



Why Channel Optimization Means Rethinking Your Relationship with Consumers

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It's a tough time for outbound contact centers. In today's climate of excessive robocalls and caller ID spoofing, consumers have stopped answering calls — particularly from unknown sources. Up to 88% of business calls go unanswered or reach the wrong person. The result: contact centers' right party contact rates have plummeted, and industries like collections that rely on the voice channel are suffering.

To further complicate the situation, fruitless call attempts are not just a waste of operational resources; under the Consumer Financial Protection Bureau's Regulation F, every call attempt — even if blocked or mislabeled as spam — counts toward the "seven-in-seven" rule.

The disruption to the efficiency of outbound calling has left many businesses turning to digital channels like email and text messages in hopes of reconnecting with consumers. But although collectors can gain

improvements in operational efficiency from the scalable nature of texts and emails, they can't entirely replace calling, and these contact methods also face challenges.

First, Regulation F requires that digital communications include "reasonable and simple" options for consumers to opt out, which increases the likelihood that some consumers will do so. And while text and email contacts will not count toward the seven-in-seven limits, the CFPB has been clear that the cumulative effect of texts, plus emails, plus calls will be taken into account when determining whether the contact has been harassing, oppressive or abusive. In other words, the total contact volume matters.

Second, most popular mobile carriers, operating systems and email service providers allow users to block or filter messages from undesired senders, and tech-savvy consumers are more likely to exercise these capabilities.

Finally, the consent requirement of the Telephone Consumer Protection Act applies to text messages and email. Collectors risk compliance violations, third-party disclosure and lawsuits if they send texts to phone numbers that do not belong to the intended recipients or if they contact consumers at their work email without consent.

Treating the Consumer as a Customer

To successfully navigate these challenges, collectors must rethink their relationship with consumers and take cues from the world of marketing and customer relationship management.

In their relationships with brands, consumers are comfortable communicating on multiple messaging channels. They have grown to expect an effective and efficient customer service interaction tailored to their preferences. Savvy collectors will likewise work to meet these consumer expectations and deliver a better experience and more positive outcomes.

To do so, collectors must move away from addressing an anonymous portfolio and engage individuals with relevant messages, delivered over the channels they prefer at the times they prefer. This creates

more productive interactions, as consumers tend to favor collectors who honor their preferences with more promises to pay.

The ability to meet consumer expectations is not an automatic result of having more data or spreading outreach across channels. Insights that drive engagement are a function of how that data and those channels are leveraged. Collectors need smart data insights into consumer identity, preferences and behavior (for example, which phone number an individual is most likely to answer and when) so they can meet consumers where they are and when they are ready to interact.

The Future is Omnichannel

The increasingly challenging outbound voice channel environment and consumers' rising expectations, combined with the ubiquity of smartphones (85% of U.S. adults owned a smartphone as of February 2021), are pushing the entire collections industry toward a customer-service-focused omnichannel approach that combines phone calls, texts and emails in a way that is aligned with the preferences of each individual.

Forward-looking collectors are already embracing omnichannel strategies to navigate this new

communication ecosystem. Behavior intelligence can be layered on to enhance these strategies, as a phone call aligned with a consumer's unique phone behavior is more likely to be answered. It is even more likely to be answered if it is preceded by an email or text alerting the individual to the impending call.

For example, if a consumer consistently uses his phone Tuesdays between 10 a.m. and 12 p.m., he may be more likely to respond to a text sent to his best phone number at 10 a.m., followed by a call to the same number at 10:15 a.m. or an email to his most active personal email address at 10:30 a.m.

In an environment increasingly defined by consumer choice, knowing how and when to contact each consumer is key to achieving positive outcomes. An omnichannel strategy that incorporates smart data insights and behavior intelligence can help collectors improve their RPC rates, reduce costs, ensure compliance with constantly changing regulations, and stay a step ahead of competitors that fail to adapt.

For more information about Neustar TRUSTID Contact Center Solutions, call **1-855-898-0036** ext. 4, email **risk@team.neustar**, or visit **outbound.neustar**.

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