Retain
TrueML Products

Major Credit Union Sees a 31% Payment Rate in the First Month of Using Retain

Part of what makes credit unions unique is the unwavering dedication to serving their communities. Every dollar that goes into the institution is reinvested into their mission. It's one of the main reasons why collecting payments from delinquent members is so important. Members expect a personalized and empathetic experience, which can be difficult for credit unions to achieve in debt recovery servicing without a thoughtful approach.

This credit union has more than 194,000 members and offers a wide range of valuable services, including credit cards. As membership continued to grow, they noticed the rate of delinquent credit card balances following suit. With more accounts rolling into the early stages of delinquency, the credit union needed a digital-first debt recovery strategy that could deliver the personalization members expect on a larger scale.

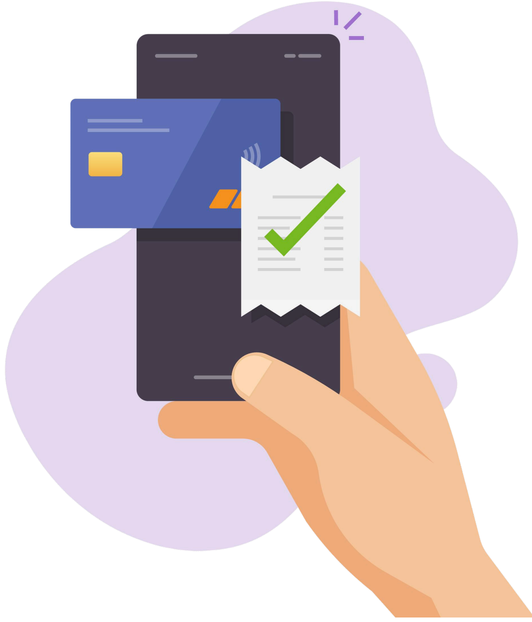
THE CHALLENGE

The client knew that their members preferred digital communications, especially when it came to more serious financial matters like making a payment on a delinquent account. The issue was that the credit union's outreach strategy wasn't equipped to meet these expectations.

Even though some emails were being used to communicate with these members, the process of sending them was inconsistent and inefficient, with setup and deployment managed by a few full time employees alone. With this approach, they couldn't scale their debt recovery operations because their email sending process could not keep up with the member growth. While other full time employees (FTES) would call members, they had trouble connecting with them, compounded by having no way of sending text reminders for making payments.

The credit union needed to find a strategy that would send compliant and personalized messages to delinquent accounts that aligned with the other digital infrastructure investments being made for acquiring members. That's where the automation and data-driven decision-making of **Retain by TrueML Products offered a solution**.

THE SOLUTION



The client and Retain by TrueML Products got right to work setting up their digital platform. In this case, Retain's approach was an omnichannel, digital-first strategy that leveraged email and SMS text for member communications.

These two channels, which are aligned with member preferences, are optimized by Retain's machine learning engine that personalizes contact and messaging for optimal engagement. By customizing the time, content and delivery channel of the messages, this strategy can achieve the personalized touch members expect from their credit union.

Another important facet of Retain's solution was offering a digital platform that would scale efficiently as the credit union gained new members. FTEs no longer had to worry about managing communications on their own, as data science and machine learning were driving their digital communications at scale. Plus, members were given self-serve options to make it easier to make payments, which reduced the number of charge-offs the credit union would see each quarter.

With calls taking a back seat, Retain's digital-first approach freed FTEs for more manual tasks, letting them focus more time on other key business objectives. Retain's personalized digital platform led to an increase in delinquent payments and a major reduction in FTE workload while improving the member experience.

RESULTS

The client saw significant early success with their implementation of Retain by TrueML Products. FTEs reported a sharp reduction in the number of accounts they were responsible for collecting on. After one month, the number of accounts each FTE was assigned dropped from 700-800 to under 400. This effectively reduced the workload of FTEs by 50%, allowing them to focus more of their time on delinquent members who needed more assistance to get to a resolution.

Going beyond helping them balance out FTE workload, the credit union saw more payments and increased engagement from members. In the first nine days of implementation, our client saw the same volume of payments that usually took three weeks to collect. This success with member payments reinforces how the digital-first strategy resonates with consumer expectations.

In the first month of using Retain, this credit union saw an email open rate of 67.2% and click rate of 8.8%, both far exceeding the industry averages. But the success didn't stop with just one digital communication channel. Once the client rolled out SMS text notifications, they saw a big impact on repayment performance. The SMS text delivery rate was an impressive 99.8% along with a click rate of 22.2%. Overall, the payment rate for the first month of implementation was 31.3%, signifying the added efficiency Retain brought to their operations.

Email Performance

67.2% email open rate

8.8% email click rate

Far exceeding the industry average in the first month.

SMS Performance

99.8% SMS delivery rate

22.2% SMS click rate

SMS notifications drove a big impact on repayment performance.

OVERALL IMPACT **31.3% payment rate**

As the partnership continues to grow, this credit union has seen the value of Retain by TrueML Products and has started expanding its implementation into other loan types. With the credit union seeing clear benefits, they're excited to maximize the value of Retain even further.

Ready to boost customer engagement and increase collections?

Schedule your consultation today and learn more about everything a digital-first communications strategy can offer.