

Newsletter Summer 2006/2007

BPAY News and Views_



IN THIS ISSUE_

TOP BILLING

Research reveals BPAY is the largest bill payment method in Australia

UNEXPECTED ADVERTISING

BPAY's latest advertising campaign challenges consumer perceptions

INTERACTIVE PLAY

Animated and educational, BPAY launches its microsite

E-COMMERCE ATTRACTION

Recent BPAY appointment Alan Priestley tells what's new with BPAY View

In our fifteenth issue of **News and Views**, we provide you with an overview of our new advertising campaign and educational microsite, introduce you to Alan Priestley, BPAY's new Member & Biller Liaison Manager and share with you insights from our latest research and analysis.

Unexpected advertising

With the latest advertising campaign, known as Unexpected Uses, BPAY® aims to challenge current consumer perceptions.

The campaign focuses on making consumers aware of the breadth and scope of BPAY billers with the key message that it can be used to pay for products and services that consumers may least expect. The advertising strategy positions BPAY as the ideal payment method for non-traditional bills and invoices by highlighting industry sectors such as insurance, travel and leisure, and finance and banking.

"As consumers become more aware of the diverse choice of best-in-class billers that accept BPAY, we are confident that they will embrace the use of BPAY for an assortment of payments ranging from car insurance and airline tickets to tax instalments and superannuation contributions," said Andrew Arnott, BPAY General Manager.

The creative concept includes a price sticker placed on surprising items, such as a car in need of repair or across an image of a share trading board, encouraging people to 'pay for this with BPAY'.

Running nationally during November, the advertisements can be seen across multiple media channels. These include website banners; in key metropolitan newspapers and national publications such as AFR Magazine, The Age, The Australian, Boss Magazine, The Courier Mail, Good Weekend and Money Magazine; and on metro radio stations such as Mix and WFSM.

Top billing

The recently completed analysis of all BPAY payments made over the past two years has provided key insights into bill payment habits and potential business growth areas.

"The analysis revealed three key learnings that will help us shape our business in the future," said Mark Williams, BPAY Corporate Services Manager.

The first finding illustrated that the growth in BPAY payments is not restricted to our top billers. Substantial increases in new billers and more transactions through existing billers have resulted in an 18% year-on-year growth.

"In the past financial year, 171 million BPAY payments were made," said Williams. "This demonstrates that BPAY's convenience and efficiency are attractive to both billers and consumers."

The analysis also highlighted a boost in the number of consumers using BPAY to schedule payments for a future date.

"No longer just viewed as a simple bill payment method, consumers are beginning to rely on the more advanced BPAY features that can support effective financial management," said Williams.

The study also pointed to the ongoing rapid growth of BPAY within the business-to-business environment. Increasingly, wholesalers are regarding BPAY as the ideal transaction vehicle within their business supply chain since these payments are cleared funds with no dishonoured payments and easy reconciliation capability.



e-commerce attraction

Since joining BPAY in April as Member & Biller Liaison Manager, e-commerce veteran Alan Priestley has focused his attention on the growth of BPAY View. According to Priestley, his BPAY appointment has come at an exhilarating time in the business when companies are striving to enhance their customer relationships with relevant and personalised information.

In addition to the 'green' factor, which is becoming increasingly important in the way companies do business, billers are attracted to BPAY View because it offers cost efficiencies and a valuable communications channel.

"Through the utilisation of 'live' bills, BPAY View allows billers to keep their customers informed not only on their account status, but on new product opportunities that are appropriate to that specific customer," said Priestley. In addition, customers are able to maintain their own information when linked back to the biller's web site.

And BPAY View is not only appealing to businesses. When interviewed, users said BPAY View 'met or exceeded their expectations'. They cited the convenience and security factors, coupled with the ability to better organise and manage their personal finances, as distinguishing benefits.

BPAY View, operating within a customer's internet banking environment, allows a user to electronically file their bills alongside their bank records that show the payment particulars of each bill. The current BPAY View strategy aims to have consumers in major metropolitan areas receiving five to seven bills via BPAY View per billing cycle.

"We're making advances," said Priestley. "I have yet to meet a biller who is not interested in electronic bill presentment and how BPAY View can meet their needs."

"Our challenge is to effectively collaborate with companies that are currently re-vamping their entire billing system to incorporate e-commerce – a process which can take two to five years to complete," said Priestley.

With the uptake of e-commerce, electronic bill presentment is regarded as an essential part of the process from delivery of bills through to electronic receipt of payments. However, the implementation of BPAY View, which only takes six to 10 weeks, must be incorporated into a company's overall IT development schedule.

"We are targeting those billers that have the greatest impact on the biggest number of consumers, and that includes basic household bills," said Priestley. Additionally, BPAY is in discussions with 15 financial institutions regarding the delivery of credit card statements via BPAY View.

By the end of this financial year, Priestley expects to have more billers signed on to BPAY View, including utility companies, telcos and credit card providers.



Interactive play

Launched in tandem with the Unexpected Uses campaign is BPAY's new microsite.

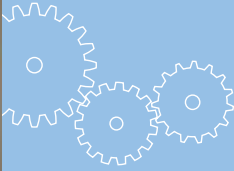
Developed by Loaded Technologies, the site lends greater depth to the advertising message by giving consumers the opportunity to navigate the site based on their knowledge and needs.

"It was essential to offer consumers a resource that delivers tailored messages specific to their bill paying requirements and their level of familiarity with BPAY," said Andrew Arnott, BPAY General Manager. "The microsite can outline the most basic information, such as how to make a BPAY payment, to more advanced features like scheduling payments or registering for BPAY View."

Consumers can visit www.bpay.com.au/guide to learn about BPAY's full range of features and services in a playful and user-friendly manner.



The Informer



Keith Brown
Operations Manager

Care to Share

BPAY was selected as the exclusive payment option for internet applications for the recent Telstra 3 Share Offer. The only other payment option required a paper application form, in which case a cheque had to be used.

This recent development brings-to-life the current advertising theme of 'Unexpected Uses' and demonstrates how the ease and efficiency of BPAY has made it a suitable payment option for an assortment of products and services across a range of industry sectors.

View Now Due

As a result of focus group feedback, BPAY View users will soon receive reminder emails prior to the payment's due date. Any bill that can be seen on BPAY View will qualify for this improved service.

This enhancement will allow BPAY View users to better manage their finances and help ensure that they make their payments on time.

This reminder service is already offered by some financial institutions and will continue to roll out in the coming months to all financial institutions offering BPAY View.

Pioneering View

This month welcomes wireless communications provider 3 Australia to our list of BPAY View billers. 3 Australia was awarded Best Mobile Operator at the 2006 Australian Telecom Awards and has long been considered a 3G forerunner, launching Australia's first 3G mobile network in April 2003. With our focus on growing specific biller sectors, for example the telecommunications industry, as of November, 3 Australia customers can view their statements on BPAY View.

Look to the next issue of News & Views for an update on our BPAY View discussions with several energy and credit card providers.

There are now 73 financial institutions offering BPAY View. Since last edition we have welcomed onboard:

BankWest
Bank of Queensland
The Summerland Credit Union
Australian Central Credit Union
Macarthur Credit Union
AMP Employees' and Agents' Credit Union
Service One Credit Union
Reliance Credit Union
The TAFE & Community Credit Union

Which billers offer BPAY View

3 Australia
Alinta
Bankstown City Council
Brisbane City Council
CityLink Melbourne
Ergon Energy
Horizon Power
Hornsby Shire Council
Logan City Council
Monash City Council
Optus Mobile
Optus Phone
Optus TV/Net Cable
Penrith City Council
Primus Telecommunications
South East Water
Sydney Water
Synergy
Telstra Mobile
Telstra Residential
Townsville City Council
TRUenergy Dual Fuel
TRUenergy Electricity
TRUenergy Gas
Yarra Valley Water

To find out more about BPAY and BPAY View, billers should contact their financial institution, visit the BPAY web site www.bpay.com.au, or contact one of these certified BPAY View Service Providers:

CommSecure	HPA	Computershare
E Com Industries	Salmat	QM Technologies

Financial institutions should contact BPAY or one of these certified BPAY View Service Providers:

Clear2Pay	NetTeller	Data Action
Sandstone Technology	Ultradata	Swift Call



BPAY® and BPAY View® are trademarks of BPAY Pty Ltd
ABN 69 079 137 518