

Discover payment problems early

8 warning signs



Your accounts receivable (AR) team has worked hard to deliver a professional product or service to your customer. It was delivered on time and meets all the conditions in your quotation, but the payment of the invoice has not followed.

How do you know if your customer is unlikely to be able to pay you? How do you discover payment problems early?

Watch out for these signs:

1

LACK OF COMMUNICATION

The customer does not respond to a payment reminder and is unreachable by telephone.

2

THE CUSTOMER KEEPS APOLOGIZING

If the same excuses keep coming up, you'll have to dig deeper to find out what's going on.

3

THE PAYMENT BEHAVIOR CHANGES

A customer previously always paid well before the due date but no longer.

4

THE CUSTOMER'S PURCHASING POLICY CHANGES

Your customer unexpectedly starts to buy less.

5

INVOICE DISPUTES DRAG ON

If the customer refuses to pay the invoice, even after you have offered some solutions to the disputes.

6

THE CUSTOMER WANTS TO EXTEND PAYMENT TERMS

A customer frequently asks to put back a payment deadline.

7

PAYMENT PROMISES ARE BROKEN

If the customer has promised to pay but the payment has been delayed, it may be time to question whether this customer actually will pay.

8

THE CUSTOMER'S CREDIT SCORE ALTERS

Monitoring the credit score is important, especially when the first payment defaults appear or the first doubts about payment arise.

Based on these warning signs,

you can get a better idea of when a customer will have difficulties meeting their payment. The good news is: there is often still enough time to set things right and collect the payment.



An AR department using a solution like Billtrust Collections can detect these warning signals early enough and take appropriate measures:

- **The software will notify you** in the event of deviations from historical payment behavior
- **Tracking lists** with payment promises and broken payment promises allow for easy follow-up
- With **built-in dispute management** you keep the overview and deal swiftly with disputes
- You can also incorporate **external credit scores** and be notified of changes