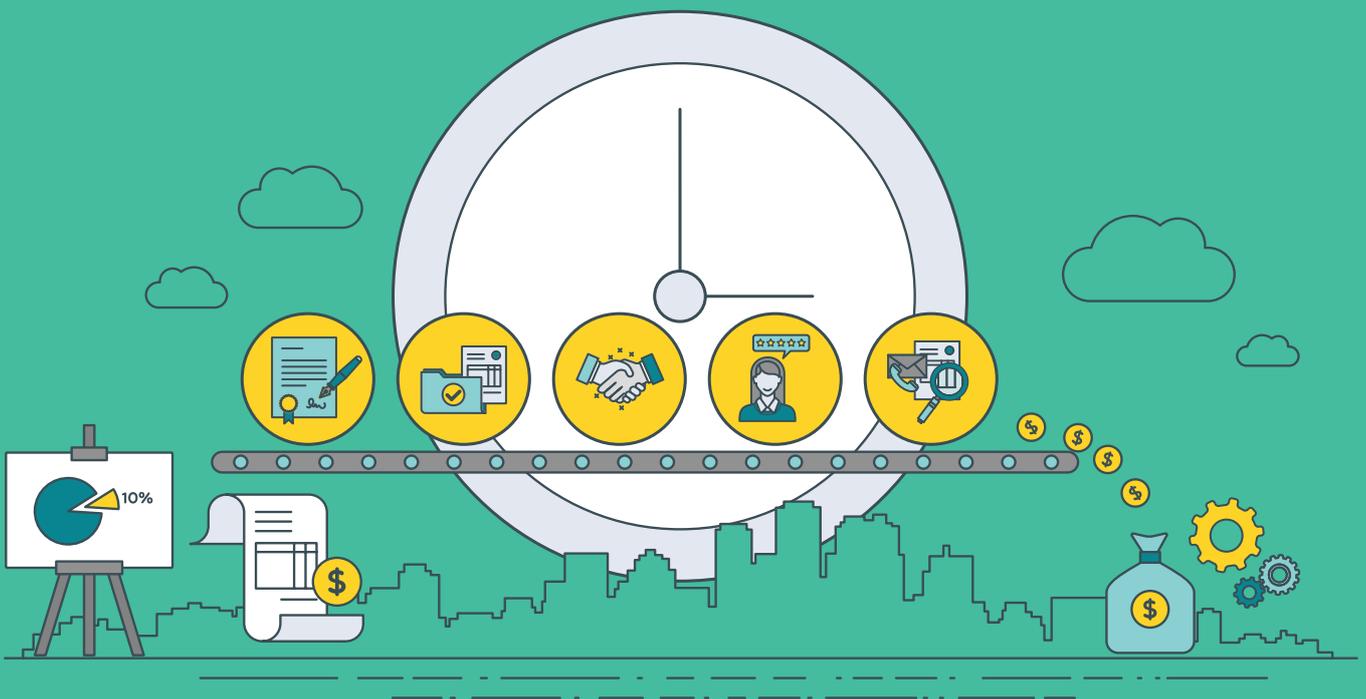




7 reasons your invoices are being paid late (and how to fix them)



Up to 90% of invoices are paid late. Learn what you can do to speed your invoices to the top of the prompt payment pile.



1. Agree your terms

Before you start work be very clear about your terms. .

- When you expect to be paid
- How you expect to be paid
- What happens if customers don't pay on time

Being upfront about this shows you're professional. Most quoting software allows you to include your terms and obtain a signature to secure an enforceable contract.

If you're not sure, it's best to seek legal advice to ensure your agreements are rock solid and enforceable, in case you face a dispute or non payment. It's a good idea to consult with others in your industry, including governing and supporting bodies. They often have field tested Terms of Business templates ready to go.

- Industry Associations
- Chamber of Commerce
- Small Business Associations



Being upfront about this shows you're professional

2. Get your invoice right 



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One in three overdue invoices remain unpaid due to mistakes with the invoice itself:

- No payment instructions
- Invoice sent to the wrong person
- Invoice items or amounts are incorrect

It also 'pays' to ask your customer when they normally settle their bills. Invoice promptly, and ensure your due date falls in line with your customers payment run.

Most businesses tend to settle their bills between the 25th and the 31st of the month, once their own customers have paid. Make sure your invoice is ready, and waiting for them well before the end of the month.

For your larger customers it's often a good idea to phone them before their payment run to ensure they've received your invoice, and confirm there's nothing out of order that would prevent it from being paid.



One in three overdue invoices remain unpaid due to mistakes with the invoice



3. Build rapport

When push comes to shove, people will pay those they get along with first. Having a close relationship with your biggest customers (or the person that pays the bills) goes a long way to accelerating your invoice to the top of the pile.

Sometimes they'll move mountains to get your invoice paid early. Wouldn't that be nice!

Building rapport can be difficult for high volume or commodity products. In this case, you'll do well to keep your invoices and automated reminders friendly, or even fun, so they strengthen relationships, and don't erode them.

Having a close relationship with your biggest customers ... goes a long way to accelerating your invoice to the top of the pile



4. Do a great job

Four out of five business owners surveyed said 'a job well done' makes them more likely to pay a supplier on time.

On the flipside, not paying an invoice is an excellent way (and sometimes the only way) for a customer to signal they're unhappy with what was delivered.

It's also worth noting that some products and services (or 'grudge purchases') are more likely to be paid late than others:

- Waste disposal
- Accounting and legal fees
- Unexpected bills such as repairs to computers

If you're in one of these categories, you need ensure your terms of business are solid, and implement a regimented follow up system.

'A job well done' makes (the business owner) more likely to pay a supplier on time



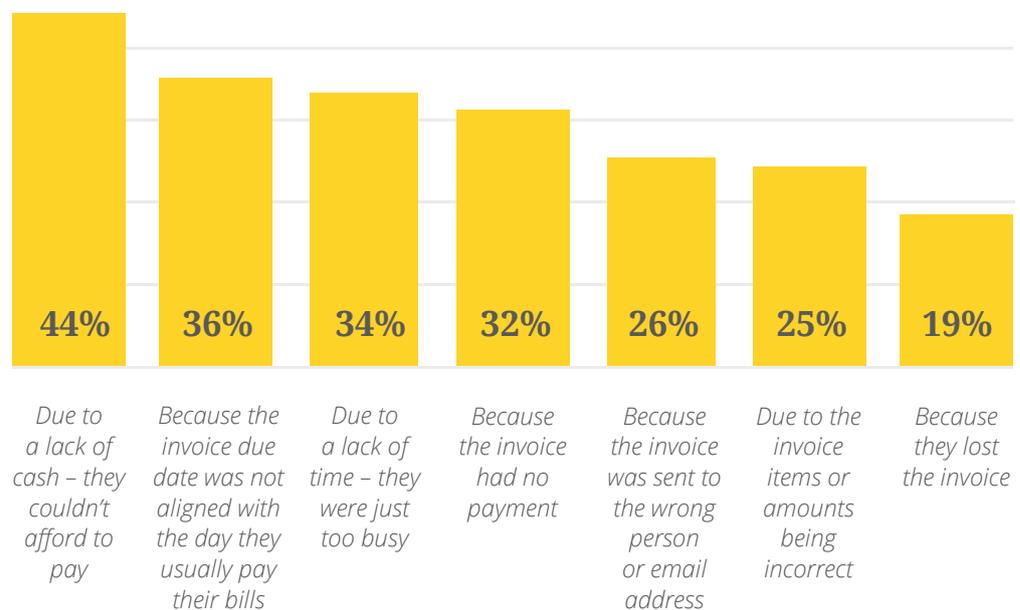
5. Follow up until paid

If you're not following up, then it's your business that will end up paying.

There's myriad of reasons (or excuses) for unpaid invoices... it's no wonder that almost 90% are paid late.

Why, oh WHY don't they pay?

Here's the results from our survey:



Six out of these seven reasons can be resolved with a quick follow up email or phone call. It's what the best receivables professionals do, because they know it works.

Bottom line is, your business bottom line matters. If you're not following up, you will be paid late, and in some cases, you increase your risk of not being paid at all.

A successful follow up looks like this:

- ✔ Automated reminders before and after the due date
- ✔ Automatic escalation to phone call
- ✔ Send a letter of demand
- ✔ Take legal action

But our experience shows that a lot of businesses struggle to implement and maintain good receivables processes, especially when they can't justify hiring a full time receivables specialist.

That's where we come in.



***Six out of these seven reasons
could be resolved with a quick
follow up email or phone call***



It's time to automate your accounts receivable

We're willing to bet that you hate chasing late payments. It's awkward, sucks your time, and let's be honest you're probably not that good at it. Why would you be? You're good at what YOU do.

When you've worked hard to win clients and build relationships, you don't want to have to hassle them for money. Cringe.

Debtor Daddy is your dedicated, automated Receivables Manager, working hard for you and your business. For the fraction of the cost of an employee, we keep your cash coming in, and your customers happy every month. Winning.

[LEARN MORE](#)



5. Follow up until paid