BlastPoint

CASE STUDY

Collect More Full Payments from Delinquent Accounts

A large, Mid-Atlantic credit union used BlastPoint's Member Intelligence Platform to achieve a remarkable **47% payment-in-full rate** from these delinquent accounts during Covid-19. By reaching out to members who paid late for the first time in 2020, the credit union recouped thousands in lost revenue and kept members connected.

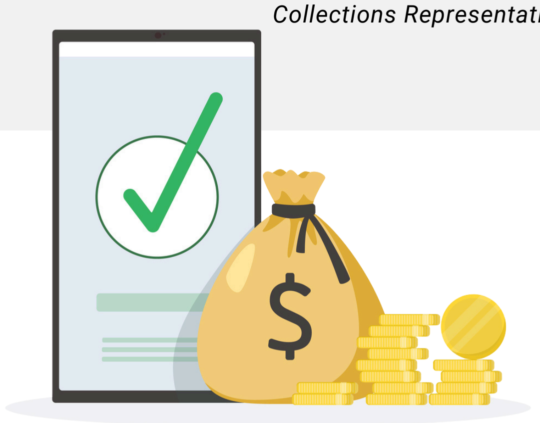
RESULTS

47%

Payment in full response after just one campaign

> In this current crisis, we all know that some families are really struggling....Through our work with BlastPoint, we can predict who might fall into this category and reach out to them proactively.

Collections Representative



OVERVIEW

Like many credit unions, BlastPoint's partner saw the number of delinquent accounts soar during 2020. BlastPoint's analysis of their payment data revealed a segment of members who had historically paid on time but became delinquent during the pandemic: about 4,000 accounts. The credit union also wanted to engage positively with members during a very difficult time, providing resources for assistance and other product options. BlastPoint's technology not only revealed first-time late payers as the target segment, but also highlighted the most relevant messaging and the best channels for reaching them, resulting in nearly half responding with full payments.

OBJECTIVES

- Collect more full payments quickly to lower outstanding balances
- Target new late payers with relevant resources
- Reduce resources being spent on collections
- Maintain positive touch points with members during a difficult time

SOLUTION

Analyze payment behavior & identify first-time late payers

BlastPoint's AI-powered technology analyzed our partner's member payment data and identified three distinct levels of payment default risk. Members who moved from the low to medium risk levels due to first-time late payments were flagged, and our partner utilized the BlastPoint CI platform to understand this segment's demographic and psychographic traits.

Utilize data-driven insights for member outreach.

Thanks to the BlastPoint platform, our credit union partner discovered that income levels did not necessarily determine a member's risk of paying late in 2020. In fact, the median income for new late payers was above the regional average. Many of these members would not be eligible for assistance product, so the team decided to include information about non-income dependent products like payment plans in their outreach campaign. Additionally, they saw that some new late payers were more likely to engage via phone than email, so they created a hybrid campaign that included both outreach methods. In result, nearly half of the members contacted responded by making full payments.

*Credit union must remain anonymous for regulatory purposes