

Prepaid + Payment Kiosks = The Perfect Fit

Bill payment kiosks provide a boost for the launch of prepaid programs.

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By Richard Slawsky
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The project

Carroll Electric Membership Cooperative is an electric utility cooperative serving 49,880 residential, commercial and industrial customers in Carroll, Haralson, Heard, Paulding, Polk, Troup and Floyd counties in western Georgia. In 2008 the cooperative made the decision to implement advanced metering infrastructure (AMI) throughout their entire network utilizing their own resources and employees. In conjunction with the adoption of smart metering, Carroll EMC also launched its prepaid program in the January of 2009 and now serves over 5,000 members enrolled in the program.

U.S. Payments supplies turnkey solutions for self-service bill payment. Its network of payment terminals lowers the cost of in-person payments and enhances the customer experience. The PaySite® bill payment kiosk provides a fast, easy, and convenient payment option for bill payers. Carroll EMC elected to implement a network of these machines to bolster the efficiency of their prepaid program.

The challenge

As a cooperative, Carroll EMC's philosophy is to provide high quality service while maintaining lower costs for its members, who each share in the business's ownership. As part of that mission, in 2008 the company deployed advanced metering technology throughout its system.

Advanced metering records consumption of electric energy and communicates that information back to the utility for monitoring and billing in near real time. The system allows customers to better track and control their electricity usage.

"One of our core values is to remain member focused and we believe enhancing the members' ability to manage electricity costs by using AMI supports this core value." said Susan Lester, CEMC's vice president of member services.



“They pay at the kiosk conveniently located in the vestibule and never have to come inside.”

— Susan Lester, CEMC’s vice president of member services

In conjunction with that effort, the coop wanted to incorporate a way to better serve the needs of its unbanked or underbanked customers. Many of those individuals prefer to pay in person and often use cash.

The combination of unbanked members, late payers, work-shift variation and other consumer behavior implications presents the need for offering a payment solution that is available whenever and wherever it is convenient for members. To better serve the needs of those customers, Carroll EMC launched its prepaid program in January 2009.

Utility companies throughout the nation are adopting prepaid metering to better meet the needs of consumers, particularly those who prefer to pay in cash.

Prepaid programs provide customers with the ability to better manage their utility costs. But as those programs continue to develop, a new challenge begins to emerge.

Since prepaid customers often pay multiple times per month, utility offices often experience an influx in payment traffic, that creates longer lines due to the inefficiencies related to over-the-counter payments and inconvenient in-person payment options. Furthermore, many prepaid customers may need extended service hours, even 24/7, compounding staffing expenses.

The solution

Carroll EMC was able to best serve the demand for in-person payments by utilizing self-service bill payment kiosks. Members can pay their utility bills with cash, check or card at the terminal. Tulsa, Oklahoma-based U.S. Payments provides the turnkey self-service PaySite kiosk to utility companies and electric cooperatives throughout the nation.

According to Lester, “Since we started our prepaid service, it just snowballed and we haven’t looked back. Our members immediately recognized the value of PaySite® when they enrolled in our prepaid. Our prepaid program is very successful, and having PaySite kiosks strategically placed has played a part in that success.”

The cooperative has four PaySite kiosks at its Carrollton office and one machine at each of the Buchanan, Villa Rica and Franklin offices, and it continues to expand the payment network by using U.S. Payments’ local retail partners. CEMC has also placed kiosks in more rural convenience stores to extend the payment service to members in these communities.

“Many people no longer have the need to visit our office,” Lester said. “They pay at the kiosk conveniently located in the vestibule and never have to come



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— Jim Bennett, CEO, U.S. Payments

inside. Because of this, we have been able to give our frontline staff other responsibilities like answering the phones and other customer service functions. Cashiering doesn't take all their time.”

The results

In 2014, 54 percent of Carroll EMC members who used the PaySite kiosk made a payment after office hours. Carroll EMC continues to expand its payment network as more members pay their bills at the PaySite kiosk. This eliminates long lines in the office and bolsters consumer attitudes regarding the prepaid program.

“We see an increase in payments between 5 and 6 p.m. during the week as people are getting off work,” Lester said. “It is great because members can pay on the way home from work and don't have to worry about leaving early or paying by a certain time because it is available 24/7. We see value in offering a payment option that it is available whenever it is convenient for members.”

Carroll EMC also uses text alerts to notify prepaid members when their balance is low. The coop usually sees an influx of payments being made around 10 a.m. when the alerts go out. Even with that bump in traffic, the kiosks are the primary method of payment, keeping the lobby open for customer-service issues.

In addition to increasing efficiency, the kiosks have lowered costs for the coop. Customers incur no additional charge to make a payment at a kiosk; although the coop absorbs the cost of providing the kiosks, it is still much cheaper than the labor for traditional over-the-counter payments.

“One of our goals is first-contact resolution, and that is what you get with the kiosks,” Lester said. “For example, if someone leaves a payment in the night deposit and calls in the morning because their lights are off, that ties up our frontline staff. With kiosk payments, members receive real-time posting and get a receipt immediately, which gives them the assurance that their payment has been processed.”

Because prepaid metering and PaySite kiosks complement each other, there has been a nationwide uptake in implementing both projects simultaneously.

“Bill payment kiosks create efficiencies throughout the entire prepaid system for both customers and the utility,” U.S. Payments CEO Jim Bennett said. “The machines provide a fast, easy and convenient payment method that is attractive to cash-preferred payers. The utility enjoys lower labor



costs, reduced costs associated with disconnects and reconnects, and enhanced customer service.”

Because Carroll EMC pioneered the development of a successful prepaid program in Georgia, many cooperatives and investor-owned utilities across the nation visit Carroll EMC to evaluate its prepaid program for their own implementations. After seeing Carroll EMC’s success, many have adopted the PaySite bill payment kiosk as part of the process.

“We have seen client after client have success utilizing kiosks in conjunction with prepaid,” Bennett said. “Not only is it a member-focused service, but it drastically improves the overall in-person payment channel for clients.”

About the sponsor:

U.S. Payments supplies turnkey solutions for self-service bill payment. Its network of payment terminals lowers the cost of in-person payments and enhances the customer experience. Customers who use its machines report greater satisfaction with the in-person payment option and find the process to be fast, convenient and easy. Clients who receive payment on the network choose either real-time or batch-remittance data and receive funds within two days. U.S. Payments’ PaySite kiosks enable continual, anytime service. When positioned in an accessible location similar to ATM sites, the kiosks provide around-the-clock access for increased self-service convenience.