



The Bill Pay Economy™: How Americans Pay Their Bills

doxoINSIGHTS 2024 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.

10M+

Statistically significant, with over 10 million paying consumers.

97%

Geographically diverse, capturing payment activity in all 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.

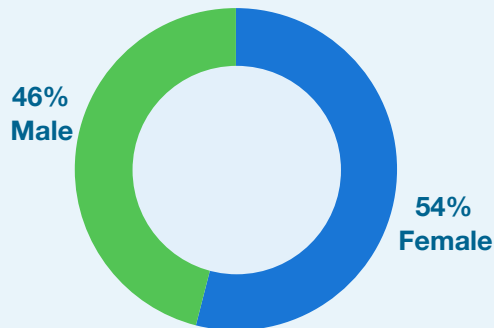
doxoINSIGHTS provides a comprehensive look into the household bill pay industry, with a deep dive into category size and average spend at the national, state, and regional level. doxoINSIGHTS aims to bring transparency to the U.S. bill pay market by bringing together the broadest available data set for 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.

The “**The Bill Pay Economy™: How Americans Pay Their Bills**” report breaks down doxoINSIGHTS’ key findings for 2024 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. This report is an analysis of survey questions posed to doxo users (the results have a 3% margin of error based on 1,421 sampled households), doxo’s unique aggregate bill pay data set, and third party industry data (annotated throughout).

Who is the bill pay consumer?

Bill Pay Consumers: A Breakdown

(1)



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Average bills to pay per month ⁽²⁾

10.24



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Percentage of bills paid with cards (credit, debit): ⁽³⁾

77%



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Percent of households with variable income ⁽⁴⁾

28%



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Percent who delay one or more bills each month ⁽⁵⁾

17%



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(1) doxoINSIGHTS data (2) ACI Speedpay Pulse Report 2023 (3) doxoINSIGHTS data (4) Federal Reserve, Report on Economic Wellbeing of US Households, May 2024 (5) Federal Reserve, Report on Economic Wellbeing of US Households, May 2024

How much does the average consumer pay in household bills?

Monthly Household Bill Spend ⁽¹⁾

\$2,126



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Annual Household Bill Spend ⁽¹⁾

\$25,513



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Annual Household Income ⁽²⁾

\$74,755



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Percent of Household Income Spent on Bills ⁽³⁾

34%

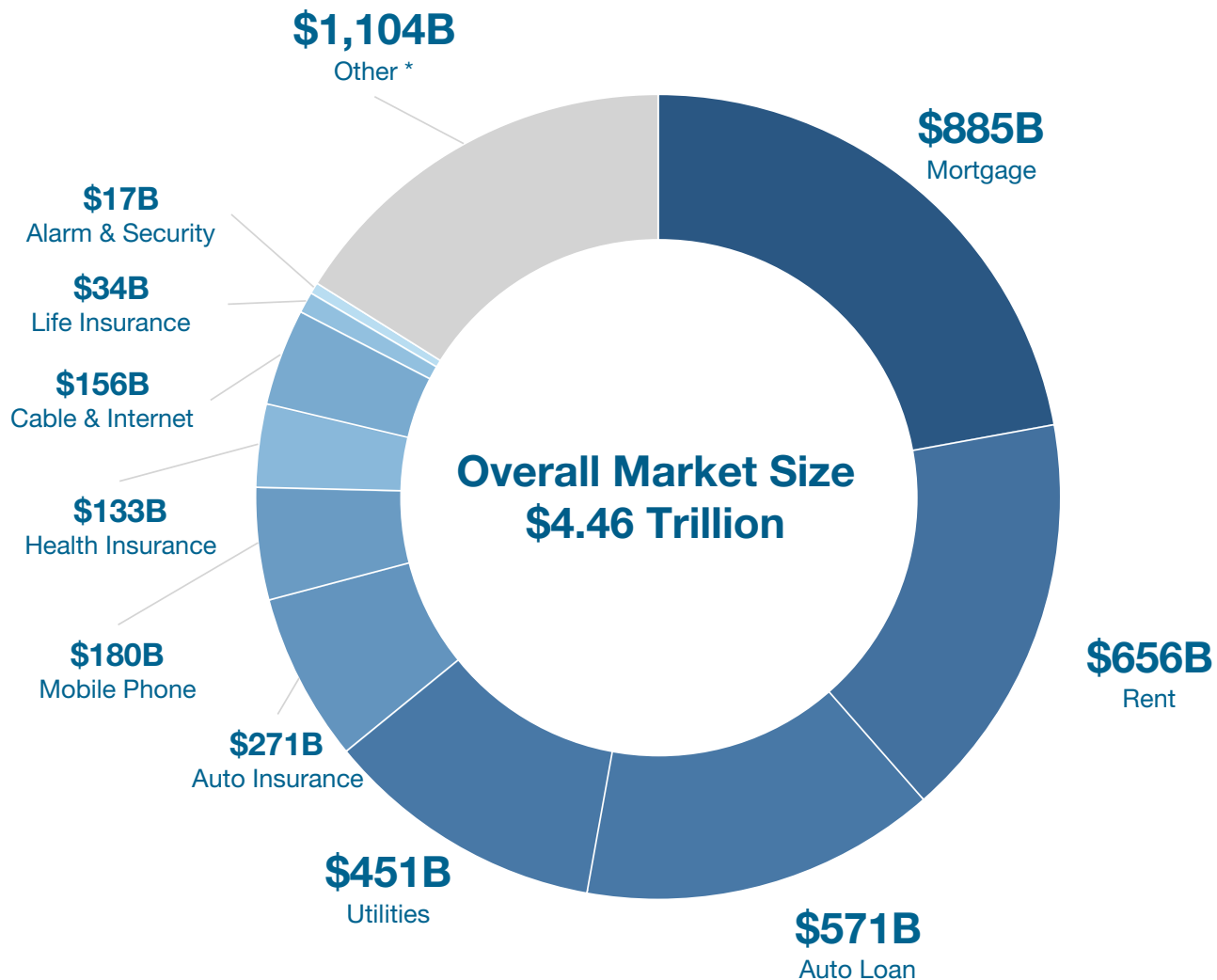


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How much do consumers spend on household bills?

Overall Bill Pay Market Size (in billions)

While the total market size for U.S. household bills is \$4.46 trillion per year, this report focuses on the ten most common household bills, which amount to \$3.35 trillion. These include Mortgage; Rent; Auto Loan; Utilities (electric, gas, water & sewer, and waste & recycling); Auto Insurance; Cable & Internet & Phone; Health Insurance; Mobile Phone; Alarm & Security; and Life Insurance

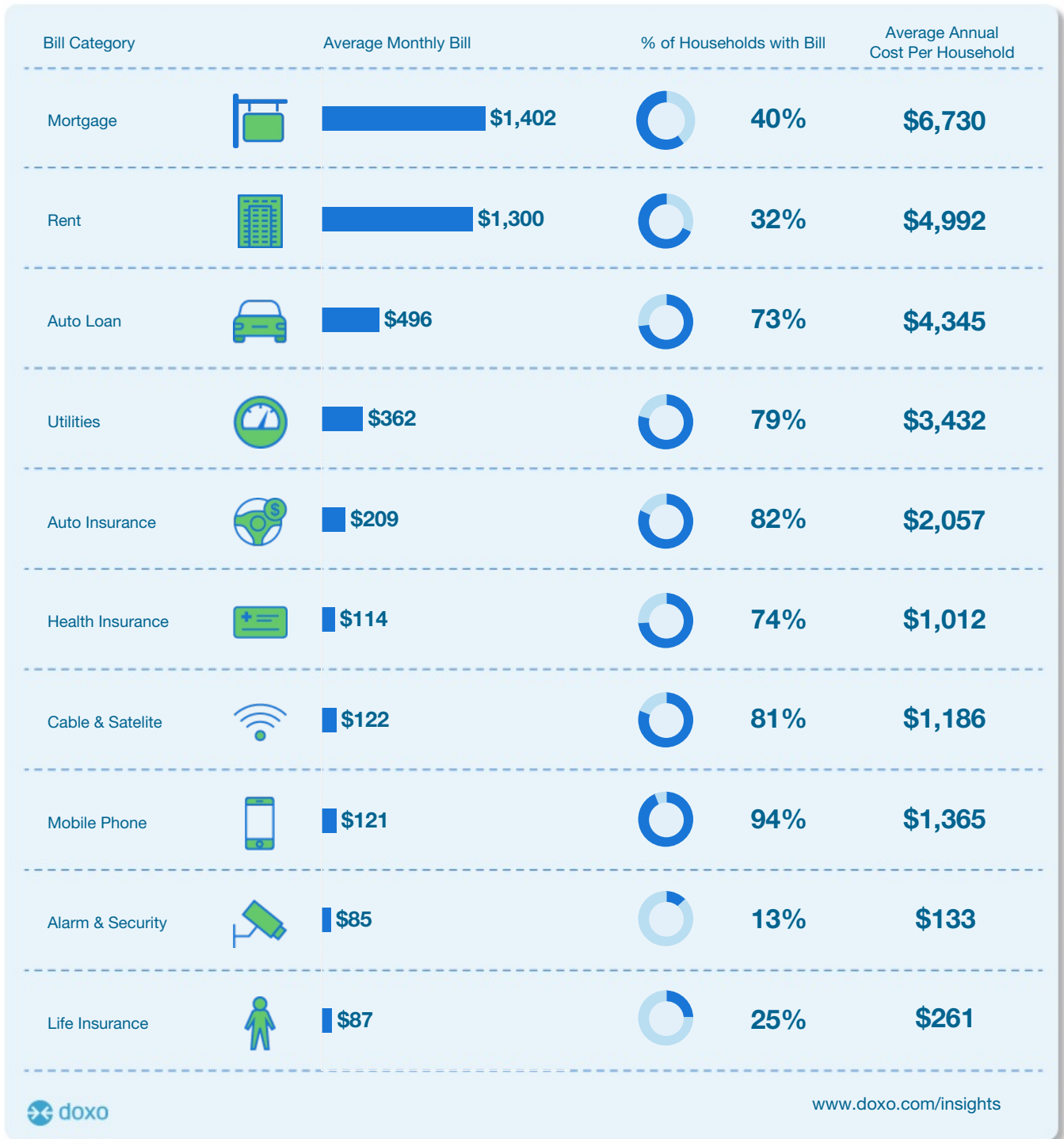


U.S. Households spend **\$3.35 Trillion** annually on the ten most common household bills.

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

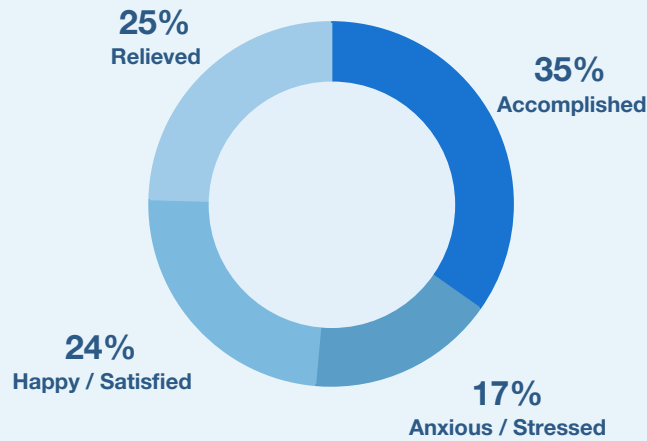
TO NOTE: Category specific data is sourced from actual bill payment activity via doxo's platform, with the exception of Rent and Mortgage, which is sourced from the U.S. Census Bureau.

How do average household bills break down according to category?



What do consumers want from bill pay?

How do consumers feel after they have paid their bills?

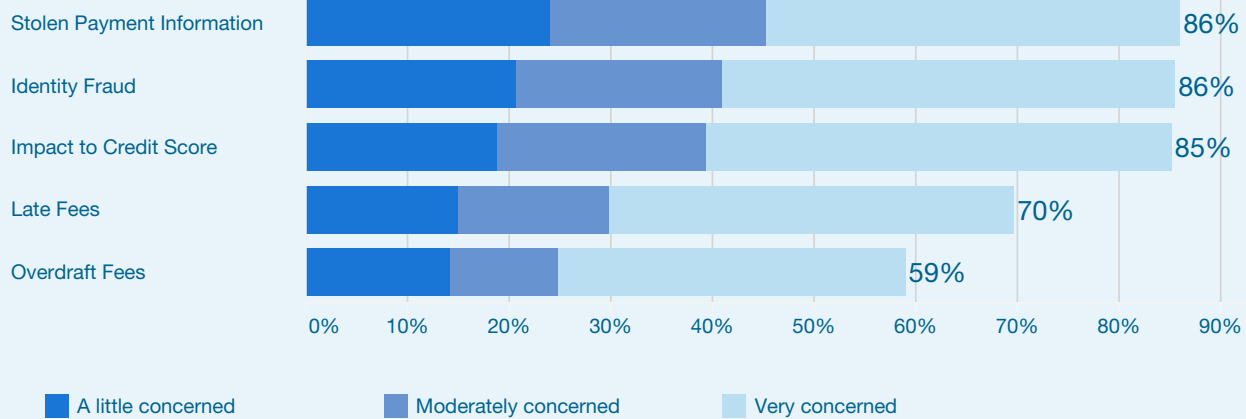


How do consumers want to improve their bill pay experience?



What are consumers' top bill pay concerns?

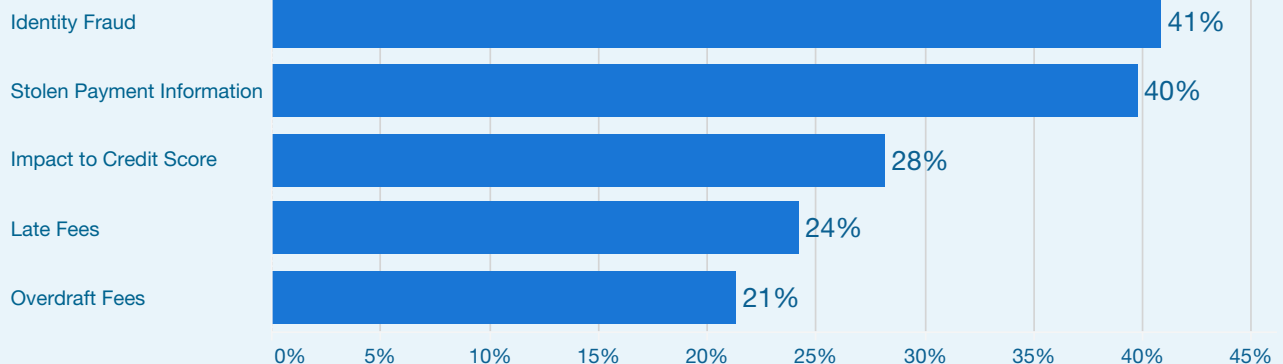
Identity fraud and stolen payment information emerge as the top frets for U.S. consumers with 86% of those surveyed indicating their concerns for each. Other identified concerns for bill payers are the impact that paying bills can have on one's credit score (85%), late fees (70%) and overdraft fees (59%).



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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 in concern was Identity Fraud: 41% of surveyed households were more concerned about this than they were last year. Other mounting concerns were Stolen Payment Information (40%), Impact to Credit Score (28%), Paying Late Fees (24%) and Paying Overdraft Fees (21%).

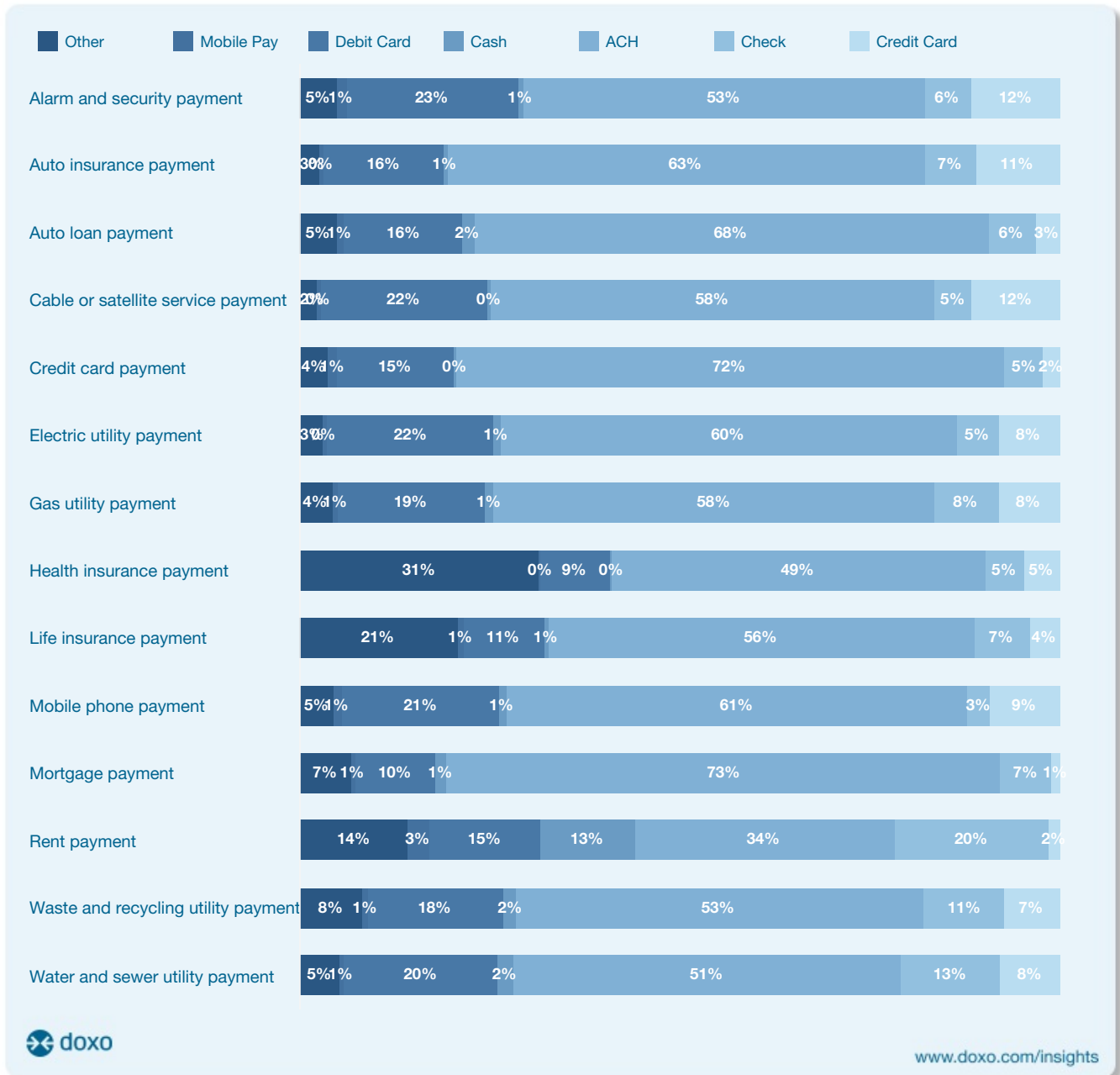


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How and when do consumers pay their bills?

What payment instruments do consumers use to pay bills?

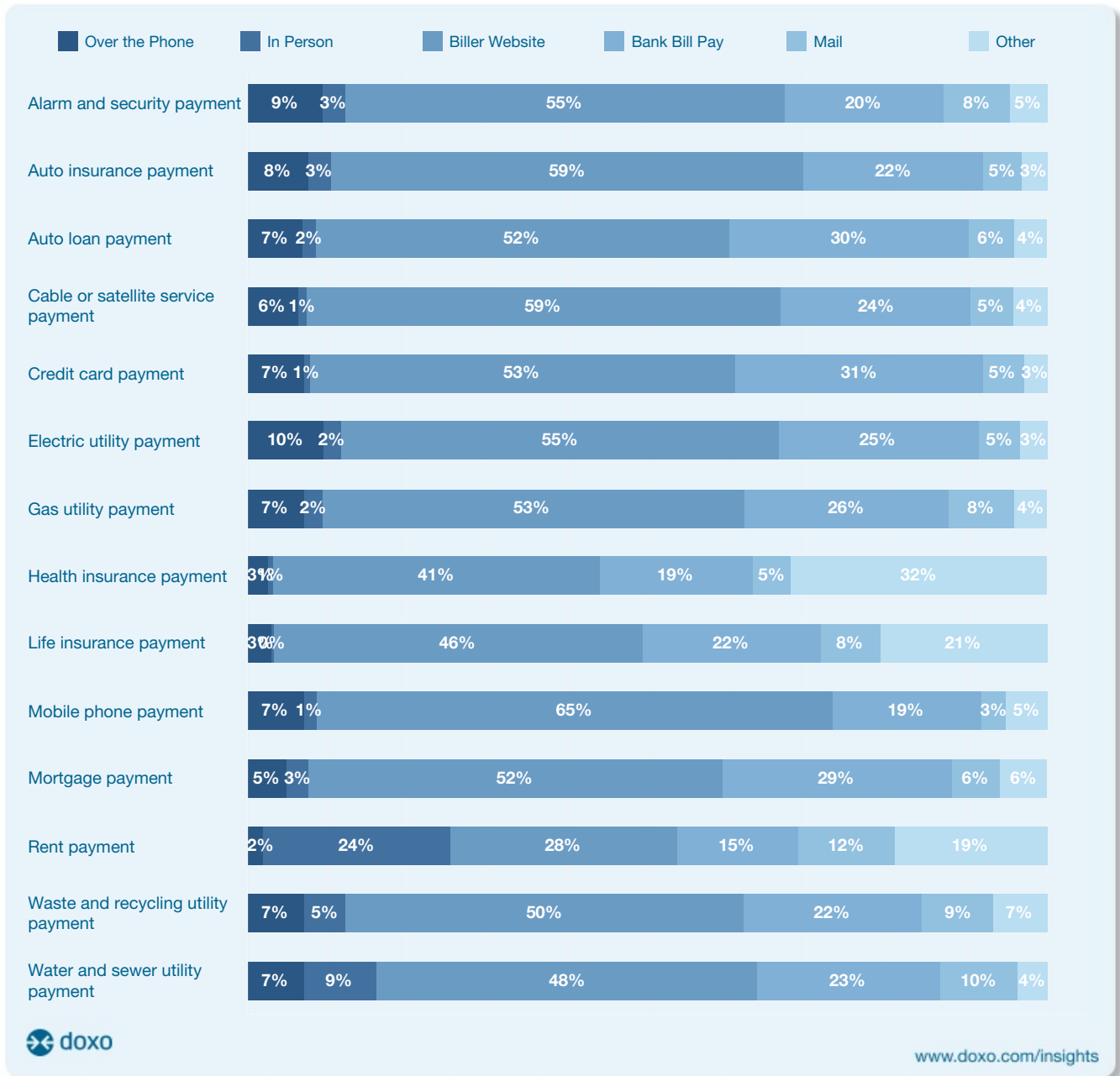
Results of a doxo "How Americans Pay Their Bills" survey show that the payment instruments consumers use vary widely depending on what bills they are paying. For instance, more than 70% of consumers use ACH (direct bank account transfer) to pay their Mortgage and Credit Card bills, but when it comes to Rent payments, only a little over 30% of consumers do so. Cash is also disproportionately used to pay Rent with 13% of consumers paying with cash. Other bills are paid using cash only between 1% and 2% of the time.



* To Note: "Mobile pay" refers to Apple Pay and Google Pay

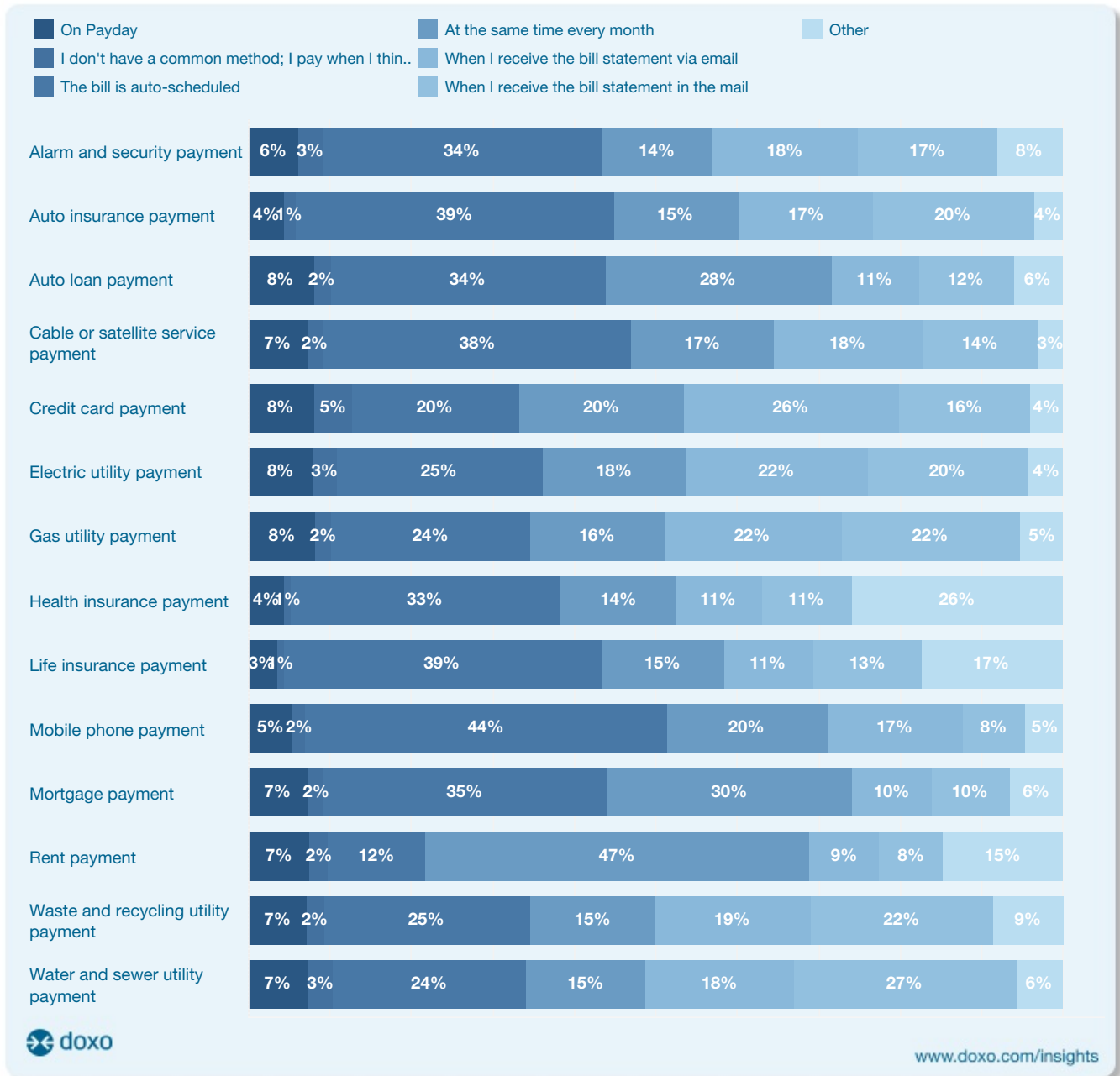
What channels do consumers use to pay bills?

Consumers pay their bills using 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, followed by paying bills with their bank. However a decent amount of individuals still pay their bills on the phone or by mail.



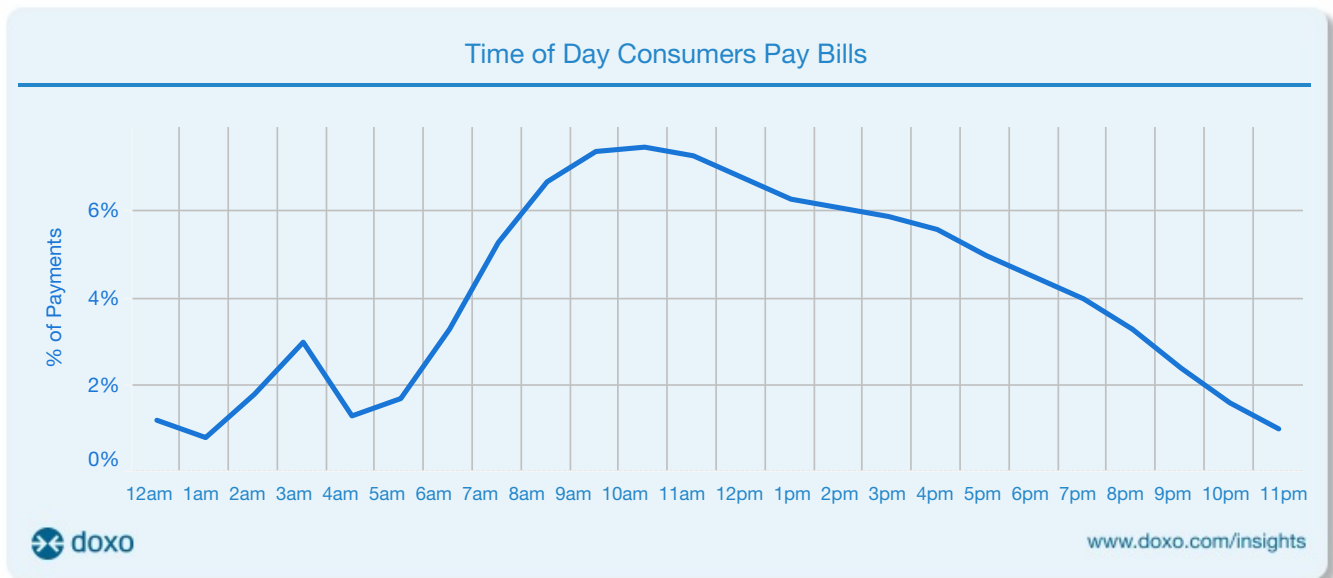
How do consumers remember to pay their bills?

doxo survey data shows that consumers are prompted to pay their bills in different ways. Certain bills are far more likely than others to be on automatic payments, for instance: while 44% of mobile phone bills are paid automatically, only 12% of Rent payments are on autopay. And while 27% of people pay their water and sewer bills when they receive the bill in the mail, only 8% of rent and mobile phone payers proceed this way.

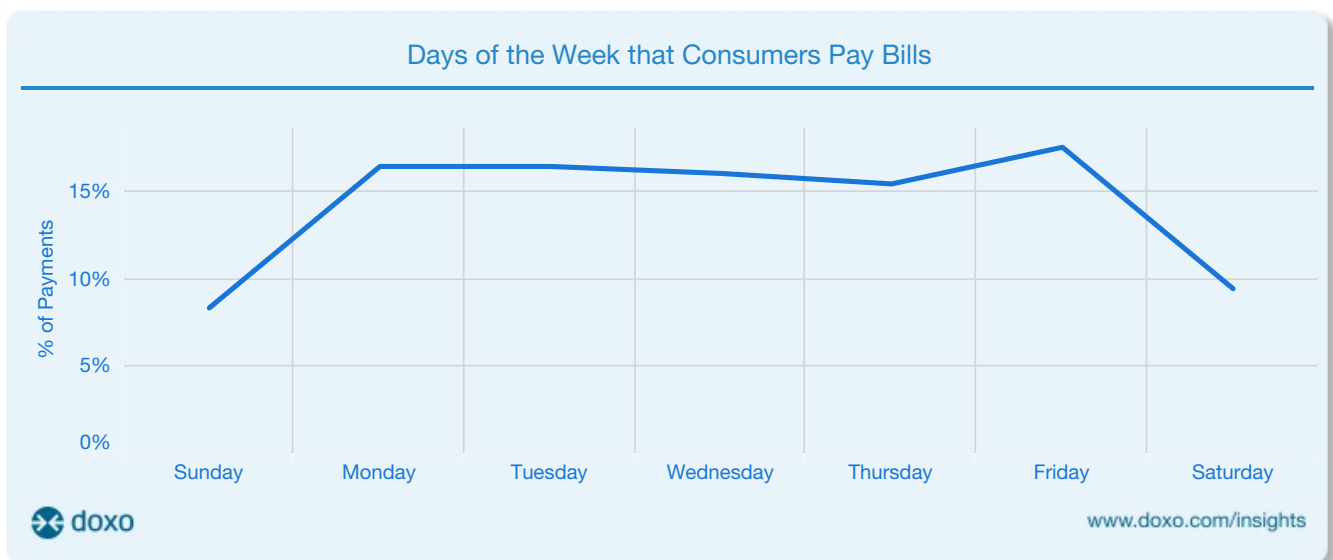


When do consumers pay their bills?

Consumers are most likely to pay their bills right before lunchtime, with the period between 9am and 12pm being the time window in which they are most likely to make bill payments. To see individualized time-of-day graphs for different locations in the US, consult doxoINSIGHTS to browse over 4000 cities and towns across the country.



Across the seven days of the week, Monday, Tuesday and Friday are the most common days for consumers to pay their bills, with more than 50% of payments being made on one of those three days. The weekend, meanwhile, is the least common time for consumers to pay their bills.



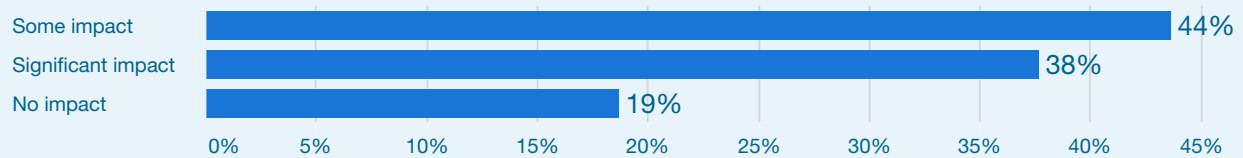
How Inflation is Impacting Consumer Bill Pay

Financial Health in 2024

82% of consumers have found it hard to stay on top of household bills due to the rising cost of groceries over the past year

Food prices have steadily risen since 2020, clearly impacting consumers' ability to stay on top of their bills.

The impact the rising cost of groceries has had on ability to stay on top of household bills

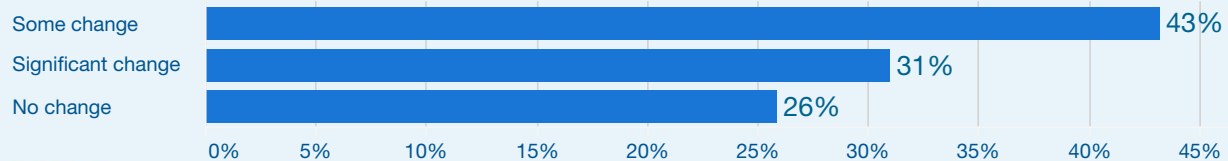


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74% of consumers have made changes to their spending and savings habits over the past year

Whether it is due to inflation or loss of income, consumers have needed to take a step back and make adjustments to how they manage their money.

Changes in spending/savings strategies over the last year

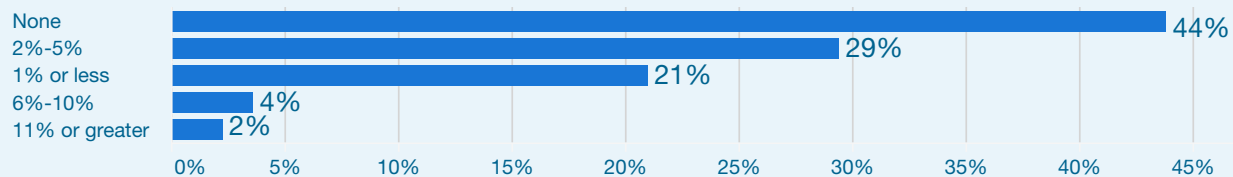


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65% of consumers have received a salary increase of 1% or less over the past year

Despite cost of living increases across the board, consumers have seen minimal increases to the amount of money they are earning.

Percentage that salaries have increased over the past year

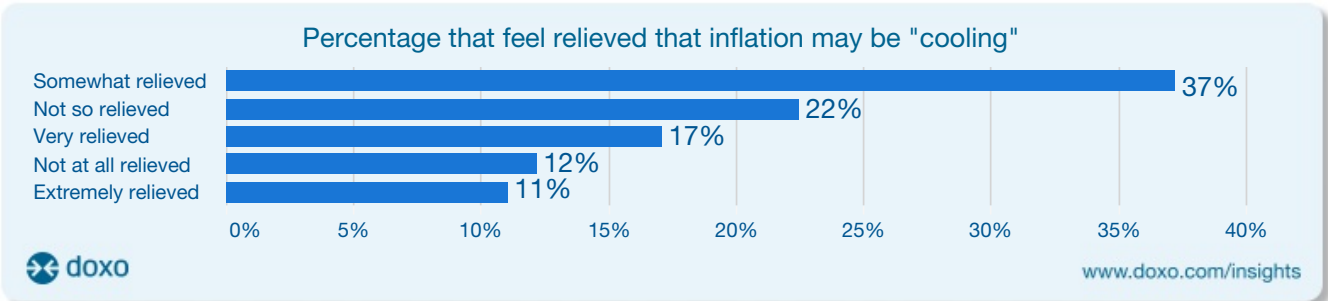


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Financial Health in 2024

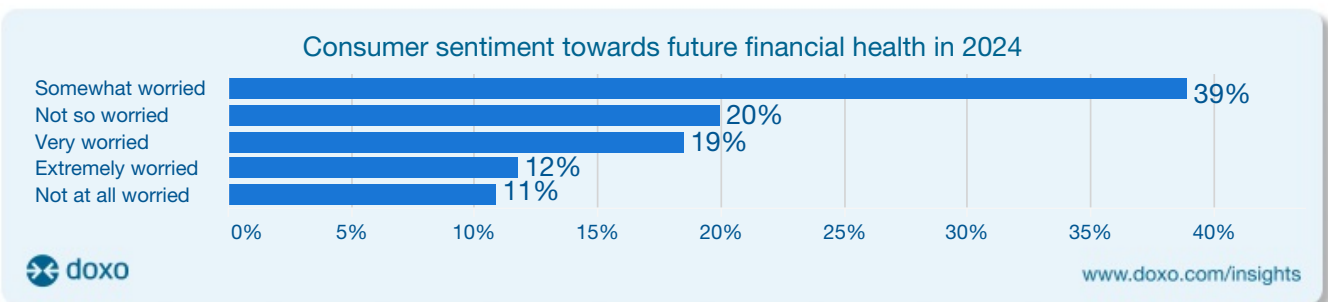
65% of consumers feel at least somewhat relieved that inflation appears to be cooling

Recent Consumers Price Index (CPI) data has suggested that inflation is cooling bringing some sense of relief to consumers.



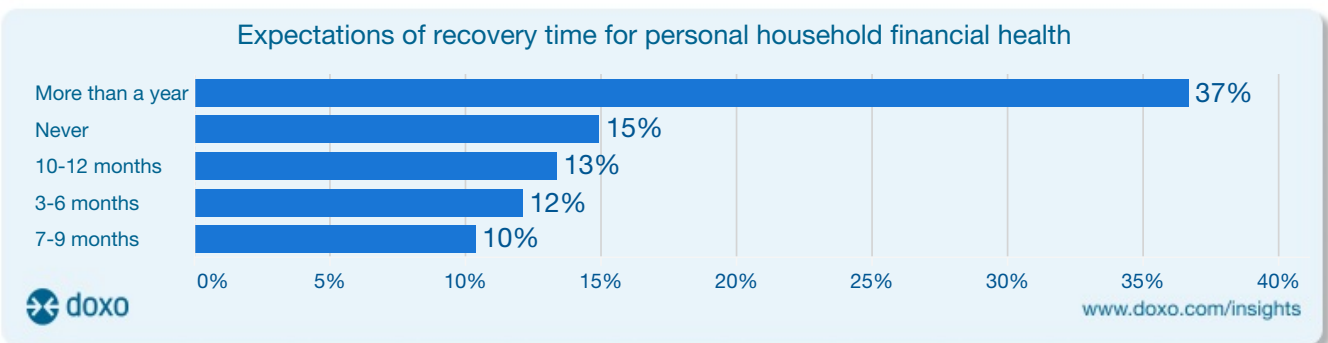
70% of consumers are worried about their financial health

Even though consumers feel some relief towards cooling inflation, an overwhelming majority are still worried about the state of their financial health.



60% of consumers believe it would take more than six months until their own household's financial health improves

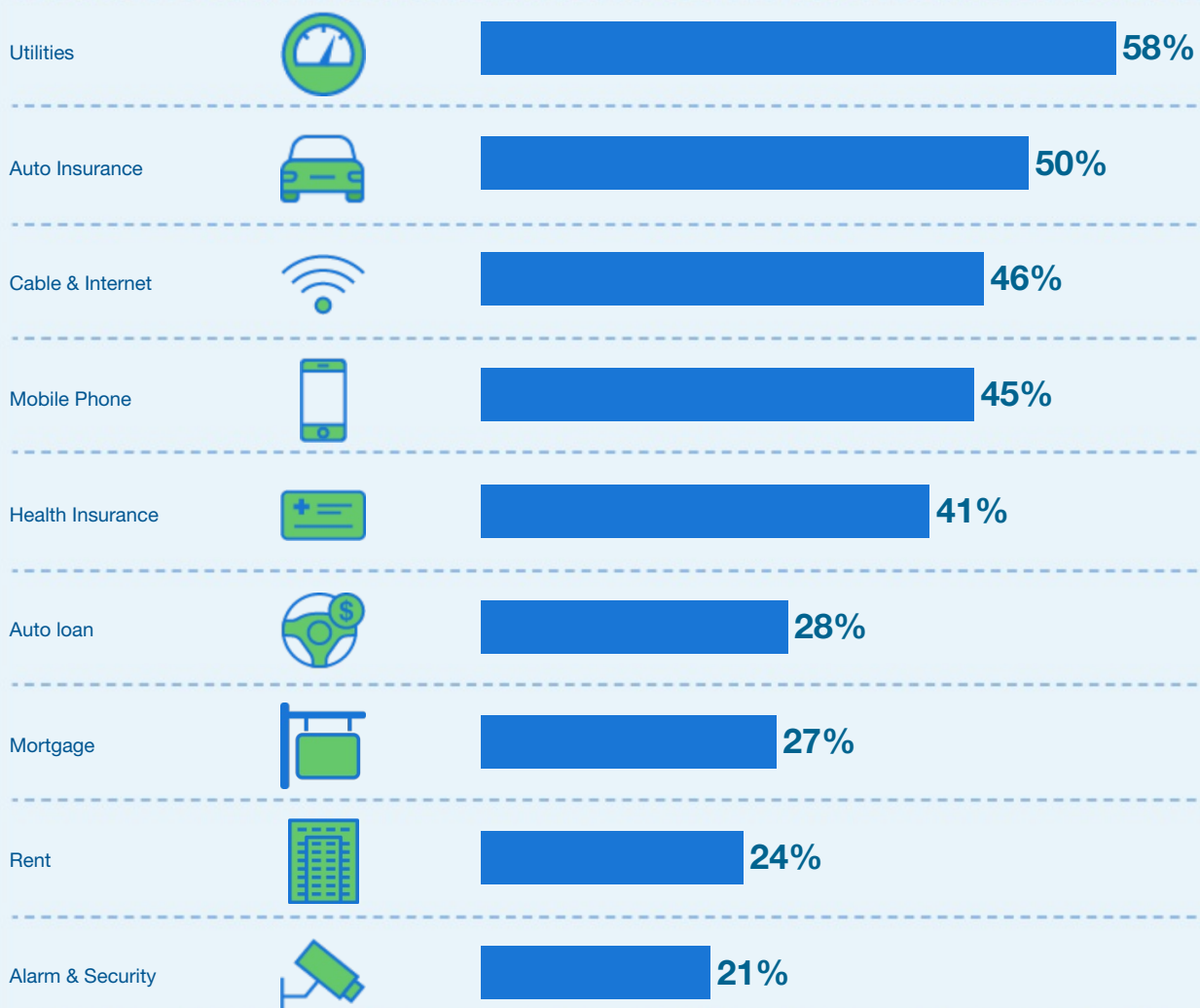
6 in ten consumers believe it will take 6 months or more until their own household's financial health improves, nearly 40% said it would take more than a year, and 15% said it would never improve.



Utilities top the list of household bills that consumers are most concerned about paying on the future

Of the more than 70% of consumers who are concerned about their future financial health, 58% say that are most concerned about paying their Utilities, followed by Auto Insurance (50%) and Cable & Internet (46%), then Mobile Phone (45%).

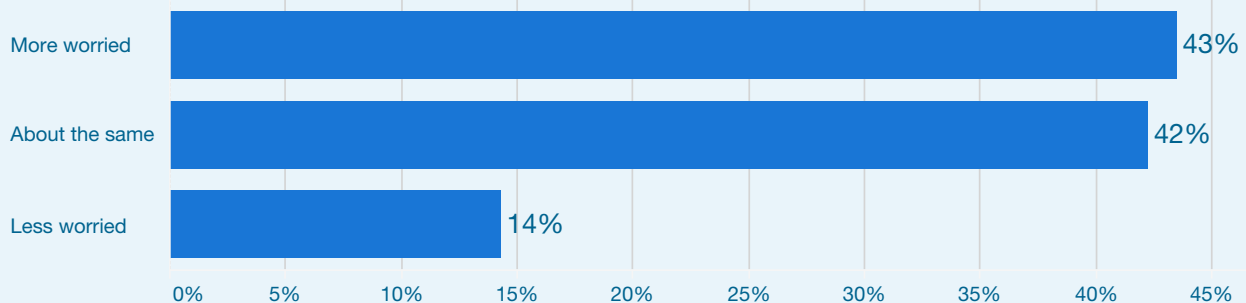
Percent worried about ability to pay each bill type



85% of consumers remain worried about their financial health

Even though inflation appears to be cooling and the economy shows signs of strength, consumers continue to be worried about paying their bills.

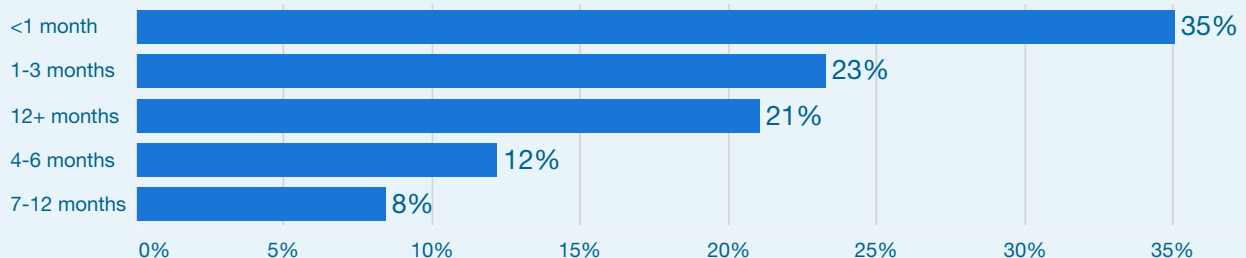
Percentage worried about ability to pay households bills, as compared to last year



58% of consumers believe that they could only pay their bills for 3 months without their household's primary source of income

In the current economic environment consumers don't appear to have much money tucked away for emergencies.

Expectations for how long household bills could be paid without primary source of income



About doxo

doxo delivers innovation that transforms the bill pay experience for consumers, billers and financial technology providers. For over 10M consumers, doxo's all-in-one bill pay makes it simple to organize and pay any bill on any device through a secure checkout. For billers, doxo's network-driven platform enables online and mobile payments with a ridiculously simple integration, radically lower costs, and game-changing features that are unavailable with legacy bill pay vendors. For fintech partners, doxo delivers financial innovations to consumers across 97% of US Zip Codes, paying from more than 5,000 financial institutions to over 120,000 billers in 45+ service categories. For employees, doxo is a creative, ever-learning team that is passionate about building fintech tools that dramatically improve the bill pay experience. For investors, doxo provides an extraordinary opportunity to invest alongside Jackson Square Ventures, MDV, and Bezos Expeditions to disrupt a market that accounts for over \$4T of US Household spend.

To learn more about America's leading bill pay network, visit doxo.com.