



Case Study: eCollections Generates Over \$22 Million in Revenue in Eight Months for International Institution

In the first eight months alone, JX2's eCollections system generated over \$22 million in revenue, making it the most successful project for the institution that year.

A U.S.-based international financial institution was seeing the impact of a weakening economy. Collections were on the rise industry-wide. For those delinquent customers, standard practice in the banking industry was to punish them by revoking ATM and online banking privileges. Only by speaking directly with collections counselors could they make payments. However, this major institution had a progressive view of its customers. They believed overdue payments would better be resolved if customers could maintain online access. This way customers would avoid the potential embarrassment of being required to talk with a collections counselor.

Focused on delivery, JX2 controls scope creep

While the online collections theory was sensible, there was little industry precedent. The institution needed a trusted partner that could deliver bottom-line results. They chose JX2 Professional Software Services, experts in building software with proven ROI. JX2 began by leading the organization through requirements gathering. However, as more stakeholders were involved, requirements and features became increasingly robust. Meanwhile, the industry-wide collections problem was growing. JX2 cautioned the institution that the core focus of the eCollections system was being lost and that it was growing too large and complex for delivery by the deadline. With a renewed focus, the joint team worked together to determine the most important requirements for accomplishing the objective of collecting delinquent funds as quickly as possible.

Agile methodology contributes to rapid ROI

JX2 deployed Agile for this project. The Agile software development approaches are designed to deliver value—faster and at a higher quality than traditional means. With the big picture in mind, JX2 launched the core system. Additional features and functionality were added in a phased approach. This methodology enabled delivery of the quickest benefits first, all while developing an enduring solution. They also enabled the institution to measure success and progress along the way and cost justify each stage. This resulted in a rapid ROI, standing in stark contrast to bloated systems in this sector that are subject to scope and cost creep.

Integration with processes, systems and the business

The customer experience of eCollections had to be consistent with the existing online banking system to achieve the core objective of encouraging delinquent customers to pay. JX2 was instrumental in defining and developing this customer experience. The experience was also important for brand continuity, and so the customer would not suspect phishing or other fraud. In addition to integrating seamlessly with online banking, eCollections needed to integrate with multiple collections, payment and other internal systems.

Of course, it was essential that eCollections fit with how the institution did business. For example, during the requirements phase, JX2 learned that the majority of overdue members were enrolled in online banking. To include customers not using online banking would involve major hurdles and costs. JX2 determined that it did not make business sense to expand the system to include non-online banking customers. Another example is the automated phone calls used as part of the collections process. Triggered by eCollections, customers logging in but not paying receive a call within a specified time period. Providing another touch point, the institution is able to find out why a decision was made not to pay.

# Months in Production	Running Total of Payments	ROI Multiple
1	\$419,300.07	0.6
2	\$800,346.57	1.1
3	\$3,145,154.31	4.4
4	\$6,727,578.49	9.5
5	\$10,638,619.87	15.0
6	\$14,163,594.96	20.0
7	\$18,170,596.30	25.6
8	\$22,914,317.19	32.3

Business innovation means big benefits

eCollections has dramatically improved collections, increasing revenue more than \$22 million in the first eight months alone. Revenue continues to grow with the addition of mortgages. Representing a return of more than 32 times the investment, eCollections was the most successful project for the institution that year. Over-extended customers now enjoy a more simplified process and an improved experience. When delinquent customers log on, they now see their late payments, the amount owed, and can click to pay at that time.

Today, more financial institutions are enabling online collections. Not only do services continue for customers who fall behind, but with eCollections, other channels are more effective. The system adds extra depth to auto dial, letters and calls from collectors, as these traditional channels are helping direct members online to make payments.

"It was an easy and painless process. JX2 led us through challenges very well. From the very beginning to post-implementation, it was more successful than we envisioned and continues to be that way."

--Institution Vice President

About JX2

JX2 develops software for businesses in highly-competitive industries where the customer experience is paramount. For our clients, the effectiveness of web-based customer self-care, on-demand services, call centers, and back office solutions are mission critical to their success. We create business and technology solutions that streamline operations, improve the user experience, and protect end users. JX2 is an IBM Business Partner. Learn more at www.jx2services.com.

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