



BUSINESS CASE STUDY 3

Debt Management Transformation

Automating the path from missed payments to resolution — with better visibility and lower effort



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Background

A rapidly expanding retailer with thousands of SME customers faced a growing challenge: aged debt was rising faster than the collections team could respond.

The billing system was capable, but the surrounding debt process remained heavily manual.

Staff spent their time trawling through inboxes, preparing reminders, and updating spreadsheets to track which customers had been contacted and when.



The issues

Despite their best efforts, the lack of structure meant that reminders were sent late, escalations were inconsistent, and high-risk customers often went unnoticed until arrears were substantial.



The cost of collecting debt was climbing, while customer disputes and delayed payments were becoming more frequent.



Edge Debt Management

The Cloudwater Edge Debt Management module introduced a fully automated debt workflow designed to scale with the retailer's growth.

Aged Debt was calculated in real-time, Debt Rating scores were displayed alongside each Customer and prioritised for action.

Routine communications—SMS reminders, emails, and formal letters—were scheduled and sent automatically based on customer behaviour and payment history.

Escalations moved through clearly defined stages, ensuring that every customer received consistent, timely prompts.

Debt Rating ↕	0-14 ↕	15-30 ↕	31-60 ↕	61-90 ↕	90+ ↕
-29.69	0.00	-175.01	826.21	635.02	15,222.76
-24.41	0.00	0.00	9,277.91	7,145.69	109,639.17
-27.33	0.00	0.00	10,947.27	0.00	173,320.18
-18.82	0.00	0.00	775.85	541.02	20,282.80
-18.7	0.00	0.00	0.00	3,375.94	26,011.92
-24.03	0.00	0.00	956.11	1,004.59	19,351.10

Risk Profiling

Edge also introduced intelligent risk profiling.

Customers who showed signs of persistent late payment, unusual consumption patterns, or repeated billing disputes were highlighted automatically.

Payment plans could be set up, monitored, and adjusted directly within the system, giving the collections team a structured and reliable way to support customers while maintaining control over revenue.



Conclusions

The impact was measurable.

Within six months, 90-day+ aged debt fell significantly, and the majority of routine reminders were being handled without any manual intervention.

Staff who had previously been overwhelmed by repetitive tasks were able to focus on strategic cases requiring negotiation or investigation.

“Edge transformed our collections. Our debt reduced significantly without increasing headcount.”

