

September 16, 2021

Furniture Manufacturers Credit Association

**The Return on Investment
from a Customer Visit**



Robert S. Shultz
Managing Partner
Quote to Cash Solutions

Today's Objectives

- **Why visit a customer?**
- **What are the tangible benefits?**
- **What is the ROI?**
- **What to do before and during a visit and after a visit.**

Why a Customer Visit ?

A 'customer onsite visit' provides an opportunity to **meet with customer contacts face to face** to better **understand the customers business** and their **experience with your company and products**. It provides an **opportunity to walk-through** the customer's facilities and to **address any issues** concerning credit collection or dispute management.



“ How Do I Justify the Time and Cost?”

Start With an Advance Agenda

- **Who** is to attend
- **What** will be discussed, and materials needed
- **Where** it will be held
- **When** it will take place and how much time it will take

Customer visits have a tangible Return on Investment

“Know Your Customer and Let Them Know You.”



You become more than just a voice



Helps you **observe** customer's site, staff, management and critical processes



Helps you **address** issues of mutual importance in depth



Helps you **bond** over more than just voice or images on the phone

Helps to foresee problems that might effect payments



A chance to meet
key stakeholders



Review their **financial statements** and forecasts



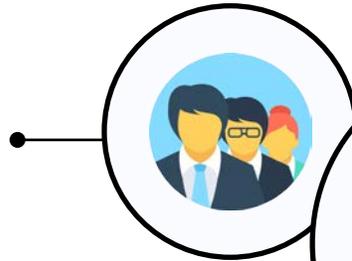
Ask and answer
questions



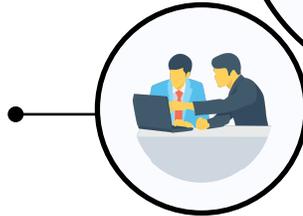
Discuss their SWOT
S- Strengths
W- Weaknesses
O- Opportunities
T- Threats

Gain insights into customer's business and health

Get to know key **staff** personally



Get to know the **activity level**

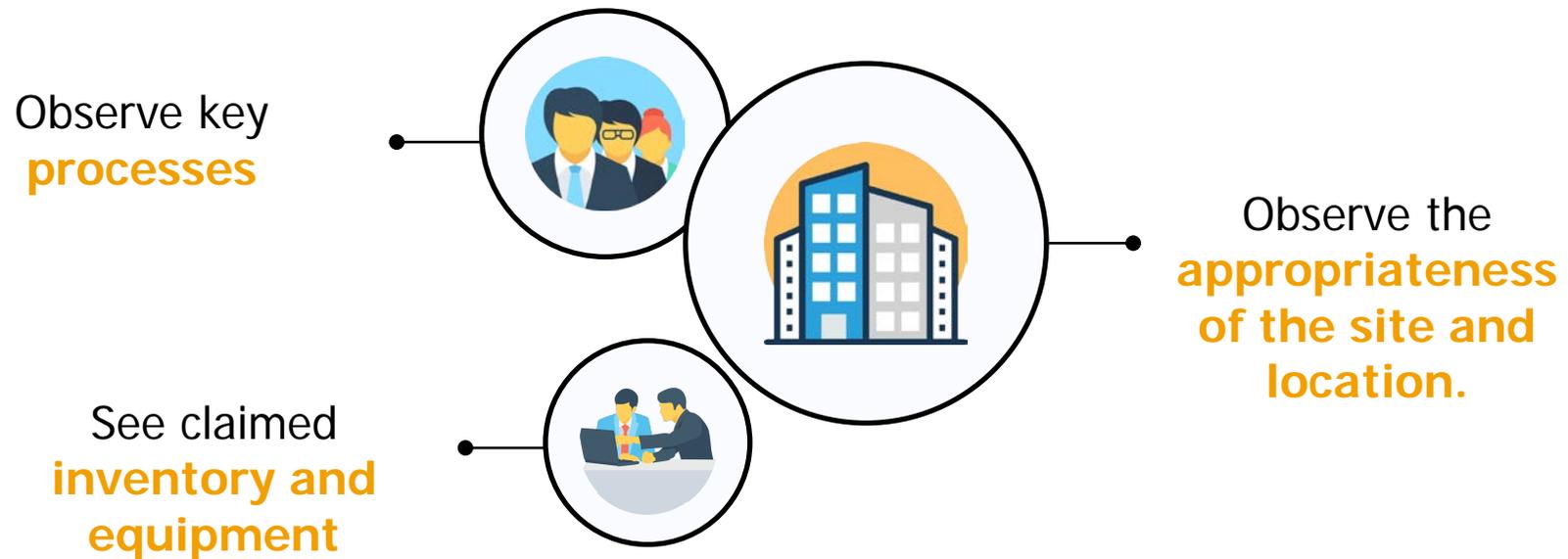


Get to see the **infrastructure**

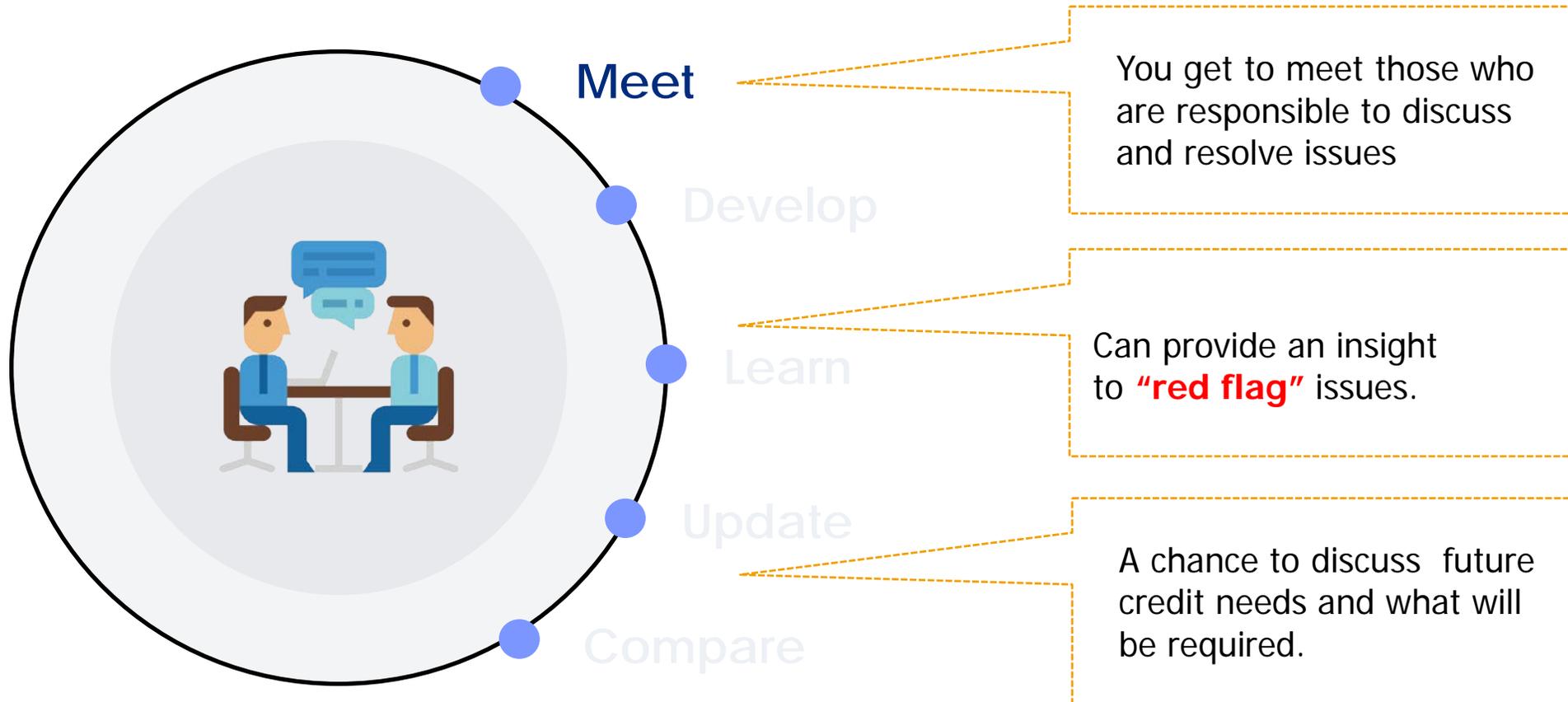
• Discuss the **competitive environment**

• Discuss **supply chain risks**

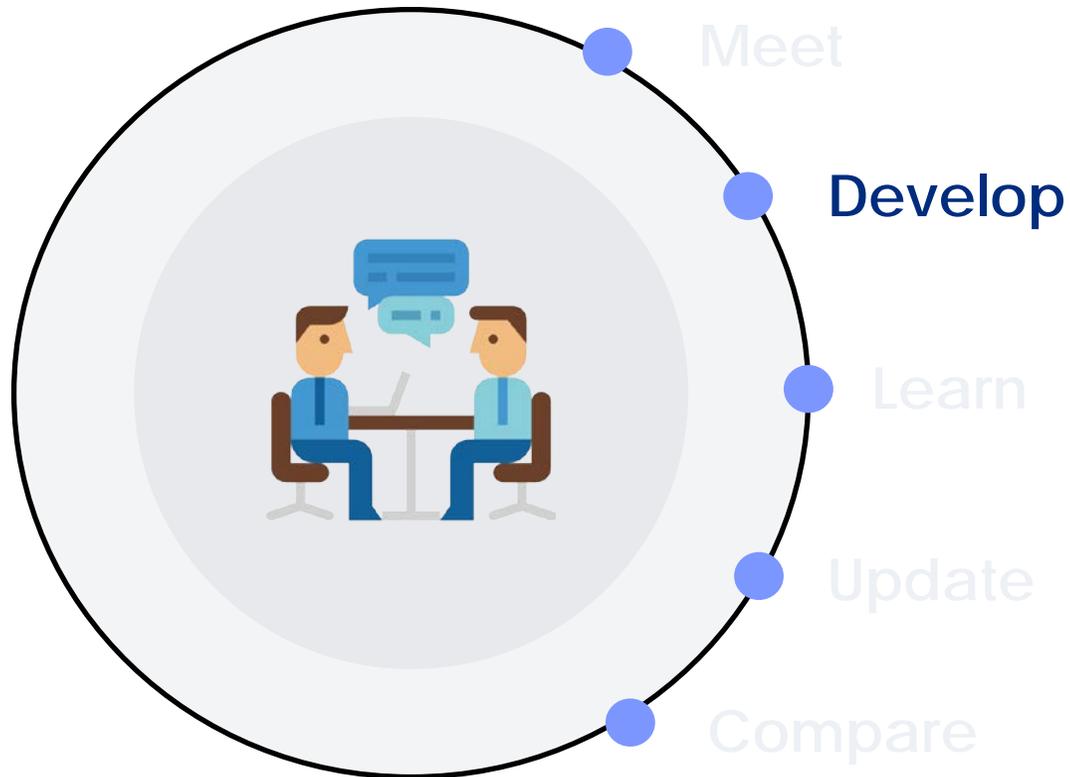
Gain insights into customer's business and health



Long-term ROI of Meeting Your Customers?



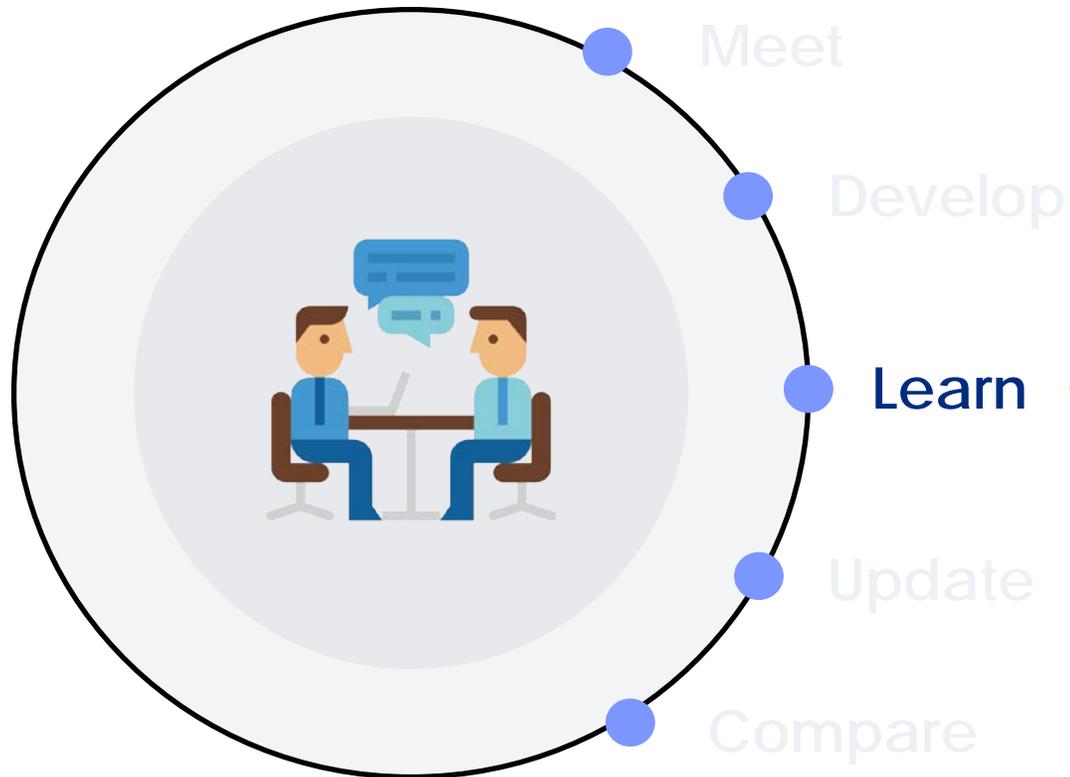
Long-term ROI of Meeting Your Customers?



You get to develop a personal rapport that is useful :

- When a problem arises
- During quarter or year end crunches
- To build customer loyalty
- To set action items and accountability

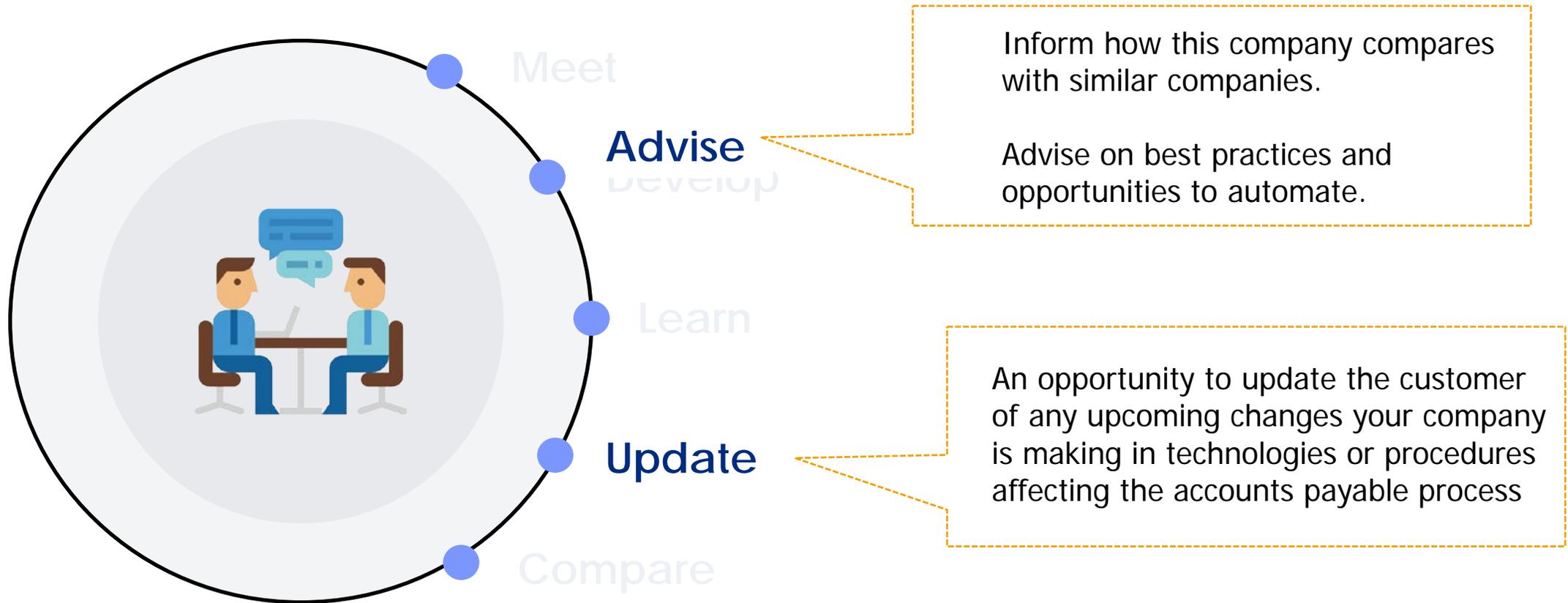
Long-term ROI of Meeting Your Customers?



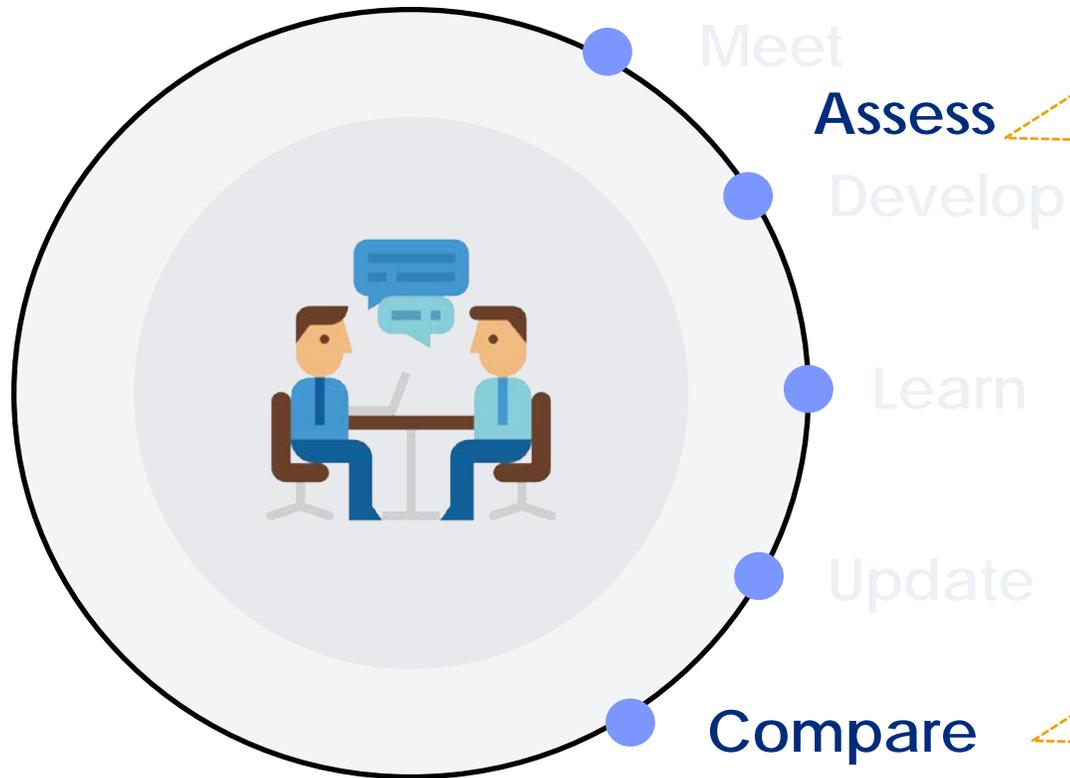
You get to learn about :

- Any issues that could negatively impact your company's relationship with the customer.
- How your products are being marketed by the customer and their value to the customer's business.
- What changes the customer is undertaking affecting their revenue potential, competitiveness, and payment practices.

Long-term ROI of Meeting Your Customers?



Long-term ROI of Meeting Your Customers?



"Mirror, mirror on the wall is my company the best of all?"

Where can your company do better?

Your personal visit, and the time spent on site, will help develop relationships setting a tone for how your company is different from competitors.

Examples of When a Customer Visit Paid Off

Inventory, What Inventory? Walked through the warehouse and found inventory valued on the balance sheet was damaged returns and dusty boxes.

Faulty Receiving Process: Walked through a distribution center's receiving from doc to inventory and found breakdowns in the process.

One Foot in the Grave: Visited a distributor asking for a credit line. Found the offices were overly elaborate, in an expensive commercial center. Most modules were empty. No activity obvious. Offices were overly decorated. Retired owner was in the conference room with a turnaround recently appointed President. The discussion of the financials was a disaster. "You are a God"

UCC Scheme: Met with an owner face to face to learn he had taken measures to evade creditors. Through an elaborate UCC filing manipulation.

Team Effort to Resolve Deductions: Resolved long standing deduction issues with regular visits to big box stores. Included team members.

Examples of When a Customer Visit Paid Off

Involuntary Bankruptcy: Determined to force a company into involuntary Bankruptcy after an informal meeting of creditors. The pitch was the company's value is based on a tax loss carry forward. Owner was being paid an unusually high salary.

Building Trust and Profitable Revenue: Visited a company whose owners had been convicted of tax fraud. They were out of prison and operating the company. After seeing their business and getting to know them, I maintained the credit line needed, bringing significant revenue and profit to my company.

Mirror, Mirror, on the Wall: By asking for a comparison of my company with our competitors through mirror, mirror, on the wall visits I was able to identify my company's shortcomings and customer facing process issues. This helped with specific action items.

Getting to Know You Sales: Travelling with a sales rep in the field gives a different perspective in both directions. Sales gained respect for our role and had a better understanding of our decision process.

When the Visit is Over

Document back to the customer what was discussed, and each side's action items.

Inform your senior management and relevant stakeholders.

Keep your commitments on internal action items. Require the same from the customer.



What We Covered

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