

THE NAKED TRUTH:

# WHY AI IS YOUR ALLY



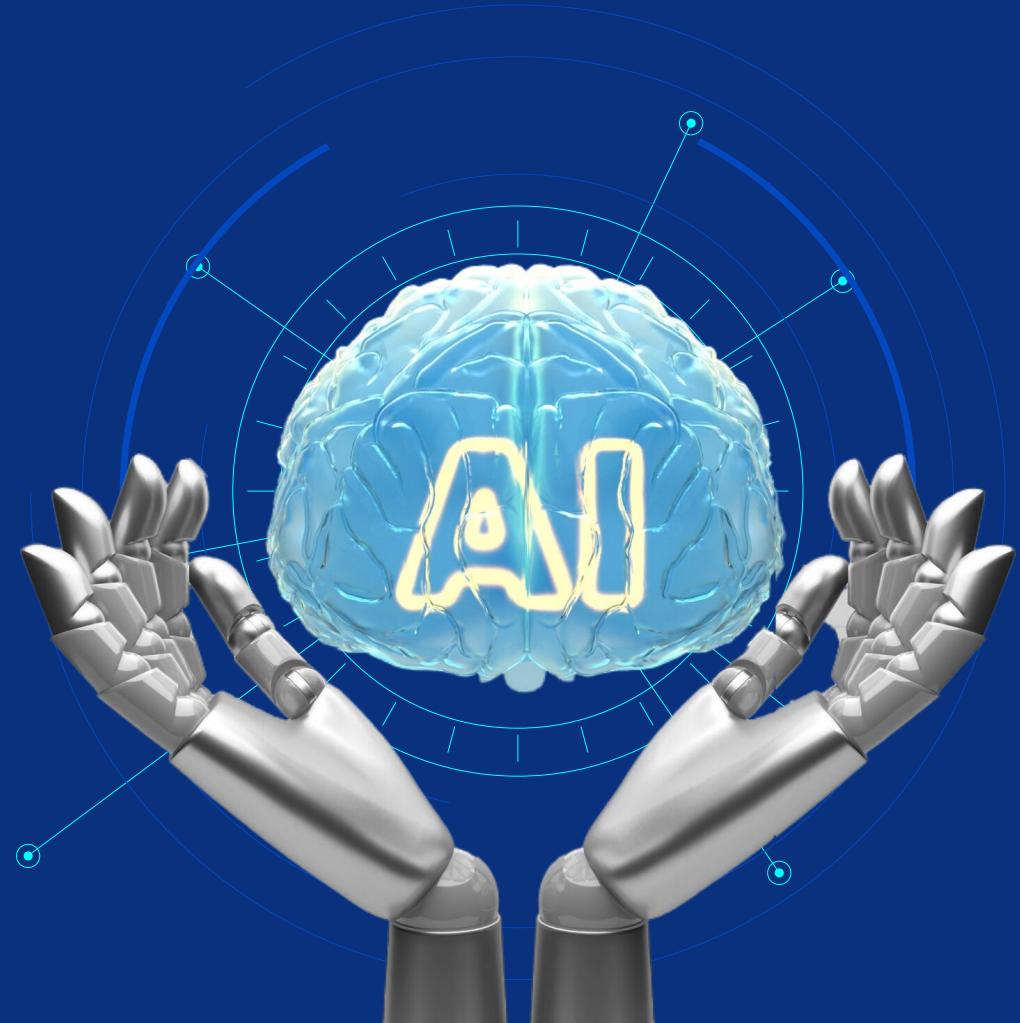
UNDERSTANDING WHY AI IS YOUR BEST  
BET IN FORGING A THRIVING FUTURE



# Executive Summary

The adoption of artificial intelligence has often been met with hesitation and widespread misconceptions.

This is particularly true in the accounts receivables management (ARM) industry, where stringent regulations mean that even a minor error can lead to litigation. Common misconceptions revolve around compliance, cost, and deployment challenges. In this white paper, we debunk common myths about AI, empowering companies to make informed decisions and leverage AI for business excellence.



## Key Takeaways

Debunking  
8 common myths  
about AI



An analysis of how Conversational AI augments telephony systems and payment gateways and how it can replace SMS blast providers and IVRs



How to deploy  
Conversational AI in  
less than 48 hours



# CONTENT

01 AI Making Headlines for All the Wrong Reasons

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02 A Reality Check

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03 Most Common Myths About AI

1. AI is Not Compliant and Is Risky
2. AI Is Expensive, and Only Large Companies Can Afford It
3. It's Too Challenging To Implement AI
4. AI Will Make Agents Redundant
5. AI's Biases Make It More Litigation-Prone
6. AI Will Never Be Fully Accepted by Regulators
7. AI Implementation Needs Dedicated IT Staff
8. AI is Not a Necessity Today

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08 Understanding AI Further

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09 How to Go Live in Less than 48 Hours

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10 Conclusion

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# Making Headlines for All the Wrong Reasons

**The Washington Post**  
*Democracy Dies in Darkness*

TECH Help Desk Artificial Intelligence Internet Culture Space Tech Policy

BUSINESS

## FCC makes it official: AI-generated voices in robocalls are illegal

2 min 57

**BBC**

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## US FCC makes AI-generated robocalls illegal

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Technology QuickTake

### Why AI Is So Expensive

The push for bigger AI models, and more chips and data centers to support building them, is driving up costs for technology companies.

**THOMSON REUTERS**

CORPORATE TALENT & INCLUSION

### New study finds AI-enabled anti-Black bias in recruiting

Dawn Zapata Senior Content Producer / Thomson Reuters

18 Jun 2021 · 5 minute read

**Forbes**

FORBES > LEADERSHIP > CAREERS

### Will AI Take My Job—Or Become My New Coworker?





## But Here's a Reality Check



The Conversational AI market is projected to grow from **USD 13.2 billion in 2024** to **USD 49.9 billion in 2030**, with a CAGR of **24.9%** in the forecasted period.

Source: [MarketsandMarkets](#)

In the accounts receivables management industry, **11%** of third-party collection companies currently use AI across their enterprises. However, **60%** of companies are somewhere along the deployment path to use AI/ML-based technology.

Source: [TransUnion Report: Seizing the Opportunity in Uncertain Times: The Collections Industry in 2023](#)

AI investment could reach nearly **\$100 billion** in the U.S. and **\$200 billion** worldwide by 2025, according to a Goldman Sachs report.

Source: [Goldman Sachs](#)





## Most Common Myths About AI and Why They Are Wrong

Conversational AI is not compliant and is risky



AI is expensive, and only large companies can afford it



It's too challenging to implement AI



AI will take away live agents' jobs



AI's biases make it more litigation-prone



AI will never be fully accepted by regulators



AI requires dedicated IT staff



AI is not a necessity today





## Myth #1: AI is Not Compliant and is Risky

You might think that using artificial intelligence to handle calls or exchange text messages with your consumers infringes regulations, but this is not the case.



**Inbound calls** handled by AI bots do not require the consumer's express consent and are TCPA-safe. However, mandatory disclaimers are still needed as dictated by FDCPA.

**Outbound interactions remain compliant** as long as the following conditions are met:

- (1) obtain the consumer's prior express consent;
- (2) provide identification and disclosure information about the party initiating the calls; and
- (3) offer an easy method to opt out.

Compliance with the Telephone Consumer Protection Act (TCPA) is maintained through straightforward filtering mechanisms and compliance requirements, such as disclosing the debt collector's identity and including prompts for disclosing contact details.

**The best Conversational AI platforms are fundamentally designed to meet stringent regulatory standards.** With certifications like PCI DSS, SOC II, and HIPAA and robust compliance guardrails, it is tailored to prevent breaches.

In fact, Conversational AI **enhances compliance for collection agencies and creditors** by adhering to laws like the Fair Debt Collection Practices Act (FDCPA) and Reg F. Automated interactions are monitored and logged for transparency, reducing non-compliance risks. By automating collection processes, AI bots minimize human errors and ensure a consistent application of regulatory protocols.





## Myth #2:

# AI Is Expensive, and Only Large Companies Can Afford It



Conversational AI is as affordable as any other SaaS product on the market.

### AI SaaS is affordable due to consumption-based pricing.

Thanks to this model, companies adopting AI can save on costs. The cost of Conversational AI is based on the number of calls made or the number of SMS and emails sent. This makes AI solutions cost-effective for businesses of all sizes.

### Implementing AI increases your ROI.

It provides significant returns on investment by increasing revenue and reducing costs, ultimately maximizing profits for businesses regardless of their size.

### AI is for everyone.

Due to affordability and ease of implementation, thousands of small companies are leveraging AI for their businesses.





## Myth #3: It's Too Challenging to Implement AI

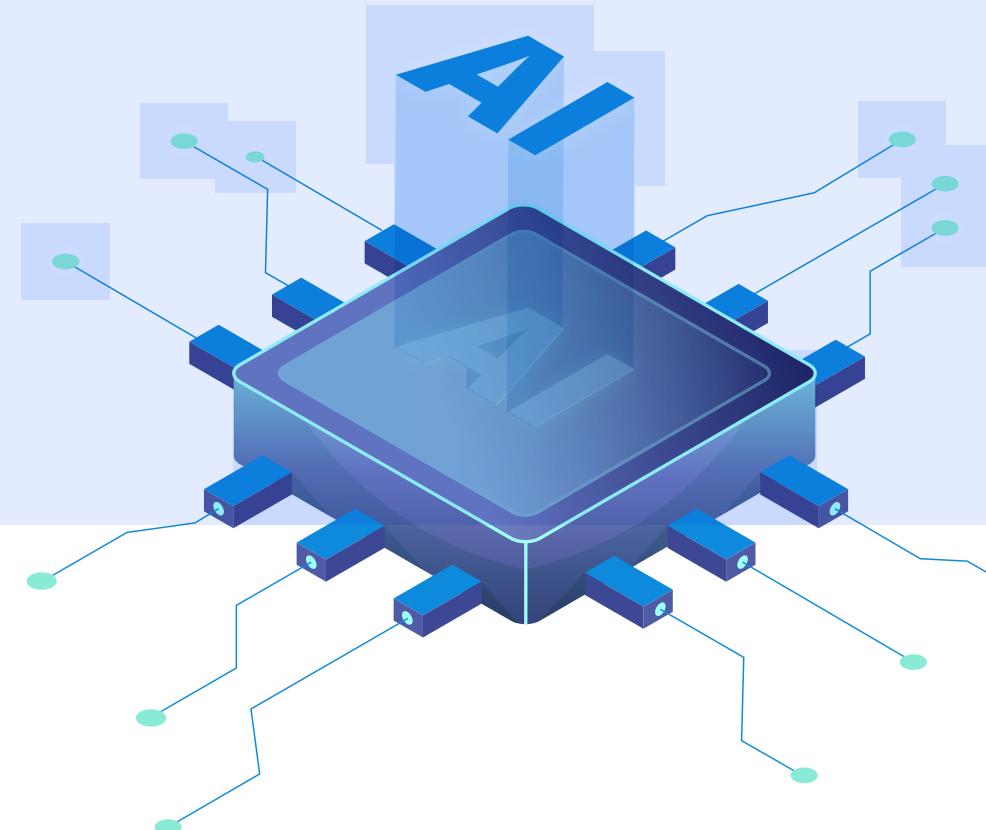
Integrating AI with your existing tech stack—such as CRM platforms and payment gateways—can be challenging and resource-consuming, as some of these technologies may lack integration capabilities. However, as AI technology evolves, it has become **possible to integrate it even with the most complex systems**.

 **Go live in hours, not weeks.**

The integration time varies based on the specific CRM or payment gateway being used. Still, with the latest methods like Robotic Process Automation (RPA), it can take less than 72 hours.

 **Zero-effort integrations.**

A good Conversational AI vendor will have a dedicated customer success team to ensure a smooth implementation process.



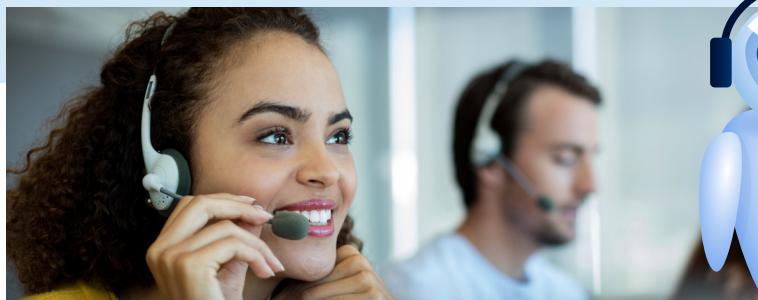


## Myth #4: **AI Will Make Agents Redundant**

One of the most common misconceptions about AI is that it will take people's jobs. But in reality, AI is designed to support human agents by handling repetitive tasks, enabling them to focus on more complex and value-adding tasks. Agents tend to spend 60-80% of their work hours on repetitive tasks. With AI augmenting their work, overall productivity is enhanced, facilitating a more efficient and effective collection workplace.

**AI's purpose is to augment human capabilities, not replace them.**

For example, Conversational AI can automate tasks like right-party contact verification, capturing promises-to-pay, and collecting payments, freeing agents to concentrate on accounts that require more effort to resolve.





## Myth #5: **AI's Biases Make It More Litigation-Prone**

Many remember the incident in which Google had to pause the image generation tool of Bard (now known as Gemini) due to bias concerns. The incident highlighted the challenges AI can face. However, the belief that Conversational AI is inherently prone to biases is incorrect.

Large Language Models (LLMs) cannot be effectively utilized in their raw form. It is crucial to fine-tune these models with additional data training and implement purpose-specific guardrails. While biases and hallucinations can occur in any AI model, the extent of their mitigation depends on the vendor's training efforts and the guardrails they have put in place.

### Training with Better Datasets.

Biases can be significantly reduced by training AI systems with high-quality, diverse, and extensive datasets. The better the dataset, the lower the chance of bias in AI decision-making.

### Guardrails to Avoid Further Chances of Bias

A good Conversational AI vendor will implement guardrails to prevent AI from making biased assumptions. Conversational AI vendors leverage years of domain expertise to identify and mitigate common biases. With this experience, they can develop relevant guardrails to minimize biased decision-making in AI systems.

As artificial intelligence continues to engage and learn from its experiences, effective bias mitigation techniques can significantly reduce the risk of biased decision-making. Properly managed bots minimize biases and associated risks, leading to fairer outcomes and reducing the likelihood of litigation.





## Myth #6: AI Will Never Be Fully Accepted by Regulators



AI is dominating the headlines, but go deeper, and you will find myriad beneficial use cases and a robust regulatory system. The **right rules can power the next generation of AI**, unlocking innovations we can't imagine and ensuring greater access to fair and affordable financial services.

- Penny Lee

US Fintech Policy and Regulations in Forbes  
[Getting AI Regulation Right Starts With A National Privacy Bill](#)

AI technologies are designed to adapt in response to new regulations and industry standards. Continuous monitoring and updates ensure adherence to the latest legal requirements. AI's adaptability allows it to evolve alongside regulatory changes, maintaining compliance over time. Additionally AI's benefits make its adoption inevitable, and it's only a matter of time before it becomes an integral part of the business world and our lives.





Myth #7:

## AI Implementation Needs Dedicated IT Staff

While this is a very widespread belief, most AI SaaS solutions are designed to be user-friendly and typically require **no coding**. This means that collection agencies and creditors can implement and run these solutions with their existing staff without needing any special technical skills.





## Myth #8: **AI is Not a Necessity Today**

The three most common challenges in the collections industry—cost, resources, and scale—can only be effectively addressed with a Conversational AI suite of solutions. Companies aiming for a successful future will have AI as a core component of their technology stack.

**Laggards who fail to adopt AI  
will struggle to remain relevant.**





# Understanding AI Further

Automating repetitive processes is one thing; artificial intelligence capable of handling intelligent, human-like conversations with consumers is another. Conversational AI isn't just another technology adding incremental value; it represents a quantum leap in every aspect of a collection agency's business strategy.

## How Conversational AI Augments the Capabilities of Your Current Tech Stack

	Capabilities without Conversational AI	Boosted capabilities with Conversational AI
Dialer and Telephony	<ul style="list-style-type: none"> <li>• Auto dialing</li> <li>• Call routing</li> <li>• Call recording</li> <li>• CRM integrations</li> <li>• Basic analytics and call reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Interactive and dynamic, two-way conversations</li> <li>• Multilingual and multichannel support</li> <li>• Scalable and reliable</li> <li>• Natural Language Understanding with context and intent recognition</li> <li>• Continuous learning and adaptability</li> </ul>
Payment Gateways	<ul style="list-style-type: none"> <li>• Authorization</li> <li>• Settlements</li> <li>• PCI compliance</li> <li>• Multiple payment methods</li> <li>• Transaction reporting</li> <li>• Mobile payments</li> </ul>	<ul style="list-style-type: none"> <li>• With seamless integration with Conversational AI, payment can be collected in an instant.</li> <li>• From RPC → PTP → Payment Collection</li> </ul>
SMS Blast Providers	<ul style="list-style-type: none"> <li>• Automated messages</li> <li>• Pre-defined automated responses</li> <li>• Drip campaigns</li> <li>• Delivery reports and engagement metrics</li> <li>• Opt-in and Opt-out management</li> </ul>	<p><b>SMS blast providers can be completely replaced with Conversational AI.</b></p> <ul style="list-style-type: none"> <li>• Two-way automated conversations</li> <li>• Payments negotiations</li> <li>• Agent callback request</li> <li>• Immediate responses with no agent intervention</li> <li>• Available 24/7</li> </ul>
IVR System	<ul style="list-style-type: none"> <li>• Automated call routing</li> <li>• Multi-level menus</li> <li>• Data input via DTMF and validation</li> <li>• Self-service options</li> <li>• Basic call analytics</li> </ul>	<p><b>IVRs can be completely replaced with Conversational AI.</b></p> <p>With Conversational AI:</p> <ul style="list-style-type: none"> <li>• Superior consumer experience</li> <li>• No long menus</li> <li>• Zero hold time</li> <li>• Hyper personalization</li> <li>• Objection handling</li> <li>• Payment negotiations</li> <li>• Advanced analytics with communication strategy based on the response and payment history of each consumer</li> </ul>



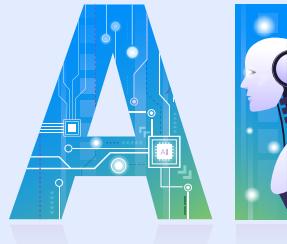
# Going Live in Less than 48 Hours





# Conclusion

It is human nature to be skeptical of new technologies, especially those that can disrupt well-established processes and those claiming to benefit us greatly. However, as an AI company, it has been our sincere effort to educate industry leaders on the benefits of artificial intelligence and its transformational potential.



AI is a valuable ally for businesses, not a threat.

Early adoption of AI is essential for businesses seeking a competitive edge in tomorrow's business landscape. While it is important to embrace AI, selecting the right AI partner is crucial for unlocking its full potential.





**Want to learn more?**  
Schedule a free demo with one of our experts

Visit [www.skit.ai](http://www.skit.ai)

Skit.ai is the leading Conversational AI company in the accounts receivables industry, empowering collection agencies and creditors to automate collection conversations and accelerate revenue recovery. Skit.ai's suite of multichannel solutions—featuring voice, text, email, and chat in both English and Spanish, powered by Generative AI—interacts with consumers via their preferred channel, elevating consumer experiences and consequently boosting recoveries.

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**Request a Demo**



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