

Increasing Debtor Payments

Different Document Formats, Creatively Presented Content Can Make a Big Difference

A variety of strategies – some tried and true and some brand new – are giving collection agencies better ways to reach debtors with greater impact and greater results. This is good news for the collections industry, because while more people are falling into debt as a result of today's crippled economy, debt collection is more challenging than ever as returns have rapidly diminished.

For years, print and mail companies have specialized in designing and creating custom documents utilizing color, graphics and a variety of type fonts. Using these strategies can provide maximum impact for the mailing investment. It has long been known, for example, that using highlight color adds power to a document and can direct the reader's attention to key information. Variable highlight color allows specific items in the body of the document to be highlighted, such as "Amount Due" or "Payments Due By..." In some cases, the use of highlight or spot color has been shown to increase desired debtor action by 20% or more. And the use of highlight color, as well as the use of color stock and special graphical presentation techniques can also improve lift.

Using a heavier wove stock – such as a 24lb white wove stock – vs. a standard 20lb stock creates a more professional looking document. And color stock, appropriately used, can add interest and a sense of immediacy to collection documents.

Today's innovative technology and in-house graphics capabilities enable some print and mail companies to design customized documents: self-mailers, 8.5 x 14 legal size documents – even postcards – that comply with the guidelines set by the Fair Debt Collection Practices Act (FDCPA). Using postcards, with their lower

postage rate, enables significant cost savings over mailing first class letters.

In order to obtain the economical postcard rate, the folded mailer is produced with the sides open and tabbed at the top. A removable sticker on the inside covers the recipient's personal information, maintaining FDCPA compliance. Most companies that offer postcard strategies do not also give legal advice, so any communication to debtors should be reviewed by clients' counsel to make sure the documents comply with both state and federal laws.

Companies using this strategy say the postcards are especially effective for communications that require no action on the part of the debtor. Account closed and post-dated check notices are the most popular uses. Additionally, the unique look of the postcard creates "mail intrigue," which results in greater impact. And the postage reduction can result in thousands of dollars in savings per mailing.

PSC Info Group, with processing centers in Oaks, Pennsylvania and Reno, Nevada, specializes in designing and creating custom documents utilizing color, graphics and a variety of type fonts. With years of experience in a variety of industries, the company has a fully staffed graphics design department capable of performing anything from minor changes to existing documents, letters, statements and envelopes through a complete redesign to increase response and payment rates.

To learn more about how PSC Info Group can help your company increase profits, improve cash flow and reduce return mail, contact Stephanie Kaster, Vice President of ARM Solutions, at 866-693-7660.