

REMEMBER THE 6 RE'S OF CREDIT MANAGEMENT



RESEARCH

Always start by researching the credit history for new customers. A credit report will highlight any adverse information to help you make informed decisions in safeguarding your cash flow and minimising bad debt.



REMIND

Following up with timely reminders will encourage prompt payment so try emailing a reminder the day it is due, sending a statement after 7 days and following up after 14 days with a phone call. Provide an invoice on delivery and ensure all details are correct.



REVIEW

A customer's positive credit history won't always stay the same. You can receive alerts and be notified about important changes simply by setting up customer monitoring and reviewing their credit profile on a regular basis.



REACT

When important changes are brought to your attention that a customer has defaulted with another company or has received a winding up notice, respond to them immediately! Check in with your customer to see how they are tracking financially and consider revising their credit terms.



RECOVER

Be sure to let slow and non-payers know that you take debt seriously. Displaying a CreditorWatch membership logo on invoices and statements or sending a letter of demand will increase the chance of getting paid on time and recovering bad debt.



REGISTER

When all steps have been taken to retrieve payment, it's time to register a default. A default is a black mark that is added to a debtor's credit file for others to view, it will affect their credit rating and alert companies that are trading with the slow or non-payer.

REMEMBER THE STEPS

RESEARCH the credit history for all new customers and **REMIND** them for prompt payment. **REVIEW** their activity regularly so that you can **REACT** to important changes to **RECOVER** bad debt. When you cannot retrieve payment, **REGISTER** a default to warn others.

FOR MORE INFORMATION, CONTACT

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