



11th March 2008

An IDEal opportunity. Mark Leach, Regional Sales Director at Close Invoice Finance, shows how the company is rising to the innovation challenge

The last year has been one of the most exciting in invoice finance as demand for asset-based lending has spiralled, making the sector even more competitive and challenging. This has driven product innovation as the key players have pushed to steal a march on the competition in the pursuit of enhanced client services and new business.



Mark Leach
Midlands Sales Director,
Close Invoice Finance

We have been, and continue to be, part of this combined market effort. Just over eighteen months ago, we launched IDEal – a product which we are proud to focus on throughout this supplement. Essentially, it is a web-based software solution which integrates seamlessly with all available accounting packages, making a paperless invoice discounting product a reality and generating a typical increase in funding of up to 15 per cent.

It completely eliminates the mountain of paperwork traditionally associated with invoice discounting, meaning that the production of invoice listings, copy credit notes and monthly reconciliations are all a scourge of the past.

IDEal sits on a secure, web-based platform and, because it is fully automated, it lifts all the required ledger information direct from any of the available accounting ►

software packages. All invoicing and customer payment transactions are conducted through IDeal, which automatically self-reconciles on a daily basis.

Such transparency enables us to offer invoice discounting to most companies that our competitors struggle to cater for. This includes those without sufficient financial standing or other control resource to typically warrant such a product.

IDeal is available to any business using an electronic software package and having UK sales of at least £200,000 per year. It is particularly suitable for businesses which have previously only been able to access

factoring type solutions from other providers or who have not been able to gain an invoice discounting facility because of stringent qualification criteria. Up to 95 per cent of the client's invoices are made available to the client through the mere click of a mouse.

None of the benefits of traditional facilities are lost as IDeal can be run on a completely confidential basis, meaning that customers of firms using IDeal are unaware of the funding arrangements in place.

The term unique is often used inappropriately in business, but on this occasion I believe it is justified. I really cannot recall another solution that takes the hassle out of cash flow management like IDeal. To remove all the paper and the manual monthly reconciliation process is a real breakthrough.

IDeal already boasts over 300 new clients, with upwards of 30 signing on each month. What's staggering is that around a third of our new clients are being poached from our competitors. They, in common with other new clients, are from a diverse range of businesses. They recognise the sense of realising the cash tied up in their sales ledger without recourse to the traditional administration burden.

As mentioned earlier, a strong focus on innovation is crucial in our highly competitive market and it is certainly reaping rewards for ourselves and our clients. Some of our competitors, however, have not fared quite so well. Customer satisfaction levels have plummeted as the high street banks have decided to offshore services to other countries.

According to an independent survey we commissioned last year, poor customer service provided by overseas call centre staff is a primary reason why bosses in the SME sector are dissatisfied with their funding providers. Overall, the survey showed that the customer satisfaction rating fell by almost 25 per cent compared with the previous year. At the same time, the satisfaction rating with Close Invoice Finance, gathered via anonymous interviews, led the industry.

It is difficult, therefore, not to be extremely positive about the future for Close. However, we do not intend to rest on our laurels. We want to build on the success we have already achieved, particularly as standing still is not an option in our highly competitive environment.

We are certainly looking forward to the challenges ahead in the Midlands marketplace and to maintaining our position at the forefront of invoice finance, both now and well into the future. ●

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Article featured in the Birmingham Post – Invoice Finance feature