

# THE CASH FLOW TRAIN

## HOW TO KEEP YOUR CUSTOMERS ON TRACK



Trains depend on power to move forward, just as businesses depend on a steady cash flow to succeed. One of the best ways to maintain a healthy cash flow is to understand which types of customers can change the course of your business, for better or for worse.

TO ENSURE YOUR CASH FLOW TRAIN REMAINS ON TRACK, HERE ARE FIVE TYPES OF CUSTOMERS TO UNDERSTAND AND BETTER MANAGE.



### The Long-Time Rider

Always a fan of your products or services, the Long-Time Rider is a customer whose love and loyalty to your brand proves valuable to your cash flow and your business. Maintaining a good relationship and quality of service is key to keeping these customers aboard the cash flow train.

### The Sleeper

Just as sleeping passengers are known to miss their stop, slow and late payers fail to meet their payment deadline. Whilst forgetting to pay an invoice can sometimes be a genuine oversight, many Sleepers need a friendly nudge to remind them of their obligations in meeting your credit terms.

### The Perfect Passenger

Though not as hard to find as one may think, the Perfect Passenger is a customer whose consistent paying habits and unwavering credit score give you no reason to worry about extending your terms. Their professional behaviour makes them a pleasure to work with, so long as you keep an eye out for adverse changes.

### The Vague Wanderer

Often unsure of where they're heading, these customers fail to accurately communicate their requirements. Consequently, they might say your products or services did not meet their expectations, which can slow payment. Be sure to always reiterate their requests and have them agree to your proposal in writing before commencing work.

### The Evader

Whether they simply refuse to pay or just disappear completely, Evaders go from business to business leaving a trail of debt in their wake. Though mercantile agents and legal action can help recover some of the amount owed, reporting bad debtors will warn other businesses of their failure to pay their bills.

## SPEED UP YOUR CASH FLOW

Better manage your customers and **monitor** for adverse changes that could impact their payment behaviour.



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