



## SMART SPENDING AND SAVINGS TIPS FOR THE HOLIDAYS

The holidays are a time for joy, giving, and making memories, but they can also stretch your budget. To help you navigate the season, we've compiled a few practical tips to keep your spending in check while still making it magical:

### Set a Budget and Stick to It

Decide how much you'll spend on gifts, food, and festivities. Track your expenses to avoid surprises later.

### Shop Early and Strategically

Take advantage of sales and discounts, but remember to avoid impulse purchases. A shopping list can keep you focused.

### Give Thoughtful, Not Expensive, Gifts

Handmade items, personalized keepsakes, or experiences like a family outing can be just as meaningful as pricey presents.

### Avoid Holiday Debt

Whenever possible, use cash or a debit card instead of credit. If you must use credit, aim to pay it off quickly to avoid high-interest charges.

### Plan Ahead for Next Year

Take note of post-holiday sales to stock up on decorations or gifts at a fraction of the cost. Consider starting a holiday savings fund for 2025.

This season is about creating connections and lasting memories. By spending thoughtfully, you can focus on what matters most without financial stress lingering into the new year.

### Important Update: Change to Deposit Options

Starting December 2024, we're updating our deposit options to better serve you. We have added an email transfer option for paying your outstanding balance. Here's how to do it: Each bank's interface might differ slightly, but look for options like *Send Money* or *Transfer Funds*, followed by *Interac e-Transfer*. Ensure the amount matches your invoice total. Please note: Transaction limits are set by your financial institution. Double-check the recipient information and amount before proceeding. You can often add a message (optional) to reference your invoice number. Once confirmed everything is correct, click *Send* or a similar option. You will likely receive a confirmation email from your bank. For further assistance, please contact [payments@infopayment.ca](mailto:payments@infopayment.ca) or call us at 1-888-503-4528 ex. 259.

Wishing you a joyful and stress-free holiday season from all of us at IPS!



## How to Get Customers Who Pay on Time

*“Money is only a tool. It will take you wherever you wish, but it will not replace you as the driver.”-- Ayn Rand*

Before banks extend credit, they conduct a thorough due diligence process to ensure the applicant can repay the debt. Similarly, when you sell on credit and offer 30, 60, or 90-day payment terms, you are effectively providing a loan as part of the trade finance industry. Assessing creditworthiness is just as crucial in this sector, yet it is not always a common practice. Consequently, many companies often face bad debts and losses on their invoice receivables.

In this month's edition of InfoPays, we offer several strategies to help minimize losses when selling on credit:

### 1. Check trade references.

When extending credit to customers, it is important to check the customer's trade references. This helps assess the customer's ability and willingness to pay and can help you make an informed decision. Checking references is a simple process that takes only a few minutes, but it can save you time and money in the long run.

Reach out to both current and past trade references to gain a comprehensive understanding of the customer's payment history. Inquire about the duration of their business relationship and their payment habits.

Additionally, ask if there have been any overdue payments. This information can provide valuable insights into the customer's reliability and promptness in meeting payment obligations.

### 2. Research the company.

Before offering credit, take the time to research each customer's credit history thoroughly. This step will help determine if the customer is a reliable borrower and capable of repaying the loan. Conducting this research allows businesses to decide the appropriate amount of credit to extend and to set suitable repayment terms.

### 3. Access credit agencies' data.

Consider obtaining a credit report from agencies such as Dun & Bradstreet, Equifax, or TransUnion. These reports offer a detailed overview of a customer's credit history, including their payment history and any relevant public records. Accessing this information provides a more robust assessment of the customer's financial standing, helping you make better-informed credit decisions.

*Our current clients can access the IPS Payment Index (PI) free of charge. Through dealing with thousands of companies across North America, the IPS PI provides the average Days Sales Outstanding (DSO), or the average number of days a company takes to pay its receivables. We encourage anyone seeking to extend credit to a new customer to check with us for information from our growing database as this can offer some information about a company's credit standing. A PI of 120 days will at the very least give you an alert, whereas a PI of 36 days will provide you with the much-needed reassurance to go ahead with the opportunity.*

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