

pencil.

Use Case

How Nippy's set trading terms and automate payments for new & existing wholesale customers



AT A GLANCE

Use Case:

Nippy's Natural Fresh Juices

Business Type:

Cold beverage supplier

Sells to:

Independent supermarkets, convenience & hospitality

Tech Stack:

- Cin7 Core
- Xero
- PencilPay

Challenges:

- Growing debtor days
- Slow Payment confirmation
- Tough to reconcile

Benefits:

- Decrease average debtor days
- Better commercial relationships
- Next day settlement

CHALLENGES

Beverage wholesalers supply to retail & hospitality on a range of terms, from pre-paid to 30-day EOM.

Net-7 becomes Net-14 and Net-14 becomes Net-30. This creates cashflow constraints, however the most concerning effect is the strain placed on commercial relationships once stop supply or collection notices are required.

PREVIOUS PROCESS

Nippy's customers wouldn't complete a credit application prior to receiving their first order and rarely paid invoices on time.

This meant that many accounts required multiple follow ups by accounts staff to collect outstanding invoices.

THE SOLUTION

- Nippy's use Pencil to onboard and set payment terms for new and existing customers. This limits their biggest risk exposure and improves cashflow.
- New customers start on pre-paid terms for several weeks before moving to credit terms.
- Customers can be shifted from pre-paid to 14-days under the same agreement in minutes.