

# Valentine's Day tips to help Australian small businesses grow

Leading national working capital provider Scottish Pacific says SMEs should make sure they

If SMEs are to grow, it's crucial that they are wooing the right type of customer.

Scottish Pacific Debtor Finance works with hundreds of businesses around Australia to help them grow, by providing the necessary working capital facilities, and CEO Peter Langham said they try to encourage their clients to understand what makes a customer a "keeper".

"Many small businesses take on customers without doing the proper analysis to see if that client is actually profitable for the business," Mr Langham said.

"For example, a customer looking to pay rock bottom prices and take 90 days to pay may end up costing you rather than adding to your bottom line." If there's no profit in the relationship, the signs are not good for a lifelong romance.

Having key customers is crucial for small business success - in the most recent Scottish Pacific SME Growth Index, which surveyed 1200 Australian SME leaders, the SMEs named anchor clients as the second biggest driver of their growth (behind having great staff).

While assessing profitability is the number one criteria, there are five other attributes SMEs should look for to ensure a long romance with their customers:

1. Are they clear about their requirements and realistic in their expectations? That way you won't waste time and money servicing them only for them to indicate they were after something else.
2. Do they provide constructive feedback about products or services delivered? That way you can keep them happy and improve the service you provide.
3. Loyalty is golden – you know you've got a great client when they won't move to another supplier without giving you the opportunity to retain their business.
4. Do they pay to terms? Significant time and money can be wasted in chasing slow payers, not to mention the negative impact they have on cash flow.
5. Will they be an advocate and recommend you to others? Word of mouth from a trusted source is the best type of referral, far stronger than advertisements or marketing brochures. You know you've got a keeper when they are happy and excited to share with their own networks how great your business is.

About Scottish Pacific

Scottish Pacific Debtor Finance Pty Ltd provides working capital solutions to SMEs, offering the broadest range of trade and debtor finance solutions in Australasia. Established in 1988, Scottish Pacific has full operations centres in Sydney, Melbourne, Perth, Brisbane, Auckland and China. Scottish Pacific was awarded the 2014 Best Cash Flow Lender by broker publication The Adviser, as voted by brokers, in their inaugural Non-Bank Lending Awards. [www.debtorfinance.com.au](http://www.debtorfinance.com.au)

Follow Scottish Pacific on Twitter - @ScottishPacific and LinkedIn - Scottish Pacific Debtor Finance

## Contacts

Kathryn Britt  
0414 661 616  
mailto: [kathryn@cicero.net.au](mailto:kathryn@cicero.net.au)