



Collections & Recovery Industry Intelligence
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'Cherry Picking' Accounts in Collections



A debt collection agency (DCA) working on a commission basis had the ability to 'cherry pick' the accounts that they worked, distributing their invested effort across multiple customer segments in multiple portfolios to generate significantly higher rewards.

By Brendan Le Grange

A DCA Example

A third-party DCA is collecting debts on behalf of three different clients, each of which pays the same commission rate and each of which has outsourced a portfolio of 60 000 debts. Half of the accounts in Portfolio A have a balance of €4 000 while the other half are split evenly between balances of €2 000 and balances of €5 500. After running the accounts in question through a simple scorecard, the DCA was able to determine that 60% of the accounts are in the high risk group with only a 7% probability of payment, 20% are in the medium risk group with a 11% probability of payment while the remainder are in the low risk group and have a 20% probability of payment.

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8 Email Marketing Tips

By Carol Ellison

Best practices in email marketing demand communications that go beyond advertising, respect the customer, and speak in a familiar one-on-one style. Email is "the most personal advertising medium in history," says Seth Godin, whose book *Permission Marketing* set the rules that transformed email marketing into what it is today. "If your email isn't personal, it's broken."

In response to the impersonal abuses of spam, email marketing became personal by necessity following the 2003 adoption of the CAN-SPAM Act. The act essentially defined spam as marketing messages sent without permission and set penalties not only for spammers, but also for companies whose products were advertised in the spam.

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Boost Business Profits through Bulk SMS

Source: articlebase.com

When any business is running under heavy losses, one thing which strikes them first is to save. Here saving means saving on both the human and capital resources so that the recorded earning improves. In case of SMS marketing, one of the best ways to save and earn is through Bulk SMS which will assist you with your marketing operations. There are certain areas which can easily be managed at a much lower cost and if the companies have access to SMS gateway server, then it becomes convenient to send bulk SMS among the target segment.

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