



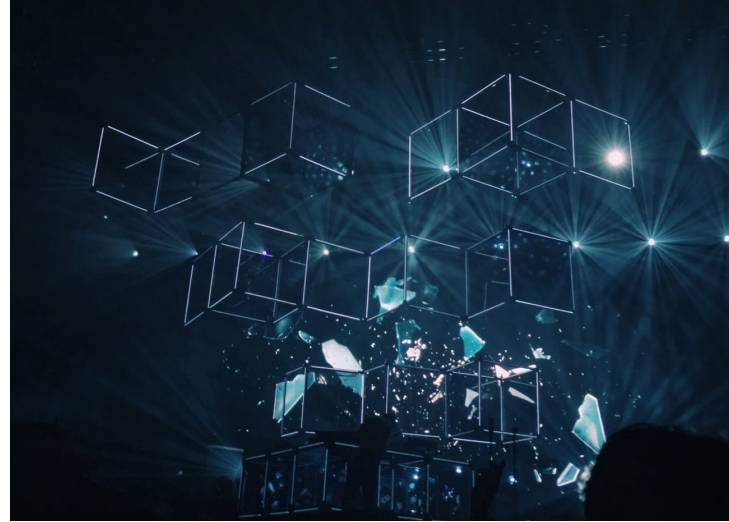
3 Proven Debt Collection Tactics

Understand Customers and Increase Collections Success

The Future-Proofed Approach to Debt Collection
Leveraging AI, Digital Transformation and Data for a more Successful and Customer-Centric Approach

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The Current State of Collections

1. Inadequate reporting, fuelled by weak and often inaccurate data, harms strategic collections planning. Money is wasted following inefficient, overly complex, and cumbersome processes.
2. Disparate existing tools render collections teams unable to create, analyse, and optimise holistic, omnichannel collections strategies.
3. Case management is stymied when collections professionals have to jump between several decentralised tools, manually mining and updating customer data as they go.
4. Collections departments urgently require a single solution that integrates all existing tools under one roof.

Introduction

AI-powered debt recovery is the future of collections. Consumers have come to expect omnichannel and holistic experiences that are tailored to them as individuals. They expect companies to know who they are and what they like.

To provide this level of customer-centricity [across multiple channels](#), many collections teams have doubled down on tech investment. They have one tool for each element of their strategy: a customer data platform, a VOIP calling tool, SMS messaging tool, email messaging software, and a data analytics platform to analyse overall collections success (among others).

They hope that following such a compartmentalised approach will offer more granularity—thereby aiding overall collections success. Instead, however, it has resulted in an even more complex and convoluted operational approach to collections tasks.

Collections strategists spend more time and effort creating increasingly ineffective strategies. Productivity and collections success plummet. Given the [looming threat of rising non-performing loans](#) (NPLs), this is an untenable situation.

Optimising individual elements of your collections strategy on their own does more harm than good. Siloed strategic planning makes little sense. Customers—the end recipients of such approaches—experience these diverse tactics as part of one holistic customer experience (CX).

Therefore, a disjointed outreach approach will create a disjointed and ineffective customer experience.

Consumers have come to expect omnichannel, holistic experiences and it is simply an expectation

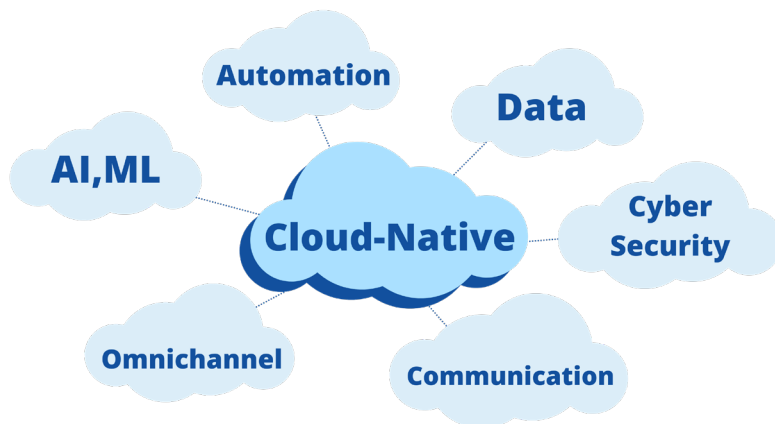
Collections departments do not need to throw out all their existing tools and start again from scratch. However, they do need to reconsider their approach if they are going to adequately tackle the incoming wave of NPLs.

An engine, can of petrol, and four wheels alone don't make a car. Likewise, a series of disparate, limited tools don't make for an effective end-to-end collections strategy. The insights these tools reveal—while valuable—need to be united under one overarching frame: an AI-powered, cloud-first piece of collections management software.

This cloud-based tool will provide a one-stop shop—allowing collections teams to manage every single element of their overall collections strategy from a single place.

It will provide high-level, data-driven overviews, while also enabling agents to drill down into individual cases when necessary. This is the only way to gain visibility into your collections success, to analyse the interplay between various strategies, and to maintain complete control over your collections approach.

The future of collections lies in working smarter, not harder. To do this, however, you first need to implement an AI-powered collections management system. This whitepaper will examine the role that this software will play in heralding a new and more effective approach to collections going forward.



A series of disparate, limited tools don't make for an effective end-to-end collections strategy

1. Use Your Reporting to Better Understand Your Customer

Reporting is the lynchpin behind collections success. Effective reporting provides you with insightful and up-to-date information at all times. Ineffective approaches, however, will result in you devising ineffective strategies based on inaccurate information.

This is common knowledge. After all, data analysis is the bedrock of any successful 21st century organisation. It allows businesses to move beyond what they think they know about a customer, ditching assumptions for pure, hard facts.

When it comes to collections, effective data analysis reveals individual past-due customers in granular detail: their demographics, preferences, habits, and dislikes. Collections strategists can use this information to work backwards, identifying what customers respond well to before serving them similar approaches in the future.

Of course, you already know all this. You might, however, be limited by the tools currently at your disposal. You can dive into a customer's financial history on one platform. You can take a glimpse into their messaging preferences on another different system. And you can analyse email and SMS messaging success on another tool. You can't, however, link this all together into one easy-to-view case management portal.

This doesn't just make your agents' lives harder—it actively reduces your team's ability to create tailored outreach approaches that resonate with individual customers. Unsurprisingly, this causes key metrics like days past due (DPD) and cost-per-collect (CPC) to plummet.

Effective reporting powers successful and cohesive collections strategies. Ineffective and fragmented reporting, on the other hand, leads to subpar strategies and disappointing results.

Reporting Done Right

To make the most out of your data, it is crucial that you adopt a blended approach going forward.

Automation/artificial intelligence does the heavy lifting, collecting and analysing all possible data points on a single past-due customer. Only then do collections strategists weigh in—using their personal judgment to identify how this data can be put to good use.

Strategists can glean must-know insights at all times by consulting a single source of truth, such as receive's new **Case Management** feature.

This hub reveals a wealth of insights into each individual customer: their financial history, preferences, open claims, current instalment plans, and more.

Having these findings at your fingertips will do wonders for your personalisation efforts. You can easily craft tailored strategies that take into account each individual's context and preferences, thereby increasing the chance they will be successful.

But of course, not all strategies immediately work as well as hoped.

No matter how accurate the data—and how well-thought-out the strategy—some past-due customers will not respond as expected. This is natural. However, this is where AI-powered collections management software comes in. It allows collections leaders to easily analyse how successful each of their strategies have been—both on an overall, macro level, as well as on an individual basis.

By implementing AI and automation into your collections system, fragmented data sources and misleading reports can be avoided

The screenshot displays the 'Case Management' interface for a customer named Mr. John Smith (ID 123456Y). The interface is organized into several sections:

- Account details:** Includes tabs for 'Diary', 'Files (2)', 'Insights', and 'Legal (2)'. Action buttons for 'Start call', 'Add note', and 'Actions' are visible.
- Contact details:** Shows 'Late Stage, High Risk', '30 years old', email 'john.smith@gmail.com', phone '+ 4911999500014', and address 'ABC Street 23, 20457 - Germany'.
- Financial situation:** A table showing:

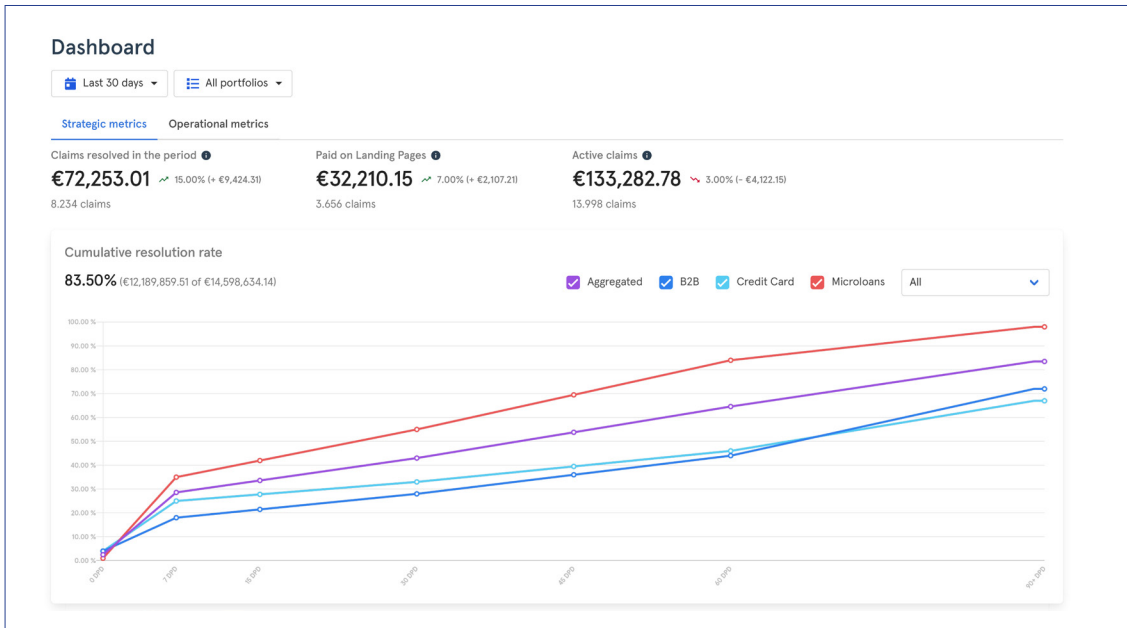
Income	1800.00 €
Expenses	- 1200.00 €
Available	600.00 €
Debt. Payments	- 300.00 €
Disposable Income	300.00 €
Remaining Debt	3.509.28 €
- Open claims (5):** A table showing:

TRC-754470446	Personal Loan	€ 1.250,00	35 DPD
Q234A-2020	Personal Loan	€ 372,00	27 DPD
Suez-20200201	Utilities	€ 567,28	10 DPD
Suez-20200201	Utilities	€ 567,28	10 DPD
Suez-20200201	Utilities	€ 567,28	
- Recent payment agreements:** Shows 'Promises to Pay' for €4572.10 of €6700.00 with a progress bar (50% Completed, 40% Active, 10% Broken). Below, 'Instalment Plans' for €4572.10 of €6700.00 shows a progress bar (38% Instalment Paid, 52% Active, 10% Overdue).

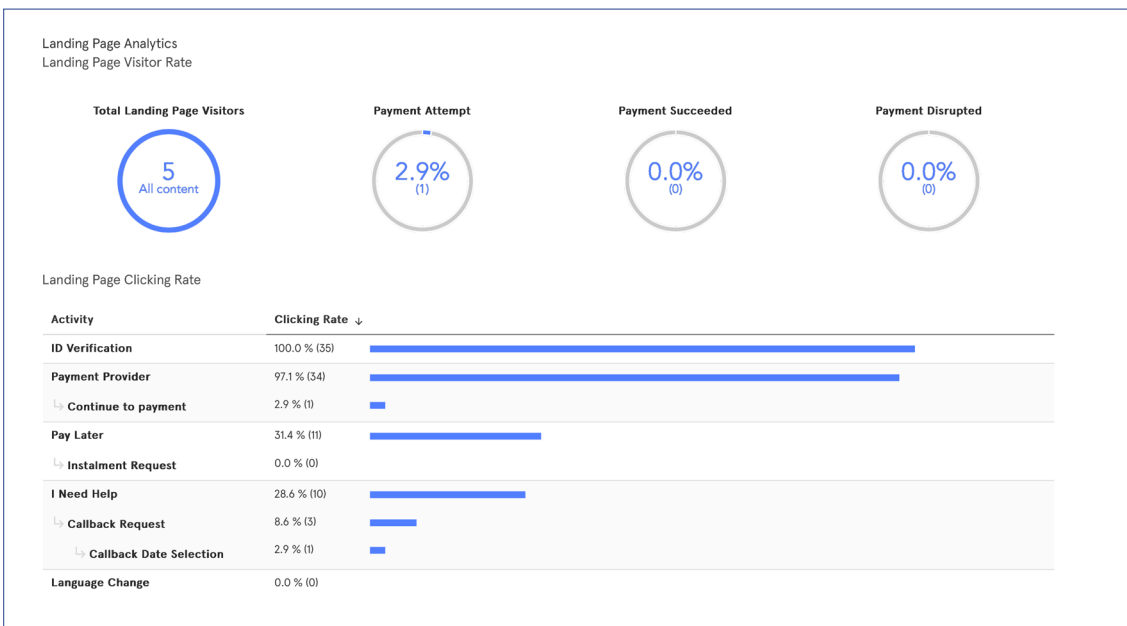
receive's **Case Management** feature enables collections department to have a birds-eye-view of the communication history, debtors' preferences and behaviour, and payment details

For example, with the receive **Dashboard**, Heads of Collections can instantly view their overall collections success according to a variety of both strategic and operational metrics.

It reveals the value of claims received within a certain period, the value of all active claims, and allows agents to segment according to the nature of these claims: business loans, credit cards, B2B, etc.



Use the receive **Insights** feature to take a step back and assess your outreach success. It reveals key data such as the number of overall visitors, percentage of visitors that attempted payment, percentage whose payment successfully went through, and specific click-rates regarding each aspect of your landing page: ID verification, choosing a payments provider, those that click 'I need help', and more.



2. AI Functionality for Better Customer Experience

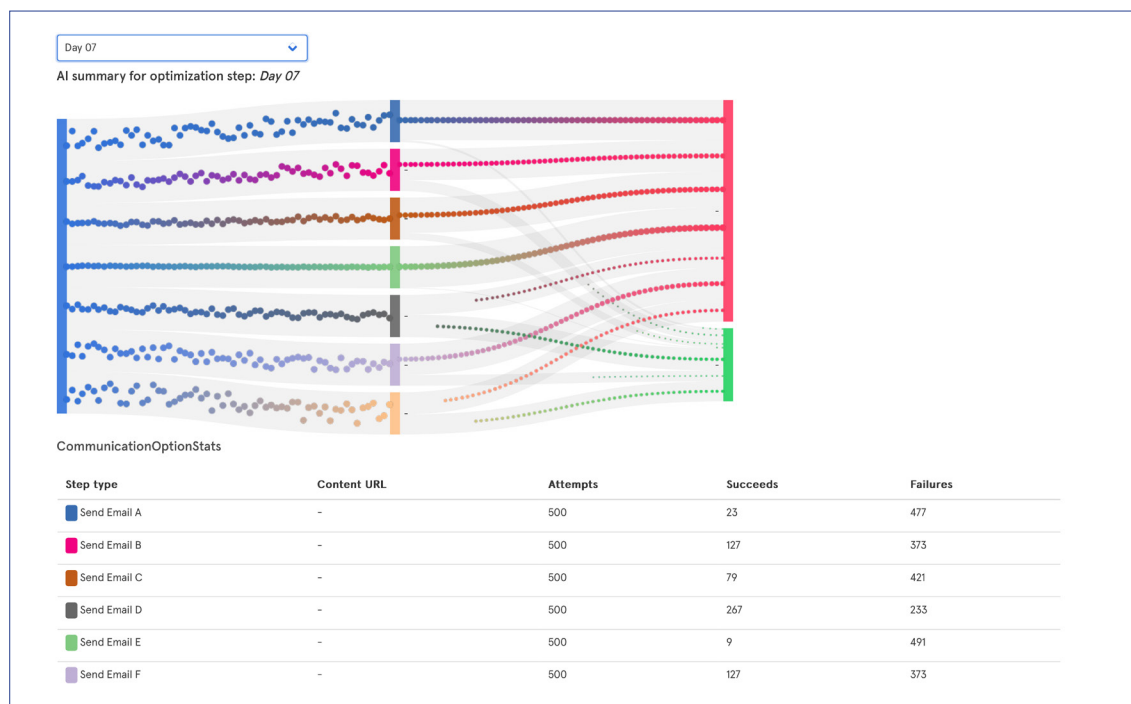
Good-quality data leads to better strategies, which lead to improved outcomes. However, there are a few key steps in between collecting accurate data and seeing your results increase.

Accurate data is just the first step. From there, it is up to agents (or data analysts) to understand what the data is telling them. They then need to feed these insights back into their approach, creating a customer experience (CX) that appeals to each individual past-due customer or [target segment](#).

This process is a breeze with AI functionality. Collections departments want to use the most effective approach, all of the time. Leveraging AI—for instance, by using the receive **AI Optimisation** tool—allows you to easily [A/B test different strategies at scale](#).

Not only that, but over time, the **AI optimisation** tool will automatically begin sending out a higher volume of emails from successful templates and will reduce the number of messages sent out using the so-far unsuccessful templates.

The results you glean from the **AI optimisation** tool can provide a clear path towards offering up an improved CX. You can identify issues with your existing approaches, brainstorm potential solutions, and test how effective your changes have been.



With receive's **AI Optimisation** tool, your collections team can easily A/B test the communication strategies and see which message/template works the best

Dive into the details

But as well as offering up generic and large-scale insights, data can also illuminate individual preferences. Perhaps a particular customer does not respond well to landing pages featuring concise, serious copy encouraging them to swiftly repay what they owe.

You instead try a softer approach that leverages the power of personalisation tokens. These tokens, attached to your customer database, are an invaluable tool for collections teams. They personalise the content that each customer is served according to their specific CRM property values (i.e. job role, company, age, segment, etc.).

You therefore decide to craft a new, personalised landing page featuring the following text:

“Your payment of {{payment amount: 130EUR}} is still outstanding. If possible, you can repay by entering your details into the payment box to your right. If your finances are not currently where you want them to be, however, then do not hesitate to get in touch. We will do everything in our power to ensure your path to repayment is as smooth and seamless as possible”.

Personalisation tokens bridge the gap between what you know about a customer (e.g. that they do not respond well to serious, direct messaging) and providing them with an improved CX. You can instantly segment customers according to their preferences, devise an alternative approach, and ensure that all future outreach follows this new strategy.

3. Omnichannel Communication Tailored to the Customer

With collections management software, you can leverage the power of no-code, 'what you see is what you get' drag-and-drop **Content Builders** to craft an entirely new automated customer journey in a matter of minutes.

Play around with different copy, fonts, colour schemes, and prebuilt templates. Want to add a new button, a QR code, or a fancy image? Just drag and drop. Want to create a [self-service landing page](#) from scratch or offer customers a series of instalment plans to choose from? Just drag and drop.

We have even heard from industry-leading DCAs that under their current system, the cost of changing a single line in a landing page can be anywhere from 1,500 - 2,000 EUR worth of time spent.

Personalising your outreach is a serious strategic play, ensuring that past-due customers feel like you're talking to them directly as individuals—instead of communicating en masse with generic templates.

By taking their preferences and unique context into account, you show that you understand them as individuals.

Leverage the power of no-code, 'what you see is what you get' drag-and-drop Content Builders to create your customer journey

The screenshot displays a no-code landing page builder interface. The main workspace shows a landing page template for a payment page. The page content includes:

- A language selector for "English (United States)".
- A heading: "Your outstanding payment of **{{localizedTotalAmount}}** with the due date **{{localizedDueDate}}**".
- A personalized greeting: "Dear **{{firstName}}**,".
- Text: "On this page you can pay the open amounts directly to us or inform us about any problems."
- Text: "If you have any further questions or issues with the payment process, please reach out to contact us."
- Text: "(This is a testing page built on the receive platform)".
- A "Choose a method of payment" form with options for Credit card, Bank transfer, and Debit card, each with a "provider" field.
- A "Pay now" button.
- An "or" separator and a "Set up payment plan" link.
- A QR code.
- An "Alternative payment method" section with recipient details: "Recipient: Altice", "IBAN: DE12 34567 89", "BIC: XXI23", and "Reference: **{{externalClaimRef}}**".
- A footer with a QR code and a link to **{{localizedTotalAmount}}**.

The right sidebar contains a "Content Builders" menu with the following options:

- COLUMNS
- BUTTON
- DIVIDER
- HEADING
- HTML
- IMAGE
- MENU
- TEXT
- QR CODE
- LANGUAGE
- PAYMENT

At the top right of the interface are "Cancel" and "Save and exit" buttons. The top left shows "LandingPage" and "Language: English (US)".

receive drag-and-drop **Content Builders** offer you flexibility and total freedom to create your messages (Email/SMS/landing page, etc.)

Case Management is Key in Tracking Performance

Case management, as we explained earlier, lifts the lid on individual past-due customers. Agents can identify each individual's personal details, their financial history, their outstanding debts, perceived level of risk, current payment plans, relevant legal documentation and more.

There is no need for agents to grapple with multiple tools when trying to learn more about an individual past-due customer. This is inefficient, unnecessary, and ultimately makes their lives harder.

With a case management portal like receive's, agents can access all need-to-know information in one single place. For instance, you can instantly see whenever they open a message or click through on a payment link. With one click, you can start a call with this particular past-due customer—meaning no more digging around trying to find their contact details.

Besides, you can integrate contact data verification software into receive, guaranteeing that you always have the right phone number or email address for any given past-due customer.

Agents don't need to adapt their ways of working around the tools they use—it should be the other way around. Fortunately, this is as simple as investing in a future-proofed collections management software.

Not only does case management functionality make agents' lives easier, but it also means they can analyse outreach approaches that are more effectively tailored—and will therefore be more successful. In turn, this will greatly improve both your CX and your bottom line.

With a case management portal, agents can access all need-to-know information in one single place

It's Time to Drag your Collections Approach into the 21st Century

The key to achieving collections success lies in working smarter, not harder. Wave goodbye to flitting between multiple disparate tools.

Instead, unite your different tools and strategies under a single one-stop-shop. Gain complete visibility into your overall collections performance at all times. With **Case Management** capabilities, you can drill down into the nitty-gritty details regarding a particular strategy's success or a specific individual's behaviour.

Automated, personalised messaging and intuitive **drag-and-drop Content Builders** will allow you to easily craft tailored strategies for each of your target segments. Leverage the power of **AI Optimisation** functionality to immediately discern which strategies are most effective and prioritise similar approaches going forward.

So are you ready to get started?

If so, [book a demo](#) today and begin your journey towards adopting a future-proofed collections approach.

With a case management portal, agents can access all need-to-know information in one single place

receeve 

receeve is a fully customizable All-in-One Platform for Collections & Recovery. We simplify the growing complexity of data and systems and empower in-house teams to easily automate processes, engage customers and apply 360° insights to maximize recovery and minimize risk across every stage of credit management - from pre-delinquency to portfolio assignment or sale.

One Platform. A perfect balance of ease-of-use and power, receeve's cloud-native, no-code platform is fast to deploy, simple to manage and easy to customize and expand. Bring together intelligence, strategy and operations in one place.

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