

COLLECTIONS

is The Next Customer Experience Battleground

The 2026 **COLLECTIONS** Challenge



Rising volumes, thinner margins.

Elevated transitions into delinquency + higher APRs intensify pressure on cure rates and cost-to-collect.



Customer expectations reset by AI.

Consumers expect instant, 24/7, “right-tone” outreach across chat, text, email, and voice.



Compliance pressure intensifies.

New CFPB scrutiny around Regulation F, digital outreach disclosures, and AI explainability raises operational risk.

Why **COLLECTIONS** Can’t Stay Business-as-Usual

\$18.4

trillion in U.S. household debt, with 4.4% of balances now delinquent — the highest rate since 2012!¹

15%

increase in Cost-to-collect since 2021²

Only

3-5%

of banks and lenders currently use AI-driven segmentation or predictive collections, but 70% plan to by 2026³.

45%

year-over-year increase in CFPB enforcement actions related to digital or AI-enabled debt collection communications⁴.

What AI is Changing



Analytics-led segmentation & treatment:

Early adopters show up to +25% recovery uplift with AI-driven collections strategies.



Autonomous/self-service flows:

Agentic AI resolves routine interactions at scale, enabling 30%+ operating cost reduction in service contexts.



Hyper-personalized contact:

AI predicts best time/channel/tone, raising right-party contact and willingness-to-pay while reducing roll rates.



Quality & compliance at scale:

LLMs summarize calls, flag risk language, and enforce Reg F boundaries across email/SMS/voice.

The New **Collections** Operating Model: “Human + Agentic AI” Playbook

	Prevent & pre-empt Predict near-term delinquency and trigger nudge campaigns (payment plan offers, hardship paths) before DPD 30.		Orchestrate, don't blast AI selects channel, cadence, and tone; human agents step in for high-risk, high-empathy cases.
	Assure compliance continuously Real-time policy checks against Reg F (time-of-day, frequency, opt-outs), auto-redaction, and audit trails.		Learn in the loop Closed-loop test-and-learn on cure rate, RPC, roll rate, NPS/CSAT, and complaints—feeding next-best-action models.



Sutherland Collections Solution

Sutherland end-to-end Collections offering helps clients achieve measurable outcomes—10–20% higher recovery rates and 30% lower cost-to-collect—through human + AI collaboration. With **6,000+** skilled collectors, **20+** years of domain experience, and over **\$4 billion** in annual collections, Sutherland helps leading banks and lenders modernize their recovery operations end to end.

<https://www.sutherlandglobal.com/industries/banking-and-financial-services/collections>