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The Digital Communications Pulse Report

How debt collection agencies, debt buyers, fintechs, banks and credit unions are deploying text, email and digital channels, and what is surprising them along the way.

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A research briefing for the credit & collection industry

Spring 2026 Edition

INSIDE THIS REPORT

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A NOTE ON THE DATA

Findings throughout this report are expressed as percentages of respondents. The survey blends a quantitative read on industry sentiment and expectations with a detailed look at how organizations deploy digital communication channels, alongside verbatim commentary from the field.

THE HEADLINE

An optimistic industry that's still learning how to talk to consumers

Credit and collection professionals are broadly upbeat about the road ahead, but the survey reveals an industry mid-transition, where digital channels are clearly working yet remain unevenly deployed, lightly governed and frequently held back by aging technology and cautious clients.

7.4 / 10

Average industry optimism; 74% rated the industry's prospects a 7 or higher.

75%

Expect account placement volume to rise over the next six months, against just 7% expecting a decline.

SMS

Ranked the #1 channel for consumer engagement, ahead of email, web portals and the phone.

Six things worth knowing

1. **Optimism is real, but conditional.** Sentiment averages 7.4 of 10, and technological innovation is the most-cited reason for it (57% of respondents). Yet the same group names technology as its single biggest obstacle.
2. **More work is coming.** 75% expect account placement volume to climb, even as respondents split on whether contact and collection rates will keep pace – a classic "more accounts, harder to reach" squeeze.
3. **Texting won.** SMS posts the best average engagement rank and the second-most first-place votes, and it dominates the open-ended commentary as the channel that exceeded expectations.
4. **Digital pays off early.** 52% say digital channels perform best at early stage or first contact, reframing digital communication as an acquisition tool, not just a reminder service.
5. **Strategy is a work in progress.** Only about one in five organizations (21%) uses automated or AI-driven channel selection; many still run fixed sequences, and some admit to having no strategy at all.
6. **The brakes are structural.** The top barrier is not appetite. It is that current platforms cannot support the strategy (31%), compounded by consent gaps, missing contact data and client hesitation.

THE THROUGH-LINE

The channels are proven. The consumer is ready, often more ready than the businesses serving them. What separates leaders from laggards in 2026 isn't whether to go digital, but whether their technology, consent posture and governance can keep up with a consumer who already prefers to self-serve.

THE MOOD OF THE INDUSTRY

Optimism runs high, and technology is doing the heavy lifting

When asked to rate their optimism about the industry's prospects from 1 to 10, respondents landed at an average of **7.4**, with a median of 8. Optimism is not evenly distributed, but the skew is decisively positive.

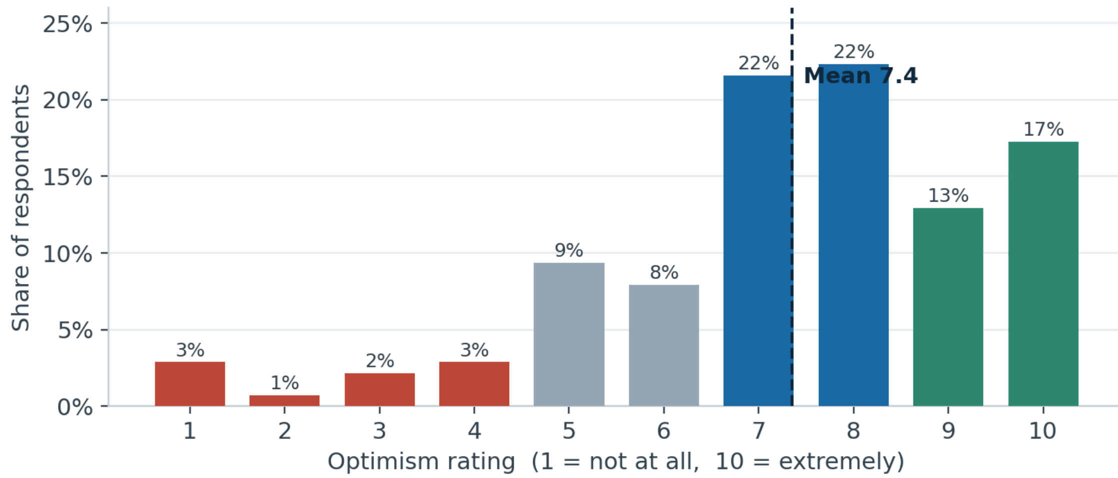

Figure 1. Distribution of optimism ratings across all respondents. Roughly three in ten rated their optimism a 9 or 10; fewer than one in ten rated it 4 or below.

Optimism skews decisively positive: 74% of respondents rated the industry's prospects a 7 or higher, and three in ten rated it a 9 or 10. Fewer than one in ten landed at 4 or below.

What's fueling the optimism

When asked which forces are driving their sentiment, respondents pointed first to **technological innovation**, selected by 57% of respondents. Notably, the regulatory environment and economic uncertainty rank next, showing up as drivers of sentiment in both directions depending on the respondent.

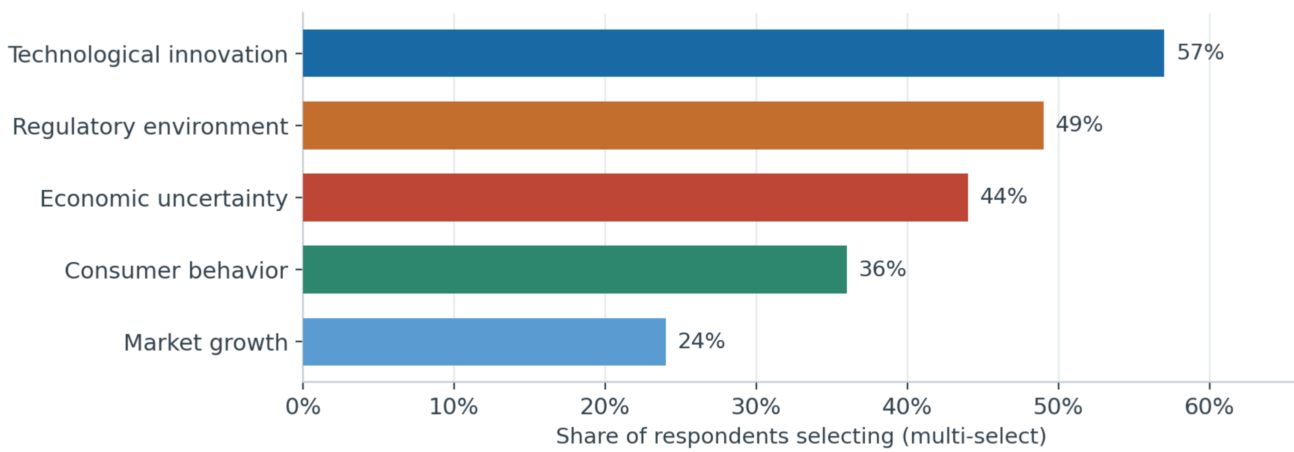

Figure 2. Factors shaping respondents' outlook (multi-select). Technology leads, but regulation and economic uncertainty are close behind. The same themes surface later as both opportunities and obstacles.

CONTEXT

That technology tops the list of *reasons for optimism*, and, as the barriers data later shows, also tops the list of *biggest challenges*, captures the central tension of this report. The industry sees its future in digital tools while wrestling daily with the systems it already has.

VOLUME, CONTACT & COLLECTION

More accounts are coming, but reaching and resolving them is the open question

Respondents were asked how three core metrics would move over the next six months. The pattern is striking: a strong consensus that **placement volume will rise**, paired with a far more divided view on whether the industry can convert that volume into contact and payment.

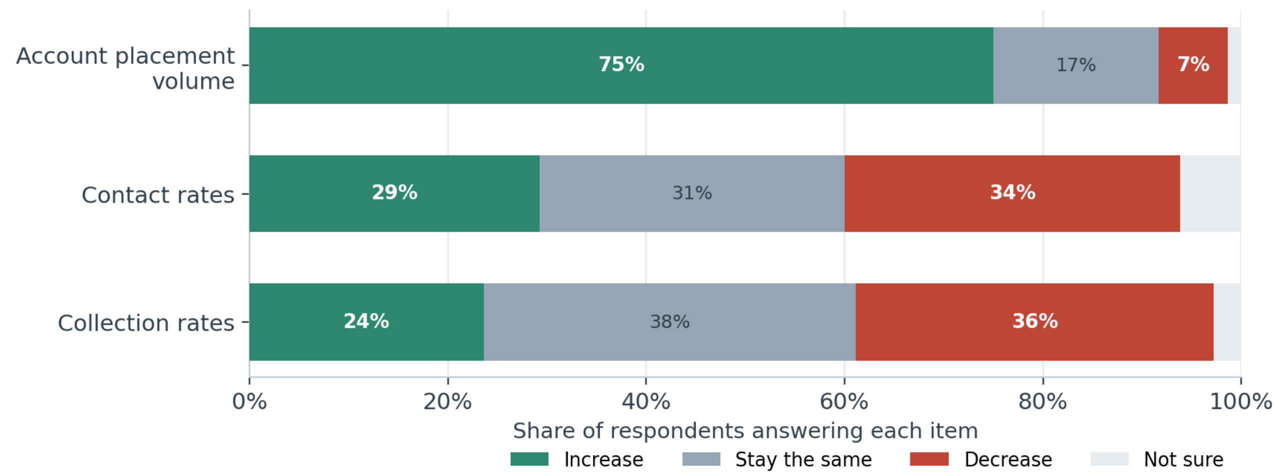

Figure 3. Six-month expectations for placement volume, contact rates and collection rates, shown as the share of respondents answering each item. Placement volume shows overwhelming upward expectation; contact and collection rates are split.

75%

Expect **more placement volume**, against just 7% expecting a decline.

29%

Expect **contact rates** to rise, against 34% expecting them to fall: a near-even split leaning slightly negative.

24%

Expect **collection rates** to rise, with 36% expecting a decline: the most cautious of the three forecasts.

Reading the squeeze

Roughly three in four respondents (75%) expect more accounts to work, yet the same group is markedly less confident that they will be able to reach consumers or collect at the same rate. That gap, rising inputs against uncertain outputs, is precisely the problem digital communication strategies are meant to solve.

It also reframes the urgency around channel strategy. If volume is climbing while contactability is flat or falling, every percentage point of engagement squeezed out of a text message or portal interaction becomes more valuable, not less. The organizations that treat the next six months as a contactability problem, rather than simply a staffing problem, are positioned to outperform.

THE TAKEAWAY

A rising tide of placements meets a consumer who is harder to reach by traditional means. The forecast effectively makes the business case for the digital channels examined in the rest of this report.

WHAT ACTUALLY REACHES CONSUMERS

Text messaging takes the crown

Asked to rank eight communication channels by consumer engagement, respondents delivered a clear verdict: **SMS text messaging** posts the strongest average rank, edging out email, web portals and the traditional phone call.

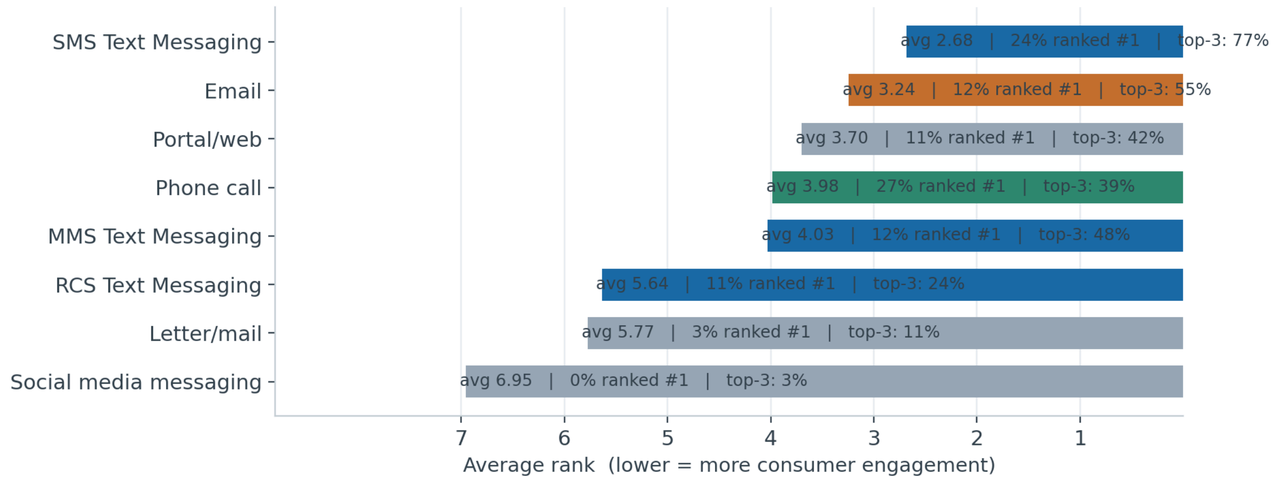

Figure 4. Channels ranked by consumer engagement. Bars show average rank; shorter is better. Labels show the share of respondents ranking each channel first and the share placing it in their top three. SMS leads on average; the phone call still draws the most outright first-place votes, revealing a split between consistency and peak performance.

Consistency vs. peak performance

The leaderboard contains a subtlety worth unpacking. The **phone call** drew the most first-place votes (27% of respondents) but also a long tail of low rankings, dragging its average down. **SMS**, by contrast, was rarely the outright favorite yet almost never ranked poorly, landing in the top three on 77% of ballots. Text messaging wins not by being everyone's favorite, but by being almost no one's least effective.

At the bottom, the verdict is just as clear. **Social media messaging** finished last on virtually every ballot, and **letter/mail** sits near the bottom despite its compliance familiarity. Newer text formats, MMS and RCS, show promise but remain unevenly adopted, suggesting headroom as carriers and platforms mature.

Rank	Channel	Avg. position	Ranked #1	Top-3 finish
1	**SMS text messaging**	2.68	24%	77%
2	Email	3.24	12%	55%
3	Portal / web	3.70	11%	42%
4	Phone call	3.98	27%	39%
5	MMS text messaging	4.03	12%	48%
6	RCS text messaging	5.64	11%	24%
7	Letter / mail	5.77	3%	11%
8	Social media messaging	6.95	0%	3%

Lower average position indicates stronger consumer engagement. "Ranked #1" and "Top-3 finish" show the share of respondents placing the channel first or among their top three.

TIMING & STRATEGY

Digital earns its keep early, but strategy has not caught up

Two questions get at how organizations actually use their channels: *when* in the lifecycle digital works best, and *how* they decide which channel to deploy.

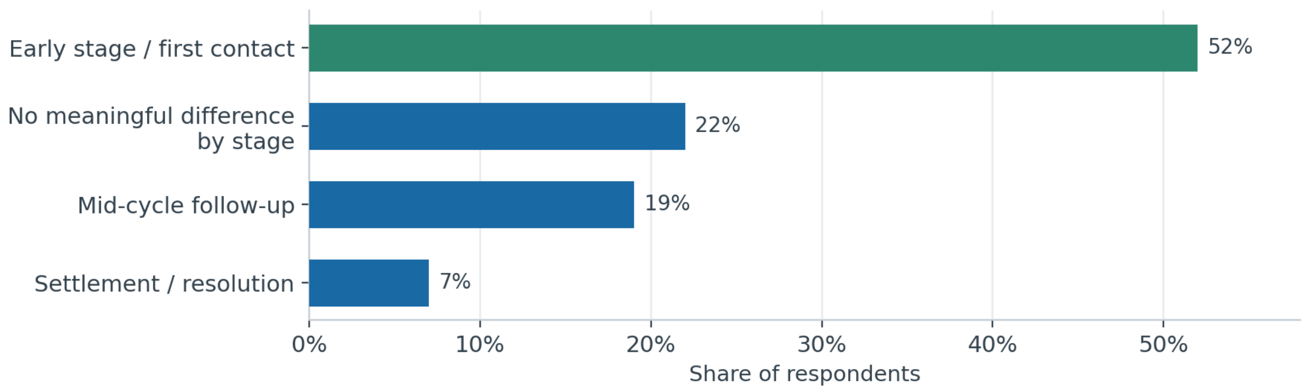

Figure 5. Lifecycle stage where digital communications perform best. More than half cite early stage / first contact.

A majority (52%) point to **early stage / first contact** as the sweet spot, recasting digital outreach as a tool to *open* the relationship, not merely to nudge it along. A meaningful minority, however, say they see no meaningful difference by stage, hinting that measurement maturity varies widely across the industry.

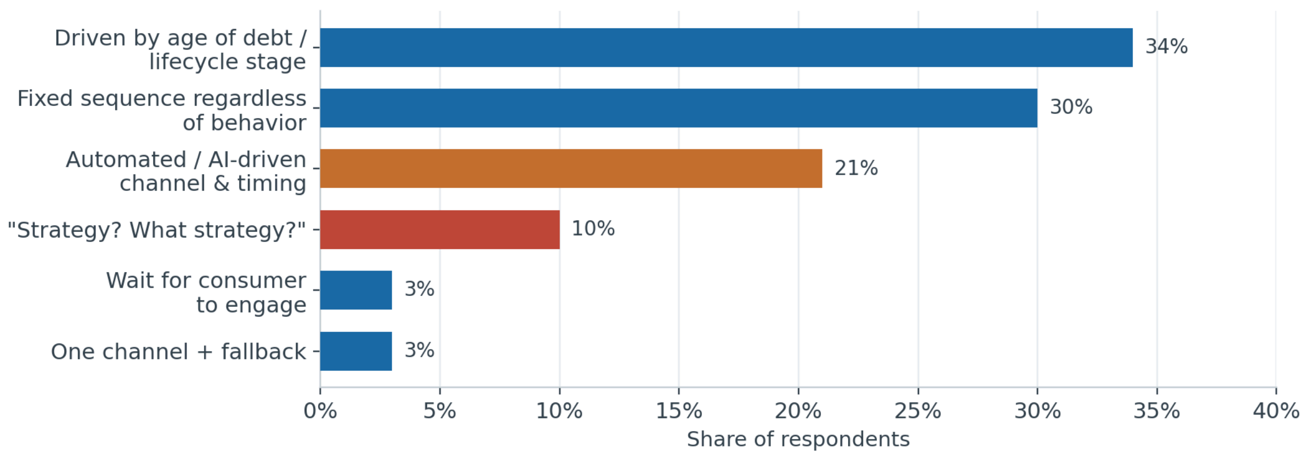

Figure 6. How organizations decide which channel to deploy. Only about one in five uses automated or AI-driven selection; one in ten candidly answered "Strategy? What strategy?"

The maturity gap

The most common approach, sequencing by age of debt or lifecycle stage (34%), is sensible but static. Roughly a third (30%) still run a **fixed sequence regardless of consumer behavior**, and only about one in five (21%) has moved to **automated or AI-driven** channel and timing decisions. That one in ten respondents openly admit to having no strategy is, in its own way, the most honest finding in the survey.

> **CONTEXT**
>
> The combination is telling: organizations agree on *which* channels work and *when* they work, but most have not yet built the orchestration to act on that knowledge dynamically. The opportunity is not discovering a new channel, it is deploying the proven ones intelligently.

THE OBSTACLES

The brakes are structural, not philosophical

When asked to name their single biggest digital communications challenge and, separately, what is holding them back from full deployment, respondents pointed overwhelmingly to systems and constraints, not to doubts about whether digital works.

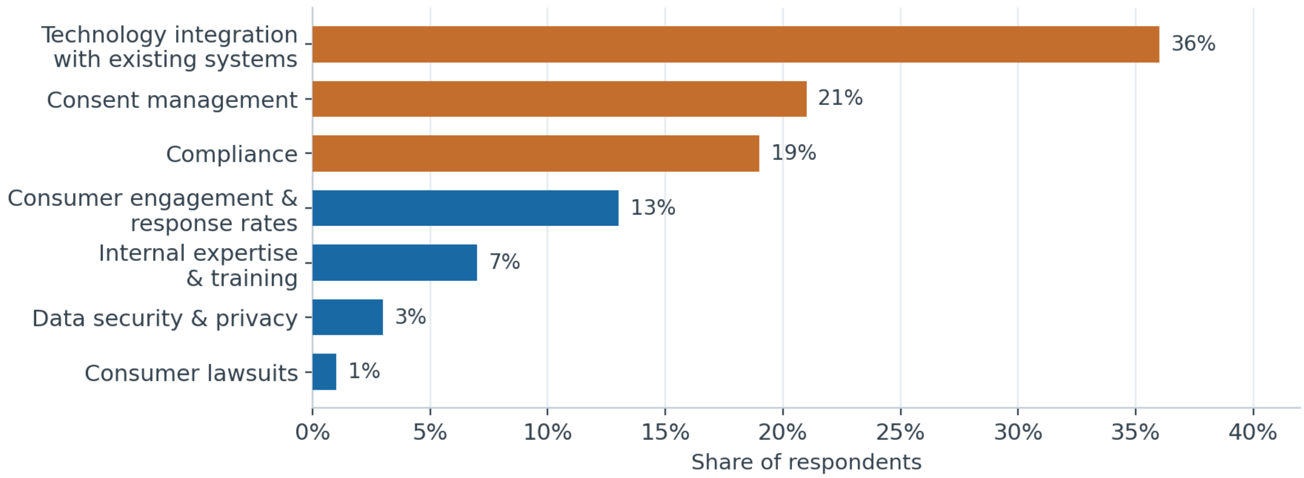

Figure 7. Biggest digital communications challenge. Technology integration leads by a wide margin, followed by consent management and compliance.

Technology integration with existing systems is the runaway top challenge, cited by more than a third of respondents. Consent management and compliance follow, a reminder that in this industry, the regulatory wrapper around a channel matters as much as the channel itself.

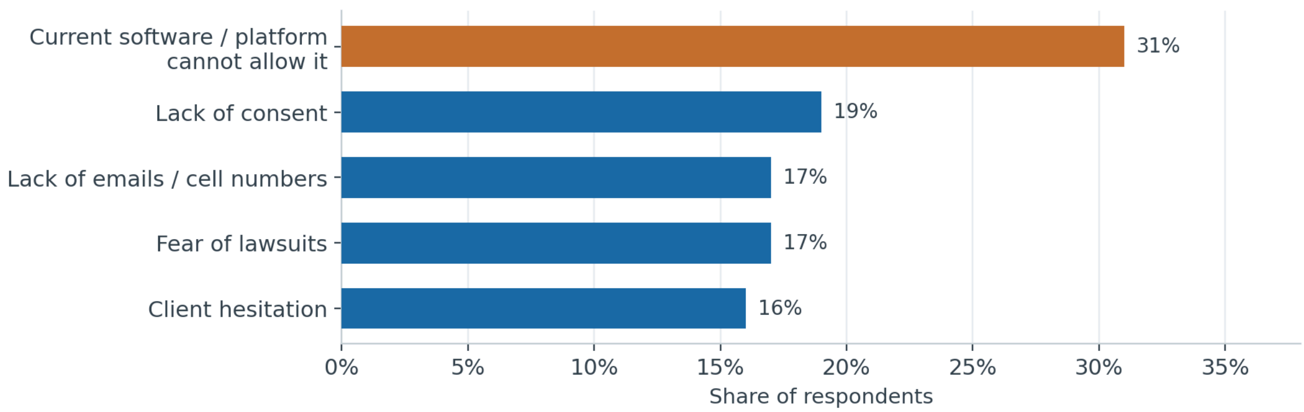

Figure 8. What is holding organizations back from full deployment? The leading answer: the current software or platform simply cannot allow it.

Reading the barriers together

Stack the two questions, and a consistent picture emerges. The most-cited obstacle to *deploying* a strategy is that the **current platform cannot support it** (31%) – the operational mirror of the integration challenge. Behind it sit a cluster of roughly equal barriers: gaps in consent, missing emails and cell numbers, fear of litigation and client hesitation.

What's notable is what *doesn't* rank highly: almost no one cites lack of belief in digital communication or consumer rejection of it. The industry has been sold on the destination. The friction is in the plumbing: platforms, data, consent records and cautious clients standing between intent and execution.

THE TAKEAWAY

When the leading barrier is "our system won't let us," the path forward runs through technology and data infrastructure that is capable of unifying channels, managing consent at scale and proving compliance, rather than through convincing anyone that texting works.

THE QUALITATIVE SIGNAL

"What has surprised you most about your digital journey?"

The survey's open-ended question drew a wave of candid responses. Read together, they tell a richer story than any chart: consumers are more ready than expected, texting keeps overperforming and the hardest parts are governance, speed and getting clients on board.

“

A consumer paying by clicking on the link in the 68th SMS/email that we sent them. No response from the previous efforts and then all of a sudden the account is paid.

ON PERSISTENCE PAYING OFF

“

Texting is multiple times more effective than email at driving consumers to the payment portal.

ON CHANNEL PERFORMANCE

“

How much consumers prefer to self-serve, they do not like engaging with reps.

ON CONSUMER BEHAVIOR

“

Consumers prefer self-serve / digital because they feel shame.

ON THE HUMAN DIMENSION

“

How far behind we are. It's a journey I wasn't expecting.

ON ORGANIZATIONAL READINESS

“

How timid the original creditors are to lean in. Many are old school and think it takes a human to talk a consumer into paying.

ON CLIENT HESITATION

“

The need for good governance, preplanning, documentation, pretesting and auditing, proving you have done your due diligence BEFORE implementing digital comms, especially AI.

ON GOVERNANCE

“

My attorney is stating that lawsuits could be very substantial if we utilize AI. This is contributing to our hesitancy.

ON LEGAL RISK

“

AI is not the answer to all your needs!

ON EXPECTATIONS

“

Enterprise clients not allowing third-party digital communication.

ON STRUCTURAL BARRIERS

“

Initial digital communication is successful; repeated attempts not as effective as I expected.

ON DIMINISHING RETURNS

“

Rapidly evolving technology. Hard to know when to make a move and what move to make.

ON TIMING THE INVESTMENT

THREE THEMES IN THE VERBATIMS

1. Consumers are ahead of the industry: readiness, self-service preference and surprising responsiveness recur throughout. **2. Texting keeps beating expectations:** multiple respondents independently flag SMS outperforming email. **3. The hard part is internal:** governance, legal caution, client buy-in and deployment speed dominate the friction, not consumer resistance.

CONCLUSION

A ready consumer, a willing industry and a plumbing problem

Taken together, the findings sketch an industry that has resolved the *question* of digital communications and is now grappling with the *how*.

Optimism is high and placement volume is expected to climb. Consumers, by the industry's own account, increasingly prefer to self-serve, respond to text messages and engage on their own terms. The channels that work are known, and the lifecycle moment where they work best is known. What remains unresolved is execution: integrating channels into aging systems, managing consent at scale, documenting compliance, bringing cautious clients along and moving from static sequences to dynamic, behavior-driven orchestration.

For agencies, debt buyers, fintechs, banks and credit unions, the strategic implication is consistent across every section of this report. The competitive edge over the next several years will not come from discovering a new channel. It will come from deploying proven channels, led by SMS, more intelligently, more compliantly and more quickly than peers who are, in their own words, surprised at "how far behind we are."

ABOUT THE PUBLISHER

AccountsRecovery.net

AccountsRecovery.net is a leading news and information platform for the credit and collection industry, serving professionals at debt collection agencies, debt buying companies, collection law firms, fintechs, banks, credit unions and healthcare organizations. Through daily news coverage, live webinars, original research and industry events, AccountsRecovery.net helps practitioners navigate the regulatory, technological and operational forces reshaping accounts receivable management.

ABOUT THIS REPORT

This research briefing was produced by AccountsRecovery.net and made possible through the sponsorship of TCN. The survey was fielded among the platform's professional audience between February and April 2026. Sponsorship supports the production of independent industry research; survey findings and editorial analysis reflect respondent data and the publisher's interpretation.

METHODOLOGY

How the survey was conducted

This report is based on a survey of credit and collection industry professionals fielded by **AccountsRecovery.net** between February and April 2026. Participants were drawn from the platform's audience of practitioners at debt collection agencies, debt buying companies, collection law firms, fintech lenders, banks, credit unions and healthcare revenue-cycle organizations.

ARM

Practitioners across agencies, debt buyers, banks, credit unions, fintechs and healthcare.

2026

Fielded from February to April among an engaged professional audience.

9

Questions spanning sentiment, six-month forecast, channels, strategy and open-ended commentary.

What the survey measured

The questionnaire combined a quantitative read on industry sentiment and expectations with a detailed look at how organizations deploy digital communication channels, where those channels perform best and what is getting in the way. It closed with an open-ended question inviting respondents to share what has surprised them most about their digital journey.

A note on interpretation

Throughout this report, results are expressed as percentages. For the detailed channel, strategy and barrier questions, percentages reflect the share of respondents who answered that specific question rather than the full sample, since not every participant answered every item. Multi-select questions sum to more than 100 percent. The optimism reading reflects all respondents. Open-ended responses are presented verbatim, lightly de-duplicated, with spelling preserved.

This is a voluntary, self-selected sample of an engaged professional audience rather than a randomized panel, so figures should be read as directional indicators of where the industry's attention sits rather than as precise population estimates.

WHY IT MATTERS

The bulk of respondents represent organizations that touch consumers directly every day. Their read on which channels work, and what is getting in the way, is a practical bellwether for where the ARM industry's communications investment is heading.

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About TCN

TCN is a global provider of a comprehensive, cloud-based contact center platform built for enterprises, contact centers, BPOs and collection agencies. Founded in 1999 and headquartered in St. George, Utah, TCN was an early pioneer in moving the contact center off expensive on-premise hardware and into the cloud, and today its platform supports billions of interactions every year between agents and consumers.

TCN's flagship platform, **TCN Operator**, brings together a holistic, easy-to-use set of automated agent tools and apps spanning Omnichannel Communications, Workforce Engagement, Compliance and Data Management, Integration and Automation, Business Intelligence and Reporting and Analytics, all within a single, unified interface. As a privately held, consistently profitable company, TCN has grown for more than two decades without outside capital, building its reputation on flexible, consumption-based pricing and a no-long-term-contract philosophy.

Why it matters for this report

The challenges respondents raised, from integrating channels into existing systems to managing consent, proving compliance and orchestrating the right channel at the right time, map directly to the problems TCN's platform is designed to solve.

Omnichannel communications

Voice, email and chat in one interface, so agents can meet consumers on their preferred channel – including the text messaging this report ranks #1 for engagement.

Compliance & data management

Built-in tools to help support adherence to TCPA, FDCPA and HIPAA requirements and manage consent and Do-Not-Call obligations at scale.

Intelligence & analytics

Real-time business intelligence and reporting that turn channel performance into measurable, optimizable outcomes.

Integration & automation

A cloud-native, API-friendly platform designed to modernize aging systems, the single biggest barrier respondents named.

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St. George, Utah
Cloud contact center technology since 1999