



## Business Credit Management UK



### Software solution from The Customer Value Group targets the causes of customer non-payment and its financial impact on the bottom-line

The Customer Value Group has just launched a collaborative software solution for customer service and credit collection teams.

The Collections and Dispute Management Workflow Engine, ValueFlow™, enables businesses to target the causes of customer non-payment created by disjointed internal practices, procedures and systems. Failure to tackle this problem results in Europe's top 1,000 businesses losing €76.1million in profits every day, equating to a staggering €27.8bn a year[1].

Analysis of financial data by The Customer Value Group revealed that Europe's top 1,000 companies collectively have a cashflow problem of €291.1bn caused by overdue customer debt which remains outstanding and uncollected. This means that on average a company carries 36% of its Accounts Receivable as overdue payments of which nearly half result from customer service issues.

Customer disputes due to poor service (involving problems related to products, pricing, invoicing, delivery or documentation) result in €161.7bn in unpaid invoices. €129.4bn of accounts receivable goes uncollected because of customer queries and service issues that have not yet been identified by suppliers because of poor account administration (such not properly recording change of address, amendments to service delivery requirements, etc).

The Customer Value Group's solution enables businesses, for the first time, to address payment and service issues in a holistic, cross-functional way using a single collaborative platform. Users can create sophisticated workflows using a drag & drop tool to manage customer disputes and queries that result in non-payment. This approach not only helps identify the root cause of non-payment earlier, but also enables faster resolution of service issues which results in increased customer satisfaction and reduced levels of outstanding debt.

CVG's ValueFlow provides full ticketing and alert functionality, and can integrate with all existing CRM, ERP, financial and sales force automation systems. It effectively introduces a 'workflow layer' that connects these systems together to create a joined-up collaborative platform.

"Traditionally, customer service and credit collection teams have worked in silos meaning no single stakeholder group (including the board-level management team) can gain a complete joined-up picture of all customer activities. Cross-functional sharing of information, if it happens at all, is often nothing more than an exchange of bits of paper and spreadsheets – and customer issues simply fall through the cracks," said Dickie Bielenberg, Managing Director of The Customer Value Group.

"This means companies are simply unable to coordinate customer interactions to deliver an experience of optimal value to both parties. For example, how can one part of the organisation ask for payment of invoices if another part is resolving an administrative error that prevents payment? At best, potential process synergies and internal collaborative opportunities to enhance customer value slip by. At worst, companies risk damaging relationships resulting in unfulfilled revenue opportunities and higher churn."

ValueFlow is a fully integrated module within The Customer Value Group's Customer Value Management software platform which distils over 30 years consultancy and technology experience in working capital and cashflow.

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