



# Customer-Centric Debt Recovery

Collections Fit for Financial Services Industry in the 21st Century

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## Introduction

21st century consumers are [far pickier than their predecessors](#). They expect trust and an experience that is tailored to them as individuals. If you dismiss their wish for personalisation and trust, they will simply turn their back on your company. After all, a simple Google search will reveal thousands of global competitors with whom they can choose from.

So what does this mean for collections department?

First, the entire collections experience needs to be rethought and possibly redesigned from the bottom up to meet digital-first consumers' preferences. Dunning approaches must take individual past-due customers' behaviours and timelines into account. Their multi-channel journey to repayment needs to be seamless and simple to navigate.

At receeve, we have spoken to some of Europe's leading collections experts on how to adapt collections to modern customers. We have found a significant disparity between how experts think they should run collections departments and the operational reality.

Their points can be summarised as follows:

1. Customer experience (CX) is still a mere buzzword at best. Existing tools and processes do not effectively offer holistic experiences for delinquent customers.
2. Strategists are unable to create personalised customer journeys because they have to grapple with data and analytics tools spread across multiple systems.
3. There is no real all-in-one centralised platform where collections leaders, strategists and agents can easily log and access the data gained from speaking to debtors.
4. Heads of collections either have weak data or are unable to view data in real-time.
5. Not able to access additional features on top of their existing stack.

Collections departments need a solution that makes it easier for them to collect, analyse and document all available customer data to set up automated, personalised customer journeys.

This whitepaper will examine how collections management software enables you to devise dunning processes fit for the 21st-century customer.

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## Case Management

### The only way to effectively serve modern consumers

The rise of big data means that companies now know more about their consumers than ever before. With such access to information comes great responsibility.

Consumers will only hand over data so long as they receive value and a personalised experience in return. Spotify, Netflix and Amazon are three of today's most-loved, most-used companies. What do they all have in common?

Personalisation. Each of these platforms consistently serves a personalised experience that is tailored to an individual's preferences. Personalisation is no longer only in the purview of the world's largest companies, as consumers today expect personalisation everywhere they go.

Globalisation and the rise of e-commerce mean that brands are fighting it out against global competition for consumers' attention—and more importantly, for their wallets.

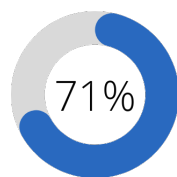
So how can you personalise the collections experience?

By embracing [Case Management](#). Let's discuss what it entails and how it fits into your call center environment.

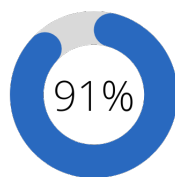
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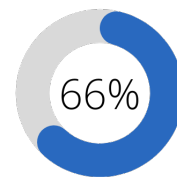
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[Segment](#) reports that 71% of customers feel frustrated when an experience is not personalised.



[Accenture research](#) shows that 91% of consumers are more likely to shop with a brand that provides them with tailored offers and recommendations.



According to [Adobe](#), 66% of consumers state that encountering non-personalised content would stop them from making a purchase.

### The problems that agents currently face

As things currently stand, strategies are working with lots of data spread across varying tools. They struggle to upload data from debtor calls with agents. They are unable to swiftly and easily check the validity of this data. They are not able to implement self-service repayment options or payment instalments—not without first speaking with the IT team.

This means that agents cannot respond to the insights that their customers provide. They might know that one segment of their customer base would prefer a series of regular, short, and cheery messages via SMS. However, they simply do not have the ability to adopt a modern and personalised customer journey.

If you want to satisfy modern past-due customers, you need to implement personalisation. Effective personalisation follows these 4 steps:



Gather insights into each customer in one single place: their preferences, payment history, demographic, etc.



Segment customers who share similar preferences.



Analyse each segment's preferences, working out which pieces of information to use and which to discard.



[Design tailored customer journeys accordingly.](#)

## Embracing centralised case management systems

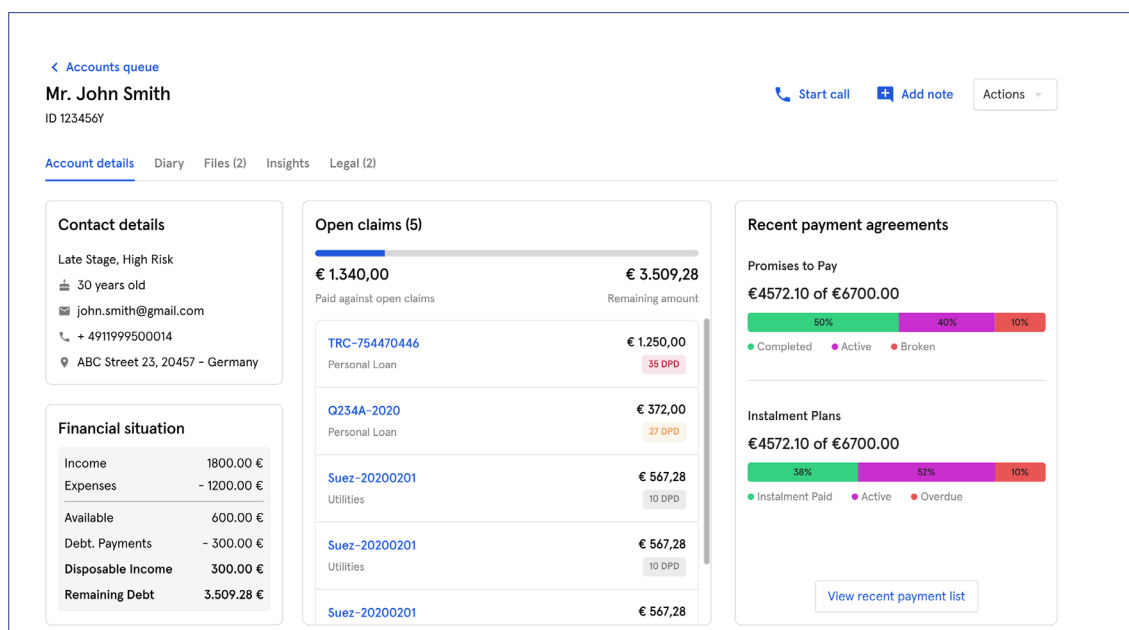
Centralised **Case Management** systems act to create an account workspace, providing your agents or collections team with all need-to-know information in one single place. You can have a clear view of customers' complete profile including contact information, financial situation, claims history, payment agreements, relevant legal documentation and other convenient functionalities.

Your teams spend less time digging around different tools for the relevant data. Instead all of your key data is stored in one source of truth. By embracing centralised case management systems, you can keep your collections department both lean and effective.

Centralised **Case Management** systems provide:

1. Individual visibility of debtors
2. Centralised, hygienic data entry and validation
3. The ability to record conversations and correspondence with debtors
4. Straightforward connections to other software and data validation tools
5. The ability to easily set up repayment plans, self-service options

By embracing centralised case management systems, you can keep your collections department both lean and effective.



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

## Self-Service

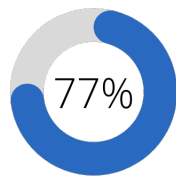
### Helping customers become self-reliant

Twenty years ago, customer support involved customers calling agents, telling them their problem, and the agents would work with each customer to resolve their issues. These days, companies are redesigning customer support by leveraging [self-service functionality](#)—technology allows customers to help themselves with little to no support from agents.

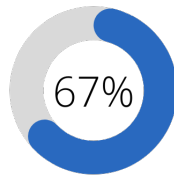
The Google generation has grown up knowing that the answer to any question they have is in the palm of their hand. So, why would they wait on hold for 20 minutes, or longer, for the next available customer service representative?

Collections managers must take this into consideration, providing past-due consumers with the tools they need to take control over their own repayments. This includes providing self-service landing pages or offering customers a way to create their own repayment schedule. It also encompasses creating FAQ pages, walkthroughs, resource centres, and support centres.

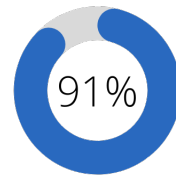
If customers can readily 'cure' their own repayments, fewer inbound calls need to be made by agents. Agents will therefore be able to spend more time on the customers who are at higher risk of falling behind in their repayments.



[77% of consumers](#) have previously used some form of self-service support portals.



[67% of customers](#) would prefer this self-service functionality over speaking to an actual company representative.



[91% of consumers](#) would happily use an online knowledge base to solve their issues.

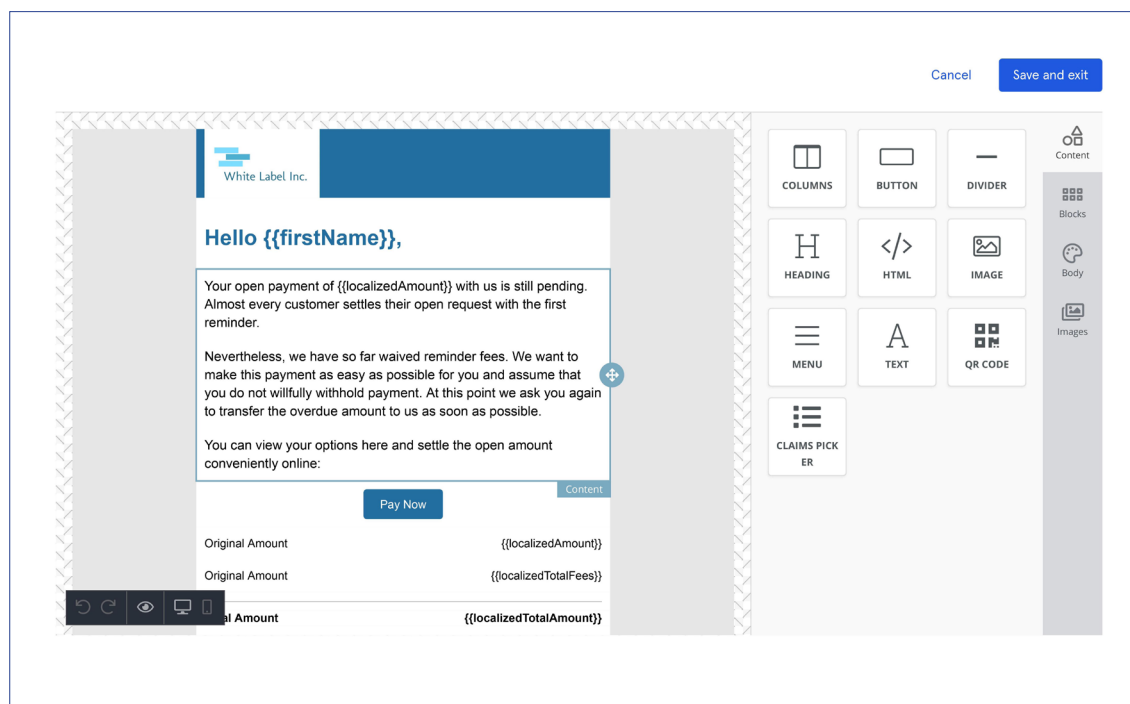
## Solution to address the challenges

Modern collections management software, such as receive's platform, provides collections teams with a 'what you see is what you get' no-code, drag-and-drop **Content Builders** (such as email Builders and landing page Builders).

Whether you wish to build a repayment landing page or quickly edit a detailed FAQ page, you have everything you need at your convenience.

Strategists or agents can access a range of different instalment options and communication templates that include QR codes and 'Pay now' buttons. By putting these types of repayment features into the customer's hands, you can help them pay off their debt in full, on time.

Modern collections management software should provide collections teams with no-code, drag-and-drop Content Builders



With receive's drag-and-drop **Content Builders**, you can change the email and landing page content all by yourself without waiting for IT department to get back to you



## Reporting

### Turning an internal activity into external results

One could argue that consumer behaviour drives overall business results. On the other hand, too many collections departments are currently conducting reports with internal goals in mind.

Your reports should also drive your CX. Any changes you make to the customer journey should be [backed up by the relevant data](#). The ways in which you communicate with your customers—the channels, messaging, payment offers—should be dictated by the results demonstrated in your reports.

Strategic decision-makers require dashboards presenting simple-to-understand visualisations of key data. They need to instantly understand how well their strategies are performing for each of their [target segments](#). They need to have readily available access to key success metrics to assess the impact and improve their CX strategies.

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### Gain insights, avoid disconnected data

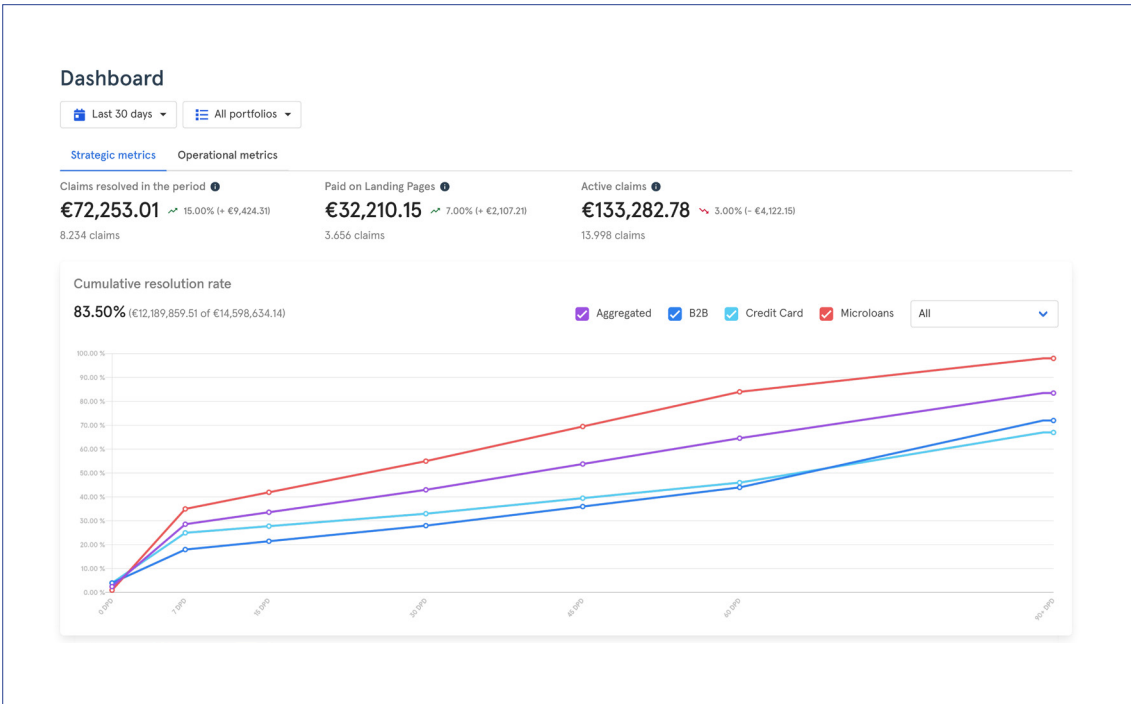
The customer journey is increasingly complex. This complexity can turn decision-making into a lengthy process. It is crucial that collections leaders can access clear insights regarding each of their strategies' performance, on each of their channels, and for each of their target segments.

The data needs to be both visually digestible and easily exportable. Reporting must be dynamic, with each department being able to adjust their reports according to their own needs and areas of focus. In short, it needs to allow heads of collections to easily analyse previous performance and convey this to internal stakeholders.

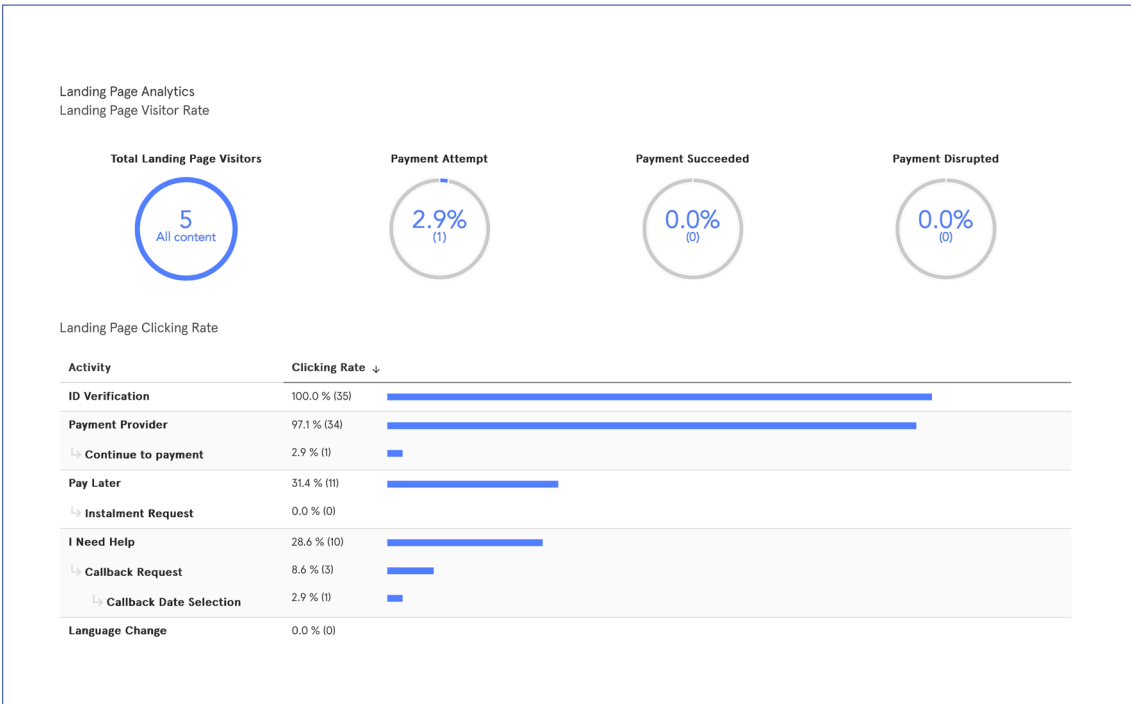
receeve's **Dashboard** was built with this exact goal in mind. Heads of collections can assess both their operational and strategic performance. They can instantly see macro-level overviews regarding the value of all active claims received in a given time frame.

receeve's **Insights** feature provides a deep dive into crucial analytics and KPIs regarding your outreach performance. Open rates, click-through rates, and how many customers clicked on the 'Pay now' button but did not proceed are all available from one dashboard view.

Once you understand which particular tactics work, and the elements that make each of these strategies effective, you can then feed these insights back into your customer journey.



receeve’s **Dashboard** clearly demonstrates the performance of your collections strategic and operational metrics, helping you improve your recovery rates at every step



The receeve **Insights** - analytics dashboard displays customers’ payment behaviours, thus giving you the insights to further understand and interact with your customers

## Brand Image

### Why it is an important metric

We have already emphasised that consumers hold all the cards. They have a plethora of choices, so if your brand is not relevant to them, they will simply go elsewhere.

This means that brand image is also a key concern for companies of all shapes and sizes. Every company can benefit greatly from investing time and resources into improving its brand image and messaging.

The business case for investing in brand image is clear:



[91% of consumers](#) would rather buy from brands they perceive as being 'authentic'.



Customers with this type of emotional connection to a brand [have a 306% higher lifetime value](#) (LTV).

Consistent brand imaging and messaging are key differentiators for modern customers. However, to a certain extent, brand image is out of your control.

Customers can also decide on your brand image—not your company. That said, there are certain steps you can take to make sure your brand image and messaging are as authentic as possible.

### Customer expectations are on the rise

Charismatic people are often noted for their ability to make the person they are speaking to feel like they are the most important person in the world. Likewise, the best companies pour everything they have into providing a killer customer experience (CX) tailored to each individual customer.

Banks and other financial institutions are falling behind. COVID-19 lockdowns put a hold on in-person, face-to-face customer service. Life became entirely digital—and the best companies recognised that if they wanted to keep their customers happy, they needed to optimise every aspect of their digital CX.

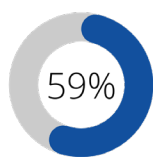
Customer expectations therefore rose as a result, with [59% of consumers](#) expecting more from financial institutions than they did at the beginning of the pandemic. Unfortunately, a [mere 27% of consumers](#) consider the banking/financial industry to be truly customer-centric.

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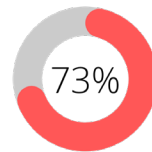
Only 27% of consumers consider the financial industry to be truly customer-centric, meaning most banking and financial institutions still need to improve their customer experience

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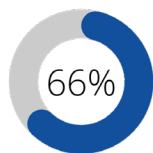
### Banking industry NOT meeting customer expectations



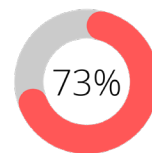
of customers say this year's crisis has raised their standard for customer service



of customers do NOT feel the financial services industry provides great service and support



of customers expect companies to understand their unique needs and expectations



of customers do NOT feel the financial services industry is fully customer-centric

Source: Salesforce. <https://thefinancialbrand.com/106537/banking-customer-personalization-experience-trends/>

### 3 T's for a competitive advantage

#### Trust

Trustworthiness is obviously at the top of the list—this is particularly true when dealing with a customer's finances. They want honesty upfront. According to a 2019 Edelman study, trust is a make-or-break factor for [81% of consumers](#), with [70% agreeing](#) that trust is more important than ever before. However, according to the most recent [2021 Edelman Trust Barometer](#), trust in the financial services sector has fallen sharply over the past few years.

This presents an unmissable opportunity for collections agencies and departments that put trust at the core of everything they do. By making trust a number one priority, your agents can show past-due customers that they are there to start a dialogue, not to impose terms.

#### Transparency

Transparency goes hand in hand with trust. According to Accenture research, [66% of consumers](#) find transparency an attractive quality in a brand—while recent research shows that [90% of consumers](#) believe brand transparency is an important factor that influences their purchasing decisions.

To start, allow consumers to log into an individualised portal where they can see how much they have paid, how much they owe, and what the terms and conditions are. Provide them with ample warning when their next payment is due, multiple options for repaying what they owe, and a multitude of further resources: FAQ pages, the ability to speak to customer service agents over the phone, glossaries, support centres, and more.

#### Tailoring

With [99% of marketers agreeing](#) that personalisation plays a role in improving customer relationships, it is compulsory that companies provide a tailored customer experience. Unfortunately, [94% of banks](#) are not currently meeting consumers' personalisation expectations.

Past-due customers tell you a lot about their personal preferences along the customer journey. You can find out what their favourite channels are, which types of messaging they respond to best.

By implementing the right collections management software, you are able to record each of your individual customer's preferences, and craft tailored journeys.



## Conclusion

### Flip the switch and let the results pour in

Customers have more choices than ever before, so it is up to collections agencies to meet customers where they are—not the other way around.

Case management affords collections teams the ability to harness data-driven insights that shed light on who customers really are. With collections management software, you can then dive into what each past-due customer's preferences are in order to understand, segment, and better serve them.

Modern consumers want to feel in control—especially when it comes to their finances. Self-service is, therefore, a critical component for gaining insights into 21st-century customers. Reporting dashboards demonstrate these insights in easy-to-view, visually appealing methods—bringing the data to life and demonstrating how to communicate with customers going forward.

receeve has created the perfect solution for customer-centric debt collection. Case management, personalisation, self-service, and reporting are all built-in to the platform's capabilities. Our software was designed for collections teams while keeping customers in the forefront at all stages of development.

Ready to transform your approach to debt collection? If so, [book a demo](#) with a member of our team to get started today.



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.

Visit us at [receeve.com](https://receeve.com)