White Paper

The Future of Contact Centres in Credit and Debt Recovery

From Transactional Hubs to Experience Centres and the Role of Technology

IDA

ISMAIL & DAHYA ATTORNEYS

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EXECUTIVE SUMMARY

In today's hyper-connected world, customer expectations are evolving rapidly. For the credit and debt recovery industry, this means reimagining contact centres not just as operational units, but as strategic experience centres. Personalisation — powered by data, AI, and human empathy — is the key to driving customer satisfaction, retention, and compliance.

This white paper explores how contact centres are transforming, supported by real-world case studies that demonstrate the tangible benefits of this evolution, based on a dissertation prepared by Atish Dahya, CEO of IDA Law using a research design approach as follows:

- The design was both exploratory (to identify key factors in the evolution of contact centres) and descriptive (to analyse these factors through surveys and interviews).
- The study was structured around three core research questions focusing on personalisation through data/AI, technology, and human elements.

1 THE EVOLUTION: FROM CALL CENTRE TO EXPERIENCE CENTRE

Traditional contact centres were reactive, focused on resolving issues quickly and cheaply. Today, they are becoming proactive relationship hubs, integrating omnichannel communication and leveraging customer data to deliver seamless, personalised experiences.

FROM VOICE-ONLY TO OMNICHANNEL

Customers expect to engage via WhatsApp, email, chat, and social media.

FROM SPEED TO SATISFACTION

Metrics like First Contact Resolution (FCR) and Customer Satisfaction (CSAT) are now central.

FROM GENERIC TO TAILORED

AI-driven insights allow agents to anticipate needs and personalise interactions.

2 WHY THIS MATTERS FOR CREDIT AND DEBT RECOVERY

In debt recovery, trust and compliance are critical. Poor customer experiences can lead to reputational damage, regulatory scrutiny, and lost revenue. Personalisation offers a path to:

Improve recovery rates by tailoring communication to customer preferences.

Reduce complaints through empathetic, informed engagement.

Enhance compliance with consistent, auditable interactions across channels.

3 THE THREE PILLARS OF PERSONALISATION

A. Data & AI: The Engine of Insight

The highlights to note below is that business of debt and credit recovery must become more versatile in collecting and leveraging customer data. By 2025, real-time data analytics and AI will be central to understanding customer needs and delivering personalised services.

For example, McKinsey reports that using customer intelligence can improve CSAT scores by 20% and reduce service costs by the same margin. Additionally, AI and robotic process automation (RPA) are projected to reduce human agent interaction time by 40%, allowing agents to focus on high-value tasks like retention and advisory services.

These insights show that data-driven personalisation is not just a technological upgrade — it's a strategic necessity for improving customer satisfaction and operational efficiency.

96%
of customers

still prefer speaking to a human before concluding a sale.

AI and RPA can reduce agent interaction time by **40%** freeing agents for high-value tasks.

20%

Improvement in CSAT McKinsey reports a 20%

Cost reduction when customer intelligence is used effectively.

B. Technology: The Omnichannel Backbone

According to the research that informed this paper, 93% of contact centres believe technology is critical to enhancing customer experience. Omnichannel platforms — which integrate voice, email, chat, SMS, and social media — are seen as the most important capability by 91% of contact centres.

These platforms ensure that customers can interact through their preferred channels without repeating themselves, thanks to unified CRM systems. The Cisco survey cited in the research shows that 94% of contact centres agree that all communication methods must be integrated into one platform.

This technological backbone enables seamless, consistent, and personalised interactions, which are essential for building trust and loyalty in the credit and debt recovery space.

93%
of contact centres

believe technology is critical to improving customer experience.

75%
of customers

prefer self-service options when available.

90%
of contact centres

agree that intelligent routing and integrated platforms are essential.

C. Human Element: The Rise of the 'Super Agent'

Despite the rise of automation, the research confirms that human agents remain indispensable. 74% of customer service leaders admitted their agents lacked the right tools before the pandemic, and 60% of agents still feel under-equipped to meet customer expectations. The research shows that AI can reduce training time by up to 40%, allowing agents to become more effective faster.

These "super agents" are expected to handle complex, emotionally sensitive issues with empathy and precision, supported by data insights and omnichannel tools. The human element is crucial in debt recovery, where trust, tone, and understanding can significantly influence outcomes and customer retention.

74%	**60%**	**25–40%**
of service leaders	**of agents**	**reduction in training time**
felt agents lacked the right tools pre-pandemic.	say they still don't have the right technology to meet customer expectations.	was achieved through AI-enhanced onboarding.

CASE STUDIES: TRANSFORMATION IN ACTION

Case Study 1: Kura – Human-Centred Debt Recovery Transformation

CLIENT GOAL: Become the top performer in customer service while improving debt recovery outcomes.

CHALLENGES:

- Sensitive nature of debt conversations.
- Need for empathetic engagement and scalable operations.

SOLUTIONS:

- Recruited and trained 30 new advisors in one month.
- Delivered 150,000 hours of training focused on empathy, scripting, and account reviews.
- Used AI and omnichannel CRM tools to provide advisors with full customer histories and sentiment analysis.

RESULTS:

R1 721 711
in card payment collections.

2,700
direct debits set up monthly.

14,700
positive payment outcomes.

KEY STRATEGIES:

Proactive engagement
using socio-economic data to flag at-risk customers.

Scripting strategies
based on real-time feedback.

Customer education
tailored to financial literacy gaps.

AI-driven sentiment
analysis to guide escalation and resolution

Case Study 2: Slalom & Jaja Finance – AI-Powered Chatbot

CLIENT GOAL: Scale customer support while maintaining quality and compliance.

CHALLENGES:

- Rapid growth in customer base.
- Need to reduce manual intervention in routine queries.

SOLUTIONS:

- Partnered with Slalom to deploy a generative AI chatbot named Airi.
- Used Anthropic's Claude 3.5 model via Amazon Bedrock.
- Integrated chatbot into Jaja's in-app messaging centre.

RESULTS:

90%
reduction in customer response times.

30–40%
more time for agents to handle complex queries.

24/7
availability for routine inquiries like statements and payment options.

KEY STRATEGIES:

Semantic search
and summarisation.

Full transcript
delivery for customer reference.

Real-time intent
detection and next-step recommendations

Case Study 3: Capgemini – Intelligent Banking Contact Centre

CLIENT GOAL: Modernise contact centres to meet rising expectations for hyper-personalisation.

CHALLENGES:

- 61% of customers dissatisfied with chatbot resolutions.
- 70% of agent time spent on repetitive tasks.
- Less than 10% of time spent on upselling or cross-selling.
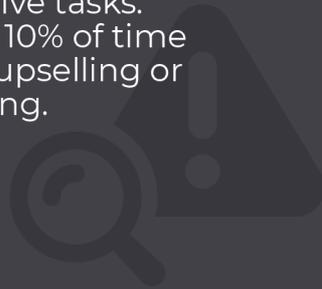
SOLUTIONS:

- Implemented AI, ML, NLP, and predictive analytics.
- Designed omnichannel journeys using human-centred design.
- Created a Customer Experience Hub to unify interactions.

RESULTS:

77%
of employee time spent optimised on operational tasks.

Improved
chatbot containment and customer satisfaction.

Enabled
frictionless, personalised banking experiences.

KEY STRATEGIES:

Conversational
AI chatbots using large language models.

Autonomous
service operations and touchless interfaces.

Real-time intent
decision engines for next-best actions.

5 INSIGHTS FROM THE RESEARCH SURVEY

65%
of respondents

believe contact centres must evolve into experience centres.

59%
rate their current contact

centre experience as only **40–60%** aligned with personalisation expectations.

38%
are more likely

to answer calls from verified CLI numbers showing the reason for the call.

30%
prefer omnichannel communication.

28%
still prefer voice calls.

31%
say the transformation is "absolutely crucial" for industry survival.

6 PRACTICAL RECOMMENDATIONS FOR CREDIT & COLLECTIONS LEADERS

|	
Invest in omnichannel infrastructure	Ensure seamless transitions across platforms.
Leverage AI for segmentation and automation	Prioritise high-risk accounts and personalise outreach.
Train agents as experience ambassadors	Equip them with tools and soft skills.
Measure what matters	Shift KPIs to satisfaction, resolution, and retention.
Ensure data security and trust	Implement voice biometrics and robust compliance protocols
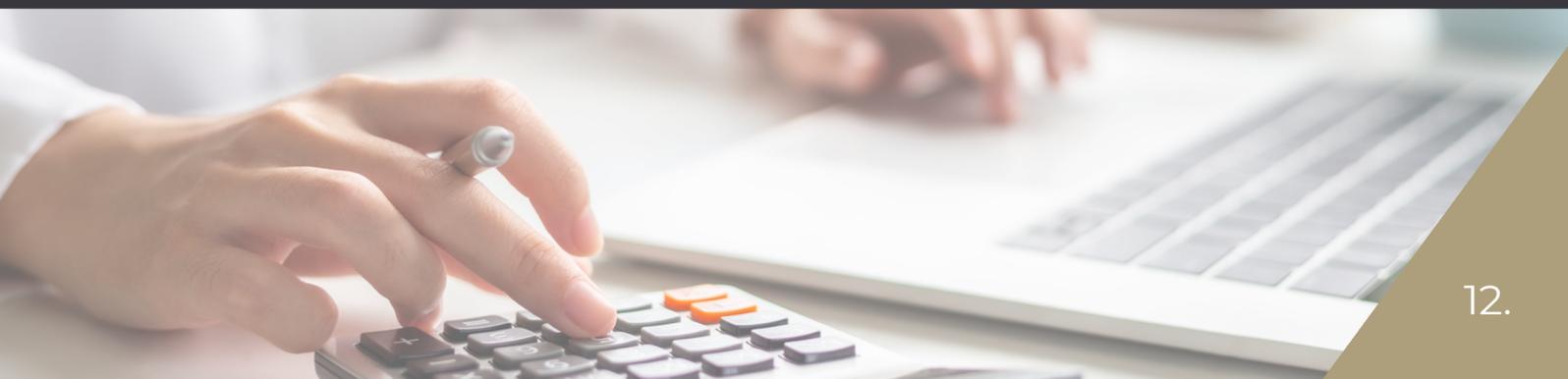
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