

# White paper summary

The strategic approach to  
debt management in the  
telecommunications sector



## The issues of debt management

Telecommunications operators have faced increasing pressure over recent years to grow the subscriber base in a highly competitive market, only to find that their customers have been able to switch between providers, leaving their debts behind and making customer churn a significant challenge.

Added to that the growth in third party content and the losses from bearing those costs, and it is clear that debt management is becoming a key driver for telecommunications operators.

Operators who take a strategic approach achieve a significant reduction in the cost to collect the higher volume, lower value debts that are typical of this industry and, at the same time, reduce the levels of churn.

A strategic approach will optimise collections by:

- Maximising profit by increasing the recovery of cash collected using efficient automated strategies and actions
- Improving cash flow by ensuring earlier recovery of the debt
- Reducing costs through improved automation of decisions, actions and the use of best practice collections techniques

- Increasing customer retention through debtor rehabilitation and management by profiling the debtor and using the most appropriate collection technique
- Ensuring rapid ROI by utilising an agile deployment and optimised ability to further enhance the solution.

The aim is to enable a rapid reaction to changing customer needs and market demands, as well as managing portfolio growth.

### Want to read more?

This executive summary is taken from the Decision Analytics white paper [The Strategic Approach to Debt Management in the Telecommunications Sector](#).

Access a copy of this, and other Decision Analytics white papers, at: [www.experian-da.com](http://www.experian-da.com)

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