

# Keep Your Business Afloat When the Markets Sink

A Financial Solutions Strategy



## Trouble on the Horizon

**There's no getting around it—a financial slump is coming.** Political and economic worries are going up, and the market is revealing increased debt loads and significant upticks in auto, credit card and consumer credit delinquencies.

More than ever, there are demands to increase profits. Lofty consumer experience expectations are on the rise and we are facing accelerating requests to right-size business in response to rapidly shifting markets.

In today's pressure-driven economy, **now is the time** for businesses to adapt.

**It's time to get efficient. To get nimble. To get paid. It's time to talk to Alorica.**

## Consider the Following

Being proactive during tight financial times is paramount. It's simple—when your customers are ready to pay their bills, you have to be ready to receive payment. Lining up the right approach now will keep you ahead of the curve and reduce losses down the line.

Before the markets head south, think about these questions:

- 1 Do you currently have capacity?**  
When delinquencies rise, getting paid first matters more than ever. Bolster your customer support and first-party collection teams to prepare for an up-tick in volume.
- 2 Do you have an external partner? And do they have the ability to add coverage during a downturn?**  
Your internal teams can only handle so much. When the needs increase, be ready to deliver 24/7 service with an experienced partner.
- 3 If you have a current external partner, are they 'at the ready'—and able to ramp within three months?**  
The ability to get up to speed quickly makes all the difference. A fast ramp means serving your
- 4 Have you considered what it will take to establish a new external relationship within 6-12 months?**  
Know your timeline for launch—and include training, technology implementation and the time it takes to build trust and rapport.
- 5 When the downturn strikes, will you and you partner be prepared with the right products and solutions to manage your customers successfully?**  
Financial service companies are planning to invest heavily in digital solutions over the next year.<sup>1</sup> With chatbot and robotic process automation technologies leading the way, it's all about resolving customer questions and receiving payments as quickly as possible.

## Tracking the Trends



Over the past year, credit card loans have **increased 5% to \$156.6B**<sup>2</sup>



Since 2015, **total balances have nearly doubled**—growing from \$72B in Q1 of that year<sup>3</sup>



The percentage of seriously delinquent borrowers (90+ DPD) **grew 11 basis points** over the past year to **1.89%**<sup>4</sup>



Q2 of 2019 saw the **20th consecutive quarter** with an increase in consumer debt<sup>5</sup>



Payments on nearly **10% of student loans** started being at least **90 days late** during Q2 2019, compared to 9.4% in Q1 2019<sup>6</sup>

## The Alorica Advantage

Efficient, scalable and secure. These are the defining characteristics of our complete financial solutions portfolio. From origination to servicing, Alorica can custom tailor your credit and collections program—reducing uncertainty, increasing productivity and enhancing your bottom line.

Let us share with you our experiences with ramping facilities and workforce during a market dip. Our objective is to put you in a position of pre-emptive readiness—able to address risks and challenges head-on, so that you get paid first.

## Let's Talk!

Email us at [sales@alorica.com](mailto:sales@alorica.com), or call us at **1-866-ALORICA** to start the conversation.

1. <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Financial-Services/gx-fsi-dcfs-2019-banking-cap-markets-outlook.pdf>

2. <https://www.americanbanker.com/news/is-jamie-dimon-warning-of-a-downturn>

3. <https://www.transunion.com/blog/ir-consumer-credit-origination-q1-2019>

4. <https://www.transunion.com/blog/ir-consumer-credit-origination-q1-2019>

5. <https://finance.yahoo.com/news/household-debt-much-money-does-151034880.html>

6. <https://www.reuters.com/article/us-usa-economy-debt/past-due-student-loans-credit-card-debt-could-weigh-on-u-s-growth-idUSKCN1V31HA>