

CASE STUDY

Debt Collection Software: Lovetts

Since deploying LexisNexis® TracIQ®, specialist debt collection and recovery firm Lovetts has been able to carry out tracing in-house, instead of using an outsourced agent, and has reduced the length of time it takes to trace debtors from up to four weeks down to a matter of minutes.

Improving debt recovery:
How instantaneous traces, performed in-house, are helping Lovetts significantly improve the chances of successful collection.

When specialist debt collection and recovery firm Lovetts decided to enhance its service offering by deploying an in-house [people tracing software](#) solution, choosing LexisNexis® Risk Solutions' web-based tracing and investigation solution, LexisNexis® TracelQ®, was an easy decision.

"I had heard of [TracelQ](#) prior to getting in touch with LexisNexis Risk Solutions," says Michael Higgins, Managing Director at Lovetts. "It seemed to be the industry standard that everyone referred to." And Michael is very pleased with the service he's receiving: "[LexisNexis® Risk Solutions was] very professional, extremely helpful and always willing to go the extra mile. I was impressed with everything from the initial contact all the way through to signing up."

Lovetts prides itself on leading the charge when it comes to technological innovation in the debt recovery industry, having gone paperless in 1998 and shortly afterwards introducing its market leading case management software, which enables clients to follow the progress of their case online.

"TracelQ has added another string to our bow in terms of being able to provide services that were typically outsourced in the past," Higgins says. "We feel that this is a step forward for us as a business because it gives us control over being able to locate individuals prior to issuing court proceedings."

"When tracing people is outsourced to agents, they are not just dealing with your case, they are dealing with other clients too. So you will get a time lapse in terms of response, and the longer time goes on, the chance of collection tends to lessen," he adds.

Higgins says the wait time with an agent can be anywhere between one week and four weeks, but with TracelQ, a trace can be carried out immediately. This means the next debt recovery letter can often be sent out the same day, which avoids wasting time and money and reduces the risk of issuing [debt recovery](#) letters and County Court Judgements (CCJ) to people at incorrect addresses.

The result is a more streamlined and cost efficient debt recovery business, with the majority of Lovetts' clients starting off with a 'letter before action' that can be sent for £5. This is considerably cheaper than using a third-party trace agent and often avoids the need to send a second letter.

On average, 84 per cent of Lovetts' cases are settled from the initial letter because most people will repay a debt they didn't know they had, rather than end up having a CCJ against them or an adverse credit rating. *"It is really important to track these people down and give them the opportunity to address the invoice that they may have not even realised was outstanding," he says.*

Although it is still early days – Lovetts subscribed to the software a month ago after a trial period last year – Higgins says the software will place the firm at a distinct advantage, hopefully leading to an increase in the number of traces and trace instructions going forward, which will help secure more clients at an earlier stage.

"If we can show clients that we can get an instant, or close to instant, result on a people trace, then clients are going to be more inclined to utilise us at an earlier stage," he notes.

The TracelQ software is also integral to facilitating growth in new areas, with talks already in place for business expansion into a new B2C revenue stream. Higgins concludes: *"The largest part of the debt recovery industry is business to consumer and we are in discussions with a large B2C company in terms of collecting their debt. This software will be absolutely crucial in making sure that we service that contract appropriately. It is a vital tool for us moving forward."*

To find out how we can help you and your business
with debtor tracing, call 029 2067 8555
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