Applied AI for

Financial Services

Small Balance Servicing and Collections Case Study

Confidential

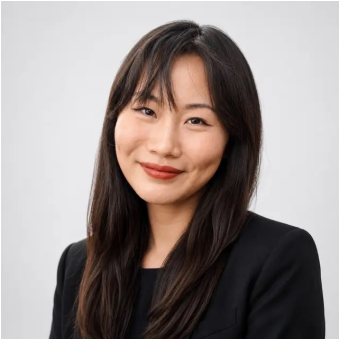
krew

Prepared By

Michael Goh

Cofounder

Formerly led speech benchmarking at Artificial Analysis. Previously a FinTech VC and Bain consultant. MS Computer Science, University of Chicago; BA Economics, University of Oxford.



Alice Zhang

Head of Product Compliance

Formerly advised the United Nations on AI Ethics and Safety for defense industries. Previously In-House Counsel at a FinTech VC. BA (LLB) Jurisprudence, University of Oxford.

The Problem

Customer X is a leading BPO specializing in servicing and collections for non-credit accounts (consumer rentals, municipalities, utilities, etc). In a segment defined by thin margins and high volumes of low-dollar accounts, cost efficiency isn't a nice-to-have - it's the whole game. Every dollar spent servicing a small balance eats directly into unit economics, so the BPO has long treated operational efficiency as a core competitive advantage.

That mindset made them an early adopter of new technology. A technology-forward BPO, Customer X owned and managed their own technology stack - giving them the ability to evaluate, integrate, and pressure-test new systems on their own terms.

The Challenge

Their appetite for innovation led them to experiment early with AI. Their first attempt, with Provider S, a long established incumbent, was a failure - not a marginal one. Over the life of that engagement, Consumer NPS plummeted in servicing conversations. For contingency accounts, Provider S barely recovered enough in gross dollars to cover the cost of the system. The AI agent deployed wasn’t intelligent nor empathetic. It was incapable of negotiating effectively, and barely resolved any outstanding accounts.

Worse, despite promising Customer X the ability to cancel if the product wasn’t working, Provider S refused to allow Customer X to cancel. Provider S insisted on charging Customer X a cancelation fee, which totaled the rest of the contract value.

That experience left a mark. Customer X became deeply skeptical of AI agents for servicing and collections - a domain where tone, compliance, and consumer trust carry real weight, and where a bad interaction can do more harm than no interaction at all. The skepticism went all the way to the top. The Chief Information Officer, in particular, was a net detractor on AI.

I was very much against using another AI vendor at the beginning. *I fought really hard against using Krew at first.*

Chief Information Officer, BPO servicing 2M+ Accounts

Experience with Krew

When the BPO was introduced to Krew, the initial reaction was hesitation, and understandably so. They'd been burned once, and their most technical decision-maker was the hardest to convince.

Rather than push for a large commitment, the engagement started small: a limited contract that let the BPO evaluate Krew on real accounts, with real consumers, against outcomes they could measure directly - without betting the business on an unproven vendor.

Customer went live with a minimal lift integration (SFTP file transfer) with the aim of proving out a simple metric in the first month. Can you bill enough in contingency fees alone to even justify spend on a dedicated AI agent?

The results were immediate.

During the limited 6 month pilot, Customer X saw efficiency gains equivalent to 192 weekly man hours, all for a fraction of the cost.

Krew's AI agent engaged nearly 100,000 consumers. In first-party servicing, it directly cured more than $2M in past-due balances. In contingency collections, it cost less than 3¢ per dollar liquidated.

192

Krew-attributed hours of human-agent capacity freed

Month 6

48

Krew-attributed hours of human-agent capacity freed

Month 1

Headline Numbers: Contingency

Results reflect collections on past-due balances ($70M+ across 79,428 accounts). ROI calculated as (incremental net cash + realized labor cost savings from FTE reductions) ÷ AI program spend. Incremental net cash derived from net liquidation uplift of 4% measured during a 12-week randomized controlled trial. Labor savings based on fully loaded cost and realized following deployment due to reduced manual workload attributable to platform-handled outreach.

$37 Collected per dollar spent on Krew's AI agents

9x ROI from liquidation uplift and labor savings

4% Net liquidation uplift

With Provider S, nothing worked. There were no results. With Krew, we saw a *clear uplift within days.*

Chief Information Officer, BPO servicing 2M+ Accounts

Headline Numbers: Servicing

Results reflect first-party servicing across ~20k consumer accounts. A request counts as resolved when the conversation was completed without live-agent involvement and the consumer either confirmed their inquiry was resolved or rated the interaction 8 or higher on a 0 - 10 post-call survey. End-to-end workflows are full-scope tasks, as defined by the BPO, completed without live-agent intervention.

51%

Of consumer servicing requests resolved without *any* human intervention

82K

End-to-end workflows executed

Krew is the *best applied AI partner* we've ever worked with.

Chief Information Officer, BPO servicing 2M+ Accounts

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Motivated by Krew's Collaborative Assurance Framework's principles of shared accountability and streamlined assurance, we partner with our customers - combining our AI-driven credit servicing platform's built-in security safeguards with each customer's own controls, system configurations, and user training - to help manage regulatory risk. It remains the responsibility of each customer to ensure compliance with all applicable federal, state, and local statutes.

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