



Convergent Collects Over \$8M Each Year in Seemingly Uncollectable Accounts for Leading Telecom Provider

THE CHALLENGE

In 2014, one of the world's largest telecommunication providers made the decision to retain ownership of their debt, after years of selling once reaching maturity with their secondary collection agencies. The decision was ultimately made due to pricing reductions, brand protection, and cost to support issues. This was a dramatic change in their recovery strategy and carried risk – would they be able to generate a similar net back with the new approach after having consistent sale cash flow for many years?

THE SOLUTION

As a long time recovery vendor in their Early Out and Primary tiers, Convergent had an established relationship with the telecommunications provider and was a trusted partner. The provider chose Convergent to pilot its warehouse program in 2015, as a test for a long-term solution. Using Convergent's robust congruency scrub, new incoming accounts are matched against our own internal data warehouse consisting of 35 million active and 240 million total consumer records. Convergent's congruency scrub not only reveals telephone and address matches, but also provides invaluable insight into previous customer behavior patterns such as responsiveness to various contact strategies, verified contacts at the same or alternate phone numbers, and payment history. Since its implementation, Convergent has seen a 25% average lift on liquidation across portfolios.

THE RESULT

This inventory was thought to be "retired" after going through the existing stream; however, Convergent generated over \$8 million in gross recovery on this aged inventory in 2018, or 9% of total recoveries. This is the fourth year in a row that Convergent has exceeded \$8M on this program. Competitively, Convergent is leading every one of the last 12 batches, with the competition recovering less than 60% of Convergent's liquidation totals.

"The Warehouse program has been very successful over the past few years. Not only has Convergent been our top performer in this space from a recovery standpoint, but have done so in a customer centric, compliant way. The program works like an annuity. I know what I can count on month to month and that is invaluable when I am trying to forecast and hit aggressive goals. My only regret is that we didn't start it sooner."

- Senior Manager at top Telecommunications Provider