



## Adapt your collections journey Smart Collections

Banks that understand their **customer's profile and recovery behavior** have an opportunity to apply this knowledge and set up **dynamic collection's journeys** that adapt the recovery actions, through advanced and predictive analytics, so the customer situation is addressed in a more **personalized way**. Nowadays, banks engage **collections journeys from the moment that a customer is in default** namely **contact actions** (e.g. messages, e-mail, contact center, letter) in order to increase collection efficiency. However, these journeys have little differentiation and are not targeted accordingly with the customer profile.



### Challenges

Systematically monitor and measure the contribution and effectiveness of actions. Banks typically differentiate collections journeys accordingly with the product/amount rather than the customer profile or the privileged interaction channels.



### Opportunities

Potential to adopt an analytical approach that optimizes the collection journey (Which action? Which channel? At what time?) for each customer profile.

## Benefits



Maximize and forecast collections



Optimize costs by decreasing non-impactful communications



Increase customer satisfaction

## Assess and measure the effectiveness of the current collection journey

- i. Quantify the collection journey actions impact on regularization;
- ii. Quantify the the impact of potential leaks regarding the standard collection journey;
- iii. Improve in the reporting and monitoring strategy.

Measure collection actions effectiveness, including the individual contribution of each action and the collective contribution of a logical sequence of actions on the regularization behavior.



Analyze and measure leakage actions compared to the standard collection journey implemented.

Identify and implement opportunities to improve the information management supporting the collections control.

Assess and identify main pain points and opportunities for improvement in the process through advanced reporting and process mining.

## Personalize a dynamic collections journey according with customer profile

- I. Increase the amount and recovery rate;
- II. Decrease the recovery time;
- III. Improve customer experience;
- IV. Reduce costs with ineffective actions.

Identify customer segments with similar profiles considering reaction/response to the different collection's actions. Proposal for customizing a dynamic collections journey based on the different behaviors found.



Support to the Bank's team by setting up operationalization strategies and uses cases accordingly with the different customer segments identified.

Critical analysis of the current collection journey and proposal of optimization measures (classified as quick wins or structural) to address identified gaps in the collection journey.

Continuous monitoring of operationalization results achieved by measuring of results against control groups (A/B testing), calibration and roll-out.

## Contacts

### Experts



**Tiago Pereira Durão**  
Partner  
tdurao@deloitte.pt



**Mariana Santos Silva**  
Associante Partner  
marianasilva@deloitte.pt



**André Lourenço**  
Senior Manager  
andlourenco@deloitte.pt



**Ricardo Gil Santos**  
Senior Manager  
ricardogilsantos@deloitte.pt



**Bernardo Ferrão**  
Partner  
bferrao@deloitte.pt

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the "Deloitte organization") serves four out of five Fortune Global 500® companies. Learn how Deloitte's more than 345,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms or their related entities (collectively, the "Deloitte organization") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.