



CASE STUDY

Online Lender Achieves Better Collections and Consumer Experience Across Borrower Lifecycle with TrueAccord

For one online lender, providing online personal loans to underserved consumers was not only a core service for their business but also a key part of their company mission. This tech-enabled financial platform offers safe, simple, and affordable credit access to consumers with varied financial histories who lack traditional options, emphasizing empathy and support in their customer interactions.

Providing services that aim to rebuild their consumers' financial health is a focus that resonates with TrueAccord's own vision to restore hope and financial stability for those who lost them.

But before partnering with TrueAccord, the online lender had to recognize that their existing process of handling past-due borrowers—especially those who had rolled over into late-stage delinquency—was not only ineffective, but also did not align with their overall empathetic approach towards under-serviced individuals.

Challenge

Historically, the online lender relied on legal avenues for debt collection, a tactic not always in line with the empathetic approach the company championed in their other services. While they wanted to improve their liquidation rates, the lender realized only using a law firm to reach overdue consumers could be a more aggressive collection strategy than may always be necessary.

The online lender recognized they needed more of a traditional agency along with their existing legal strategy, but the challenge was to find a collection agency that could balance effectiveness with a consumer-centric approach that could mirror the lender's empathetic mission throughout the borrower lifecycle. Simply adding a call center-based agency would be counter-intuitive for an online lender with digital and omnichannel collection partners available to provide a smoother customer experience.

While the online lender still saw the value in keeping the law firm outreach approach for certain late-stage accounts, how would they decide between these newer, digital-focused agencies that have entered the collections space?

Solution

To achieve as close of an apples-to-apples test of how a digital collection agency would perform, the online lender decided the best way to do that would be a champion-challenger trial between two agencies, TrueAccord versus another digital collections provider.

Although the challenger collection agency provided somewhat similar services for consumer engagement by including some digital outreach along with traditional outbound dialing and letters, TrueAccord's robust omnichannel approach was backed by over a decade of experience using digital-first communication methods.

This tenure with digital outreach for collections was enhanced further with our patented machine learning engine, HeartBeat, and our vast dataset of consumer interactions, ensuring personalized engagement.

And thanks to those learnings of over 20 million consumer interactions, TrueAccord has developed a robust content library to provide unique and tailored communications for individuals.

That library of messaging and content styles, along with the variety of channels, was designed to meet the consumer where they are and to engage them with that empathetic angle, versus an off-the-shelf experience like those the competitor offered, for better liquidation.

Over a six-month period, the online lender evenly split their available late-stage collections market share 50/50 between TrueAccord and the competitor agency.



What is HeartBeat?

HeartBeat is TrueAccord's patented machine learning engine that automates and optimizes outreach efforts by deciding what channel, message, and timing will be most effective for each individual consumer, thanks to data and insights from over 20 million consumer engagements accumulated over TrueAccord's 11 years of service.

And the results would prove that TrueAccord was not only superior in effectively collecting from late-stage accounts, but also in overall mission alignment with the lender's efforts towards a more empathetic approach to financial services.

Results

As the six-month trial progressed, TrueAccord's omnichannel outreach not only improved liquidation rates but also optimized engagement strategies dynamically, adapting to individual consumer preferences and behaviors. It became evident that the test wasn't truly apples-to-apples considering TrueAccord's additional years of experience doing digital engagement, compared to not just this particular challenger agency but to the general array of competitors claiming to offer digital collection services.

TrueAccord continued to consistently outperform the challenger to the point where it became clear that the lender was actually losing money by continuing to give 50% of their available market share to the competitor.

The end result was TrueAccord gaining an extra 35% of the available market share, subtracting from the amount designated for the competitor, jumping TrueAccord's market share from 50% to 85%.



50% → 85%

TrueAccord's market share after outperforming challenger

Even before the online lender began to explore options for collecting on late-stage debts, both the lender and TrueAccord shared a focus on helping consumers; and by partnering together, they were able to provide that consumer-centric approach to financial services throughout the entire borrower lifecycle.

Together, TrueAccord not only enhanced and improved the lender's debt recovery efforts but also reinforced their company values to deliver empathy even after delinquency—no small feat in the traditional debt collection industry.

Ready to improve your collections communications using TrueAccord's proven digital-first engagement approach?

[Schedule a consultation today!](#)

About TrueAccord

TrueAccord is a digital-first provider of outreach, recovery, and collection solutions helping more than 20 million consumers of service, lending, technology, financial, and FinTech organizations since 2013. We are transforming the debt collection industry and helping consumers reach financial health with convenient payment plans, customized billing schedules, and easy documentation.