**C&R Software**
Collections & Recovery Simplified

# Advanced Analytics Drives Improved Agency Collections For Leading Network Provider

**CLIENT** → Major telecommunications and media provider

**CHALLENGE** → Limited application of data and analytics to the collection agency placement process.

**SOLUTION** → C&R Software Placement Optimizer$^{SM}$ solution

**RESULTS** → Improvement of more than 4% in collection and cure rates within the first seven months of deployment. Account assignments based on collection agency past performance and strengths.

"Success was achieved through the collaborative nature of the engagement, combining optimization tools with analytical insights supporting our entire team."

Director of Credit Risk, Major Telecom Media Company

## From automation to optimization for outsourced collections

Serving millions of customers, this network provider leads the telecommunications and media industry in state–of–the–art equipment and technology. As revenue grew, so did the need for improved results from the collection process.

Over the past four years, the company's focus was on automating the collections process with the support of PlacementsPlus service, a collection and agency management tool. It provided greater visibility and control over the placement of accounts, and the outsourced agencies to which the accounts were assigned.
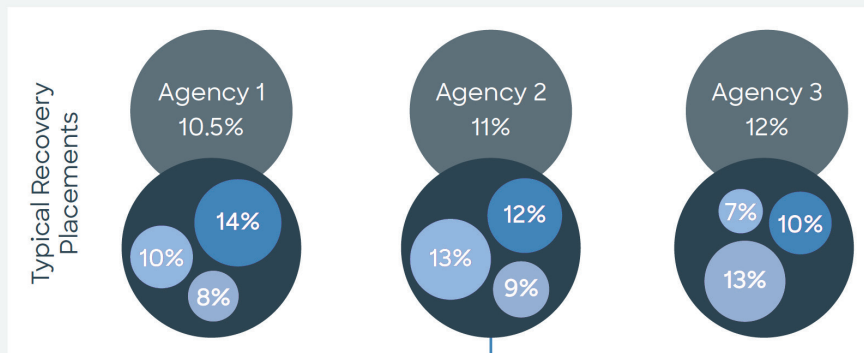
PlacementsPlus service provides a sustained ongoing lift in collections performance as a result of streamlining key processes.
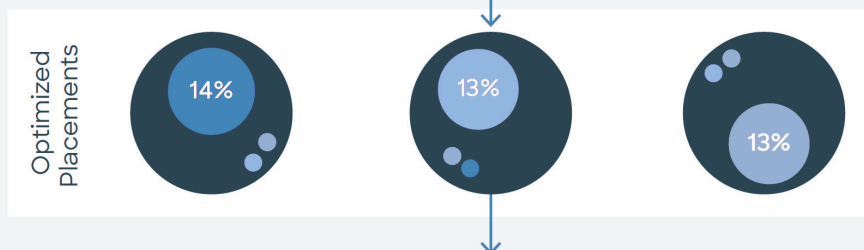
In addition, internal resources were freed from spending time chasing down issues and instead were able to focus on making business improvements.

Next, the client looked to identify ways to create the next "bump" in performance and identified the opportunity for greater segmentation within the agency placement process. Placement strategies being used were generic and provided limited insight into the granular details of agency performance.

## The C&R Software solution

The provider leveraged the Placement Optimizer solution, which brings together industry–leading analytical tools and techniques, including predictive modeling and mathematical optimization, combined with analytical

### C&R SOFTWARE PLACEMENT OPTIMIZER

Methodology agencies perform differ on specific segments

**Placements are not data driven**



Typical Recovery Placements

Agency 1 10.5% — 14%, 10%, 8%

Agency 2 11% — 12%, 13%, 9%

Agency 3 12% — 7%, 10%, 13%

**Placements with the best agency**

Optimized Placements — 14%, 13%, 13%

This approach drives a 3%–11% performace uplift.

*Placement Optimizer solution recommends the optimal assignment by determining the most appropriate treatment for each account based on business rules, predicative analytics and mathematical optimization.*

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modelers and business experts, to continuously improve debt placement strategies.

The provider chose the solution in large part due to the partnership approach the service provides to drive performance. The ability for the client to work together with the C&R Software team experts and tools ensured alignment with the client's business goals, objectives, and constraints. When the Placement Optimizer℠ solution was put in place, the client's vendor management team was immediately supported with:

- **Descriptive and diagnostic analysis —** Purpose built reporting was provided through a Tableau infrastructure. Supporting insights were provided by C&R Software business experts.

- **Predictive analytics —** Custom scores were developed by business experts to predict critical business outcomes, including expected collection amount and the probability of cure, for example. This creates a better understanding of debt

quality and expected outcomes down to the account level.

- **Prescriptive analytics —** Mathematical optimization techniques were deployed to recommend agency allocation levels to maximize the desired outcome within the company's business constraints.

Placement Optimizer brings together the tools and techniques, including predictive modeling and mathematical optimization, that make a difference. It helps organizations continuously improve debt placement strategies and agency management.

## Realizing immediate benefits

Increases in both collections and cure rates following the implementation of Placement Optimizer resulted in a more than 4% uplift in collection rates in just seven months of deployment.

This success was achieved due to the collaborative nature of the engagement, driving performance through the combination of

### OPTIMIZING COLLECTION AGENCY PLACEMENTS

- Over 4% improvement in collection rates

- Improved analytical support for the vendor management team

- Better transparency and visibility enabling the objective measurement of performance

- Partnership approach drives performance improvements while considering business constraints

optimizing agency placements, and the provision of analytical insights that supported the vendor management team in their day–to–day activities.



**To learn how C&R Software can help you optimize the collection of delinquent debt, visit** www.crsoftware.com, or inquiries@crsoftware.com.