

Strategy Design Consulting

Success story

USA: major retailer

Challenge

- Large U.S. internet retailer
- Collections strategies based on days past due and balance
- Triage strategy involving email, letter and IVR
- Collections based on call all and call often

Solution

- Analytically derived segmentation for pre-delinquency and early stage delinquency
- Customer treatments designed to optimize the use of core collections team on cases requiring their intervention
- Use of self-cure and hold queues on lowest risk populations

Results

- Generated client value through a significant reduction in operational expenses (call volume, letter volume) while improving delinquency roll rates

The client was able to implement a new challenger strategy, analytically derived from internal and external data, in a structured test environment which demonstrated significant performance improvement over the existing strategy. Experian's knowledge enabled the client to avoid common pitfalls in delinquency champion challenger testing and accelerated the learning process resulting in faster realization of business benefits.