

ENFORCEMENT THROUGH A DIFFERENT LENS



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It has been a difficult couple of years for vulnerable customers, and with recent developments to universal credit, supply chain issues, and news coming from the energy sector (and with winter coming), we can expect that vulnerability rightfully will become of even greater focus.

At Just we find that the right application of data and intelligence can identify those customers that are vulnerable early in the collections journey – this is both morally the right thing to do but also allows collections and recoveries resource to be focused on those that can pay. Understanding the right treatment, and most appropriate next best action, at every stage of the collections journey is good for the consumer and the creditor alike.

Understanding your vulnerable customers can make a tangible difference to their experience, and with that in mind, this edition of Just insights comes from Vulnerable Customer Experience Coach Carolyn Delehanty from Delehanty Consulting.

Enforcement through a different lens

A perfect storm is brewing for vulnerable customers and the enforcement industry needs to prepare.

For vulnerable customers, life is already hard enough. Often living from hand to mouth, a 50p coupon can be the difference between having a piece of toast for dinner and having a more substantial meal.

For these customers, shopping in the reduced section, visiting food banks, relying on school meals for nutritious food and beans on toast 2-3 times a week is the norm.

I know. I've been there and it's not pleasant. It's why I spend my time helping organisations deliver seamless and deliberate experience for their customers – vulnerable or not.

In the months ahead financially vulnerable customers face knowing:

- Their weekly income may be cut by £20 (Universal Credit)
- Their income may drop if you have to isolate (expected upturn in winter COVID case)
- They're going to use more energy (seasonal change)
- Their energy prices are going up not once but twice (price cap rise)
- Food prices may go up (supply chain problems)

It's inevitable that demand debt advice will go up and that more debts will go unpaid and for longer and in some cases become unrecoverable.

What can leaders in enforcement do now, next and later?

If an organisation has not deliberately designed the experience its customers, especially those who are vulnerable, are having thoroughly, the experience its customers receive is whatever arises from how that organisation is structured and governed. It's an accidental experience which may or may not be consistent or pleasant and may be doing their brand and industry reputation irreparable damage.

As the famous civil rights activist Maya Angelou once said, I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel. It's these feelings which drive customer behaviours. You return to a restaurant not only because of rational factors – the food was good, the service was quick, but also the emotional factors – you felt welcome on arrival, relaxed during your meal and content at the end. In enforcement, how you make your customer feel influences when and how much they commit to pay as well as their likelihood to keep to their commitments.

Now...understand your customer's current experience

Revisit all your processes from the shoes of your customer. Most organisations have process flows or maps (which some call their customer journey) but when it includes business jargon, activities the customer doesn't see, experience or feel, or lacks pain points and clarity over pivotal moments for the customer, it falls a long way short of a useful customer journey map. Using one vulnerable customer persona (based on research and needs analysis) at a time and capture the touchpoints of their journey. Focus on the happy or most common path - what should happen and, in all likelihood, does happen to some customers. Capture all content of your journey map in your customer's words

e.g. I'm advised my debt is being transferred to an agency as opposed to DCA acquisition for example.

Underneath this, starting a new row for each, per touchpoint capture:

1. Channel – the medium by which the touchpoint happens...email, chat, phone, face to face.
2. Customer pain points – the are normally multiple pain points at each touchpoint.
3. Moments of truth - the pivotal touchpoints for your customer
 - Customer feeling – how is your customer feeling? Listened to? Respected? Worried?
5. Performance data – evidence the touchpoints and pain points are correct.

Finally, because you aren't your customer, take the map to a small group of vulnerable customers to further validate that it reflects the journey they went through.

Next...redesign the experience

Reduce a shortlist of priority touchpoints. I recommend any which:

1. Are a moment of truth but currently have pain points.
2. Have clusters of pain points which have been evidenced with data.
3. Are commercially important but currently contain pain points.

Select and agree on the first touchpoint for redesign.

Clearly define the vulnerable customer's problem in a couple of sentences. What are they trying to achieve at the touchpoint and what's stopping them? Gather together a small group (max. 5) of people who are very familiar with this problem.

These are most effective when the group includes 1-2 vulnerable customers but a separate customer session can also be ran. Customers bring new and different ideas based on their experiences elsewhere, but it is also a chance to show them that you can't simply wipe their debt or stop activities to collect it.

With the group, collate their ideas for resolving your customer's problem. Call on inspiration from different industries – which elements of other experiences can you bring into yours? Don't limit thinking, in fact actively encourage wild and bold ideas. They can be the goal rather than the reality of tomorrow's experience.

Vote on the favourite idea(s) and carry out an informed benefits assessment – although this need not be precise, it should be robust enough to garner support to proceed to delivery.

Later...prototype the service, test and, if successful, deploy it

The first version should be a Minimum Viable Service with sufficient features to prove, or disprove, the anticipated benefits of the idea.

I advocate an agile sprint approach to demonstrate impacts quickly – 6 weeks should be sufficient for most organisations with the right governance in place. Agile is more than a scrum and a backlog, it's a culture and an understanding built on trust which is lead from the top of the organisation. If a full transition to Agile is too big a change, create it in a ring fenced, but likely cross functional, area of the business covering the breadth of the stakeholders required to deliver the fix. This allows you to test the approach and the idea simultaneously. Once proven, the solution can be scaled at pace and a new priority touchpoint redesigned.

In conclusion...

The feelings and emotions of your customers directly impacts their actions and behaviours and failing to design your experiences to

evoke the emotions which lead to the outcomes both you and your customers want represents a significant missed opportunity.

While focusing on the experience of your vulnerable customers doesn't replace the need to focus on the experience of the rest of your customers, you will likely find many of the solutions you implement meet or exceed the needs of the vast majority of your customers.

Finally, improvements don't need to be expensive or transformational, but they do need to make a tangible difference to the experience. Keep your vulnerable customer's feelings and emotions at the centre of your improvements and you won't go far wrong.

Carolyn Delehanty is a practitioner with a proven track record in delivering tangible customer and commercial results across numerous regulated organisations. She helps organisations to connect with the feelings and emotions of their customers, in particular their vulnerable customer, and to understand the (buying) decisions and behaviours they drive. She guides teams through her proven method of designing inclusive, seamless, and deliberate experiences which evoke the desired feelings and emotions.

Her lived experience of financial vulnerability and exclusion drives her passion for helping others in a strategic and preventative way through great experiences with the organisations they interact with.

Having spent equal time in commercial and customer driven roles, Carolyn has a keen eye that ensures experience improvements are commercially viable and sustainable.

Just is the enforcement market integrator, providing easy access to use a diverse network of industry-leading experts to resolve problem debt.

We use data, analytics, and insights to enhance our understanding of the customers who owe money and then implement fair and effective treatment strategies based on their individual circumstances before placing debt.