



## Losers and Leaders in Bill Payment

09 December 2014 By: Mark Schwanhausser

It has been a newsworthy month in the world of bill payment startups. In a matter of weeks, Zumbox and Manilla announced they would close, and Intuit reportedly is in talks to plunk down \$350 million to buy Check, arguably the best personal finance app in the market today. Check serves as an example to financial institutions that the new definition of "PFM" centers on mobile apps that enable on-the-go consumers to tackle on-the-go financial decisions more smartly.

The news that Manilla and Zumbox failed does not come as a shock. When I evaluated both companies and a number of other bill-pay innovators in a pair of reports in March 2012, I felt strongly that such direct-to-consumer startups would succeed only if they did something useful and practical for users today rather than offering the promise of an eventual digital lifestyle tomorrow. By my way of thinking, that meant enabling customers to see all their accounts in one place and pay bills -- the "view + do" approach that's vital in a mobile app. As a result, I concluded Check (then known as Pageonce) was on the right course, Mint had been surpassed, and the companies that focused on digital archives and paper turnoff would struggle because consumers would not be satisfied with storing a mish-mash of documents. The latter group of companies -- which included Doxo, Manilla, Volly, and Zumbox -- focused first on the ROI for billers, publishers, and other businesses without giving the ultimate users enough compelling reasons to change tried-and-true online- and paper-based habits. In a nutshell, their strategies were backward, risky, and would require a lot of patient, deep-pocketed investors. And we know investors typically like to see a path to an exit strategy.

A couple months back, Manilla showed off an impressive makeover that emphasized bill payment more, and I put the company back on my radar as a potential contender. Unfortunately, it now appears it was too little, too late, and now the Hearst-backed venture plans to shut June 30. R.I.P., Manilla and Zumbox. But consumers need not grieve deeply for want of choices. Better ways to pay bills are coming, or are already here.

Put Finovera and Simplee on your radar if you're adventuresome beta-type. Finovera has an impressive online and mobile bill-pay and presentment app that could give Check -- and FIs -- a run for their money. And Simplee aims to tame the mess of paying and tracking health care bills. And that doesn't even address the moves by billers themselves to enable mobile bill payments, or ventures that are targeting the underbanked, who too often pay bills the hard way -- in person, in cash.

---

Copyright ©2018 GA Javelin LLC, (dba as Javelin Strategy & Research). Javelin Strategy & Research is a division of Greenwich Associates. All rights reserved. No portion of these materials may be copied, reproduced, distributed or transmitted, electronically or otherwise, to external parties or publicly without the permission of GA Javelin LLC.

[javelinstrategy.com](http://javelinstrategy.com)

[inquiry@javelinstrategy.com](mailto:inquiry@javelinstrategy.com)

925.225.9100