



Reaching For the Green: The Movement Towards Electronic Bill Payment

By RCA Special Guest

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Individuals and companies alike are becoming more aware of their impact on the environment. While many methods of reducing one's carbon footprint are not cost-effective, there is one solution that companies are finding not only offers a positive impact to the planet, but also to their bottom line.

Electronic Bill Presentment and Payment (EBPP) is quickly becoming the preferred method for companies looking to reduce their carbon footprint. As an added bonus, this process also helps to reduce costs and increase customer satisfaction rates. According to Forrester Research, by the year 2010, approximately 47 million US households (53%) will pay bills online. This is a 75 percent increase from 2004.

Consumers have become more aware of the importance of preserving the environment and now pay close attention to ways that they can contribute to the green movement. It has become an expectation that the companies with whom they do business will implement green initiatives. Replacing a paper bill with electronic bill delivery directly contributes to saving trees and makes a significant impact on the environment.

Statistics published on the PayItGreen Alliance website report that every year, paper checks use more than 674 million gallons of fuel and contribute more than 3.6 million tons of harmful greenhouse gases to the environment. And according to research sponsored by Wells Fargo, if all U.S. households viewed and paid their bills online, it would:

Save more than 29 trillion BTUs, more than enough energy to provide residential power to the city of Jacksonville, FL for one year.

Save 18.5 million trees, or the amount of lumber needed for 216,054 typical single-family homes.

Save more than 15.8 billion gallons of wastewater a year, more than that generated by the city of Fresno, CA.

Reduce toxic air pollutants by 2.2 billion tons of CO₂ equivalents, akin to having 390,326 fewer cars on the road.

Reduce by 1.7 billion pounds the solid waste generated in a year, equal to the raw tonnage generated by Detroit, Michigan in a year's time.

Save landfill space and curb the amount of toxic chemicals – including methane gas – released into the atmosphere as paper decomposes. Methane gas has 21 times the heat-trapping power of carbon monoxide and is believed to be a major contributor to global warming.

While the environmental benefits to using EBPP are abundant, there are many other additional benefits. In this day and age, convenience and instant gratification and not only expected, they are demanded by consumers. Business solutions – including bill payment – should be quick, easy, and user-friendly. By offering this solution, which allows customers the flexibility to pay at any time with the click of a button, companies improve customer satisfaction and retention.

There is also the cost consideration; by utilizing electronic payment options, both the company and the consumer realize cost and time savings. For the biller, there is the reduction of printing and postage costs, as well as the time spent extracting payments from envelopes, entering payment data, and physically making deposits. There is also the issue of costly customer support calls that come in – most often billing-related. A good EBPP solution enables customers to have access to their account and billing information online, allowing them to obtain answers to most of their questions without making a call. This is yet another way that customer satisfaction is improved and customer loyalty is encouraged.

From the customers' perspective, the time spent paying bills is greatly reduced, along with the constantly increasing cost of postage. They are no longer required to search for a bill, write out a check, address an envelope, and deposit into a mailbox. EBPP offers a fast and easy way to access, manage, and process bills.

As the world adopts a more 'Go Green' attitude, many companies are investing in initiatives such as EBPP, making a positive impact on their customer relations, and offering a tangible demonstration of their commitment to carbon footprint reduction.