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-- Online Billing Gets Its Due --

Deep Rock Water and Statement Services Reduce Costs, Speed Cash Flow and Enhance Customer Service with Online Billing

WINDSOR, NJ, September 6, 2006 – Fueled by tremendous pressure to reduce operations costs and improve customer satisfaction, online billing is on the minds of more corporate billers these days – and for good reason. For firms of all sizes, electronic bill presentment and payment is delivering on its promise to significantly reduce billers’ costs, while speeding cash flow and increasing customer loyalty.

The Tower Group estimates that 30 billion bills are generated in the US each year. The vast majority are sent via US mail but web-based billing is growing rapidly. Until recently, only the largest billers could afford to create online billing sites for their customers. Now, online billing is gaining momentum as mid-market billers discover that outsourced billing service providers offer hosted online billing services. This allows billers to avoid the cost and complexity of implementing in-house online billing solutions, while leveraging the expertise of billing specialists.

Deep Rock Water

Deep Rock Water is a mid-sized company that delivers bottled water to tens of thousands of customers in states ranging from Minnesota to Colorado. Deep Rock Water outsourced all of its billing to Windsor, NJ-based Billtrust in the fall of 2004, and began offering online billing just a few months later. Billtrust provides Deep Rock Water with a hosted billing and payment site that is branded with Deep Rock Water’s name, logo, colors and messaging. Customers who choose to receive their bills electronically can view an exact replica of their paper bill in PDF format and make payment via ACH or credit card with a single click.

Joy Arnold, National Customer Service Manager, says online billing is part of Deep Rock Water’s focus on building long-term customer relationships through superior service. “Offering all payment methods, including online billing, is a way of providing our customers with the types of service that make doing business with us a simple pleasure, rather than a hassle,” Arnold said. “Our online customers enjoy the convenience. They can pay or view their bills any time. And they don’t have to call customer service for information. They can retrieve it themselves.”

To be sure, online billing has helped Deep Rock Water reduce the costs associated with producing paper bills. Each customer that elects to receive their bill electronically cuts their outbound billing cost by over 60%. Each electronic payment is also cost-effective, costing 70% less to process than a paper check does. With thousands of customers signed up for online billing each month through the Deep Rock Online Billing site, the company projects tens of thousands of dollars in annual savings.

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In addition, Deep Rock Water has gained accelerated cash flow from its online billing initiative. Its online customers pay in an average of twelve days, much better than the industry average of over twenty-five days. Part of that improvement is due to Billtrust's convenient Auto-Pay feature, which lets a client specify that their monthly bill is automatically paid if it is less than a dollar threshold that they establish.

The benefits of cost savings, improved cash flow, and enhanced customer satisfaction will grow each year as Deep Rock Water migrates more of its customers from paper invoices to online billing. "We still have a large portion of our customers who receive paper statements," Arnold said. "But we are currently refining our marketing strategies to get more of our customers to take advantage of online billing." To date, Deep Rock Water has promoted the service on its monthly paper statements and offered incentives such as a free case of water to customers who convert to online billing.

Statement Services

Deep Rock Water is not the only company to discover the value of outsourced online billing – the service also is becoming de rigueur among private clubs. Tampa, FL-based Statement Services, a Billtrust partner since 2004, delivers Billtrust's paper and online billing services to the private club industry.

Todd Gebron, President and CEO of Statement Services, said members of private clubs expect the same level of service from their clubs that they get from American Express, including online billing. "Members expect convenience," Gebron explained. "And their credit card, telephone, and cable television providers have trained them that online bill payment is convenient."

"Online billing delivers better member service," Gebron said, "and when done right can even reduce operating costs for a club. The key thing is that clubs save an incredible amount of time not having to do their billing manually. This frees them to focus on more important things."

The problem, Gebron said, is that few private clubs have the resources to design, implement, and support an online billing solution on their own. That's why the outsourcing component is so critical. What's more, seamless paper and online billing enables clubs to provide members with options. "Our clubs don't want to deal with the complexity of tracking which member gets paper bills, online bills, or both – and, they don't have to because we do this for them by leveraging the Billtrust complete billing solution."

"It's more than just billing. It's billing around customer care and servicing aspects as well," Gebron said. The clubs are marketing online billing to members using bill inserts, announcements in their member newsletters, and word of mouth campaigns.

As mid-market companies like Deep Rock Water and industry specific partners like Statement Services are proving, online billing is finally getting its due. Give it a few more years, and online billing will move from payment option to competitive requirement.

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