

# COVID-19 October 2020 Bill Pay Impact Report

An analysis of the financial impact of the global pandemic on the U.S. bill pay market.

October 2020

# COVID-19 October 2020 Bill Pay Impact Report

doxo, the innovative web and mobile bill pay service, conducts user surveys and analyzes aggregate bill payment data from over 4 million consumers from all 3,007 US counties, observing payment activity to more than 45 recurring biller service categories and covering over 70,000 billers on its payment network. This uniquely broad statistical foundation powers doxoINSIGHTS reports – uncovering key trends for household financial and bill payment behavior.

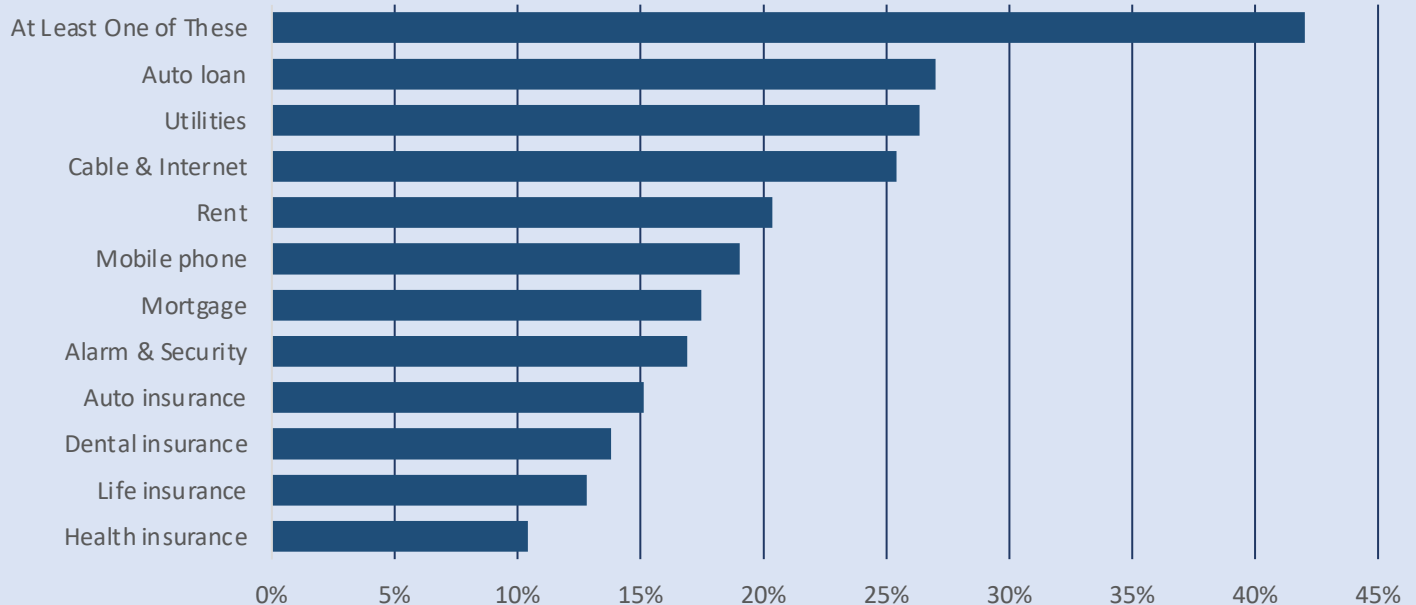
This COVID-19 October 2020 Bill Pay Impact Report examines the financial impact of the global pandemic on the U.S. bill pay market and consumer expectations for managing their finances and paying their bills. The results have a 3% margin of error based on 1,568 sampled households.

# 42% of Americans have missed bill payments since the COVID-19 pandemic began

Over 42% of consumers surveyed say they have had to miss one or more bill payment. When looking at which bills consumers have skipped, the size of the bill isn't the only consideration. Consumers appear to factor in that some bills have costly late-payment penalties. Of all bill categories, consumers have skipped paying auto loans, utilities, and cable/internet the most.

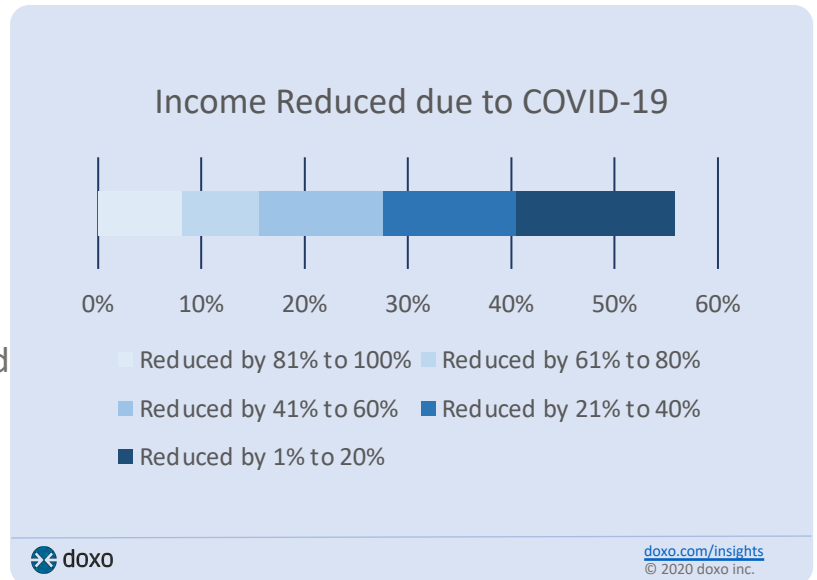
Category	Monthly Bill \$	% Likely & Very Likely
Auto Loan	\$374	27%
Utilities	\$290	26%
Cable & Internet	\$110	25%
Rent	\$1,023	20%
Mobile Phone	\$88	19%
Mortgage	\$1,268	17%
Alarm & Security	\$76	17%
Auto Insurance	\$181	15%
Dental Insurance	\$25	14%
Life Insurance	\$76	13%
Health Insurance	\$94	10%

Percentage of Skipped Payments Since the COVID-19 Pandemic Began



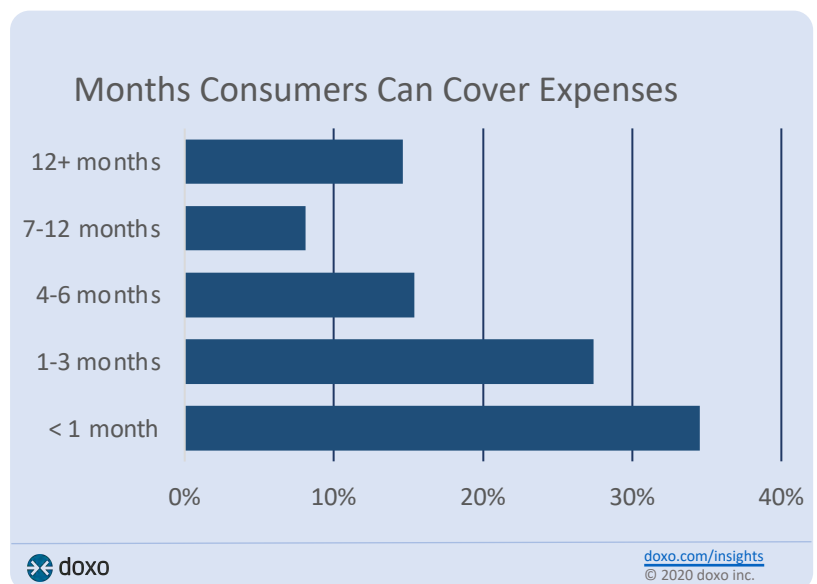
## 57% of consumers have reported a reduced income since the COVID-19 pandemic began

As unemployment rates have skyrocketed over the past seven months, many households have been financially impacted. This doxoINSIGHTS survey indicates that 57% of consumers have seen their income reduced since the COVID-19 pandemic began; 23% have seen their income reduced more than 50%, 8% have seen their income reduced more than 80%.



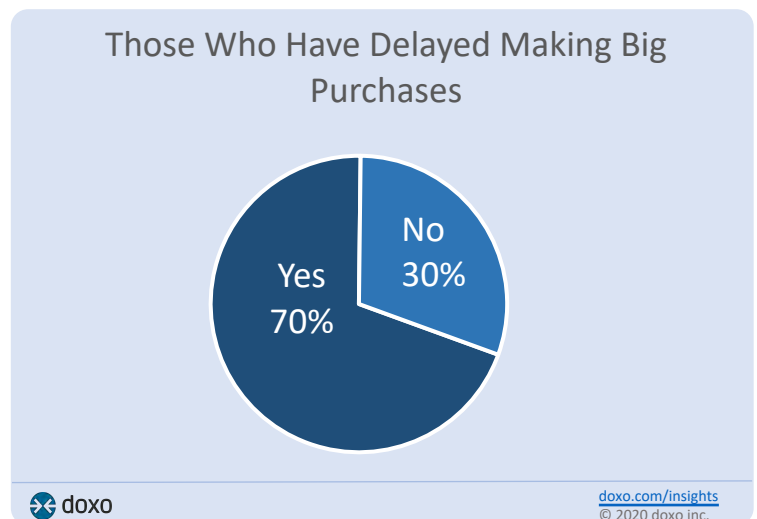
## 77% of consumers believe that if they were to lose their job, they would only have a runway of six months or less

Many Americans depend on a steady monthly income to pay their household bills. With no economic recovery in sight, fear of losing employment remains top of mind for many consumers. This doxoINSIGHTS survey shows that 77% of consumers believe that if they were to lose their job, they would only have enough runway for six months or less. Further, 62% believe they could only pay their bills for three months or less, and 35% believe they could only do so for one month or less.



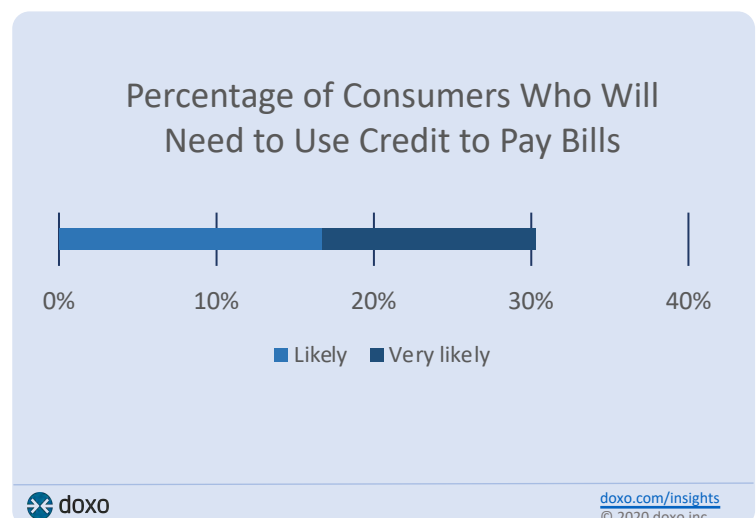
## 70% of consumers have had to squeeze discretionary spending

With reduced incomes and minimized household cash flow, many Americans are struggling to pay their most basic monthly bills. As consumers have undoubtedly tightened their belts, it is no surprise that 70% of those surveyed have delayed making nonessential and/or big purchases.



## 30% of consumers believe they will need to ramp up the use of their credit cards to pay their bills

On average, credit cards are used for about 15% of household bills. This survey shows us that the economic impacts of this crisis means that 30% of consumers believe they will need to ramp up the use of their credit cards to pay their bills. This is not an ideal scenario given that rising credit can lead to an accumulating household debt burden and escalating interest expenses.

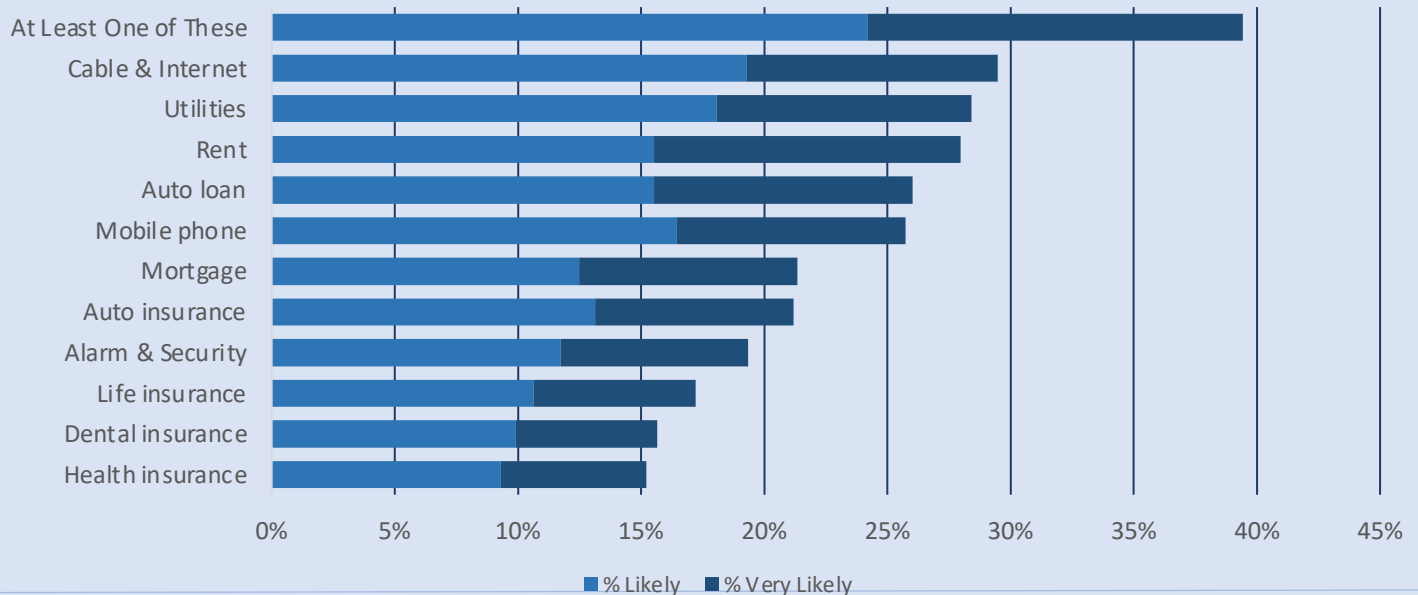


## 39% of consumers believe that they will need to skip paying at least one or more bills in the future

As consumers continue to struggle with paying their bills, their confidence in a quick economic recovery remains very low. It is therefore not surprising that, as they look to the future, 39% believe they will need to skip paying at least one or more of their bills in the coming months. When asked which of their most common bills cause the greatest challenge and worry, survey respondents pointed to cable/internet, utilities, rent, auto loans and mobile phones.

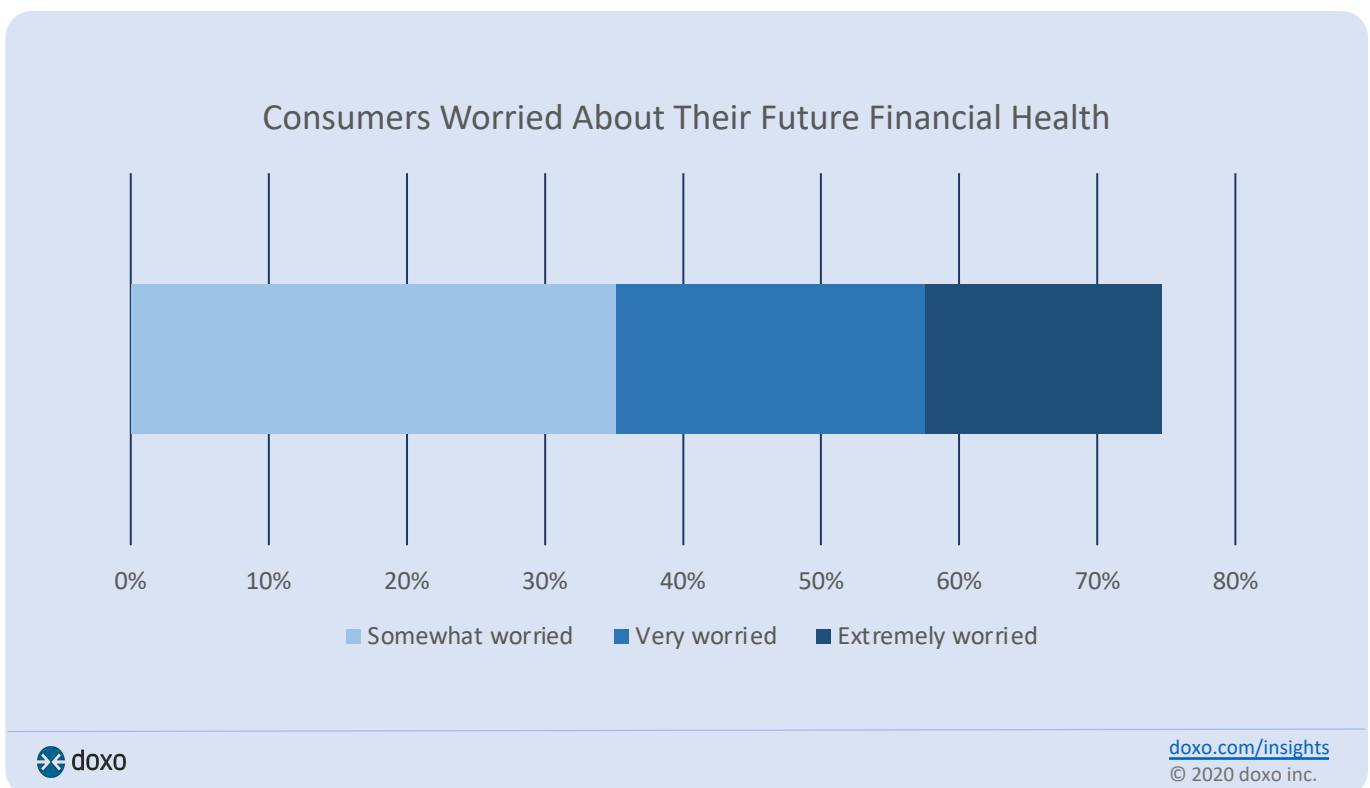
Category	Monthly Bill \$	% Worried & Very Worried
Cable & Internet	\$110	29%
Utilities	\$290	28%
Rent	\$1,023	28%
Auto Loan	\$374	26%
Mobile Phone	\$88	26%
Mortgage	\$1,268	21%
Auto Insurance	\$181	21%
Alarm & Security	\$76	19%
Life Insurance	\$76	17%
Dental Insurance	\$25	16%
Health Insurance	\$94	15%

Those Who are Likely to Delay Payments in the Future



## 75% of consumers are worried about the future of their financial health

According to a [doxoINSIGHTS survey](#) released earlier in October, 65% of consumers believe that the economy will take more than one year to recovery. The survey also found that, for the majority of Americans, individual household recovery is expected to take more than seven months. Given this sentiment, it is not surprising that 75% of consumers are worried about the future of their financial health, [down only slightly from the 82%](#) who were worried when the pandemic first began.



## About doxoINSIGHTS Data

doxoINSIGHTS provides insight into the U.S. bill pay statistics and behavior, leveraging user surveys and doxo's unique aggregate, anonymized bill pay data comprised of actual bill payment activity to confirmed household service providers. This foundation of validated payment behavior provides greater insight and reliability. doxo bill pay statistics bring together the broadest available data set for analyzing actual household payment activity. The doxoINSIGHTS Bill Pay data source is:

- Statistically significant, with over 4 million paying consumers;
- Geographically diverse, capturing payment activity in all 3,007 U.S. counties;
- Economically representative, with participation from all income brackets;
- Covering 45 different biller service categories, with more than 65,000 unique billers;
- Capturing all payment funding sources, including bank accounts, credit cards, and debit cards.

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