

# Automated SMS system for debt collection results

**Industry:** Loans

**Activity:** Debt Collection

**Seats:** 110

**Country:** Australasia, Europe (18 countries)

## Challenges

- creating an efficient debt collection system
- eliminate lost time spent by agents sending SMS manually
- reaching customers who ignore phone calls

## Solution

- automated solution generating personalized SMS
- new automated processes
- predictive dialing and one-click message sending

## Results

- 65% growth in debt collection efficiency
- substantial cost reduction
- effective communication with customer ignoring calls

Ferratum Group upgraded an inefficient debt collection process and increased their debt recovery with VCC Live's automated SMS and omnichannel contact solutions.

The Finland-based Ferratum Group, founded in 2005, operates as a mobile microloan provider with agents across 18 countries and roughly 2 million users.

In **microloan financing** and **debt recovery**, time is money and inefficiencies translate to lost opportunities. Financial institutions like Ferratum, grapple with stagnating processes and escalating contact center operational costs. **Better debt collection results** demand a strategic arsenal, combining **proven and cutting edge methodologies**.

This is how Ferratum strategically embraced automated SMS solutions, propelling their debt collection services with VCC Live. Discover how, together, we transformed legacy processes into a future-forward approach.

## Barriers to profit: Outdated debt recovery solutions

Step 1 in every VCC Live customer's journey to success is always the same: discovery. Debt collection is a dynamic landscape. In order to unravel Ferratum's unique situation, we worked to understand their challenges.

Ferratum faced the challenge of optimizing its approach to ensure swift, cost-effective, and impactful debt recovery. Their barriers included reaching **customers unresponsive to calls**, **manual SMS updates**, and an outdated, **inefficient debt collection system**. All of this across 24 countries and 2 million registered users. Needless to say, their agents faced substantial workloads.

Ferratum needed to shorten time to debt collection and a continuous flow of debt repayment. For this process to succeed, large numbers of customers must be contacted over a short period – without accruing financial costs. Manual contact simply would not cut it.

## Fully flexible text messaging for agents

By **understanding the client**, the client's customers, and their pain points, we were able to select, train, and **implement the appropriate solution**: VCC Live's SMS platform.

With quick integration to Ferratum's CRM system, agents effortlessly send an automated, informative SMS with a single click post-call termination. This transformative integration ensures **continued customer contact**, even when calls go unanswered, leveraging the predictive dialler feature to **automatically send SMS when necessary**. Ferratum's debt recovery operations have evolved into a streamlined, efficient process, exemplifying the power of VCC Live's omnichannel solution in **overcoming communication barriers**.

Blockades in reaching delinquent customers (ignoring recognized numbers, agent unpreparedness, poor message timing) were handled by VCC Live. Agents no longer were slowed down by manual updates to the CRM, writing ineffective and error-prone messages, or wait times for dialing.

## Debt collection system results

Ferratum and numerous collection agencies have discovered the effectiveness of VCC Live's integrated omnichannel product as a dynamic, debt collection solution. **Accelerated debt recovery** facilitated by VCC Live enables companies like Ferratum to achieve **faster debt turnaround and reinvestment**.

The automated SMS feature emerged as a **cost-saving booster**, enhancing Ferratum's debt collection **efficiency by +65%**. VCC Live's automated processes contribute to a marked reduction in Ferratum's operational costs, enabling agents to efficiently engage with a broader customer base in a shorter time frame. In addition, the client estimates direct **savings thanks to the VCC Live solution amounted to €60,000**.

Ferratum's results exemplify the impact of VCC Live's solutions and tailored, client-centric approach.