



How Moreton Smith helped a leading publisher become more productive whilst making massive cost savings

UNITED Business Media's UK central services division, UBM Information Limited (UBMi) has been a longstanding client of Moreton Smith. UBM is a leading global business media company specialising in exhibitions, publications and business data. Like all businesses, UBM places a high priority on maximising cash collection and reducing debtors, whilst ensuring the cost of collection is kept to a minimum. With an annual spend of approx £250,000 on outbound communications and an increasing reliance on costly temporary resource to cope with manual processes, UBM was looking for help to both improve collections and reduce costs.

UBM was spending £250,000 per annum on communications with their debtors in the form of traditional printed and posted letters and statements. By giving their clients no easy way of responding to these communications, UBM were finding that their collectors were either making or taking many unnecessary phone calls. Either the client was about to pay and therefore didn't need that call, or they had a dispute on their account and were waiting to be called before providing the information.

UBM knew that if they could provide some way for their customers to easily respond to communications either with a dispute, promise of payment or better still an online payment, the collectors could concentrate their collection activity where it was really needed.

The solution was found in Moreton Smith's innovative eCommunications system, which is an independently developed interactive customer contact system, delivering instant account information to customers through live statements and reminder letters. Available in 26 languages, it is fully customised with the client's corporate branding and is tailor-made to the client's specific types of queries and workflow patterns. It encompasses an array of secure, online payment options, which are immediately deposited into the creditor's account, automatically updating all sales ledgers.

When UBM's Credit Control team was shown a live demonstration of eCommunications, it was decided that this would be the ideal route to implement an automated debt recovery process, and to maintain it on a long-term basis with regular outbound communications with debtors.

By replacing the conventional modes of reporting, communicating with debtors, and generating information, a smoother, quicker means of collecting overdue funds was established, whilst eliminating the need for manual administration – leaving UBM's Credit Control team to get on with their daily tasks.

The multiple payment options that are available online are protected by Sage Pay, which instilled total confidence in debtors, enabling a quicker collection process. Each payment is followed up with an email confirming payment to both parties – eradicating the need for follow up calls or even going into the system to check recent deposits.

By and large, eCommunications eliminates obsolete traditional processes and modes of communications with a procedure that monitors and retains all information – outgoing and incoming.

Following implementation, UBM witnessed an increase in productivity, whilst operating cost savings through resource optimisation, improved cash collections and reduced debt were delivered.

Since implementation, the need for hiring temps (especially around exhibition time) has been eradicated due to the system's efficiencies.

In UBM's case, we observed that the deployment and use of eCommunications resulted in an initial saving of £146,000 in total annual communications spend. This was a reduction of 58 percent, which covered the cost of the eCommunications' investment four times over every month.

DSO was also reduced by 19 percent, over 12 months, resulting in an annual cost of capital saving of £123,000.

In addition, the benefits of eCommunications resulted in the complete elimination of the need for temporary credit control resource during peak exhibition periods. This provided further annual savings of approx £55,000.

"Moreton Smith has proved to be a key partner in our drive for efficiencies in our cash collection process. They have shown a real understanding of the individual needs of our business and the flexibility to fit their collection system to those needs.

"The Moreton Smith hosted collection system has transformed the way our credit control department interacts with our customers. Through a combination of intelligent workflow and interactive e-communications we now ensure that we contact our customers at the optimum time and provide them with an easy way to respond," explains Dan Harris, Group Financial Process Manager (UBMi).

"Whether they wish to raise a dispute, download a copy invoice, make a payment promise or pay by credit card, it can all be done online without the need to interact with a credit controller. The resulting efficiency gains have already paid for this system a number of times over."