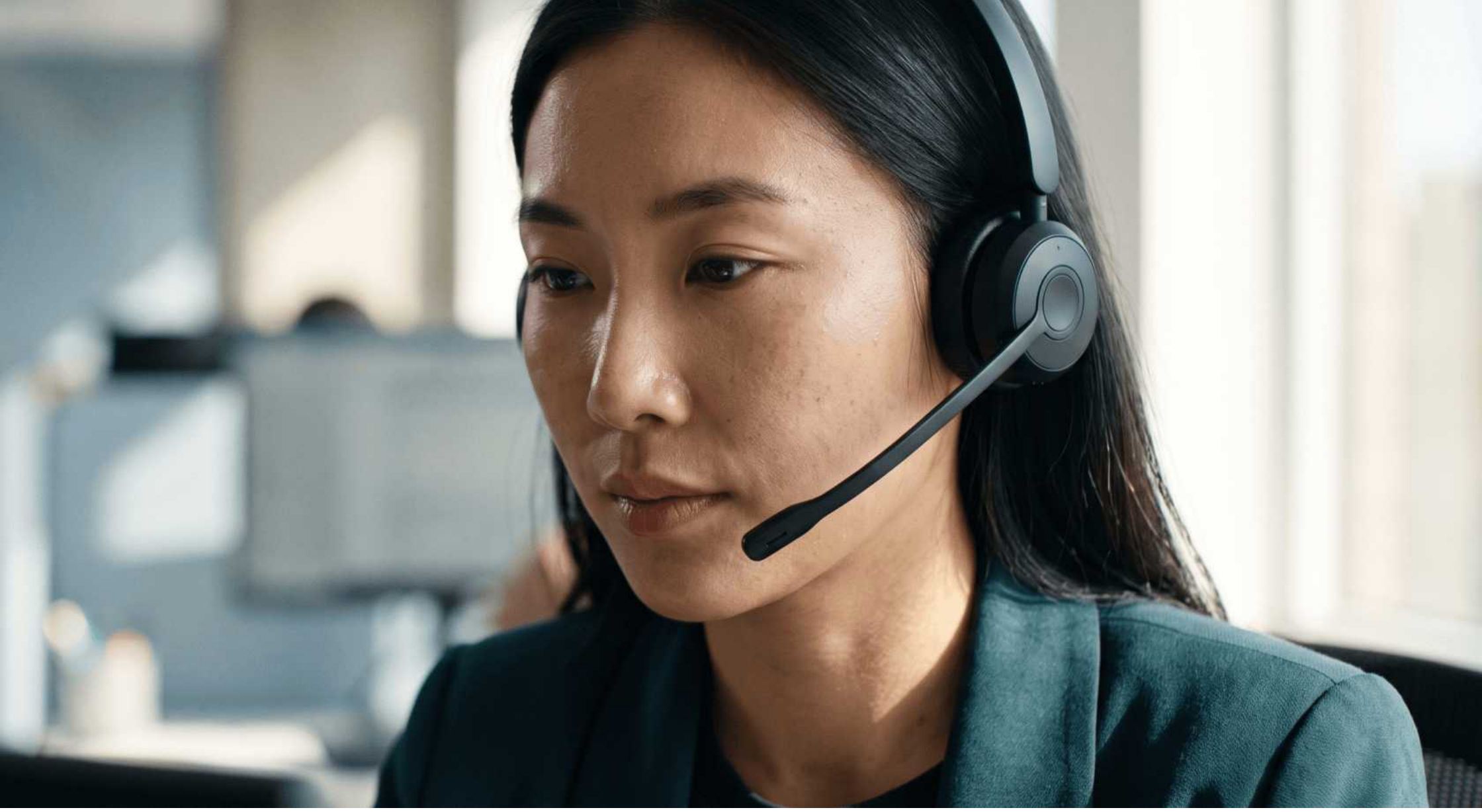


HES

A collection agency in Asia halves its collection cycle

Asian collection agency success story

The client is a third-party debt collection agency in Asia that serves banks and lenders. It also buys individual debts and entire debt portfolios for its own account.

Founded in	Markets	Type	Website
Under NDA	Asia	Debt collection	Under NDA

2x

faster collection cycle

5 min

to train a model on millions of records

4

debtor segments by ability and willingness to pay

Challenge

Slow model development and unreliable recovery forecasts

Portfolio prices depended on expected recovery, yet the agency could not forecast recovery reliably, so financial planning and decisions on future reinvestment rested on unreliable inputs.

Data preparation took most of the model development time. Each training dataset was assembled from millions of raw records that data scientists and analysts had to clean, label, and restructure; the existing automation tools did not remove this step. A single predictive model needed several weeks from raw data to validation.

The agency also designed a separate collection strategy for each portfolio, because every lender expected a different collection approach, which slowed collections further.

Approach

Collection scoring on the agency's own servers

The agency uses GiniMachine in four areas of its operations.

- **Portfolio purchases.** The agency commits capital to a debt portfolio only when its scored recovery estimate supports the expected ROI, so every candidate portfolio is scored before acquisition.
- **Debtor segmentation.** The collection score combines ability to pay with willingness to pay and places each debtor in one of four segments. Account-level and portfolio-level recovery forecasts both start from this segmentation.
- **Model development.** Analysts tune each model to the portfolio or case at hand, working from the evaluation report GiniMachine produces with it. Training on millions of records takes about 5 minutes.

- **Integration and data security.** Deployment followed local data security regulations: GiniMachine runs on-premise, so portfolio data stays on servers the agency controls. The collection workflow calls the engine through its API. Because the engine runs on-premise, as local data security regulations require, portfolio data stays on the agency's servers and is inaccessible to third parties.

Result

A shorter collection cycle and a new audit service

Since debtor segmentation went live, collection cycles take half as long. On No Cure No Pay mandates, where fees depend only on the amounts recovered, productivity rose as well. Routine collection steps run through the API and need less manual handling.

Debtors are segmented early in each case, and each segment is worked under its own collection strategy. Debt and portfolio purchases are decided on scored recovery estimates.

The same scoring now runs on clients' loan and debt books as a paid portfolio audit, a revenue line the agency did not have before. In negotiations with lenders on compensation and KPI compliance, the agency can now cite its own audit results.

Thank you for your attention!

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