

## The New World of Collections Requires “Choice”

Turn on the TV. Open a newspaper. Fire up the Internet. Everywhere we look these days we see, or hear, stories focusing on “Choice,” and “Freedom of Choice.” These themes seem to dominate the news cycle, and our personal lives - and have even spread into our work lives.

For those of us who are connected to the Accounts Receivable Management (ARM) industry, “Choice” and “Freedom of Choice” are themes that are more important than ever before. With new demands from consumers, advances in technology, and rapidly changing regulations, especially regarding “Reg F,” collections operations can no longer afford to be trapped in services and technology relationships that inhibit their growth and put them at risk of compliance issues. They should have the “Freedom of Choice” to decide what is best for them and have the capabilities to perform their operations in the manner they want, without being held hostage by their service and or technology provider!

### Services

Consumers today demand multiple payment options and the convenience to pay on their schedule – they want to be more in control and self-empowered. To provide these services at the highest level, your business needs a system that offers “Multichannel Engagement.” On the consumer side, this means providing Voice, Text, IVR, and Email communications, as well as easy, secure access to an Online Payment Portal. On the business side, this means implementing a system that tracks customer communications, congregates tokenized payment data, and provides extensive AI/ML analytics.

### Integration

Your collection system should be easily and quickly adaptable to the ever-changing landscape, with the ability to seamlessly integrate with a variety of collection tools. The days of having multiple platforms and poorly connected applications (one for payments, one for communications, etc.) are over. These disparate and often outmoded software applications are technologically cumbersome, difficult to use, and are hard to manage. With the upcoming REG-F regulations, especially relating to “7-in-7,” these systems are putting your business at risk. Collections organizations need one comprehensive system, where all channels are seamlessly working in tandem, and are centrally orchestrated - in real time. The result is a more frictionless customer experience, increased collection efficiency, and enhanced compliance. For many collections operations using outmoded collections software, the aforementioned capabilities are not generally available ‘choices.’

### Automation

Automating the collection process using agentless collections tools, such as self-service portals, meets the demands of today’s consumer in terms of providing freedom of choice. These tools have also shown to dramatically improve collection rate. Providing an online portal allows debtors to pay in full, negotiate settlements, or arrange payment plans, when and wherever they want. Automating communications allows for more timely and consistent communication (auto-generated messages for payment plan reminders, payment options and account information). Automation also reduces the workload on staff, giving a collections organization the freedom and choice to reallocate resources as needed.

### Data

Having all consumer and collection data, retained, maintained, and easily leveraged from one central database within the collection system is paramount moving forward. Not only does this help ensure

collections operations maintain compliance with new regulations, but it also gives businesses more insights, flexibility, and collections options. Why is this important?

As an example, when agencies change payment processors, they often lose the “tokens” that were stored on the previous platform for recurring payments. Some gateway providers have been reluctant to release these tokens – and by maintaining control of your data, they are locking you into a relationship.

Forward thinking and flexible technology providers, such as [Payscout](#) and [Telrock](#), do not assume this stance. They believe payment tokens and consumer data **belong to you**, and not the payment processors and or the collection technology platform vendor. Through secure API integration with multichannel communication tools, customer access to these tokens should be readily available to ensure frictionless payments – while you maintain control of the data!

## Strategy

In today's highly demanding collections arena, no business can succeed without having a centralized and robust strategy/rules engine that is seamlessly integrated across all communication channels. Otherwise, “true” omni-channel collections cannot be properly, efficiently, and compliantly supported. In addition, a centralized strategy/rules engine affords collection organizations more strategy **choices** and **options**. If you feel constrained by your current disparate collections capabilities, it is because you are, and the situation will get worse given the move towards multichannel communications and the advent of REG-F regulations in late 2021.

## Payment Processors

It goes without saying that the choice of payment processor plays a major role in the overall growth and success of your business. To get the most from your payment processor, ensure your collection system and payment processor provides full enablement of multichannel payments (credit card, debit card, ACH, HSA), tokenization and encryption for secure transactions, and access to all transaction data – from all channels – in ONE place.

[Payscout](#) and [Telrock](#) are examples of solution providers that are committed to providing “Freedom of Choice” for their partners. Customers do not want to be relegated to limited solutions that inhibit your performance and growth. Instead, they should leverage organizations such as [Payscout](#) and [Telrock](#) that will work with you to provide solutions that best suit your needs, offer less friction, create better customer relationships, and enable you to succeed. Moving to new and better collections technology, services and solutions, such as those offered by [Payscout](#) and [Telrock](#), is a move towards more freedom and choice. Of course, businesses also have the “option” to do nothing, but in the long run that may leave you with only one “choice” - and that is to close your doors.