

The procrastinator



Procrastinators know they're late paying, but there isn't always a reason for the delay. They ignore your emails. They don't respond to texts. They may even call you back at a time when they know you're busy and leave a voicemail to avoid talking directly.



Getting the procrastinator to pay on time

Whether you're dealing with a customer who's avoiding confrontation, or someone who simply doesn't see you as a priority, it's important that procrastinators are not allowed to forget about you.

They need regular reminders of how you're supporting them, that you value the relationship, and that, ultimately, you need paying.

We've put together a plan outlining how you can contact them regularly, without feeling like you're hounding them.

Before you accept the job

Clearly communicate when you'd like to be paid and what the options are for making the payment. Ideally, put this in writing as well as discussing it face-to-face. Making this part of a wider conversation about the project helps minimise any awkwardness.

Also, if you're able to, give your customer payment options you can frame the conversation with as a question (how would you prefer to pay?) rather than a request (I like to be paid by...).

Procrastinators normally fall into the bracket of customers who have no reason for paying late. They simply haven't made it a priority. This means that incentives for early payments can be particularly effective. Consider including this in your payment terms.



During the job

The more responsive you are to your customer when your work or product is being delivered, the more likely they are to be responsive when it's time to pay.

When you're too busy to reply properly, send a quick text or email to say you'll get back to them later. It (quite literally) pays to keep them in the loop.

1. Richard Thaler and Cass Sunstein, Nudge (Penguin, 2009)

Just before you finish the job

Nudge, a book by Richard Thaler and Cass Sunstein, explores the idea that small and apparently insignificant things can have a big impact on people's decisions.

"By knowing how people think, we can make it easier for them to choose what is best for them, their families and society."¹

If we apply this theory to invoices being paid, it suggests that you should be in regular contact with your customers to 'nudge' them towards paying. This is truer than ever if your customer is a procrastinator.

So just before you complete your work or deliver your product, remind your customer of your payment terms.

A principle that's explored in Nudge, called herd behaviour, suggests that people are more likely to do something that they see others doing. For example, people are more likely to pick an apple pie in a cafe if they see others asking for it.

You can capitalise on this by letting your customers know that, on average, people pay you within the first week (or whatever is true for your business). This could be a small note that you include at the bottom of your invoice – or it could be something you mention by email.



When you send the invoice

When you let your customer know that it's time to pay, it's a good idea to reference the recently completed work – perhaps commenting on how you feel the project went and offering to tie up any loose ends.

This reminds them of the value of the relationship and makes the communication feel like it isn't all about you and being paid.

It's also worth letting your customers know if they can pay over the phone. This is often something you can tag on at the end of a call about something else: "While I have you on the line, would it be easier if I took the payment now?"

If you're going to see your customer, take a copy of the invoice with a 'thank you' gift. This is usually a low-value item with your branding on it. The idea is that it's regularly seen by the customer and keeps your company on their mind.

Here are a few ideas of gifts that you could have branded: USB stick, notepad, portable phone chargers, fridge magnets, jam or marmalade.

If you're not going to see your customer face-to-face, you can email them and post the gift. Avoid referencing the amount of money due in the subject line as it can put them off opening and even trigger their spam filter to send your email to the Trash folder.



One week after invoicing

We recommend contacting your customer once a week after you've sent the invoice, so you can continue to 'nudge' them towards making a payment.

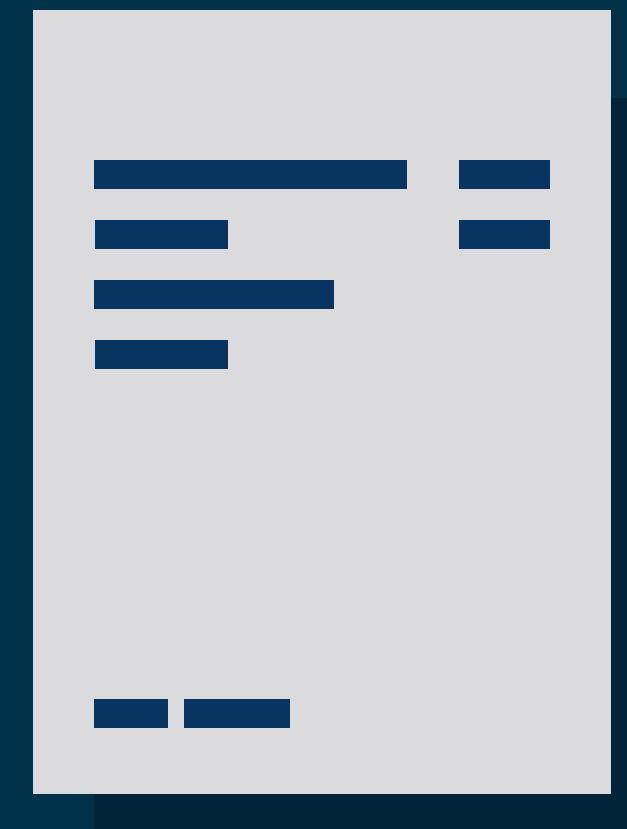
This is especially important when you're dealing with a customer who you know to be a procrastinator.

However, now might feel a little soon to be demanding payment. Instead, try asking for feedback on the work or product you have just supplied them with. It's a great way of showing that you value their opinion and of keeping your business on their mind.

Two weeks after invoicing

If you haven't heard from them after two weeks, give them a call to double-check they received your invoice. If they're hard to get hold of, try asking if they're there, rather than whether you can speak to them.

By structuring your call this way, you get to find out if your contact is in the building and whether it's worth calling back later.



Three weeks after invoicing

If you're struggling to get through to the individual you need to speak to, here are a few tricks to have up your sleeve:

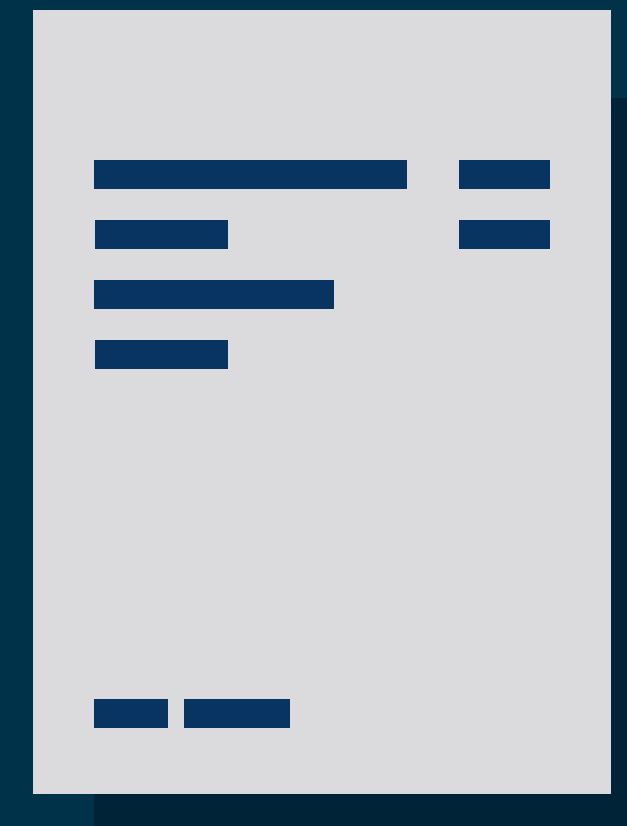
Search for them on LinkedIn and add them as a connection, sending a friendly message "to check that" they received your invoice.

If you're contacting a small business, ask to speak to Accounts Receivable rather than Accounts Payable. They are highly likely to be looked after by the same person, but it makes you sound like you're trying to pay them, rather than asking for payment.

Four weeks after invoicing

Unless your payment terms state otherwise, customers have thirty days to pay you.

If they still haven't paid after this time, you might want to consider some of these 'last resort' tactics. Any one of them could be the 'nudge' your customer needs to make that payment. It's also important to state clearly that they are in breach of your payment terms.



Last resort tactic **one**

Add receipts to your emails so you can see if the recipient opened them. If you're using Outlook, simply go to File > Options > Mail. The option to add a delivery receipt is under Tracking.

Last resort tactic **two**

For smaller businesses, you may wish to be lenient. You could offer to split the invoice over two months to help with their cash flow. You could also remind them that they can pay in the way that suits them.

Last resort tactic **three**

For bigger businesses, try sending them an audit of all outstanding invoices.

Appeal to your customer's better nature. Explain that you're a small business and that having payments made on time is crucial.

Whilst this might feel like you're revealing too much, it is possible that someone who works for a larger organisation simply hasn't thought about the impact not paying will have on your cash flow.



After they've paid

If you can, it's worth delegating jobs so that the person chasing payments is not the same person who is taking a customer-facing role whilst delivering the work.

This helps you keep a positive relationship between the customer and the person they deal with on a regular basis. If you're a sole trader, it might even be worth asking a friend or family member if they'd help you chase invoices from your most problematic payers.

Find out more

Powered by Stripe, our new invoice payments features make getting paid faster, clearer and simpler than ever before. It means no more late nights chasing invoices, and more time spent doing what you love.

[See the features](#)