Retain
TrueML Products

Case Study

Financial Services Giant Uses Retain for Breakthrough Deliverability

Digital Proves 40% More Effective at Recovery than Giant's Vendors

The Challenge

A surprising feature of the COVID financial landscape was a decline in consumer credit card balances and delinquency rates throughout 2020, driven by stimulus payments and changes in consumer spending behavior.

But starting in early 2021, pent-up demand and increased credit card approvals led to an uptick in credit debt. And financial institutions have been preparing for the coming wave of delinquencies.

One such leader in the consumer credit market is a publicly-traded financial services company ("the client") that needed to shore up early-stage delinquencies throughout its portfolio of consumer and retail credit cards.

Previously, the client had relied on three off-shore business process outsourcing providers (BPOs). But with the need to build additional capacity – and logistical challenges related to hiring and staffing – the client wanted to deploy a digital strategy.

The Solution

The client's BPOs used a traditional "call and collect" model, powered by outbound agent operations.

But in their journey to improve the performance of early-stage recovery efforts, the client came across **Retain**. Retain offered the client intelligent communication delivery that harnesses a patented optimization engine designed to help the client deliver their messages to each customer at the preferred time and in the preferred channel.

The client decided to test Retain and, in so doing, evaluate the impact of sending their customer communications digitally on their roll rate and gross flow through rate. To evaluate performance of different approaches objectively side-by-side, the client randomly assigned credit and retail card accounts to Retain and other BPO providers. Key success metrics included:

- **Roll Rate:** the percentage of dollars that became progressively delinquent, flowing from one bucket (e.g., current) to the subsequent one (e.g., bucket 1)
- **Gross Flow Through Rate:** the percentage of dollars that flowed from one bucket across multiple subsequent buckets (e.g., bucket 4 > 5 > 6 > chargeoff)

The Results

The client's roll rate and flow through rate decreased on the accounts that received digital communications. Effective delivery by Retain, meant the client had:

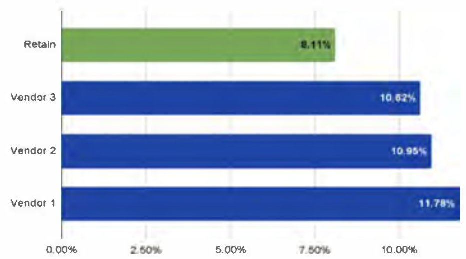
+24% Roll rate Improvement	**+28%** Early-stage Gross Flow Through Rate	**+40%** Late-stage Gross Flow Through Rate

Using Retain's optimized digital-first approach to successfully deliver the client's communications at the right time, in the right channel drove significant growth for the early-stage recovery business.

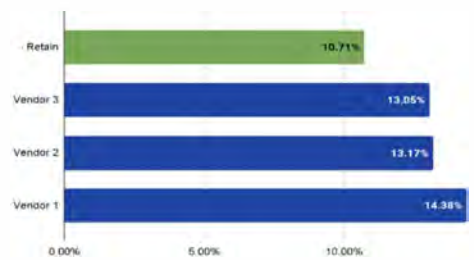
Empowered by these results, the client increased their digital communications – trusting Retain to propel them to the next stage of digital maturity.

Roll Rate improvements

Credit Card - Current to Bucket 1 Roll Rate

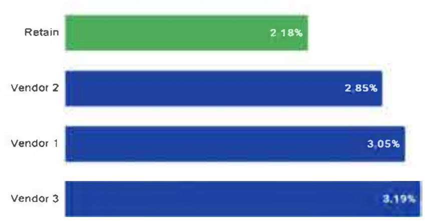


Retail Card - Current to Bucket 1 Roll Rate



Gross Flow Through Rate improvements (early-stage)

Early-stage Gross Flow Through Rates - Credit Card



Early-stage Gross Flow Through Rates - Retail Card

Gross Flow Through Rate improvements (late-stage)

Late-stage Gross Flow Through Rates - Credit Card

Late-stage Gross Flow Through Rates - Retail Card

About Retain

Retain by TrueML Products is an intelligent delivery platform that leverages a patented optimization engine to determine the optimal time and channel to deliver the client's consumer-communications within the confines of the compliance requirements outlined by the client.

TrueML Products is a fintech software company developing products that enable intelligent, digital communication and prioritize customer experience for consumers seeking financial health. Visit www.GetRetain.com for more information.

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