



The DBC for Collections

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Wednesday 18 October, 8.30am till 12 noon, Law Society, London



Martin O'Donnell
Lead Digital Analyst
Capquest Group



Credit Strategy (CS): You're sitting on the panel at the Digital Banking Club for Collections Live Debate. What drew you to be involved and what are you most looking forward to at the event?

Martin O'Donnell (MO): Prior to the formation of the DBC for Collections debate I signed up to the Digital Banking Club to keep in touch with how Digital is creating value within the financial sector. After learning the DBC for Collections debate had been formed (the first event of its kind for collections) I was keen to get involved and be at the forefront of shaping the industry in the Digital space. I cannot wait to meet other attendees and discuss how we can use Digital to improve customer outcomes.

CS: How do you define vulnerability?

MO: This can come in many forms, however my definition of vulnerability is a customer whose personal circumstances can make them susceptible to detriment without the right support and understanding. I believe that most customers will not see themselves as vulnerable, they will relate to a life event that is personal to them such as being made redundant or suffering from a bereavement.

CS: At what point does forbearance go too far?

MO: Forbearance needs to be used correctly ensuring regular touch points with customers, otherwise it can have an adverse effect as circumstances change preventing them from moving forward to resolving their outstanding balance and rebuilding their credit reputation. In the majority of cases forbearance should be used as a temporary measure to get the customer through a difficult period in their life but not to be used as a permanent solution.

CS: What is the potential of digital technology in helping, and spotting, vulnerable consumers?

MO: The potential is huge, Digital offers customers a less intrusive manner to manage their account, in their own time how it suits them. This means a vulnerable customer who may not feel comfortable speaking to a telephony agent can still move forward with resolving their outstanding account, whether this be full self-serve or via web chat. Once you also add the ability to identify potential vulnerability using Digital technology

based on the data collected through online servicing you can create bespoke journeys, for instance prompting a vulnerability assessment based on the customer having a low disposable income.

CS: What do you believe has been the most visible changes in the industry over the last year?

MO: One thing that has noticeably changed is the realisation of the power of Digital to improve customer engagement whilst improving the bottom line at the same time. There has been a noticeable increase of businesses releasing improvements to their Digital offering over the last year or announcing their intent to move forward in this space.

CS: Looking ahead a year from now, how do you see the structure of the market changing?

MO: As we see more consolidation in the industry Digital will become a key aspect in reducing cost continues whilst at the same time improving customer service.

CS: What is going to be the biggest area of investment for your organisation over the coming year?

MO: For the business improving the Digital customer journey remains paramount. Also focussing internally on Digital tools to help agents better service customers who choose to engage using traditional contact methods.

CS: Is the vulnerability 'initiative' helping all debtors who need it, are there some that are being missed or too many included?

MO: I think this industry has done a lot of great work alongside regulators to improve outcomes for vulnerable customers. The industry needs to ensure that focus is not lost on the remaining customer base who can only be a life event away from becoming a vulnerable customer, ensuring continued engagement with these customers helping them move forward and achieving financial independence is key. There also needs to be consideration given to the fine line between a customer who is genuinely vulnerable to a customer who is alluding to being vulnerable in order to falsely obtain a favourable outcome to their financial situation.

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