Debt buyers and debt collectors regularly gather data about consumers and also about their own internal collection practices. Increasingly, they use analytics software to evaluate this data and make decisions based on their evaluation.

Services exist to help debt buyers make decisions regarding which debt portfolios to purchase and provide real time portfolio monitoring that notifies collectors when specific information changes. Portfolio analytics may also be used to score particular accounts so that debt collectors can target their collection efforts to the accounts that they believe are most likely to pay or select specific demographics for particular collection techniques. For consumer advocates, the use of analytics raise questions about privacy, disparate treatment based on demographic data like race or gender, and the potential for unauthorized use of credit report data.

Companies provide products that will “scrub” portfolios for certain types of accounts including: “bankruptcy, deceased, possible military indicator, cell phone, fraud, [and] litigious debtor.” Identified accounts may be marked for special treatment or excluded from collection.

Analytics can be used to personalize the content or tone of a collection communication, the mode of communication (phone call, letter, email, etc.), or even the specific debt collector assigned to contact that consumer. Systems may also be able to learn from your engagement with prior communications (e.g., did you click on the link in that email or sign up for a payment plan with a particular collector) in order to tailor future messages.

Collectors can also use analytic software to record and evaluate collection calls. Speech analysis may either be conducted while the call is ongoing or performed on a recording after the fact. Here is one company’s description of its real-time speech analytics product:

EurekaLive: CallMiner’s real-time solution, using the same analytical technology to provide QA and alerts in real-time to supervisors and agents, monitoring in-progress calls for the presence or absence of specific language or acoustic characteristics such as escalation attempts, churn language, proficiency, compliance scripts, or high emotion. EurekaLive Agent Assistant monitors every live call in real time (within 3–10 seconds), offering script compliance monitoring, emotion detection, next-best-action guidance, event alerting, and automated context-driven workflow initiation directly to agents.

Debt collectors using speech analytics may have the ability to issue reports about individual agents that contain data such as the frequency with which they failed to provide required information, deviated from the script, or used prohibited terms. Speech analytics software that transcribes recordings may be searchable for particular keywords.

In the CFPB’s survey of third-party collection agencies, seventeen out of fifty-eight respondents used speech analytics. The smallest collection agency that reported using speech analytics had eighty-three employees.

Footnotes

432 See, e.g., Experian, Debt Portfolio Evaluator: Perceptive new analysis tool for debt buyers and debt sellers (Dec. 2008) [1], available at www.experian.com (listing sample output data to be used in bidding on portfolios); TransUnion, Identify portfolio risk and take action sooner [2], available at www.transunion.com (advertising “up-to-date estimations of portfolio value” for up to 300,000 records in less than 48 hours).

433 See, e.g., Equifax, Collection Insights (2012) [3], available at www.equifax.com (providing a list of “triggers” that can be set up to monitor portfolios on a daily basis); Experian, Daily Monitoring of Collection Accounts [4], available at www.experian.com (daily monitoring of selected “triggers”).

434 See, e.g., eBureau, Collections & Recovery [5], available at www.ebureau.com (discussing use of scores to predict likelihood of contact or collection); TransUnion, Segmentation/Prioritization [6], available at www.transunion.com
(discussing scoring accounts with a “Collection Prioritization Engine” to identify who is likely to pay).

435 See, e.g., ScoreData, Debt Management and Collection Analytics (Apr. 30, 2014) [7], available at www.scoredata.com (“Our predictive solutions segment the customers using their demographics, collection data based on their risk profile but also do analysis to find the most suitable treatment for each segment.”).

436 See, e.g., Experian, Identify Bankrupt, Possible Military, Deceased and Other High Risk Accounts Before It’s Too Late [8], available at https://www.experian.com.


438 Ryan Lawler, Collectly is moving debt collection online (TechCrunch, Mar. 28, 2017); TrueAccord, Finovate 2015 demo of HeartBeat [9], available at www.trueaccord.com.


441 See, e.g., FICO, FICO Engagement Analyzer [13], available at www.fico.com (“Engagement Analyzer detects and reports compliance and policy violations in real time, with alerts for immediate corrective action. Managers use analytics to identify collectors who require additional compliance training.”); Nexidia, Remain compliant and avoid risk with Nexidia Interaction Analytics [14], available at www.nexidia.com (“Analyze each and every interaction to quickly identify all occurrences or absences of mandatory disclosures or use of inappropriate language or behavior and track to an individual level.”).

442 See, e.g., Castel, Upload, Transcribe and EXPLORE Call Audio Recordings Easily [10], available at www.castel.com (calls are transcribed and may be searched for keywords); Vocis, Speech Analytics [15], available at https://vocitec.com (product “automatically transcribes audio into searchable text”).

443 Consumer Fin. Protection Bur., Study of third-party debt collection operations 34 (July 2016).

444 Id.
1.5.5 Collection Analytics