

An Executive Guide to IVAs for Collections

AN EXECUTIVE GUIDE TO IVAS FOR COLLECTIONS

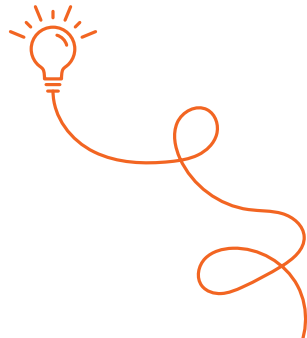


An [Intelligent Virtual Assistant](#) (IVA) may never replace the job of a collections agent—however, they must be an integral part of an agency’s strategy today. Agencies continue to face increasing regulation from the CFPB, meanwhile the collections industry’s average collection rate has decreased from 30% to 20% over the past decade.

Several trends highlight an opportunity for artificial intelligence to transform the industry:

- Increasing regulation puts more pressure on live agent compliance
- IVA technology is market-ready
- Consumers may prefer IVAs to live agents

As IVAs gain traction, collections agencies will need to analyze the roles of AI and human agents in their organization to determine the best way to handle an account. That’s why we’ve put together this helpful guide that outlines the recommended approach your organization should take.



WHAT CHANNELS CAN AN IVA SUPPORT?



Think of an IVA as one of your agents—available across any channel that you have set up—and able to handle a variety of both simple and complex transactions. These can include:

- Inbound calls
- Outbound calls
- SMS (and other messaging services)
- Chat
- Mobile Apps

Keep in mind that you'll need to analyze what conversations work best on which channels. For example, you may only want customers to be able to make payments through the voice channel but you may be able to answer FAQs through social media. An IVA is able to maintain context and personalization, so consumers that start in one channel and need to be transferred to another won't need to repeat themselves.



WHAT TRANSACTIONS CAN AN INTELLIGENT VIRTUAL ASSISTANT HANDLE?

Taking Payments

Payments are a prime area for IVAs to automate. To take a straight-forward payment, it typically involves strict data capture: names, numbers, alphanumeric codes. This can take upwards of 2 minutes of agent time, and there is little value in having a human handle the transaction if an IVA is available. Furthermore, rogue agents can leave an organization vulnerable if credit card information is stolen. Intelligent Virtual Assistants maintain PCI-Level 1 compliance and other security protocols and are seen as a safer alternative to agents. There are several ways for an agency to deploy—including having live agents pass customers to the IVA for payment processing.

Additional Revenue Opportunities

An IVA offers advanced conversational capabilities that rival those of a live agent. Collections agencies are turning to IVAs to automate complex transactions that involve back-and-forth dialogue leveraging account-level data and personalization. Here are several transactions prime for automation:

- Debtor-level negotiations
- Payment arrangements
- Line of credit extensions



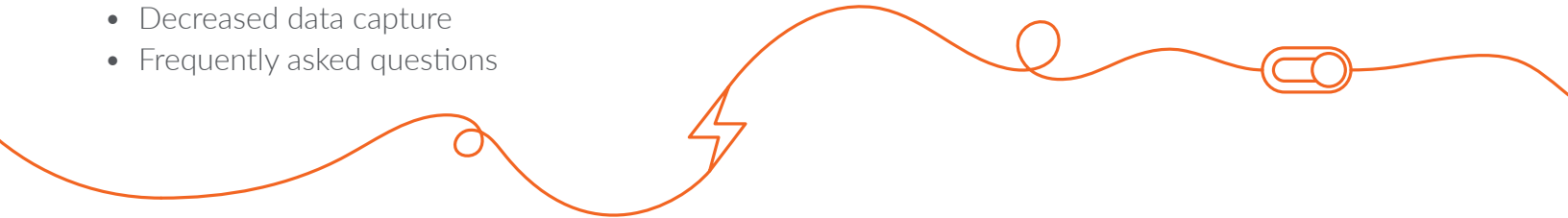


Non-revenue generating transactions

While a live agent handles a wide variety of transactions, often upwards of 30% of their day can be spent on non-revenue generating transactions such as:

- Providing account balances
- Removing wrong numbers
- Do not call handling
- Bankruptcy data capture
- Decreased data capture
- Frequently asked questions

While these functions prove crucial to the operations of a collections agency, they often add no revenue and wind up consuming agent time that could be spent on revenue-generating transactions. This is a prime area where implementing an IVA can lead to a significant reduction in agent handle time and increase in inbound automation rates.



WHAT SHOULD A LIVE AGENT HANDLE?



Special Accounts

Whether an inbound or outbound consumer contact, accounts may be marked using identifiable information, such as a phone number or email address. Using an agency's scoring model, accounts may be prioritized to be handled with a live agent. These accounts may be high risk, marked for potential fraud, maintain a high balance, have failed to make payments in the past, or have other identified criteria.

Live Agent Requests

Consumer research indicates that while a majority of consumers feel uncomfortable discussing their finances with live agents, there are some consumers who simply aren't comfortable engaging with an automated system. Those consumers should always have an option to be connected with a live agent.



HOW DOES AN IVA MITIGATE RISK?



Scalability

Anyone involved with Operations and Workforce Management can relate: staffing a contact center appropriately is no easy task, particularly as call volumes can rise and fall based on sporadic events or planned spikes and falls. An IVA is available 24/7/365 and can even operate certain transactions during call volume spikes—i.e. certain organizations may choose to automate payments only when call volumes are high or during times that aren't staffed by live agents. Implementing an IVA can improve predictability of a contact center—in turn, reducing risks and increasing consumer experience.

Compliance

IVAs are consistent—they always read compliance statements fully and accurately and keep your customers' information secure. While live agents add a risk factor to a contact center, IVAs assist in offsetting that risk. Brands who choose to leverage artificial intelligence stand to gain improved compliance in the face of increased industry regulation.

IS ARTIFICIAL INTELLIGENCE READY FOR PRIMETIME?

It's incredibly difficult to automate a human conversation. While artificial intelligence systems like Amazon Alexa and Apple Siri may be able to accomplish simple tasks—there is a large gap between those interactions and true human conversations. Technology is becoming incrementally more advanced, but there is still a deficit and will be for the near future. That's why it's essential to keep humans in the loop when needed.

There are several approaches an automated customer care provider can implement to boost customer experience through humans in the loop. Interactions utilizes Adaptive Understanding technology that utilizes multiple recognition resources in real-time for unprecedented levels of understanding. So when our AI does not have a high-level confidence as to the meaning of a human utterance via voice channels, we route it in real-time to an Intent Analyst, or human listener,



who is better able to understand what's being said. The result is 95%+ average accuracy per utterance. The result of the human listener is then used to further train the AI models in a built-in machine learning loop, so the AI is more likely to understand it the next time. This fixes not only common issues like unexpected dialogue grammars, but also others such as speakers with accents, or those that are in noisy environments where it's hard to separate the speaker from other loud sounds.

Artificial Intelligence is no longer a wait-and-see technology—it's a must have for collections agencies looking to maintain a competitive edge. IVAs deliver the customer experience of a live agent at the cost of automation.

95%+

About Interactions

Interactions provides Intelligent Virtual Assistants that seamlessly combine artificial intelligence and human understanding to enable businesses and consumers to engage in productive conversations. With flexible products and solutions designed to meet the growing demand for unified, omnichannel customer care, Interactions is delivering significant cost savings and unprecedented customer experiences for some of the largest brands in the world. Founded in 2004, Interactions is headquartered in Franklin, Massachusetts with additional offices worldwide.

For more information about Interactions, contact us:

866.637.9049

interactions.com 





interactions.com