

# Decoding billpayer behavior

Understanding customers'  
evolving demands in times  
of financial uncertainty



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## Foreword

**In today's turbulent economic environment, billpayers are being forced to prioritize demands for their money, time and energy resources more than ever before.**

**As individuals adjust their financial strategies to accommodate the shifting demands, the stress of falling behind on payments introduces a new layer of complexity.** This heightened anxiety not only creates hurdles in customer engagement but also raises the expectations of service providers.

Maintaining a positive company-customer relationship and rapport is pivotal to securing your share of their increasingly limited resources. In fact, a billpayer's perception of a service provider's treatment during a period of financial uncertainty can significantly impact the long-term profitability potential of a customer.

Offering personalized service and empathetic support proves to be an effective engagement antidote to the strains of economic uncertainty and conflicting consumer priorities. To your customers, this means personalizing outreaches, offering flexible payment options, and demonstrating genuine care through an empathetic, human-first approach.

It's important to recognize that this isn't a fleeting issue; rather, one that will persist and potentially worsen with growing inflationary pressures and socioeconomic uncertainty. We're proud to share this groundbreaking report that highlights how billpayers are prioritizing payments, what barriers to engagement arise when they have fallen behind, shines a light on what's driving change in consumer behaviors, what service providers can do to support, and how to build long-term, meaningful relationships that enhance the customer lifetime value.

Now is the time to think differently about customer engagement and risk management in this new world of rapid and continuous change—we hope this report encourages you to start today.

## Top behavior trends

Below are the recurring themes of Symend's 2023 Consumer Report.

### Customer mindset

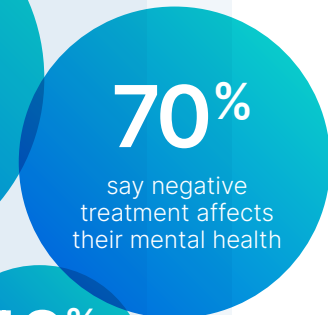
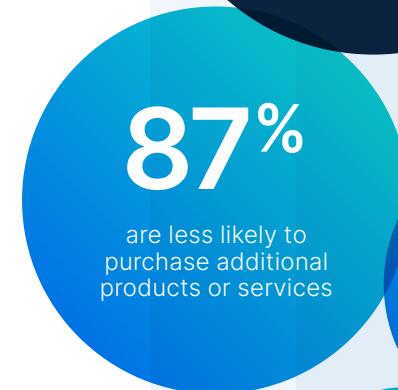
- **48%** increase in consumers feeling overwhelmed or anxious when they receive messages from service providers.
- **70%** say being treated poorly by their provider affects their mental health.

### The role of the service provider

- If they feel they've been treated negatively, **87%** are less likely to purchase additional products or services.
- Followed closely by avoiding direct contact, switching providers, or complaining about their service provider.

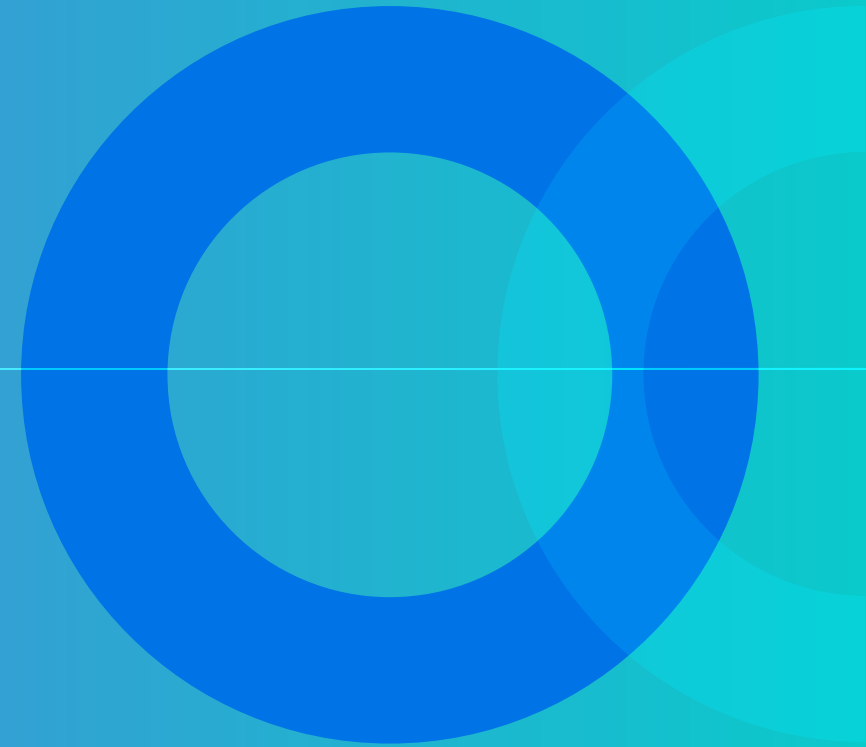
### What's new?

- Flexible payment options reign supreme as the **#1** thing that consumers are looking for from providers to manage their bill payments.



# Understanding consumer payment priorities

Amidst evolving customer mindsets, financial challenges have become more prevalent, leading to an increase in customers falling behind on bills. Economic uncertainties, job fluctuations, and unexpected expenses are some contributing factors.



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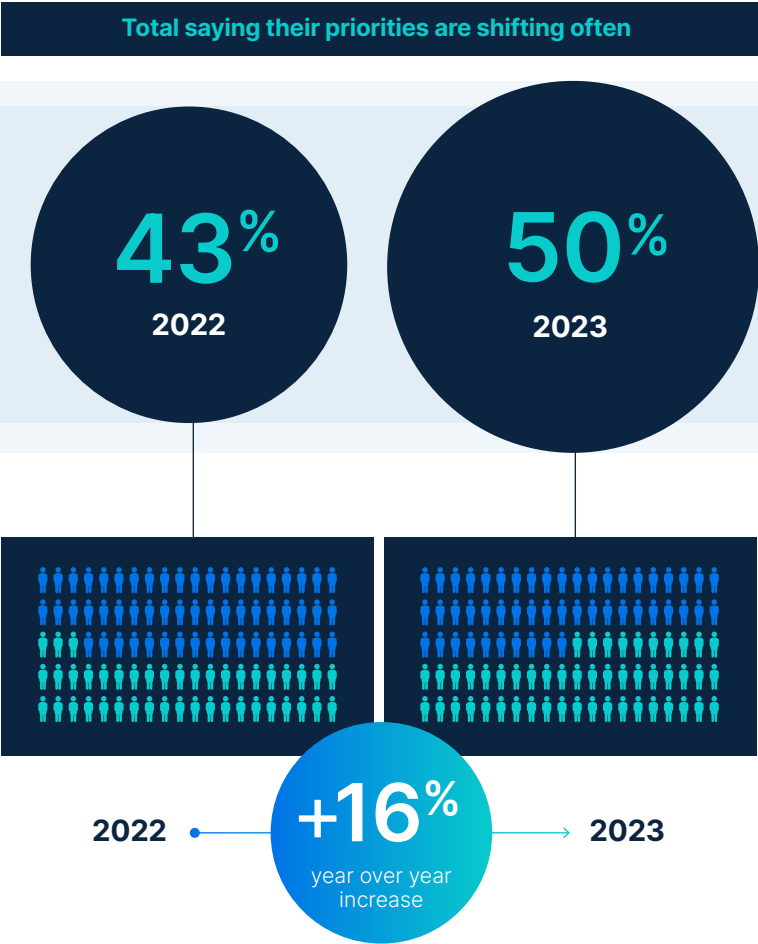
Understanding  
consumer  
payment  
priorities

What’s affecting wallet share?

Today’s customers have more demands for their time, energy and money than ever before. Downstream, this affects how they prioritize and spend that money between their bills, needs, and wants within their budget.

As the graphic to the right shows, **50%** are saying that their financial priorities are shifting often—a **16%** jump from 2022, further demonstrating the competition for their wallet share.

As consumer behavior shifts, having a keen understanding of their preferences, pain points, and motivations that contribute to how they choose to share their time and attention will help you differentiate your experience from your competitors and other demands for their wallet share. It may just be the secret to unlocking your share of their wallet—let’s explore where and why they are falling behind.



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Understanding  
consumer  
payment  
priorities

Why are they falling behind?

In our current economic environment, which is in parallel with a general appetite to resume pre-pandemic travel, entertainment and life priorities, it's no surprise that consumers are feeling the pinch on their wallets. A reality that is likely to only get worse for the foreseeable future.

When consumers are falling behind on a bill, **38%** say they are falling behind because they have enough money to make a partial payment but not a full payment.

This is followed closely by **36%** putting it off because of competing financial priorities and **36%** not having the money to pay any portion of the bill.

38%

have enough money to make a partial payment but not a full payment

36%

are putting it off because they have competing financial priorities

36%

do not have the money to pay any portion of their bill

Where are they falling behind?

It's well reported that consumer debt is on the rise, but a higher degree (**66%**) are behind on financial service-related bills (credit card, line of credit). This is followed closely by **61%** behind on utility-related bills (electricity, water, gas) and **60%** behind on telecom bills (internet, cable, phone).

66%

behind on financial services-related bills

61%

behind on utility-related bills

60%

behind on telecom bills

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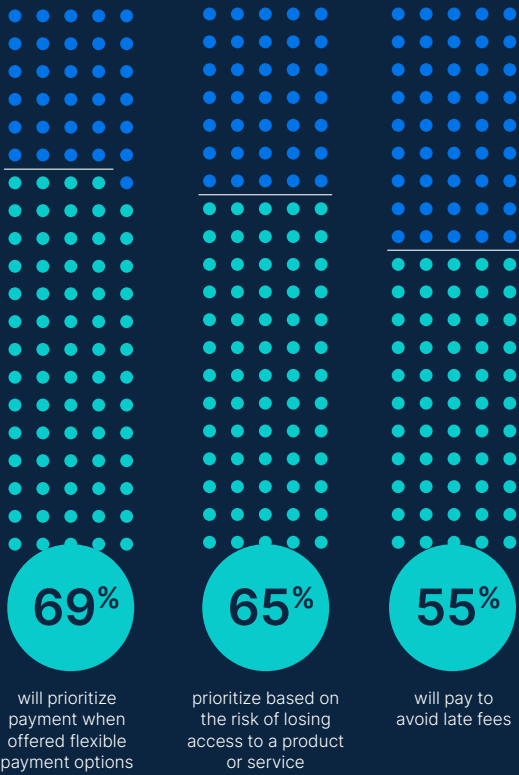
Understanding  
consumer  
payment  
priorities

Consumers prioritize based on outcomes

Now that we understand factors that are leading customers to fall behind on their bills, and what bills they are falling behind on, it's important to understand how they prioritize payment when they have fallen behind.

Amongst survey respondents, **69%** will prioritize payment of a bill that offers flexible payment options.

However, the risk of losing access leads **65%** to prioritize that bill, and **55%** will proceed with payment in favor of avoiding late fees.





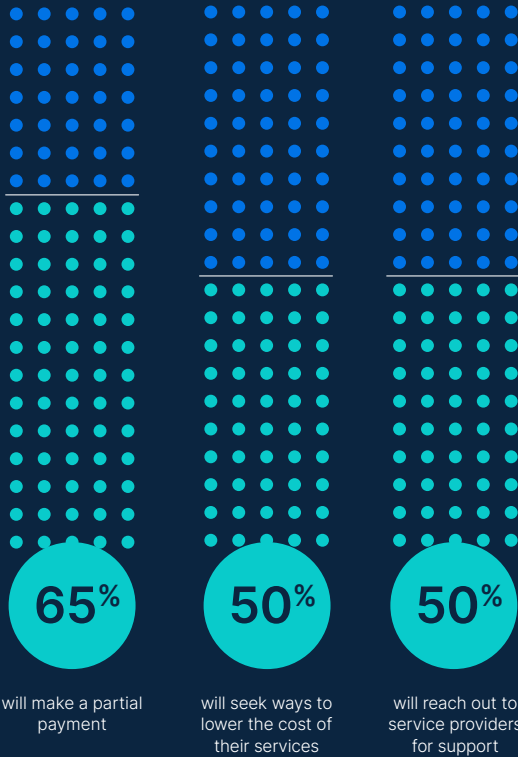
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Understanding  
consumer  
payment  
priorities

Consumers are seeking support early

When consumers are at-risk of falling behind, or already have fallen behind, there are actions they will take to pay the bill or prioritize payment across multiple services.

The top action (**65%**) is to make a partial payment then to seek ways to lower the cost of their services and reaching out to services providers for support.



# Barriers to engagement and payment

Now that we understand the factors leading consumers to fall behind on bills, we need to better understand that experience as it relates to interacting with service providers.



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Barriers to  
engagement  
and payment

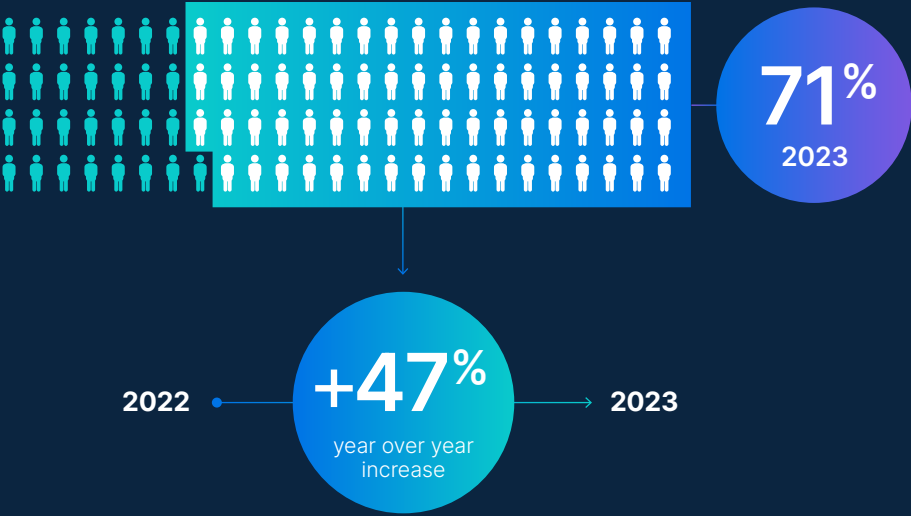
## Consumers are overwhelmed

Understanding the customer mindset is paramount for businesses seeking sustainable success, as it allows you to adapt your strategies accordingly. This dynamic shift often involves embracing digitalization and hyper-personalization.

As it stands today, consumers are feeling overwhelmed and anxious when they receive messages and notifications from service providers—a **47%** increase over 2022.



Percentage of consumers saying that they are overwhelmed or anxious when they received messages and notifications from service providers.



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## Barriers to engagement and payment

### The role of mental health

As a service provider, you play a significant role in how your consumers feel and the barriers they put up when engaging with you.

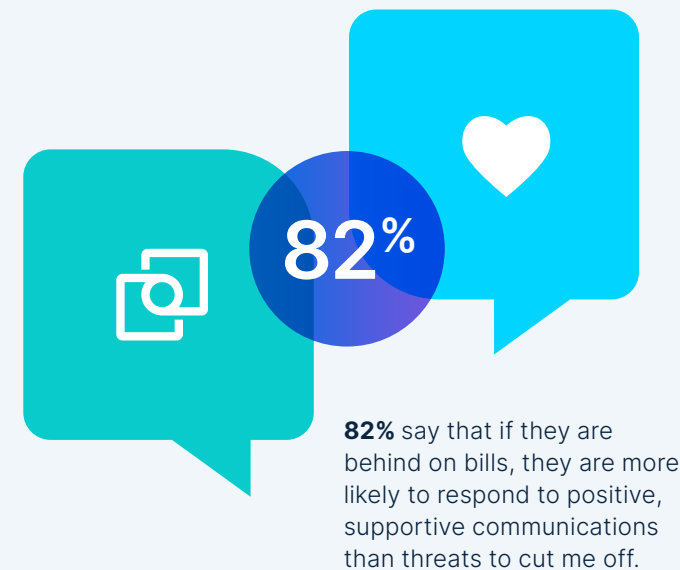


70% say being treated poorly by their provider affects their mental health.

### Your words matter

When consumers are behind, the barriers to engagement increase and the expectations they have on their service providers grow. While we'll dig into the tactical ways consumers are looking for support when behind on bills next, you've seen that how customers are treated during periods of financial uncertainty has lasting impact on the left.

With **82%** saying that they are more likely to respond to positive, supportive communications—as a service provider, this is a clear opportunity to differentiate yourself from the rest and foster long-term relationships with your customers.

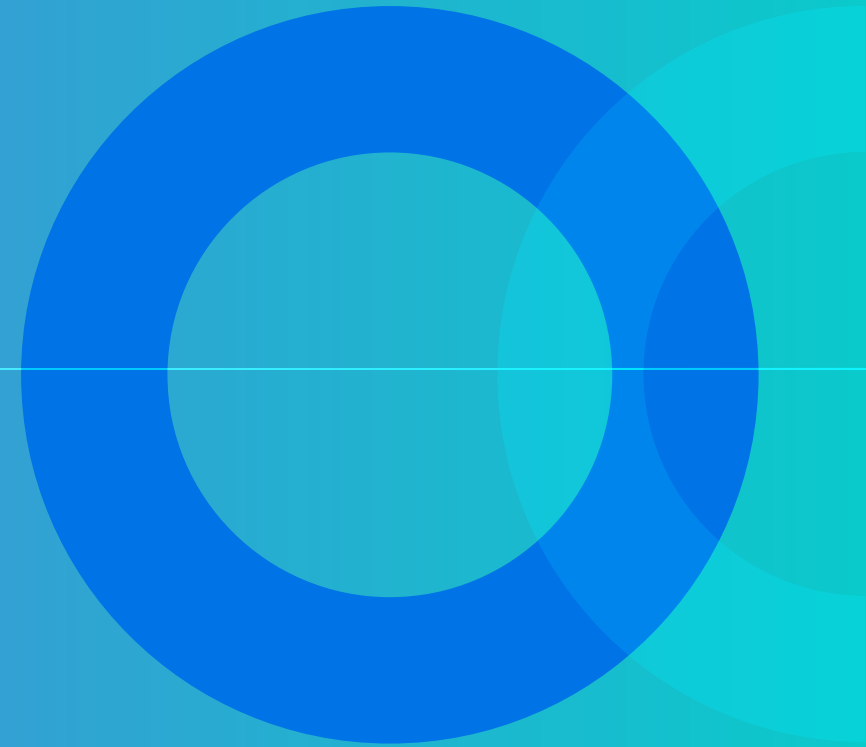


**“If you want to walk the walk and talk the talk, it’s integral to move from a universal approach to one that is led with hyper-personalization and empathy.”**

— **Derek Hermann**  
Senior Manager, Snohomish County PUD

# Impact of service provider actions

When consumers fall behind, how a service provider responds has a significant impact on the company-customer relationship. It also plays a role in where, how and what they allocate their wallet share to, and service provider loyalty.



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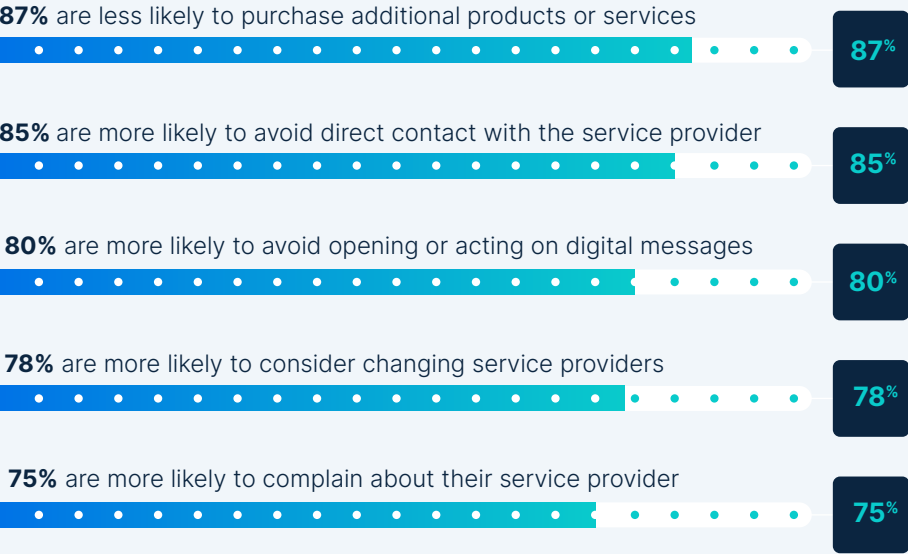
## Impact of service provider actions

### Impact of perceived negative treatment

As consumers fall behind, the treatment provided by their service providers during this critical time has implications both for customers and businesses.

The surveyed billpayers noted that when they do fall behind and feel as though they have been treated negatively by their service provider during that period, **87%** are less likely to purchase additional products or services.

And that's only the beginning of the implications of negative treatment to the company-customer relationship. Respondents also reported that they are more likely to avoid direct contact (**85%**), they avoid opening or actioning digital messages (**80%**), they are more likely to consider changing providers (**78%**), and **75%** are more likely to complain about that provider online.



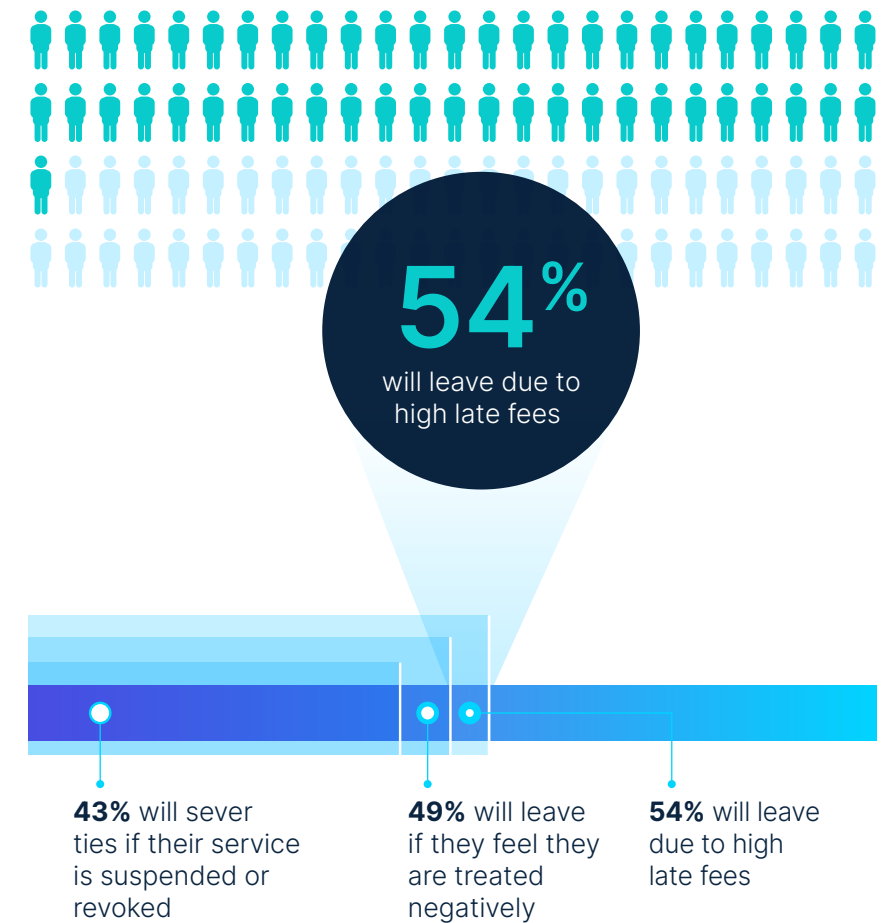
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## Impact of service provider actions

### Factors contributing to attrition

Many businesses are focused on and have a comprehensive strategy for acquiring new customers. However, studies suggest that acquiring a new customer can cost five to seven times more than retaining one, depending on the industry. For those who have fallen behind, they note that high late fees (**54%**) are the main reason that they will leave their service provider.

Following late fees, **49%** say they will leave a service provider if they are treated negatively, and **43%** will leave if their access to their service is suspended or revoked. The role of the service provider, and how you respond to your customers when they fall behind can be the key difference between retaining or losing them.



# 03/

## Impact of service provider actions

### The account suspension paradox

Firstly, of those who have been suspended, **52%** reported that they are more likely to keep up with their bill payments. However, this is followed by **37%** who said that an account suspension led them to switch providers and never use that provider again, and **36%** avoid contact with that provider completely.

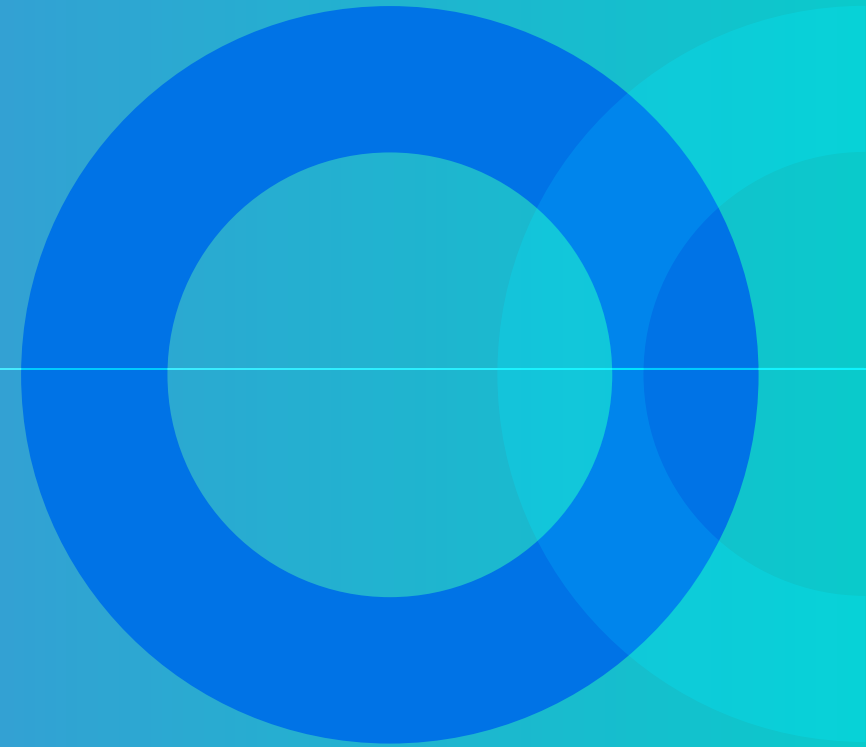
Over the last two years, just under half (**45%**) of survey respondents have had their service or account suspended. While we know that this contributes to customer attrition, there are implications to their current and future behavior that are noteworthy.





# Supporting your customers

Each customer is up against a unique set of challenges when they fall behind or struggle with bill payments. While that may seem personal and too complex to address at scale, the reality is that customers are holding service providers accountable for delivering the support and information they need, in a way that is personalized to them. And if personalized support and empathy aren't part of the package, customers are ready to turn to a different service provider to meet their needs.



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Supporting  
your  
customers

## The most valued aspects of personalized service

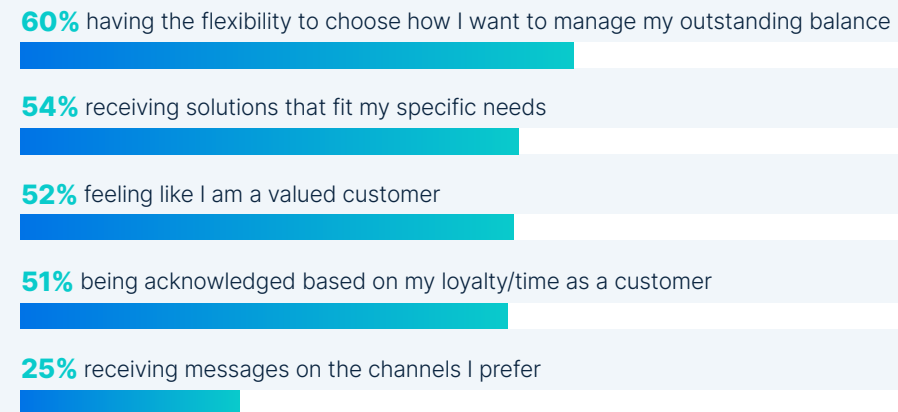
When it comes to personalized service, billpayers are looking for specific support. Primarily, they're looking for the flexibility to choose how to manage their outstanding balance. While **60%** of billpayers indicated they value this, service providers need to understand what type of options to offer. Providing a variety of options may seem prudent, but too many is likely to cause further stress for billpayers already struggling with competing priorities and decision fatigue. That's why over half of billpayers (**54%**) want to receive solutions that fit their specific needs, which requires a deep level of hyper-personalization.

The importance of personalization here cannot be overstated. Understanding what options to provide, at what times and on what channels, and then performing this at scale, helps service providers unlock the key to successful customer relationships now and well into the future.

Billpayers also indicated that feeling valued (**52%**) and having their loyalty acknowledged (**51%**) when they're late paying a bill is appreciated. Tough times don't last and customers who feel valued by their service providers will continue to support those providers.



Aspects of personalized  
service most valued  
when late paying a bill



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Supporting  
your  
customers

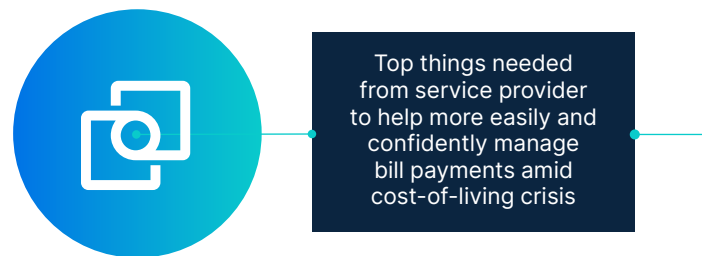
## Top things needed from service providers

As demonstrated in Section two, flexible payment options is the top influencing factor of bill prioritization. Billpayers are looking for a measure of control, particularly when times are tough and feelings of instability are at play. That's why one of the top things you can do for your customers who have fallen behind on their bills, or who may be

falling behind in the near future, is provide information on flexible payment options available—**59%** of billpayers indicated this was the top thing needed from their provider to help them more easily manage payments.

Secondly, providing information on financial assistance programs available can go a long way

in making your customers feel supported—**49%** indicated this was one of their top needed resources from their providers. Other things needed include the option to speak to a real person if needed (**48%**), clarity of charges (**37%**) and next steps (**31%**), self-serve options (**27%**) and timely reminders (**26%**).



**59%** information on flexible payment options available

**49%** knowledge of financial assistance programs available

**48%** option to speak to a real person, if needed

**37%** clear explanations of charges or reasons for bill

**27%** clarity on next steps or actions required

**26%** earlier or more timely reminders

**22%** deadlines or a sense of urgency

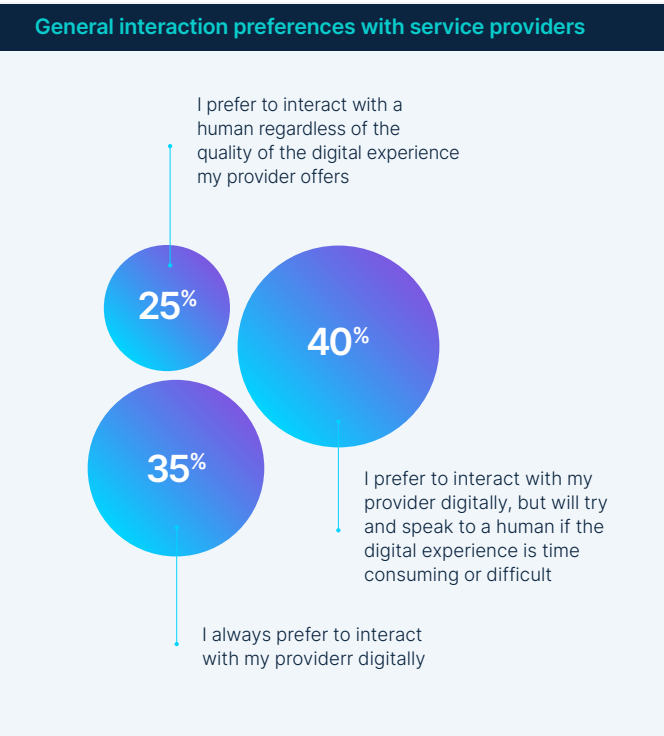
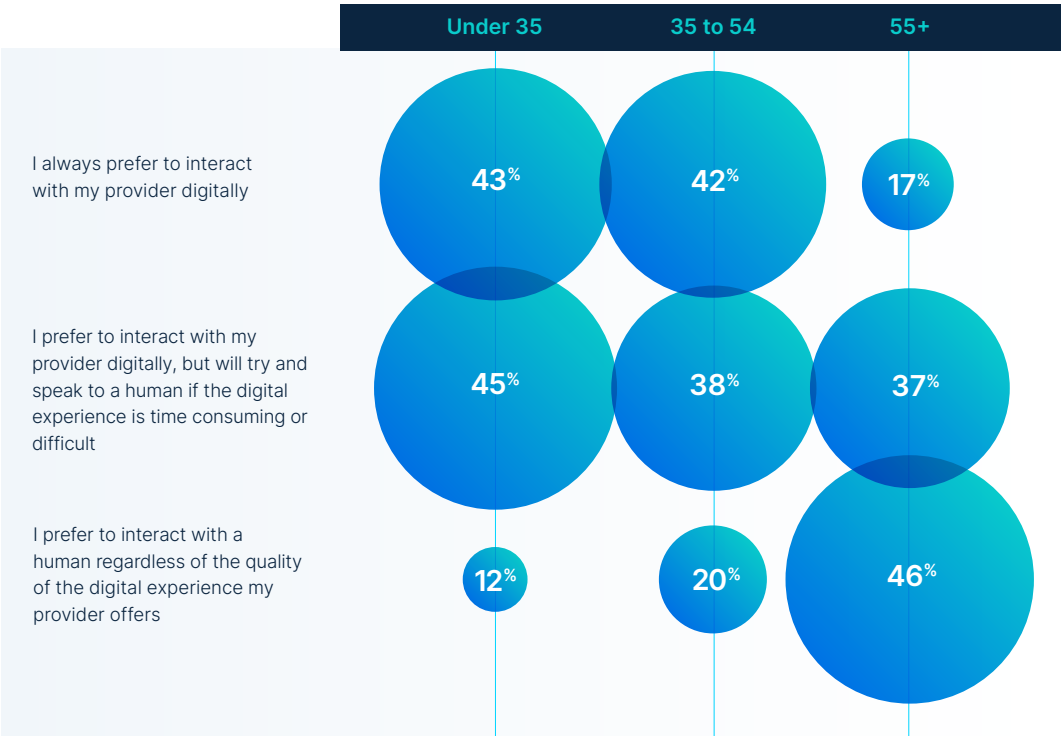
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Supporting  
your  
customers

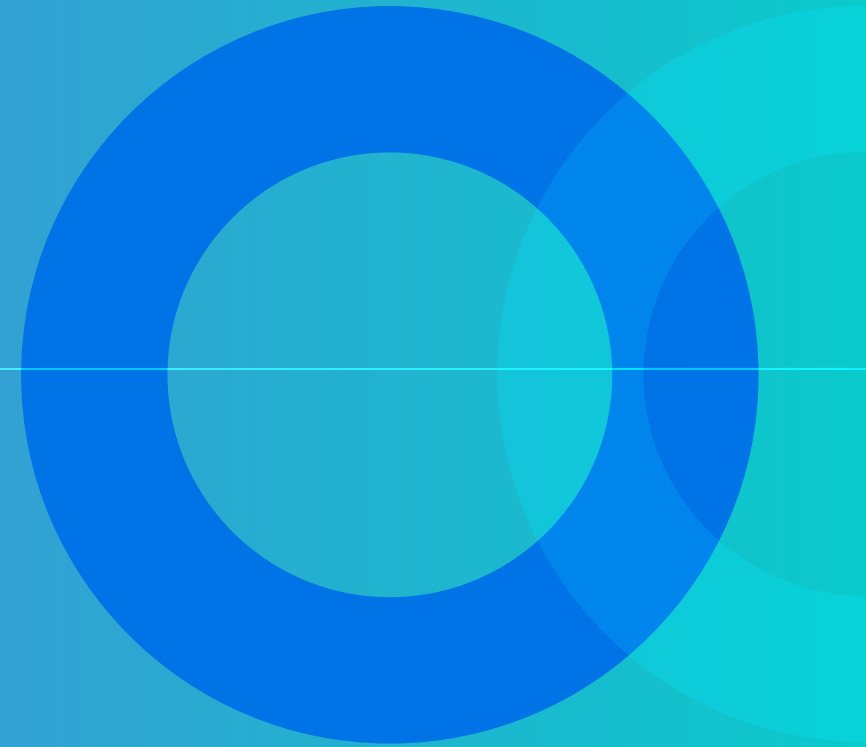
Digital communication options are becoming table stakes service

We asked billpayers how they feel about interacting with service providers via digital tools, such as email, SMS, app or web chat. Seventy five percent of consumers indicated that they prefer to interact digitally with their service providers, but **40%** overall will look to speak to a human if the digital experience is time-consuming or difficult.

While only **25%** of billpayers prefer to interact with a human regardless of the quality of digital experience, this number shoots up to **46%** when looking at billpayers aged 55 and up. Being aware that every customers has unique needs is essential for strong company-customer relationships.



# Looking ahead



## Rising tides

In the current economic and social climate, it's not too surprising that more and more consumers are having trouble making their payments on time. But what's really eye-opening is just how big this issue has become and the fact that it might not let up anytime soon. It's like we're riding a rollercoaster, and the downward trend seems to be sticking around for a while. In the last two years, our consumer survey has shown a **16%** increase

in billpayers who say their perception of future risk makes it more difficult for them to make effective financial decisions. We better figure out some smart ways to deal with this situation because it's a challenge we can't ignore. Let's buckle down, come up with practical solutions, and navigate through these complexities with a focus on helping both consumers and businesses.

Total consumer debt balances increased to \$16.38 trillion, up from \$15.31 trillion in 2021. The **7%** increase was larger than the **5.4%** increase from September 2020 through September 2021\*.

**82%** say their perception of future risk or uncertainty makes it more difficult for them to make effective and quick financial decisions (this was **66%** in 2022)



\*Source: Experian consumer debt and credit;  
[www.experian.com/blogs/ask-experian/research/consumer-debt-study/](https://www.experian.com/blogs/ask-experian/research/consumer-debt-study/)

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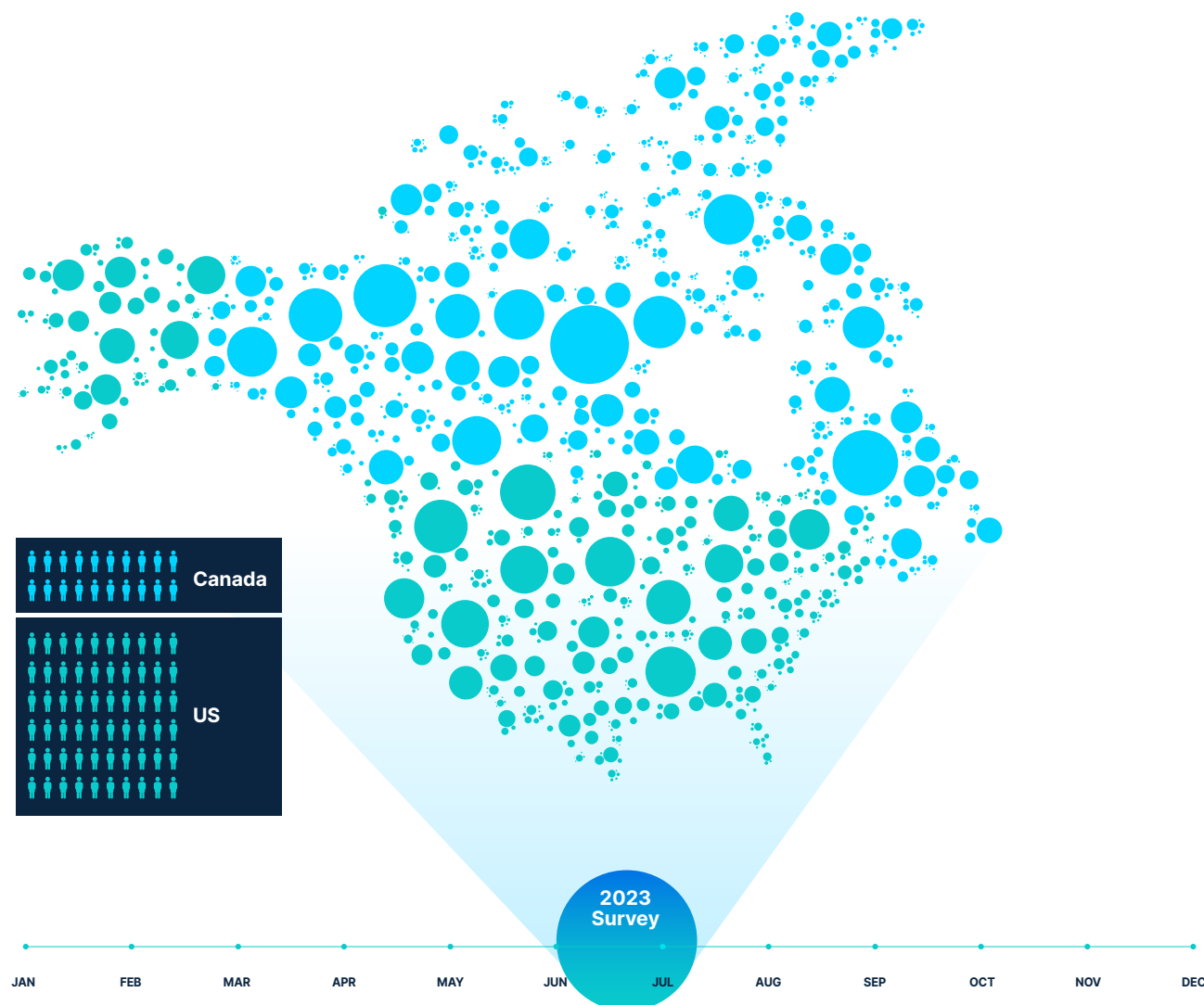
Looking  
ahead

## Methodology

**2,501 survey participants** that are currently behind, or have been behind in the last six months across financial, telecom or utility service provider bills.

Online survey conducted in late June/early July 2023.

**80% US** and **20% Canada**.



## About Symend

Symend's Behavioral Engagement Technology™ delivers digital experiences that are hyper-personalized based on the science behind consumer behavior. Our solution achieves better results and builds stronger relationships with nearly half the outreaches. By adapting as customers change, Symend helps top enterprises create and keep customers for life. Founded in 2016, Symend is headquartered in Calgary and privately held, with global operations across Canada, the United States, Latin America, and the United Kingdom. For more information, please visit [symend.com](https://symend.com).

## Learn more

To find out how Symend can transform the way you engage your customers and drive your desired outcomes—speak with one of our experts.

[Contact us](#)

This research was conducted by Insight Avenue, a specialist B2B research consultancy.