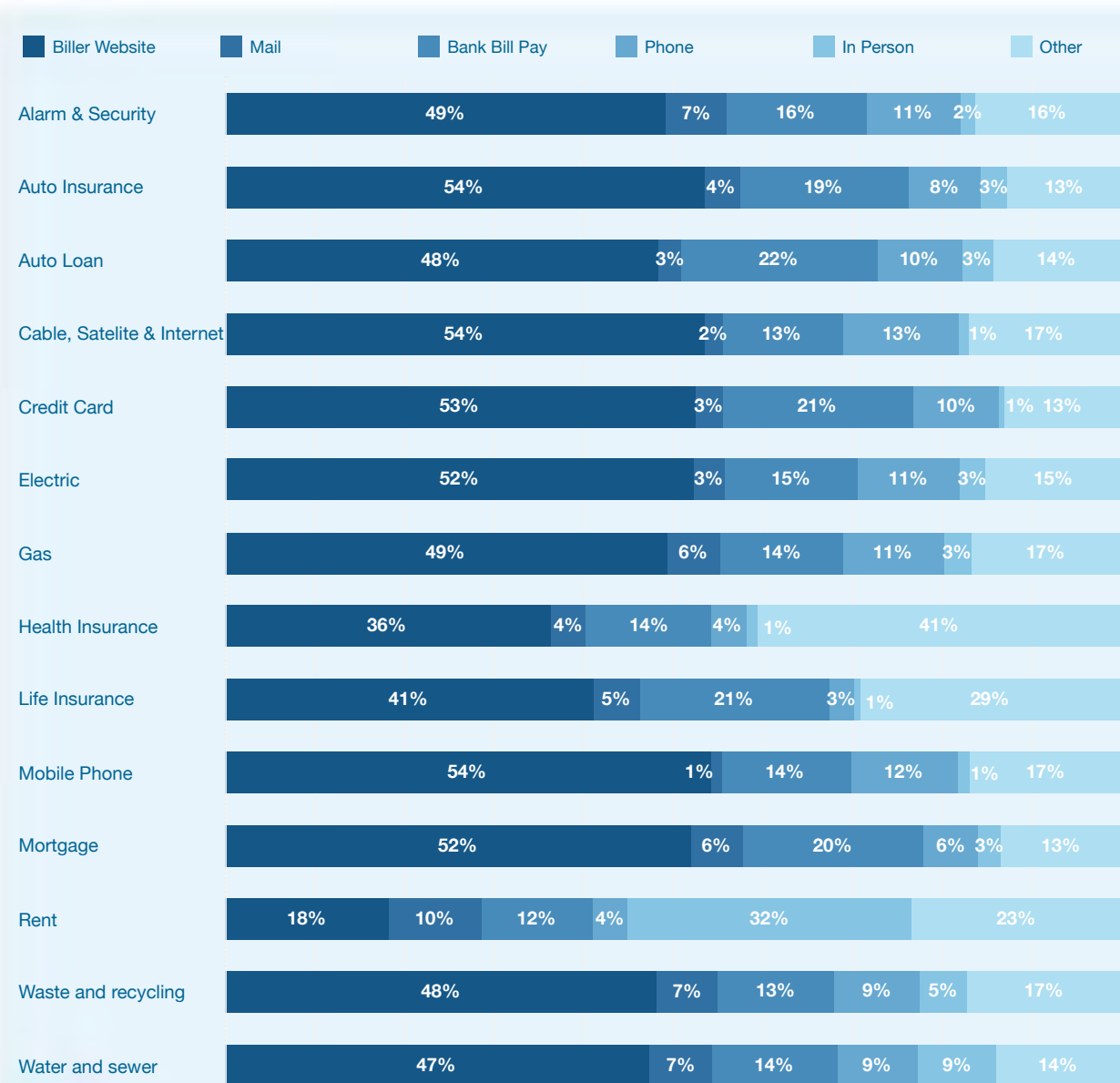
## What payment instruments do consumers use to pay bills?

Results of a doxo "How Americans Pay Their Bills" survey show that the payment instruments consumers use vary widely depending on what bills they are paying. For instance, more than 70% of consumers use ACH (direct bank account transfer) to pay their health insurance and life insurance bills, but when it comes to Rent payments, only 31% of consumers do so. Cash is also disproportionately used to pay Rent. Other bills are paid using cash only between 1% and 3% of the time, Rent is paid with cash in 1 in 5 instances: 20%. Note: "Mobile pay" refers to Apple Pay and Google Pay.



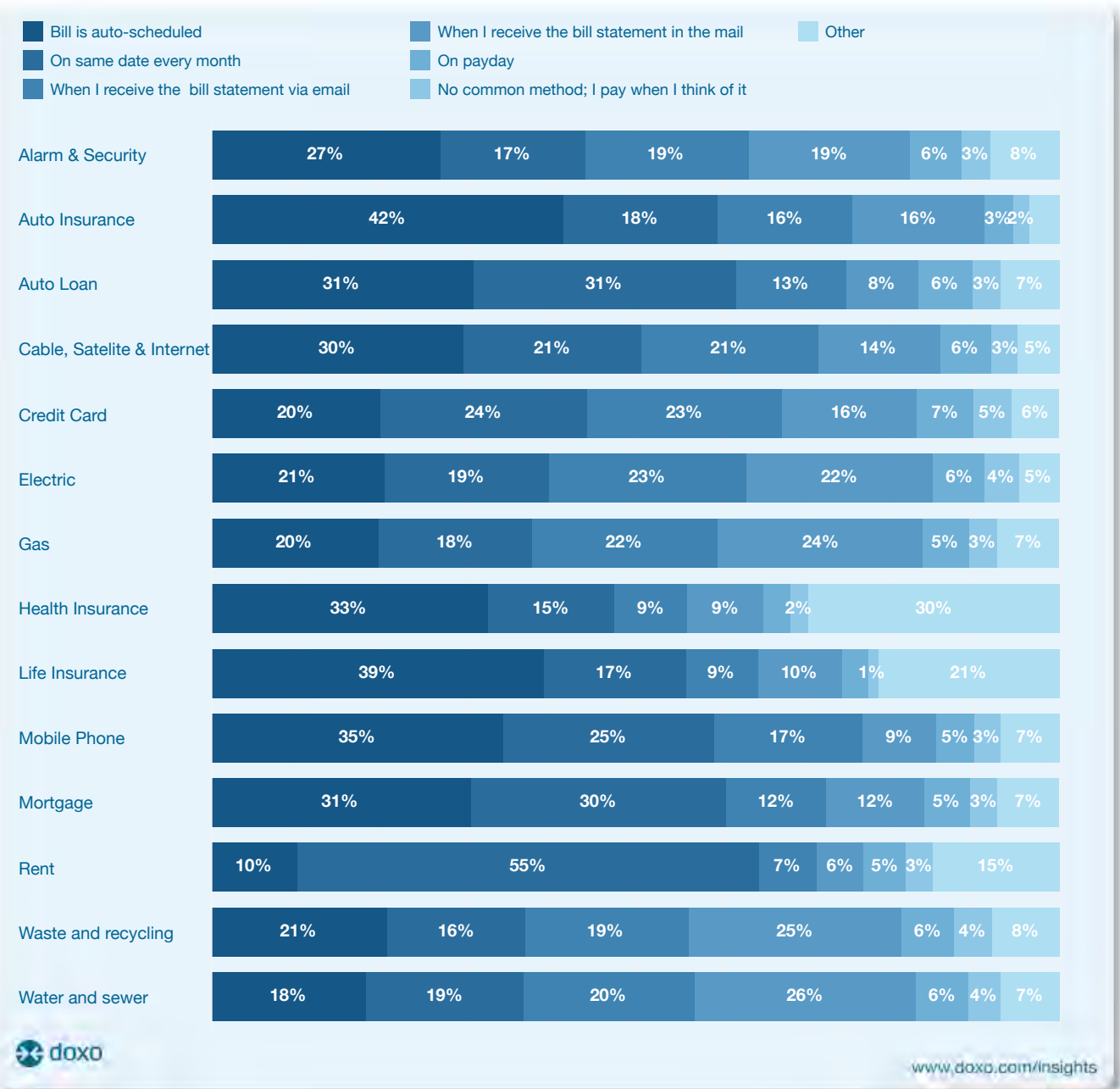
## What channels do consumers use to pay bills?

Consumers pay their bills on a variety of different channels. When surveyed on payment methods (other than doxo), the largest chunk of individuals said they paid their bills on biller websites. However a substantial percentage of individuals still pay their bills on the phone or by mail.



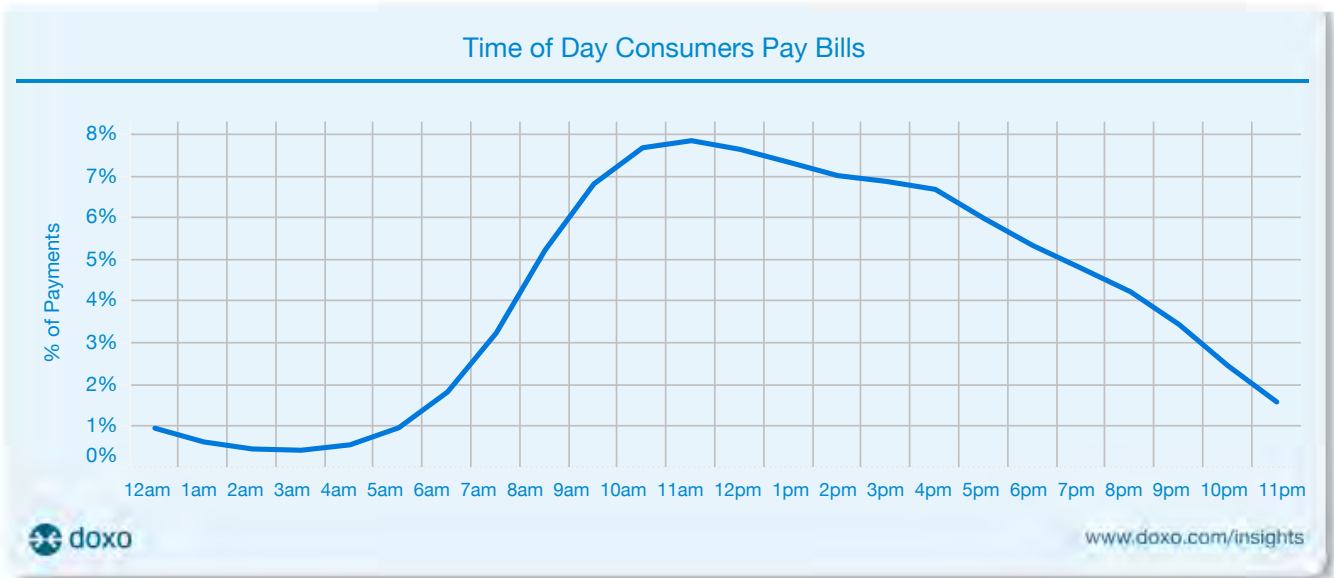
## How do consumers remember to pay their bills?

doxo survey data shows that consumers are prompted to pay their bills by different causes. Certain bills are far more likely than others to be on automatic payments, for instance: while close to half of auto insurance bills are paid automatically, only 10% of Rent payments are on autopay. And more than half of Rent payments are paid on the same day every month, whereas this is only true for 17% of Alarm and Security bills, or Waste and recycling bills.

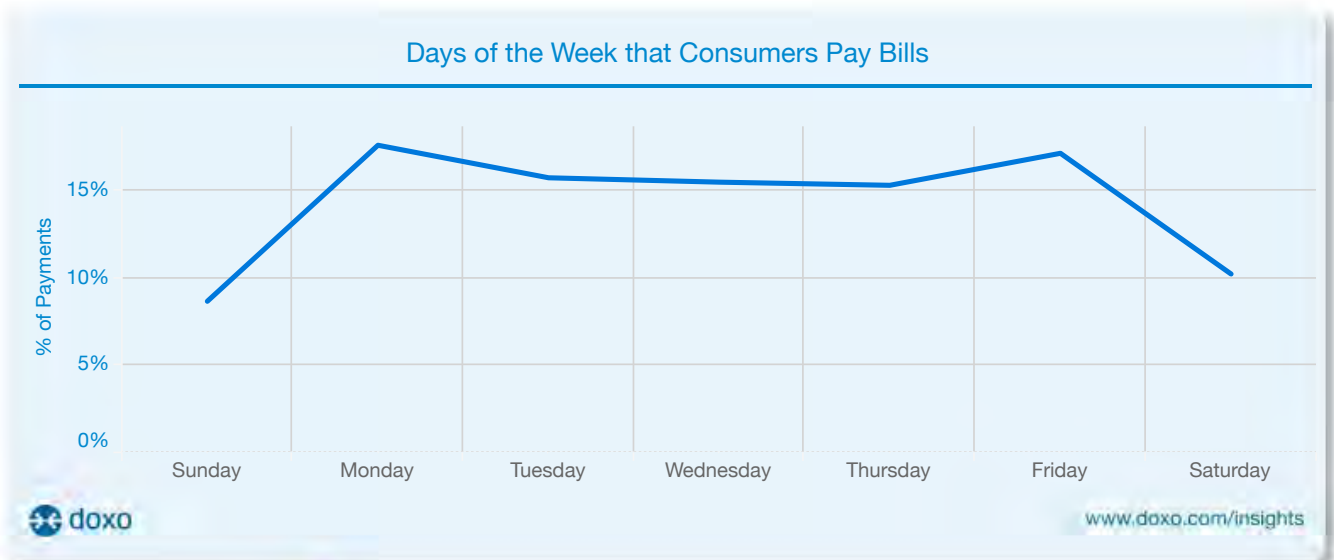


## When do consumers pay their bills?

Consumers are most likely to pay their bills right before lunchtime, with the period between 10am and 12pm being the time window in which they are most likely to make bill payments. Percentage of payments taper off after that, with a slight bump around 3:30pm. To see individualized time-of-day graphs for different locations in the US, consult doxoINSIGHTS' [Regional Bill Comparison database](#) and browse over 900 cities and towns all across the country.



Across the seven days of the week, Monday and Friday are the most common days for consumers to pay their bills, with almost 40% of payments being made on one of those two days. The weekend, meanwhile, is the least common time for consumers to pay their bills.





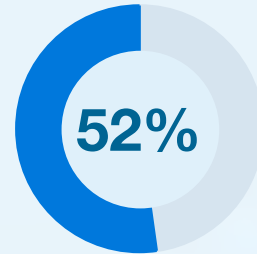
# **Spotlight: How the Pandemic and Inflation are Impacting Bill Pay**

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## 52% of consumers paid more bills online due to COVID-19 pandemic

The COVID-19 pandemic often meant changing established ways of dealing with household tasks, bill-pay included. Over the course of the first year of the pandemic, more than half of respondents of a doxoINSIGHTS survey said they began to pay their bills online more often than they did before the pandemic. To read more, consult doxo's report [A Year of COVID-19: Changes in Consumer Spending and Saving Habits](https://www.doxo.com/insights).

Percentage Who Paid More Bills Online Due to COVID-19

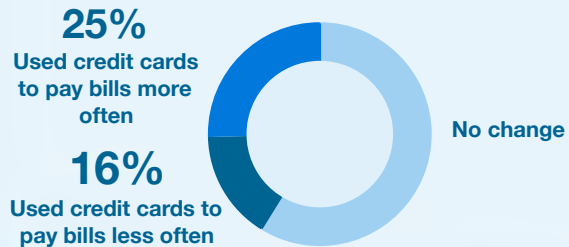


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## 25% of people used credit cards to pay bills online more often during first year of COVID-19

Credit card usage also saw fluctuations during the pandemic, with 25% of respondents using them more often to pay bills than they used to, while 16% used them less often.

Change in Credit Card Use During First Year of COVID-19

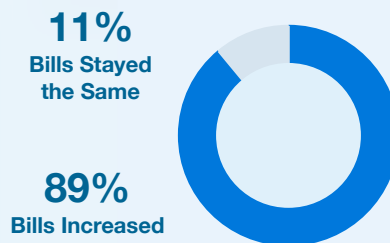


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## 89% of Households Have Seen an Increase in Bills due to Inflation

With inflation rates at the highest they have been in 40 years, consumers are feeling the pinch. An overwhelming majority of consumers surveyed in April 2022 have seen their household bills rise as a result.

Percentage of Households Whose Bills Have Increased due to Inflation

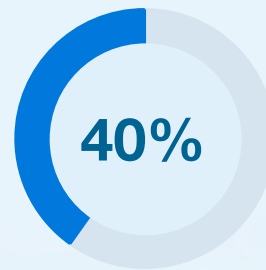


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## 40% of people delayed paying a household bill payment during the first year of COVID-19

Two in five individuals delayed paying at least one household bill payment over the course of the first year of the COVID-19 pandemic. Of those who delayed bill payments, the most common one to delay by far was Utilities, with 68% delaying bills in that category. Cable & Internet came in a distant second place, with 41% of delayers deferring those payments. After the pandemic, 13% of individuals expect to delay bills less often, while 11% plan on delaying them more often. Read more about doxoINSIGHTS' findings about the financial ramifications of COVID-19 in [A Year of COVID-19: Changes in Consumer Spending and Saving Habits](#).

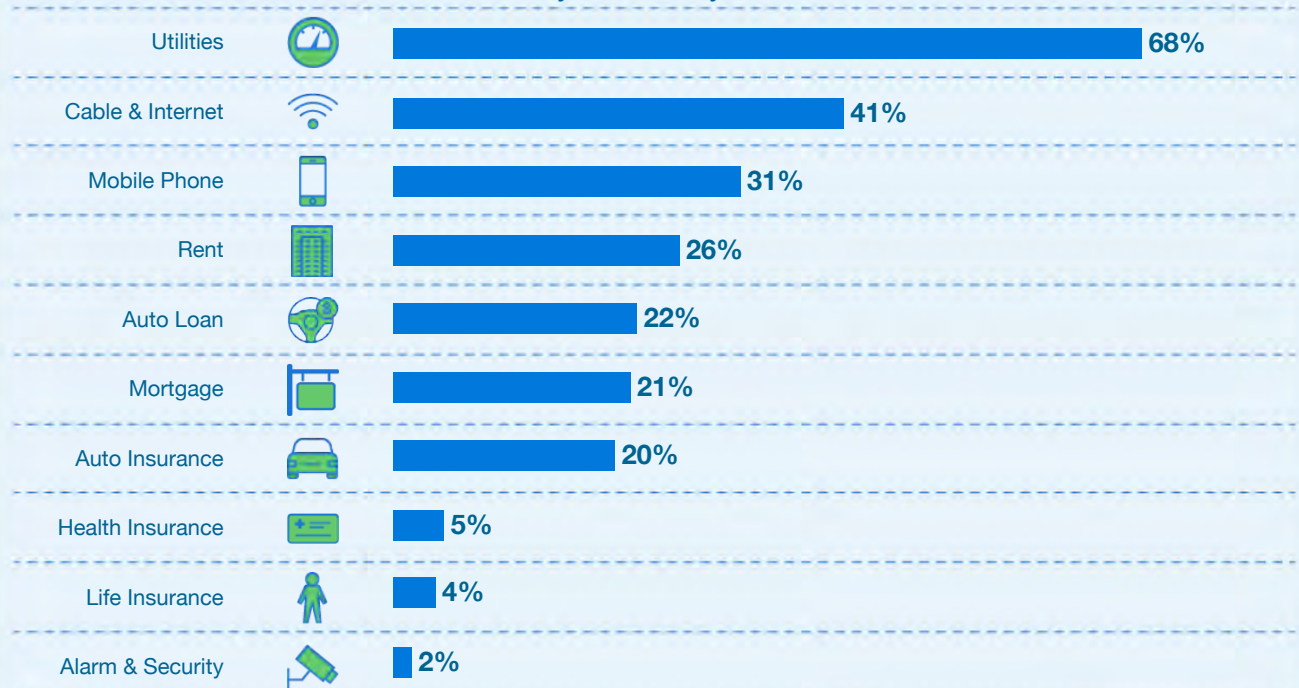
Those Who Delayed At Least One Bill During the Pandemic



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## 68% of delayers deferred Utilities payments

Delayed Bill Payments



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## About doxo

Each year U.S. households spend over \$4.6 trillion on recurring bill payments. While staying on top of these bills is the single largest determinant for consumer financial health, organizing and paying them can be a time-consuming and frustrating chore. Since its inception, doxo has been on a mission to simplify and reduce the anxiety of staying on top of bills, empowering consumers to improve their financial health.

Our company was founded on the simple idea that there should be an easy and more secure way for consumers to pay all of their bills through a single account, with any payment method, on any device. As consumers shift more bill payments online and to mobile, doxo continues to experience rapid growth. To date, over seven million doxo users across 97% of U.S. zip codes have paid bills through the payment network, across more than 45 different service categories. With more than 120,000 payable billers, doxo's proprietary, crowd sourced provider directory is the largest in the nation.

For more information visit [www.doxo.com](http://www.doxo.com).