

## Monthly Direct Debits key to success for Bournemouth Borough Council

Bournemouth Borough Council's first Direct Debit specific marketing campaign has paid huge dividends, driving take-up of the payment method from 66% to 71% in just one year. This achievement also landed the local authority top spot in Bacs' Direct Debit Challenge League.

### Understanding the audience

Martin Andrews, Chief Revenues Officer, said: "Our original target when we started this campaign was to increase take-up of Direct Debit by 500 residents. However, the campaign was so effective and held so much resonance with residents that we secured in excess of 2,000 new Direct Debit payers. Going through this process has really demonstrated what can be achieved by simply focusing our activity and understanding the target market."

One of the core issues facing Bournemouth was the fact that many residents were using the payment slips sent out by the local authority as a reminder to then make their payment electronically, over the phone or internet. Therefore it was a natural step for those residents making payments in this way to move across to Direct Debit, which ensures regular bills are paid on time, every time – eliminating the need for residents to use the payment slips as a prompt.

### Efficient use of time and resources

Martin explains: "The cost of printing and distributing the payment slips, only for residents to use them as a prompt for electronic payment, meant that we were effectively wasting our resources. Therefore we made the decision to only issue payment slips on request, cutting costs and helping the environment by reducing paper usage. At the same time we developed a one page piece of marketing material highlighting that residents could pay by Direct Debit instead. This very simple step had a really positive effect on our Direct Debit sign-up rates."

### Direct Debit offers greater flexibility

This straight-forward piece of A4 marketing literature offered residents the opportunity to pay council tax in 12 instalments, rather than the usual 10, if they signed up to Direct Debit. In addition, the local authority highlighted that those paying by Direct Debit could select from two payment dates each month, 1st and 15th, offering greater flexibility.

Martin concludes: "Our principle reason for entering the Direct Debit Challenge League was because it gave us an independent benchmark against which we could measure our performance in relation to similar authorities. We are really delighted that the Direct Debit promotion campaign was so successful and that we have secured top position in our league. It is certainly something that we will want to participate in next time we run a Direct Debit specific campaign."