



Best Practice Secrets to Implementing Electronic Payments

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- Zurich NA overview
- Direct bill model
- Business drivers for just-in-time payments
- Vendor selection
- Key features and benefits
- Implementation and system integration
- Support
- System usage
- Enhancements
- Future enhancements
- Summary

- Leading commercial P&C insurance provider
- Serves multinational, middle market & small business sectors
- 12,000 employees
- \$15.5 billion in premiums in 2003
- Member of Zurich Financial Services, a global leader in the financial industry

- Zurich sends bills to over 300,000 insured
- Primarily small businesses
- Many pay on installment basis
- Bank processes bulk of mailed payments

- Call center handled customers who received “cancellation for non-payment” notices
- Used CSR-assisted check-by-phone payments
- Cash-flow perceptive customers delayed payment until the last minute
- Processing over 90 payments per day and rising
- Needed to find a less costly way to provide this popular service

- Looked for self-service options – IVR promising option
- Initial installation
 - Customer enters data directly using telephone keypad
 - 3rd party prints checks & sends to bank
 - Data file transmitted for billing system update
- Reviewed several vendors – key selection criteria:
 - Demonstrated understanding of integration needs
 - Excellent references
 - No external cost to Zurich
 - Primary beneficiary – the customer – pays a nominal convenience fee
- Selected BillMatrix Corporation in early 2000

- Automated system available any time – 24/7
- IVR easy to navigate
- Security and privacy
- Reduced customer service costs
- Credit card option offered

- Fewer cancellation notices issued
- Actively market this payment channel

Most important...

Payments are no longer “in the mail”.
They are in the bank!

Zurich tasks:

- Largest task – modify cash processing front end to accept another daily feed
- Data flagged for check or credit card pay method
- Marketing message on all invoices
- CSR training
- Review/adjust banking reconciliation process

BillMatrix tasks:

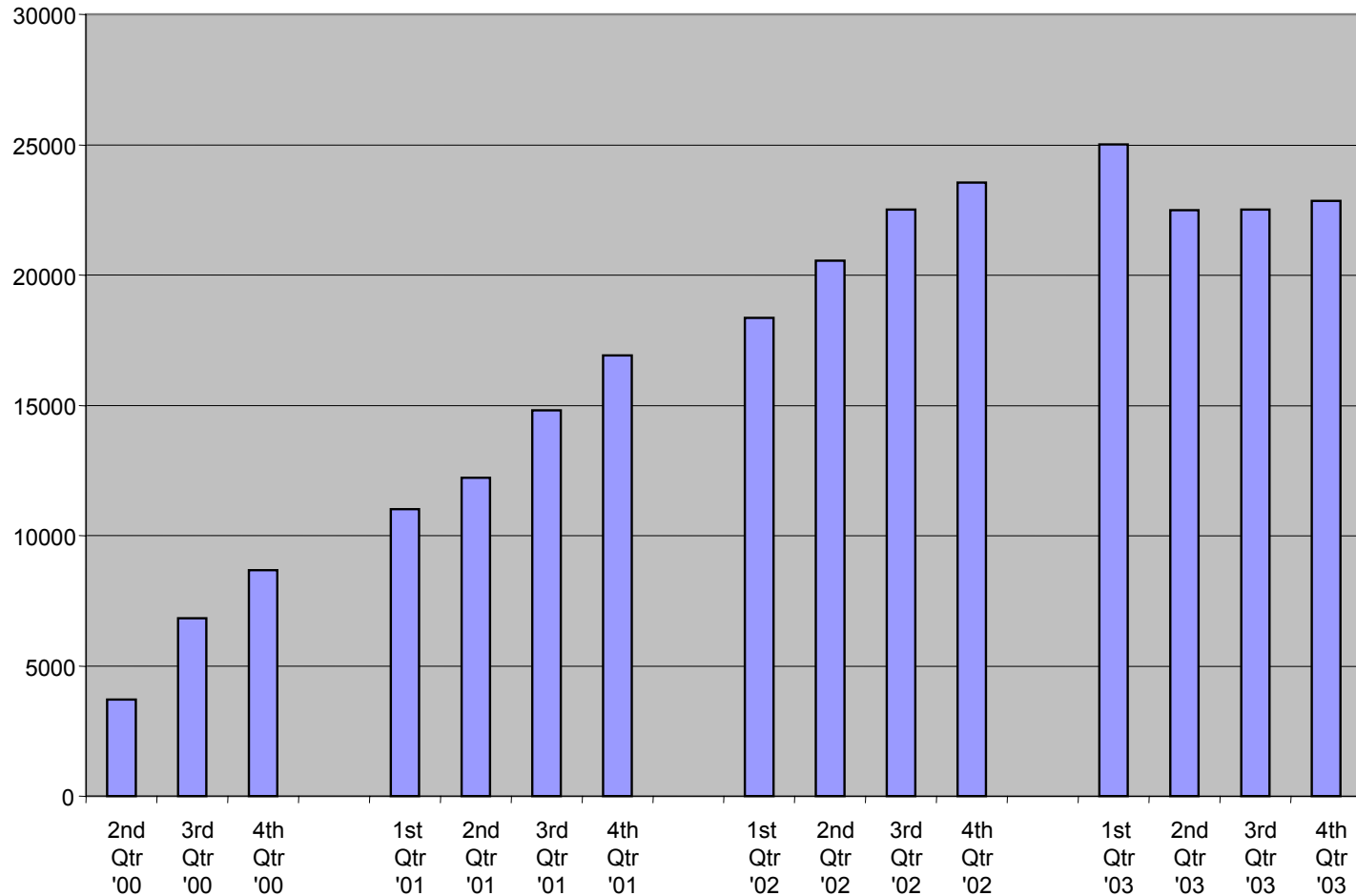
- Tailor IVR script based on their experience
- Data file formatting – automatically credit customer account usually on the same day call completed
- Printing and encoding each check
- Act on behalf of Zurich setting up CC processor accounts

All tasks completed by Q1 2000

Started taking payments in Q2

- Dedicated Relationship Manager
- Automated inquiry 800#
- Technical assistance 800# available 24/7

Growth Of BillMatrix Payments • 2003 - 93,000 payments



- 2002 • Warm transfer from Zurich IVR to BillMatrix IVR
- 2003 • File of current account numbers
- 2003 • BillMatrix' Electronic Check Validation™
- 2004 • Conversion from paper checks to ACH

- Credit and collections – expand the service to accounts that have passed into this process
- Prior Customer Recognition™
- Web-based payment channel – under discussion

A true win-win

- Zurich reduced costs & improved customer service
- Customer gained control and flexibility