



AI Collections Agent: Revolutionizing Debt Recovery



Client

A leading financial institution aimed to modernize its collections strategy using AI to improve customer engagement, increase recovery rates, and reduce operational costs.

Problem Statement

The client faced challenges in managing a high volume of overdue accounts and relied heavily on manual processes. This approach led to inefficiencies, missed opportunities, and inconsistent customer experiences. The goal was to deploy an **AI-powered collections agent to handle interactions effectively while maintaining regulatory compliance, reducing delinquencies and enhancing customer satisfaction.**

● Challenges

Key obstacles included:

False Call Dispositions

Agents misclassified over 65% of calls, leading to inaccurate follow-ups, missed collection opportunities, and compliance risks.

Customer Experience

Balancing persistence with empathy to maintain a positive brand image.

Agent Training and Retention

Retaining skilled collections agents was difficult due to the stressful nature of the role, compounded by the need for specialized knowledge in a highly regulated industry.

Scalability

Managing thousands of overdue accounts daily with limited human resources.

Multilingual Communication

Customers spoke a variety of languages and dialects, requiring the system to handle multiple languages fluently, with the ability to switch languages mid-conversation for real-time adaptability.

Inefficiencies

High operational costs due to manual follow-ups and low-priority engagements.

Data Utilization

Limited predictive capabilities to identify and prioritize accounts likely to pay, resulting in an inefficient collection strategy.

● Solution

ORI implemented a Gen AI-powered collections agent tailored to the client's needs. The AI agent was designed to:

Automated and Accurate Dispositions

AI dispositioned calls with 95%+ accuracy, compared to just 35% accuracy from human agents, ensuring better next-day targeting and reducing wasted follow-ups

Proactively Engage Customers:

Reach out via calls at optimal times, based on behavioral and payment patterns.

Multilingual Fluency with Real-Time Switching:

Fluent in **12+ languages**, dynamically switching languages mid-conversation based on the customer's preference.

Dynamic Conversations:

Personalize dialogues in real-time, adjusting to customer responses, including **handling financial hardship empathetically**.

Predictive Analytics:

Prioritize accounts based on **repayment likelihood** and segment customers for targeted actions.

Seamless Payment Integration:

Facilitate **immediate payments** through integrated gateways during the interaction.

Regulatory Compliance:

Ensure strict **adherence to financial regulations** and maintain secure handling of customer data.

Impact

The AI collections agent delivered measurable improvements across key metrics: The AI collections agent delivered measurable improvements across key metrics:

14% increase

in overall collection rates.

19% reduction

in average call handling time.

100% automation

of outbound calls and follow-ups, reducing the workload on human agents.

- 90%+ accuracy in call dispositioning, compared to just **40% for human agents**, enabling a **data-driven next-day calling strategy**.
- **Improved workforce retention**, as AI reduced the pressure on human collectors by automating repetitive tasks.
- **Enhanced compliance**, with **100% adherence** to regulatory requirements
- **Positive ROI was achieved within 7 months of implementation.**

Conclusion

By deploying ORI's **AI-powered collections agent**, the client **eliminated the inefficiencies of manual collection strategies**, including **misclassified call dispositions**, which had previously hindered recovery efforts. The AI solution ensured higher collection rates, reduced operational costs, and **redefined how recovery strategies are planned using accurate data**. This innovative approach **set a new benchmark for efficiency, compliance, and intelligence in the financial sector**.