



B2B Life Cycle Collections

Predictive analytics help you deal with troubled accounts before they go bad.

Collections — It's a word that strikes terror in the hearts of debtors and creditors alike. For companies behind in their payments, insistent calls from hostile collection agencies only add distractions to the already-vexing problem of making past-due payments. For lenders, having to go to collections means just one more costly operating expense. In addition, even if your collections efforts are successful, you still may obtain only pennies on the dollar.

Ultimately, resorting to collections represents a failure of financial intelligence. If you've vetted your customers properly, extended conservative credit lines and written appropriate terms, delinquencies should be minimal. However, what about those bad accounts that still make it through the vetting process? Their impact can be mitigated further with powerful predictive analytics.

The power of predictive analytics

Predictive analytics is not fortunetelling. It is a valid, scientific way to establish a particular company's chances of becoming delinquent over the next year based on the careful analysis of multiple data sets. To be useful, predictive analytics requires a vast source of specific business and general industry information. It also requires data to be scrubbed carefully to eliminate outdated, inaccurate and duplicate information. The cleaner the data, the more accurate the prediction.

Experian's Business Information Services can help you improve your collections activities by using predictive analytics to identify precarious accounts before they become problems. We also can help you optimize your collection efforts by targeting those customers who are most likely to pay. Not only can Experian's collection management products give you the power you need to minimize losses on bad credit, but they're also backed by professional customer service that's responsive, knowledgeable and available whenever you need it.

Experian's collection management products

Experian® offers numerous business-to-business products you can use to improve your collections operations:

BusinessIQSM — BusinessIQ is Experian's comprehensive online commercial credit management application that brings the industry's best practices and top analytical intelligence to your desktop. By providing risk information, payment histories and key public record data, BusinessIQ gives you the tools you need to establish quality customer accounts and processes across the credit life cycle.

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Intelliscore PlusSM — Intelliscore Plus is a predictive credit risk-management tool that accesses more than 800 variables, resulting in an unparalleled view of your prospects and customers. The product can be delivered as a standalone report, combined with BusinessIQ Premier Profile or delivered as part of regular scoring of your entire portfolio. This product offers:

- **Insightful credit scoring** — The score and report provide key insight into a business's payment trends, public record filings, collections and business background information.
- **Blended data options** — You receive a blended score, with both business owner and business information, which is the most predictive for small businesses.
- **No self-reported data** — All data behind Intelliscore Plus is third-party-reported; no self-reported data is allowed.

Financial Stability Risk ScoreSM — Financial Stability Risk Score quickly identifies the highest-risk businesses through payment/public records such as severely delinquent payments of 61-plus and 91-plus days; high utilization of credit lines; tax liens, judgments and collection accounts; risk industries; and low number of years in business:

- **Avoid write-offs and payment defaults** by using the easy-to-understand 1 to 100 percentile scale, where 60 percent of the risk is in the bottom 10 percent of scores.
- **Use five risk classes** to help you quickly identify businesses with a high risk of bankruptcy and payment default.
- **Understand the results** by seeing up to four reasons for the lowered scores.

With the predictive analytics these tools provide, you can identify your riskiest customers weeks or perhaps months before they become delinquent. You then can act to forestall or prevent the need to go to collections by proactively:

- Renegotiating account terms.
- Limiting or rolling back the credit you have extended.
- Refusing requests for additional credit.
- Calling in your riskiest loans.
- Working with your customers to arrange for more comfortable payment schedules.

Experian's collection management products help organizations across a wide spectrum of industries:

- Financial services companies.
- Business services companies.
- Hospitality organizations.
- Travel services.
- Technology corporations.
- Auto dealerships.
- Insurance companies.

Your best source of business data

- Experian's Business Information Services is your best source of marketing data. We provide:
- A verified business marketing database.
- Fresh data that is relevant and updated regularly for accuracy.
- Prompt, knowledgeable and responsive customer service.
- All this makes Experian your best value in business information data.

Contact Experian today

Your customers' financial health today will impact your credit portfolio tomorrow. Get ahead of the curve by contacting us to discuss how we can help you manage your risk and deliver maximum returns from your business accounts.