



# SMART REVENUE RECOVERY

White Paper

## Abstract

An overview of the opportunity background, problem scope and solution outline that accurately addresses the large and important problem in revenue credit and collections for utilities.

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# About the Author

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Mehul is Chief Innovation Officer at Smart Energy Water (SEW). He brings over two decades of experience with a range of companies from the world's largest software platform company (Microsoft) to several start ups to super charge their growth. He has built his career as the generalist leader across 7 different industry domains bringing diversity of experience applying core product vision, strategy, business success and cutting-edge technology to new problems and use cases.

At SEW he oversees discovering and defining innovation to drive differentiation and unique value for the billions of customers we know will benefit from Smart solutions – Smart Cx, Smart Wx and Smart AI. He is passionate about delivering synergistic win-win value for Utility customers, partners and SEW. Mehul is leading the mission to achieve the vision of reaching and “engaging the majority of the population on our planet” to accelerate sustainability, conservation and net-zero goals for them all.

# 1 Introduction

Revenue collections problem for utilities is a challenge that many utility companies face in the current economic and competitive environment. According to McKinsey, non-collectible written-off revenues have risen up to 2 percent and beyond across Europe and North America, resulting in loss of income and reduced growth potential. The number is much higher when we consider potential defaults and revenue stuck in arrears that need a lot of effort to recover. Some of the factors that contribute to this problem are:

- ✓ Increasing customer debt and delinquency due to stagnant or declining household incomes, global shocks, and uncertainties.
- ✓ Higher customer switching rates and lower customer loyalty in liberalized and competitive markets.
- ✓ Regulatory and political constraints that limit the ability of utilities to suspend service, protect vulnerable groups, and enforce payment obligations.
- ✓ Inefficient and fragmented operating models, credit-risk strategies, tools, and management focus within utilities.
- ✓ The moratorium from pandemic is adding to the situation as well.

One possible solution to address this problem is to adopt an omni-channel approach to customer engagement, service, and collections. Omni-channel is a term used to describe a business strategy that aims to provide a seamless customer engagement and experience across all channels, platforms, and devices. For utilities, this means:

- ✓ Offering customers multiple and convenient ways to pay their bills, such as online, mobile, social media, in store, or by phone.
- ✓ Providing customers with proactive and personalized communications, such as reminders, alerts, offers, and assistance, based on their preferences, behaviors, and needs.
- ✓ Enabling customers to access and manage their accounts, view their consumption and billing history, and request support or service on any channel they choose.

## By implementing an omni-channel strategy, utilities can benefit from

- ✓ Improved customer satisfaction and retention, as customers appreciate the convenience, flexibility, and personalization of the omni-channel experience.
- ✓ Increased revenue collection and reduced bad debt, as customers are more likely to pay their bills on time, in full, or in installments, and less likely to default or switch.
- ✓ Enhanced operational efficiency and cost savings, as utilities can optimize their resources, automate their workflows, and reduce errors and redundancies.
- ✓ Greater competitive advantage and growth potential, as utilities can differentiate themselves from their rivals, attract new customers, and increase their market share.



However, achieving an advanced revenue recovery strategy is not easy and requires accurate AI/ML power solution implementation. Some of the challenges and considerations that utilities need to overcome are

- ✓ Aligning the organization's vision, culture, and goals with the modern and value based recovery strategy and ensuring buy-in and collaboration from all stakeholders.
- ✓ Developing and deploying the necessary technology, infrastructure, and capabilities to support the collection strategy and ensure its security, reliability, and scalability.
- ✓ Designing and delivering the optimal customer journey and experience across all channels and touchpoints, and ensuring its consistency, quality, and relevance.
- ✓ Measuring and monitoring the performance and impact of the new strategy and adjusting it as needed based on customer feedback and data analysis.



In summary, revenue collections problem for utilities is a serious issue that affects the profitability, sustainability, and growth of utility companies. An omni-channel approach to customer engagement, service, and collections can be a viable solution to this problem, as it can improve customer satisfaction, loyalty, and payment behavior, as well as operational efficiency, cost savings, and competitive advantage. However, implementing an omni-channel strategy is not a simple task and requires a lot of resources, expertise, and coordination. Therefore, utilities need to carefully assess their options and opportunities, and develop a clear and realistic plan to achieve their omni-channel goals.

## 2 Abstract

### 2.1 Problem Size and Scope

Collections management is a critical aspect of financial operations. This white paper delves into the challenges faced by organizations dealing with outstanding debts, emphasizing the scale and scope of these problems. By understanding the magnitude of the issue, we can better appreciate the need for effective solutions.

### 2.2. Background Information and Contributing Factors

To address collections challenges, it's essential to explore the context. We provide an overview of the factors contributing to delayed payments, including economic fluctuations, customer behavior, and regulatory pressures. By examining the root causes, we lay the groundwork for targeted solutions.



# Solution Outline

## Leveraging AI/ML and Advanced Strategies

Our proposed solution combines cutting-edge technologies and strategic approaches:

### Risk Models Using AI/ML

We advocate for the integration of machine learning algorithms to assess credit risk. These models enhance accuracy by analyzing historical data, customer behavior, and external factors. By predicting default probabilities, organizations can allocate resources effectively

### Advanced Multi-Channel Customer Engagement

Effective communication is key to successful collections. We explore multi-channel engagement strategies, including personalized emails, SMS notifications, in-app and portal, and interactive voice response (IVR) systems. Tailoring communication channels to individual preferences improves response rates.

### Advanced Customer Segmentation and Targeting

Not all customers are alike. We propose segmenting debtors based on behavior, payment history, and demographics. AI-driven segmentation allows customized approaches, such as offering payment plans, negotiating settlements, or providing financial education.

### Analytics for Content Effectiveness and Timing

Content matters. We emphasize the importance of crafting persuasive messages. By analyzing engagement metrics, we determine which content resonates with debtors. Additionally, timing plays a crucial role—sending reminders during specific days or hours can significantly impact payment behavior.

This white paper equips collections professionals with actionable insights to optimize their processes. By embracing AI/ML, tailored engagement, and data-driven analytics, organizations can enhance recovery rates and improve overall financial health.



## 3 Problem Statement

Utility companies play a critical role in providing essential services such as electricity, water, and gas to consumers. However, they face significant challenges related to revenue collection and defaults. These challenges impact their financial health, operational efficiency, and overall sustainability.



# Size of the Problem

## Increasing Non-Payment Instances

This white paper equips collections professionals with actionable insights to optimize their processes. By embracing AI/ML, tailored engagement, and data-driven analytics, organizations can enhance recovery rates and improve overall financial health.

## Economic Uncertainties

Despite economic growth, household incomes in Western economies have been squeezed, increasing the likelihood of delinquency and bad debt charges.

## Magnitude of Unpaid Bills

Non-collectible written-off revenues have surged to at least **2 percent** (conservatively; beyond 2% in many cases) across Europe and North America. This represents a substantial financial burden for utility companies.

## Market Liberalization

Intensifying competition and liberalization in utility markets result in higher customer switching rates, often accompanied by unpaid final bills.

## Transient Areas and Unpaid Bills

- **Geographically Transient Populations**

In areas with frequent population mobility (such as temporary housing or seasonal work conditions), utility companies encounter challenges. Consumers move in and out regularly, disrupting consistent bill payment patterns.

- **Economic Impact**

The transient nature of these areas makes it harder for utility companies to establish long-term relationships with customers. As a result, unpaid bills accumulate due to frequent turnover.

# IMPACT

on Profitability

## Financial Strain

Unpaid bills directly affect a utility company's cash flow and profitability. The loss of income due to defaults hampers growth and financial stability.

## Reserve Capacity

Companies that have already streamlined their credit processes and minimized overdue debt are better equipped to weather economic downturns. They can swiftly cut costs, protect profitability, and maintain growth capacity.

# Operational and Efficiency Challenges

## Inefficient Operating Models

- ✓ Understaffed Debt-Collection Teams: Many utilities lack dedicated collections staff, relying on generalist call-center agents who may not be adequately trained to assess clients' situations. In addition the volume of work facing the team (even if specialized) makes the blanket engagement approach ineffective.
- ✓ Fragmented Collections Work: Collections responsibilities are often split across multiple departments or operating companies, resulting in inconsistencies and inefficiencies.

## Regulatory Constraints

- ✓ Utilities bear full responsibility for debt collection in liberalized retail markets. However, regulatory and political constraints limit their maneuvering room – requiring standardized technical solution that can be implemented consistently without any suspicion of bias.
- ✓ Balancing Customer Experience: Service suspension, even as a last resort, is challenging due to service obligations, grace periods, and protection for vulnerable groups.
- ✓ Public Perception: Utilities must demonstrate compliance and adhere to professional standards in debt collections to maintain public trust.

# Addressing the Challenges

## Predictive Risk Assessment

- ✓ Utilities can reshape their credit and collections processes to better predict risk and reduce bad-debt charges.

## Segmentation and Exit Strategies

- ✓ In case of default, segmenting customers and finding appropriate exit strategies (with a focus on fair outcomes and customer experience) is critical.

## Efficient Disconnection Process

- ✓ When service suspension becomes unavoidable, utilities should manage it efficiently while ensuring fair treatment.



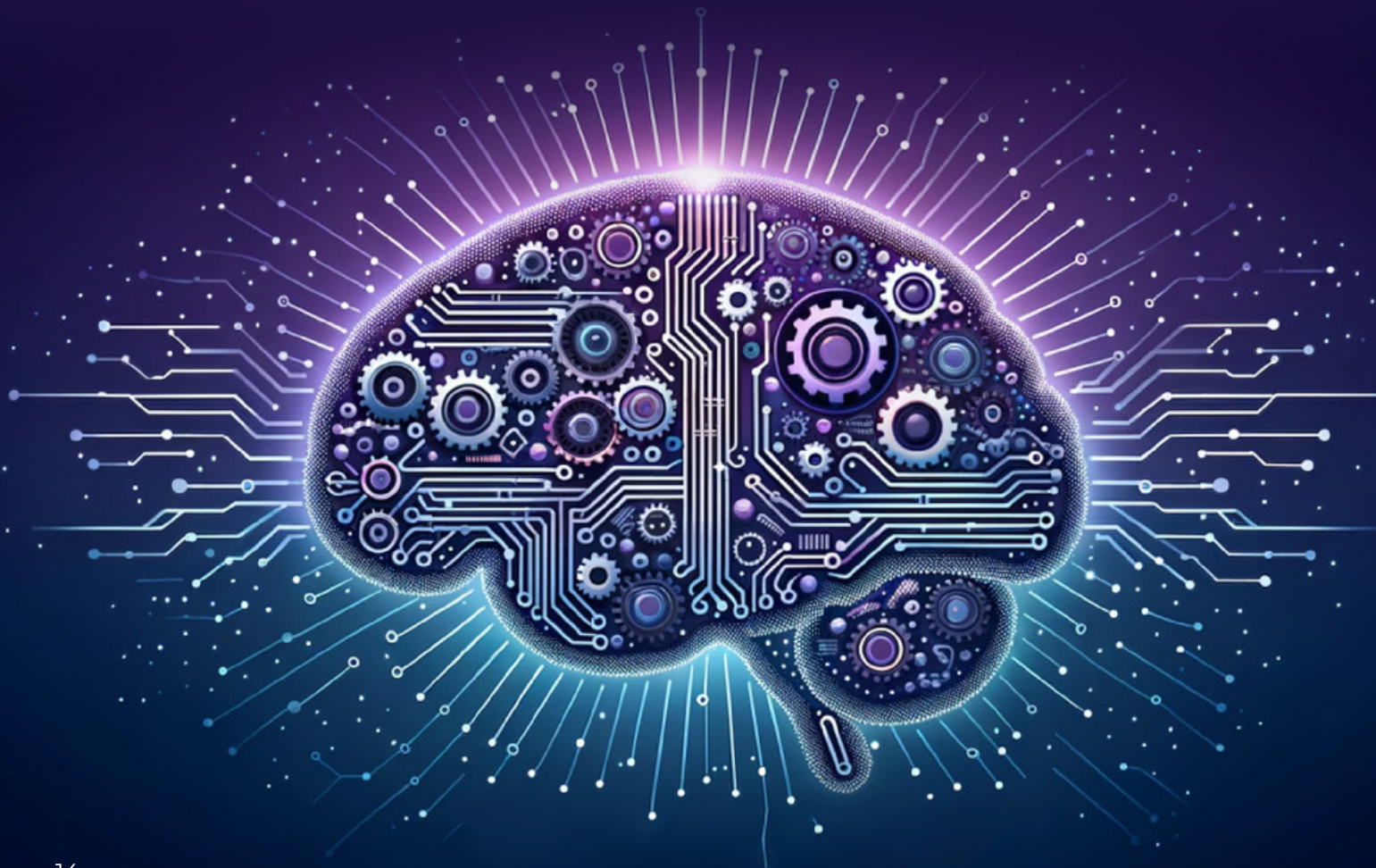
By proactively addressing these challenges, utility companies can enhance their resilience, improve customer experience, and safeguard their financial viability.



# 4 Proposed Solution(s)

## a. Introduction of Solution

In today's dynamic business landscape, utilities face mounting challenges related to credit risk management and collections. The need to predict risk accurately, engage customers effectively, and optimize outreach efforts has never been more critical. This solution aims to address these challenges by leveraging cutting-edge technologies, including artificial intelligence (AI) and machine learning (ML).



## 4.a.1

### Predictive Modeling for Credit Risk Assessment

#### Objective

Develop robust risk models that predict the likelihood of customer default.

#### Approach

- o **Historical Data**  
Leverage historical data on customer payment behavior, delinquency patterns, and other relevant variables.
- o **Feature Engineering**  
Use AI/ML algorithms to create meaningful features from raw data.
- o **Model Selection**  
Employ techniques such as logistic regression, decision trees, or neural networks to build predictive models.
- o **Validation**  
Validate model performance using cross-validation and out-of-sample testing.

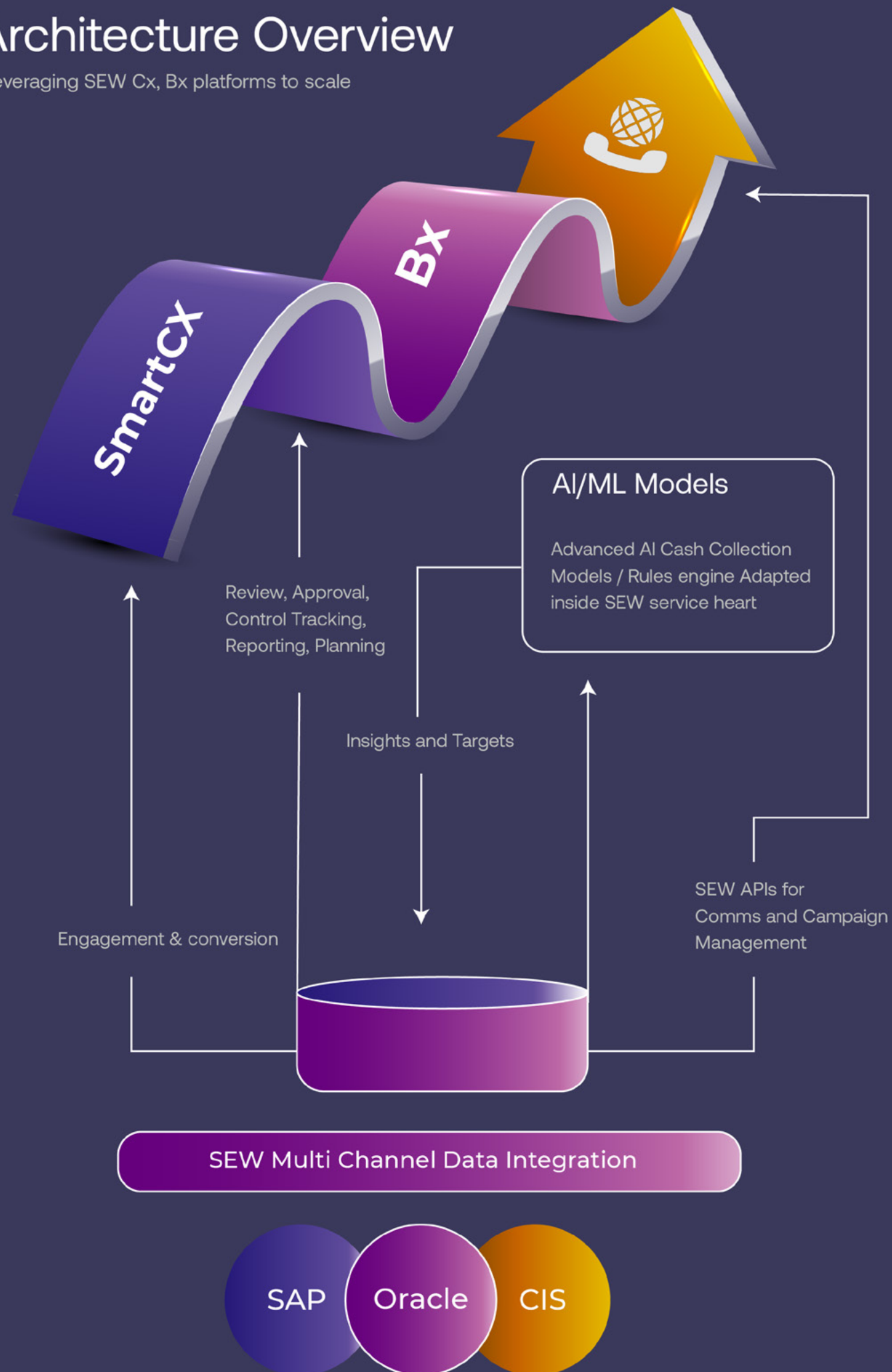
#### Benefits

- o **Improved Accuracy**  
Leverage historical data on customer payment behavior, delinquency patterns, and other relevant variables.
- o **Early Warning System (Future)**  
Identify high-risk customers early, allowing proactive intervention.



# Architecture Overview

Leveraging SEW Cx, Bx platforms to scale



## 4.a.2

### Advanced Multi-Channel Customer Engagement

#### Tailored Communication Strategies

##### Objective

Engage customers across multiple channels (App, Portal, ChatBots, email, SMS, phone, etc.) while maintaining a consistent experience.

##### Approach

- o **Segmentation**  
Use ML algorithms to segment customers based on behavior, payment history, and preferences.
- o **Personalization**  
Customize communication content for each segment.
- o **Channel Optimization**  
Determine the most effective channel for each customer.

#### Benefits

- o **Higher Response Rates**  
Targeted communication leads to better response rates.
- o **Reduced Churn**  
Engaged customers are less likely to switch providers.

# Smart Revenue Recovery

## User Journey

CSR logs into the SmartBx Portal

01



### COLLECTIONS DASHBOARD

CSR logs into the SmartBx Portal and navigates to the Cash Collection dashboard to access/create customer segments, KPIs, Collection rules, and action plans

02



### DEFINE SEGMENTS

CSRs can create target customer segments with predefined segmentation parameters

03



### VIEW SEGMENTS

CSRs can view the list of customer segments created and deep dive to view the customers associated with the customer segment

04



### COLLECTIONS RULES

CSRs can modify default Collection rules or create custom Collection rules. The system will also provide access control to the CSRs to create or modify Collection rules

05



### ACTION PLAN:

After defining required customer segments and Collection rules, CSRs can create action plans to initiate the cash collection process. The system would provide KPIs to CSRs to assess the performance of each action plan. CSRs can optimize the action plan to achieve maximum coverage.

# 4.a.3.

## Advanced Customer Segmentation and Targeting Strategy Using AI/ML

### Precision Targeting for Collections

#### Objective

Prioritize collections efforts by focusing on customers with the highest likelihood of repayment.

#### Approach

- **Clustering**  
Apply ML clustering algorithms to group customers with similar characteristics.
- **Behavioral Segmentation**  
Segment based on payment history, communication preferences, and responsiveness.
- **Predictive Scoring**  
Assign scores to predict the probability of payment.

#### Benefits

- **Efficient Resource Allocation**  
Allocate resources where they matter most.
- **Reduced Costs**  
Targeted collections reduce operational costs.

# 4.a.4.

## Analytics to Measure Effectiveness of Content and Time of Outreach

### Data-Driven Decision Making

#### Objective

Evaluate the impact of communication content and timing on collections success.

#### Approach

- **A/B Testing**  
Conduct experiments to compare different outreach strategies.
- **Response Analysis**  
Analyze customer responses to specific content.
- **Time Optimization**  
Use ML algorithms to determine optimal outreach times.

#### Benefits

- **Continuous Improvement**  
Data-driven insights lead to iterative enhancements.
- **Higher Recovery Rates**  
Optimize content and timing for better results.

Understaffed Debt-Collection Teams: Many utilities lack dedicated collections staff, relying on generalist call-center agents who may not be adequately trained to assess clients' situations. In addition the volume of work facing the team (even if specialized) makes the blanket engagement approach ineffective.



## b. Application of Solution

In today's dynamic business landscape, utilities face mounting challenges related to credit risk management and collections. The need to predict risk accurately, engage customers effectively, and optimize outreach efforts has never been more critical. This solution aims to address these challenges by leveraging cutting-edge technologies, including artificial intelligence (AI) and machine learning (ML).



### 1. Data-Driven Excellence

- **Industry Best Data Insights**

Smart Revenue Recovery taps into a vast repository of industry data, providing actionable insights. From payment trends to consumer behavior, it leverages this knowledge to drive effective collection strategies.

- **Billion+ Consumer Behavior and Engagement Data**

By analyzing behavioral patterns, preferences, and interactions, Smart Revenue Recovery tailors its approach to individual customers. This personalized touch enhances recovery rates.

- **10+ Years of Experience**

Leveraging a decade of SEW expertise, Smart Revenue Recovery has fine-tuned its algorithms and methodologies, ensuring optimal results.

### 2. Accurate Customer Segmentation

- **Risk-Based Segmentation**

The solution categorizes customers based on their risk level. High-risk accounts receive targeted attention, while low-risk ones benefit from streamlined processes.

- **Demographics and Geographic Segmentation**

Smart Revenue Recovery considers regional variations and demographic factors to tailor communication and recovery strategies.

- **Usage and Bill Patterns**

Understanding usage patterns and billing cycles allows for precise follow-ups and reminders.

- **Engagement Propensity and Past Defaults**

By factoring in propensity to engage to collection actions and historical defaults, Smart Revenue Recovery customizes its approach for each customer.

### 3. Seamless Integration with Smart Platforms

- **SmartCX (Customer Experience)**

The integration with SmartCX ensures consistent and personalized interactions across channels. Whether it's email, SMS, ChatBot, App, Portal, or phone/IVR, customers receive relevant messages.

- **SmartBX (Business Experience)**

A fully integrated & comprehensive CSR (Customer Service Representative) experience for role based end to end creation, management and optimization of credit and collection operations.

- **SmartBITS**

User, Usage, CIS, Support, Outreach, Billing, Payment and other information seamlessly flows into Smart Revenue Recovery, enabling timely reminders and payment options. BITS' built-in integral connections with industry leading CIS and other systems make this data flow and use out of the box and no brainer, no burden reality.

- **SmartiX (Intelligent Experience)**

Smart Revenue Recovery leverages advanced capabilities in SmartiX – AI/ ML, BI and reporting and analytics dashboard, ensuring a unified experience for managers and executives as well as the CSRs and others during execution of collections action plans.

### 4. Omni-Channel Engagement

- **Multi-Channel Reach**  
Smart Revenue Recovery communicates via SMS, chatbots, App, Portal, email, and IVR/ phone calls. Customers receive reminders where they're most likely to respond.
- **Program Management**  
Orchestrate hardship assistance and agency persona for those segments of the consumers that are willing but unable to pay, providing equitable and fair access to utility for everyone in the society where utility operates.
- **Campaign Management**  
Smart Revenue Recovery designs targeted campaigns based on customer segments, ensuring consistent messaging.

### 5. Action Plans for Effective Recovery

- ✓ **Segment-Channel-Content-Time Approach**  
  
The solution creates dynamic action plans by combining customer segments, communication channels, relevant content, and optimal contact times. For instance:
  - High-risk customers receive urgent phone calls.
  - Medium-risk customers get personalized emails.
  - Low-risk customers receive SMS reminders.
- ✓ **Automated Execution**  
  
Smart Revenue Recovery automates these plans, ensuring timely follow-ups without manual intervention.

### 6. Dual Dashboards for Enhanced Control

- ✓ **Admin Dashboard**
  - Manages entities such as segments, content templates, communication channels, action plans, and recovery programs.
  - Enables customization and configuration.
  - Low-risk customers receive SMS reminders.
- ✓ **Operational Dashboard**
  - **Monitors runtime metrics**
    - Outreach volume (number of interactions)
    - Outcome (successful contact, open, recoveries)
    - Efficiency (time and resources spent per recovery)
  - **Provides real-time insights for informed decision-making.**

Smart Revenue Recovery is more than a solution—it's a strategic partner in maximizing revenue, minimizing losses, and enhancing customer relationships. Its holistic approach, data-driven precision, and seamless integration make it the undisputed leader in credit and collections management.



# CASE STUDY

In this case study, we explore how the implementation of a **Smart Revenue Recovery Solution** significantly improved revenue recovery and credit positioning for a large utility company. By leveraging data analytics, automation, and targeted communication channels, the utility company achieved remarkable results across email, SMS, and disconnection recovery efforts.

## Background

The utility company faced challenges related to revenue leakage, unpaid bills, and inefficient recovery processes. Traditional methods were falling short in identifying and recovering lost revenue. The company sought a comprehensive solution that would enhance revenue collection while maintaining customer satisfaction.

## Solution Overview

The Smart Revenue Recovery Solution integrated advanced analytics, machine learning, and personalized communication channels. Let's delve into the benefits achieved in each recovery channel:

### 1. Email Based Recovery Benefits

Develop robust risk models that predict the likelihood of customer default.

Month	Quantity	Financial Recovery
22-Feb	1,172,739	R\$ 52,740,744.11
22-Mar	2,859,151	R\$ 85,294,606.90
22-Apr	1,792,860	R\$ 85,520,858.06
22-May	2,395,416	R\$ 89,903,238.06
22-Jun	1,906,399	R\$ 114,246,965.02
22-Jul	1,930,116	R\$ 130,768,964.84
22-Aug	2,396,966	R\$ 136,760,106.66
22-Sep	1,260,221	R\$ 140,753,923.87
22-Oct	1,717,999	R\$ 141,889,436.98
22-Nov	927,684	R\$ 191,989,279.33
22-Dec	2,205,650	R\$ 204,162,506.45

The solution optimized email campaigns, targeting overdue accounts and providing personalized payment reminders. As a result, the company witnessed a substantial increase in recovered revenue.





## 2. SMS Based Recovery Benefits

Month	Quantity	Financial Recovery
Feb-22	804,902	R\$ 49,325,600.57
Mar-22	916,273	R\$ 62,739,473.06
Apr-22	1,371,292	R\$ 101,704,318.77
May-22	1,810,665	R\$ 141,299,912.02
Jun-22	1,995,615	R\$ 138,884,404.14
Jul-22	1,837,531	R\$ 116,953,494.70
Aug-22	1,865,289	R\$ 105,351,915.83
Sep-22	965,999	R\$ 74,917,271.86
Oct-22	1,727,646	R\$ 93,301,203.04
Nov-22	1,217,066	R\$ 64,990,859.72
Dec-22	1,678,069	R\$ 90,596,555.39

Automated SMS notifications were sent to customers with outstanding balances, leading to prompt payments and reduced arrears.

## 3. Disconnection related Benefits

Month	Quantity	Financial Recovery
Feb-22	111,645	R\$ 89,178,621.96
Mar-22	134,932	R\$ 98,261,560.05
Apr-22	113,659	R\$ 99,196,410.20
May-22	140,686	R\$ 108,468,162.77
Jun-22	119,043	R\$ 87,415,799.17
Jul-22	111,862	R\$ 67,962,932.63
Aug-22	109,084	R\$ 64,924,615.15
Sep-22	83,472	R\$ 49,587,854.17
Oct-22	61,729	R\$ 37,624,380.57
Nov-22	99,597	R\$ 56,991,607.36
Dec-22	116,546	R\$ 64,400,666.71

### Disconnection Recovery Trends

With a mix of strategy to disconnect unrecoverable accounts and by proactively preventing disconnections and offering flexible payment options, the utility company minimized revenue losses due to service interruptions.

## Results

The **Smart Revenue Recovery Solution** yielded impressive outcomes:

- **Increased Revenue**  
Recovered millions of R\$ through targeted communication.
- **Enhanced Customer Satisfaction**  
Reduced disconnections and improved credit positioning.
- **Efficient Operations**  
Streamlined recovery processes, saving time and resources.

In conclusion, the utility company's adoption of this innovative solution exemplifies how digital transformation can drive financial gains and operational excellence in the utility sector.

# 6 Future Direction and Long-Term Focus



## 1. Analytics:

The future of Smart Revenue Recovery lies in leveraging advanced analytics to enhance revenue collection strategies. Here are key areas to focus on:

### ✓ Geo/Address-Based Analytics

The solution creates dynamic action plans by combining customer segments, communication channels, relevant content, and optimal contact times. For instance:

- **Geospatial Insights:** Analyze revenue patterns based on geographic locations. Identify high-risk areas and tailor recovery efforts accordingly.
- **Address-Specific Segmentation:** Group customers by address or locality to optimize resource allocation and prioritize collections.

### ✓ Macro-Level Trends

- **Economic Indicators:** Monitor macroeconomic factors (e.g., GDP growth, unemployment rates) to anticipate revenue challenges.
- **Market Trends:** Identify industry-specific trends affecting payment patterns.

### ✓ Tailored Programs

To maximize revenue recovery, Smart Revenue Recovery should offer tailored programs at critical stages:

#### a. Sign-Up Programs

- **Direct Debit Enrollment:** Encourage customers to set up automatic payments via direct debit.
- **Debit Card Integration:** Promote debit card usage for seamless payments.
- **Pre-Payment Plans:** Offer upfront payment options with incentives (e.g., discounts).

#### b. At-Risk Events Programs:

- **Split Billing:** Allow customers to split outstanding balances into manageable installments.
- **Customized Scripts:** Develop scripted communication for specific scenarios (e.g., job loss, medical emergencies).
- **Channel and Tone Adaptation:** Adjust communication channels (chatbots, phone calls) and tone based on customer profiles.

#### c. Objection Handling Programs (automation)

- **Scripted Responses:** Equip agents with scripts to address common objections (e.g., affordability concerns, disputes).
- **Personalized Offers:** Provide targeted promotions (e.g., fee waivers, extended payment deadlines) to overcome objections.

The future of Smart Revenue Recovery lies in data-driven insights, risk segmentation, and personalized programs. By combining analytics with tailored approaches, organizations can optimize revenue collection while maintaining positive customer experiences.



# 7 Results and Conclusion

Capabilities and in-field data both point to Smart Revenue Recovery solution being superior, cutting edge and need of the current times – compared to the cottage industry of solutions for Dunning Processes and run of the mill call center / phone call based recovery routines.

## Dunning Process: Post-Delinquency Execution

The Dunning Process primarily focuses on post-delinquency execution—that is, dealing with customers who have already defaulted on payments. While it serves as a legal mechanism to recover outstanding dues, it has several limitations:

- ✓ **Default Prevention Missed:** By the time the dunning process kicks in, the default has already occurred. It lacks proactive measures to prevent defaults in the first place. This reactive approach often results in missed opportunities to save the customer relationship early on.
- ✓ **Lower Customer NPS:** Engaging in legal proceedings can strain customer relationships. Customers perceive the dunning process as adversarial, leading to a decline in their **Net Promoter Score (NPS)**. Dissatisfied customers are less likely to recommend the utility to others.
- ✓ **Suboptimal Recovery:** Waiting until after delinquency reduces the chances of full recovery. The longer the process takes, the more challenging it becomes to retrieve the entire outstanding amount. Moreover, the utility misses the chance to address underlying issues that caused the default.

## Antiquated Recovery Processes: Phone Calls and Contact Centers

The second category involves antiquated recovery processes that rely heavily on traditional methods such as phone calls and contact centers. Here are the drawbacks associated with this approach:

- ✓ **Lack of Advanced Analytics:** Antiquated processes lack the sophistication of **advanced analytics**. Without data-driven insights, recovery efforts remain generic and inefficient. The utility struggles to identify high-risk accounts or tailor recovery strategies based on individual circumstances.
- ✓ **AI/ML Segmentation Missing:** Unlike Smart Revenue Recovery, which leverages **AI/ML-based segmentation**, antiquated processes treat all delinquent accounts uniformly. Without personalized targeting, recovery efforts fall short. The utility fails to prioritize accounts with the highest likelihood of repayment.
- ✓ **Engagement Challenges:** Relying solely on phone calls limits engagement. Customers may ignore calls or feel harassed by frequent contact attempts. The lack of alternative communication channels hinders effective communication.

## Smart Revenue Recovery: A Holistic Approach

Now, let's explore why Smart Revenue Recovery stands out:

- ✓ **Proactive Default Prevention:** Smart Revenue Recovery focuses on preventing defaults before they occur. By analyzing customer behavior, payment patterns, and risk factors, it identifies potential defaults early. This allows utilities to take preventive measures, such as personalized reminders or flexible payment options.
- ✓ **Advanced Analytics and AI/ML:** Smart Revenue Recovery harnesses the power of advanced analytics and machine learning. It segments customers based on risk profiles, payment history, and other relevant factors. Tailored recovery strategies maximize the chances of successful resolution.
- ✓ **Omni-Channel Engagement:** Unlike antiquated processes, Smart Revenue Recovery embraces an omni-channel approach. It communicates through multiple channels—email, SMS, mobile apps, and web portals. This flexibility ensures better customer engagement and responsiveness.

In summary, Smart Revenue Recovery combines proactive prevention, data-driven insights, and multi-channel communication to optimize recovery outcomes. By addressing defaults early and tailoring strategies, utilities can enhance both financial recovery and customer satisfaction.





SEW, with its innovative and industry-leading cloud platforms, delivers the best Digital Customer Experiences (CX) and Workforce Experiences(WX), powered by AI, ML, and IoT Analytics, to the global energy, water, and gas providers. At SEW, the vision is to Engage, Empower, and Educate billions of people to save energy and water. We partner with businesses to deliver platforms that are easy-to-use, integrate seamlessly, and help build a strong technology foundation that allows them to become future-ready.

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