CASE STUDY

Sagacity
Part of Accenture Song

Applying Unallocated Payments to the Correct Accounts

Client
Large Water Company

Collections

Client Problem & Impact

Our large water client found that their customers would pay their bills using a bank transfer but did not always use the correct payment ID. This meant the client was unable to identify the correct accounts to allocate these payments to.

Over time an increasing backlog developed creating a large credit in the financial statements.

This problem was highlighted by a growing credit that the client could not allocate, and in addition, the client was aware that 16% of customer complaints were due to unallocated payments.



Data Cleanse



Segmentation & Analysis



Allocate Payments

How Did Sagacity Help?

By using our Data Cleanse tool, we delivered a client-specific solution that allowed us to analyse and categorise the client's unallocated payments that totalled c.£2.3m.

There is no standzard payment reference protocol for paying bills so customers would routinely include as much detail as possible thinking this would help the client to identify the payment.

However, this resulted in strings of 'coded' references that were not easy to decipher.

We were able to analyse and then group these into common themes and patterns based on names, addresses, account numbers and dates. This enabled our client to successfully allocate 90% of the unrecognised customer payments.

Outcome & Business Benefits

£1.87m of payments allocated

The client benefitted significantly as our solutions was fast from initial analysis to payment allocation. The step-by-step solution was cost effective and has been added to business as usual payment processing operations.

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