Tomorrow begins today

Open Banking for Utilities and Telecoms

The data in the report was taken from research conducted by Censuswide, among a sample of 600 UK-based senior financial decision-makers (Director or above), working within the Utilities and Telecommunications sectors, aged 18+. The data was collected between 03.03.2026 - 06.03.2026. Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), and a signatory of the Global Data Quality Pledge. We adhere to the MRS Code of Conduct and ESOMAR principles.

NatWest

Payit®

Foreword

Since we started monitoring the state of the UK payments landscape through our annual Frictionless Payments survey, we've uncovered surprising levels of uncertainty and frustration for British businesses who struggle to achieve seamless transaction processes.

At the beginning of this year, the media was full of stories of increasing levels of bill debt across the country, with more and more customers falling into arrears on bills for vital services like water, gas, electricity and internet. This isn't sustainable, for customers, or for suppliers.

To really understand the challenges utility and telecoms providers are facing, we commissioned specific research across key stakeholders in gas, water, electricity, broadband and mobile services. **What we found was concerning: challenges with bad debt, affordability assessments and poor customer experience were being exacerbated by payment processes that were not fit for purpose.**

But there is hope for better bill payments. Many of these issues might be solved by implementing Open Banking solutions, which can offer simple, secure, real-time payments, and the ability for service providers to access customer-consented financial data.

With utilities and telecoms companies in scope for Wave 1 cVRP, allowing 1-click payment journeys and simplifying the bill payment journey, the case for businesses in these sectors to embrace Open Banking solutions, like Payit by NatWest, is stronger than ever.

James Hodgson, CEO, Payit

NatWest

Payit®

Introduction

Water, energy, broadband and mobile: these key services keep the UK running smoothly.

Bill debt in Britain is on the rise, and it's costing businesses and customers alike. The utilities and telecoms industries are integral to modern life, and any interruption to the flow of bill payments can have serious knock-on effects.

We surveyed stakeholders across these vital industries to determine the scale and impact of payment challenges and uncovered some concerning statistics.

99% of utilities and telecoms providers face payment issues of some kind, and over a third of them (34%) suffer from late payments specifically.

Aside from the financial and resource implications on businesses, inefficient payment processes have an impact on customer trust. Half of all respondents told us that payment delays act as a deterrent to customers, leading to lost business.

Late bill settlements are caused by a complex range of factors, but poor user experience during the payment process needn't be one of them. When asked, **29% of utilities and telecoms providers reported having an inefficient check out journey.** The increase in late payments due to checkout friction is resulting in lost revenue and increased support costs for businesses.

Open Banking solutions like Payit by NatWest offer speedy, simple and secure payment journeys, which can help businesses to reduce late payments or abandoned transactions, drive down associated costs, and improve customer trust.

But the benefits of Open Banking go beyond the payment process itself. It enables secure, customer-consented access to financial data through standardised APIs. This free exchange of data will be a crucial tool for businesses with an obligation to accurately assess and support customers who struggle to make bill payments in full and on time.

With economic security and late payments an increasing focus in the media and as a target for government policy, now is the time for businesses to look at the opportunities offered by Open Banking and consider how these solutions could help improve the payment process across utilities and telecoms.

A New Approach to Affordability Assessments

Across all the suppliers we surveyed, our research shows that assessing affordability is the biggest shared challenge across the utilities and telecoms sectors.

The need to accurately assess customers' financial standing is mission critical to providers, who have a regulatory duty to provide support to those who are vulnerable or unable to pay.

Despite the importance of this process, **94% of respondents said insufficient data on customer financials is a pain point,** with around half of them citing the problem as moderate to critical.

Traditionally assessments have relied on self-reporting and manual evidence gathering, and the accuracy of the resulting information is often low. This method also requires significant resource from the service provider, as checks must be made in order to verify the information supplied.

Open Banking solutions allow utilities and telecoms providers to access customer financial information, including income and expenditure, in order to make quicker, more accurate affordability assessments, and ensure that the correct level of financial support is offered.

Products like **Payit's Income and Expenditure AIS solution,** which enables secure, customer-consented access to financial data, could be the key to better, fairer affordability assessments.

NatWest

Payit®

Utilities sector overview

While the sectors that sit within the utilities umbrella share many similarities, there are some nuances in how payment friction impacts businesses across water, electricity and gas.

Electricity providers were the most likely to report that payment delays act as a deterrent to customers and lead to lost business (52%).

That's over half of all providers who are losing customers to competitors offering a quicker, easier bill payment experience.

Water providers, naturally, face less challenge in terms of customer switching, but serve a higher proportion of vulnerable customers than any other sector surveyed. Concerningly, this essential sector also reported the highest incidence of late payments, with **over 38% reporting that their current payment processes resulted in late payments.**

Poor payment experiences add stress to customers who may already be under pressure due to being in default, requiring increased customer support hours to manage complaints and resolve the issues.

Indeed, one common challenge across all utilities respondents is the high manual intervention required for debt management customers, with **20% of respondents citing it as the biggest pain point in the payment journey.**

Payit by NatWest is already working with customers in the utilities sector to simplify payment processes and improve the experience for vulnerable customers.

Easing the flow of energy payments

Utilita is the leader in Smart Pay As You Go Energy and the original pro-pocket, pro-planet energy provider. It is the supplier of choice to around 750,000 households and businesses across Britain.

Focused on delivering market-leading customer experience, its unrivalled smart data insights and services empower households to engage with the nation's net zero journey while making their energy spend go further.

As an app-first supplier looking to make bill payment as seamless and stress-free as the rest of the customer experience, Utilita was a natural partner for Payit. The Payit solution launched on the MyUtilita app a year ago and is now regularly used by thousands of Utilita customers every week.

Adoption is already strong, but the Payit team is working with Utilita to bring CX updates that will enable even smoother journeys, from one-click payments, to solutions to enhance decision making on financial support.

Thanks to the roll-out of cVRP, Payit will be able to offer Utilita customers one-click payment journeys, making payment quicker, easier and safer than card-based payments. Payit's forthcoming Income and Expenditure AIS solution will also allow Utilita to access customer financial data, with consent, to quickly assess the most appropriate level of support.

"The Payit team has really risen to the challenge when it comes to putting our customers first and driving a user experience that stands out in the market. We're excited to be partnering with a team that has such a strong product roadmap and deep Open Banking knowledge. And to have all that with the backing and security of a trusted bank like NatWest is a real benefit."

Ashley Milne,
Chief Financial Officer, Utilita

Telecoms sector overview

Our research showed that telecoms providers are more sensitive to customer experience than other businesses we surveyed. It's no wonder, with customers far more inclined to switch telecoms supplier than any other service.

The rate of customer churn in the sector is enormous, so it makes sense that these companies are particularly alive to the risks associated with poor customer journeys. **A quarter of telecoms respondents reported customer service experience as the biggest challenge when it came to processing payments.**

Despite the need for seamless journeys, these businesses are also the most likely to use legacy payment methods. **Traditional bank transfers make up the majority (47%) of payments made to telecoms companies.**

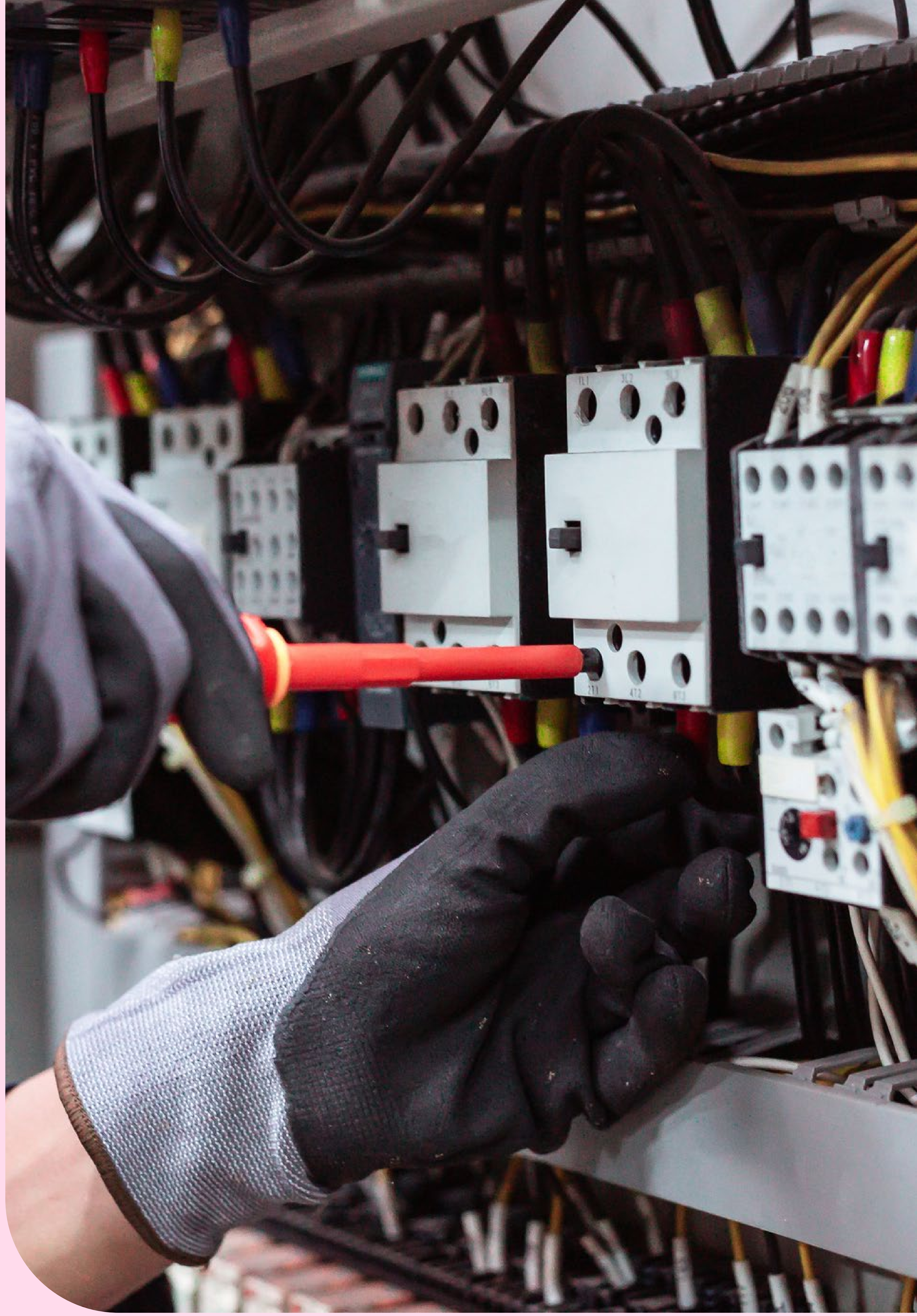
There's also a clear pressure on resources, with 46% saying payment friction caused a strain on their customer support teams.

Smoother payment journeys are only half the picture – even when the checkout journey is seamless, customers are likely to shop around if they feel they can get a better deal elsewhere.

When customers are looking for a combination of swift, simple interactions and the best value, smart data solutions can be the key to improved retention for telecoms operators.

By using Open Banking powered data solutions to access data on usage patterns, contract end dates and pricing, telecoms companies could put together attractive personalised offers to overcome switching inertia or encourage contract renewals.

Payit by NatWest has a strong product roadmap, with advanced data solutions being constantly developed. For telecoms businesses looking to provide best-in-class service, smart data applications could be the key to increasing customer retention and improving customer experience and trust.



Why Payit?

Our previous research has shown that 9 in 10 businesses would trust an Open Banking solution from an established bank (Financial Institutions sector report 2025*).

With Payit by NatWest, you could unlock faster, easier payment journeys for your customers, as well as powerful data solutions to help make contract renewals and financial support decisions much simpler.

The Payit team are fully integrated with the rest of NatWest's banking operations, to ensure your payment and data solutions work seamlessly with your existing financial processes from day one.

Backed with bank-grade security and designed to work for highly regulated sectors, Payit combines innovation and trust.

NatWest

*For full report contact payit@eulogy.co.uk

Payit®

Tomorrow begins today

Ready to explore Payit?

Whether you're operating in utilities or telecoms, Open Banking solutions could be the key to better bill payments.

If you're looking for a way to solve your payments and data challenges, something fast, fair and frictionless, Payit might be the right option for you.

Discover how Payit could reduce late payments and improve affordability decisions in your organisation.

Speak to our team or your NatWest relationship manager for more information.

NatWest

You will need to sign up to Payit™ terms and conditions and you may need to hold an account with us. Your business must be based and trading in the UK with a turnover above £2M. You must be 18 years or older. Fees apply.

Payit®