



Convoke Drives New Efficiencies in Debt Sales Operation — While Lowering Costs

THE CHALLENGE

A major US bank wanted to use Convoke's recovery tools in its debt sales operation but was concerned that the additional cost to buyers might impact sale prices.



DEBT SALES PROCESS REVAMPED

THE SOLUTION

Debt buyers were willing to pay a new technology fee for the service while maintaining sales prices because Convoke increased efficiency and compliance in the sales process.

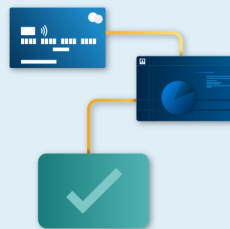
KEY CLIENT OUTCOMES

- ◆ Automated fulfillment of upfront and post-sale media
- ◆ Secure tracking of all direct pays and buybacks
- ◆ Faster and more compliant collections by debt buyers
- ◆ Cost to buyers outweighed by new efficiency gains

BUYER FEE ESTABLISHED



DIRECT PAYS TRACKED



MEDIA AUTOMATICALLY FULFILLED



AT A GLANCE

THE CHALLENGE

A Convoke credit issuer, a top-ten bank in the US, leverages both debt sales and legal collection channels as part of its recovery management strategy. While the firm depended on Convoke to support the compliance and efficiency of their legal collections operation, they had not yet leveraged Convoke's tools to simplify their debt sales process. Using Convoke debt sale tools to automate processes related to media, direct pays, and buybacks was appealing to them, but they were concerned that imposing a technology fee on buyers would affect sale prices.

HOW WE HELPED

When using Convoke to sell debt, credit issuers apply a standard technology fee to sales. Although this increases the purchasing cost for buyers, in practice, it has never had a negative impact on sale prices. The key reason is that the cost of getting media to a more manageable state without Convoke easily outweighs the size of the fee. For customers, the technology fee allows them to mitigate some of the media management costs incurred during and after the sale. Debt buyers, meanwhile, are willing to pay the fee because the superior media organization enables them to start collecting more quickly and compliantly.

As a result, credit issuers keep sale prices strong while offsetting a good portion of their costs through the technology fee. In this instance, Convoke recommended that our credit issuer customer adopt our debt sales solution and implement the technology fee to optimize this aspect of their recovery strategy.

THE RESULT

Convoke's customer chose to adopt Convoke's debt sales solution. Not only did this free up team bandwidth with the automation provided for pre-loaded media, ad hoc media requests, direct pays, and buybacks, but the technology fee covered costs without any impact on their sale price. Convoke's tools provided better organization for both the issuer and third-party buyers, while delivering a boost to the customer's bottom line.



This is a powerful example of how Convoke's recovery tools are creating new efficiencies for issuers and third parties – while driving down costs

