

# Data Enhancement Service

Improving customer contact details and collections segmentation



With today's high levels of personal debt and concerns over the ability of customers to meet repayments, it is essential that your customer contact strategies and collections segmentation are executed as effectively as possible

**In order to assist the collections process, Experian has identified a range of data items which can be utilised to help address the following questions:**

- **Do I have the most up-to-date contact details for my customer?**
- **What assets does my customer currently have?**
- **Where is the customer and what is the best way to contact them?**
- **Who should I attempt to collect from first?**

Experian has unique databases of over 100 million customer contact details. In tests it has been established that approximately 9 out of 10 debtors had matched to this file and of these, on average, for over 65% we were able to append contact information giving the opportunity to make immediate contact with the debtor.

To help you assess the collectability of the debt that you are holding, buying or considering for sale, Experian can profile the debtors' credit situation and lifestyle behaviour. We can append key elements of the credit file, including public data (CCJ's Bankruptcy, IVA etc) and characteristics from the shared credit performance data (subject to CAIS membership) like mortgage details, to help you to assess the options available.

We can also give an indication of the asset base that the customer enjoys, for example, the house they live in, and what the asset may be worth.

All of these services can be delivered quickly in a simple batch service and if required can include a generic Propensity to Pay Score.



### Available Data Sources

#### Customer Contact Data

Experian's unique customer contact database holds details of over 100 million records. This file holds key contact information, including home, work and mobile telephone numbers. All of these elements are available for appending, and in tests with a range of clients, across delinquent populations hit rates of between 60 – 70% were achieved.

#### Credit Bureau & Public Data

Experian's Credit Account Information Sharing (CAIS) file holds over 420 million shared account records. CAIS data is subject to membership of the closed user group, but if available will provide useful information about mortgage commitments and other characteristics. Search data will provide unique insight into consumer data and behaviour and Public Data provides a record of all CCJ, Bankruptcy, Insolvency and Scottish Trust Deeds.

#### Experian intelligence

Experian accumulates a wealth of knowledge about the movement and behaviour of consumers from the Credit Bureau data and from this we maintain the Alias & Associations file, containing 126m known aliases and financial associations. Experian is used in over two thirds of new credit applications, and we therefore hold over 323m previous and forwarding addresses which can be invaluable in tracing and collections.

#### Demographic Data

This set of data assets includes over 340 attributes that describe the demographic, socio economic and behavioural characteristics of UK consumers. Unique to Experian, these data assets are created and applied at household or personal level – not merely at postcode level.

Experian's demographic data includes:

- Geo-demographic and behavioural classifications – including Mosaic UK and Financial Strategy Segments (FSS)
- Demographic data – a set of principal demographics that characterise UK consumers, including: income, wealth, age, gender, household composition, property characteristics
- Propensities – a wide range of datasets that define individuals' behaviour and preference characteristics

#### Propensity Scoring

Experian has developed scorecards to assess the debtor's propensity to pay the debt in question. Within any portfolio of debt, however delinquent the population may be, there will be some debtors from whom it is easier to collect and some from whom it will be difficult, or even impossible to generate payment. Using Experian generic Collectability scores we can prioritise the portfolio to rank order the debtors based on ease of collection. Using this technique you can direct valuable collection resource to maximum effect, generating the highest amount collected with the least effort.

#### Key Benefits

- Improved Contact Rates – by validating and enhancing address details and appending new contact numbers, Right Party Contact (RPC) rates can be dramatically increased
- Reduced Tracing Costs – by ensuring you have the correct contact details for your customer in the first place, you can reduce the cost of internal or outsourced tracing of gone-aways
- Increased Promise to Pay and Kept Rates – by understanding what assets a customer holds and their income details, you can ensure an appropriate repayment amount is agreed that is more likely to be kept to
- Ability to profile a group of customers based on their propensity to pay – by providing a propensity score and grading the scores for

- customer groups, you can target resources towards those customers most likely to pay you
- Reduced Cost of Collections – by being able to target those customers who are more likely to pay you, you can ensure resources are not wasted on chasing customers who are unlikely to be pay you
- Speed of Delivery – files can be processed quickly in order that you can use the data in your collections operational areas

#### How it works

You supply to Experian a file of customers containing a number of data elements (e.g. account number, forename, surname, DOB, postcode, CAIS Account Number etc.) in standard format such as .csv or similar. The file must be supplied in a secure electronic format, fully encrypted, and Experian will work with you to agree the contact details for the file transmission.

#### Compliance

Experian works closely with regulators, including the Office of the Information Commissioner, to ensure that procedures, products and systems are developed within the appropriate legal framework.

#### To find out more

For further information, please contact your Experian Account Manager, or call the New Business Team on 0115 901 6016.

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