

9 Tips for Improving Customer Credit Management

You took on a new customer who appeared to have huge potential. But 90 days later, you find yourself waiting for the invoice to be paid and wondering if it will ever arrive. Sound like a familiar scenario?

Late payment and payment default situations like these happen with alarming frequency – it's critical to the financial health of your company to minimize them. So how can you mitigate this risk?

READ OUR 9 TIPS BELOW

Tip 1

Research Your Clients Before Signing Contracts



Tip 2

Clearly Document Terms and Conditions



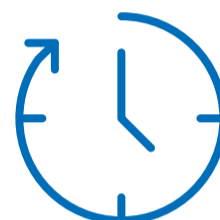
Tip 3

Make Sure Customers Sign Receipts for Products and Services



Tip 4

Bill Quickly After Delivery



Late Invoices*

NET 30

50%

NET 60

45%

NET 90

35%

* <http://www.pymnts.com/news/2015/fundbox-majority-of-smb-impacted-by-late-payments/>

Tip 5

Call Customers on or before Invoice Due Dates



Tip 6

Establish a Reminder Process



Tip 7

Document and Communicate Your Process to the Entire Organization



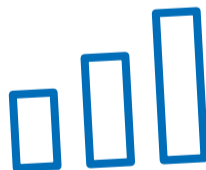
Tip 8

Regularly review updated financial information without bias



Tip 9

Set Ambitious Goals and Actions



Bankruptcies



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bankruptcies among small and medium-sized businesses occurs due to customers that default on their invoices

By employing effective credit management practices, you can help your business bring in the revenue it earns.

Yet even the most prudent strategy can't eliminate all risk. Fortunately, there's a tool that helps – credit insurance. A credit insurer provides an unmatched depth of information about the health of your buyers and covers you in case of an unexpected loss.

Download our full list of credit management practices here, or learn more about credit insurance by visiting www.eulerhermes.us.