

THE ULTIMATE GUIDE FOR ANY MSP

TO GET PAID

ON TIME,

EVERY TIME

*...And Save Hundreds of  
Hours Doing It!*



---

# Table Of Contents

<b>CHAPTER 1:</b>	
The Real Reason Your Customers Aren't Paying On Time	3
<b>CHAPTER 2:</b>	
Your New Payments Protocol	7
<b>CHAPTER 3:</b>	
Getting New Customers To Pay On Time	20
<b>CHAPTER 4:</b>	
Breaking Current Clients' Bad Habits	25
<b>CHAPTER 5:</b>	
Following Through On Established Expectations	30

 877.733.6584

 [info@connectbooster.com](mailto:info@connectbooster.com)

 [connectbooster.com](http://connectbooster.com)



# The Real Reason Your Customers Aren't Paying On Time

*This one oversight makes it easy for clients to ignore your invoices.*

At the end of a long day, Joe sits at his desk and stares at his accounting software in disbelief. The grim reality sets in as he sees the numbers. Over 80% of his clients' bills are at least 30 days past due, and many are even longer.

How did it get this bad? Joe sends invoices to his customers on time, and spends his weekends sending dunning notices to his clients in collections. He even makes those dreaded, awkward collections calls to the clients who comprise the bulk of his business, always careful to toe the line and remember good customer service even while asking for what he is owed.

In a perfect world, customers would always pay on time, but the common struggle we hear from service-based businesses is that their situations are a lot like Joe's. Their customers are slow to pay, and the revenue they could be using to scale their business just doesn't come in on a consistent enough basis.


In the best case scenario, situations like this keep MSPs strapped into their own status quo: with owners working *in* the business instead

---

of on the business, unable to afford additional resources to scale. In the worst cases, owners are anxiously choosing between making payroll and missing a mortgage payment, simply because they aren't getting paid what they are owed for services that have already been rendered.

Many claim that this is just the nature of the managed services industry, and that there's no avoiding the slew of problem clients that can't afford their retainers. But the truth is, **most of your clients can afford to pay you on time. They just aren't doing it.**

If a provider doesn't make it **easy** and **necessary** for their customers to pay on time, there's a good chance that their invoice will get slipped to the bottom of the pile every month. If that seems unjust, it's probably because it is. But instead of sitting back and begrudgingly accepting late payments as the norm, there *is* a way to start making reliable, consistent cash flow every month *without taking on a higher volume of contracts*, simply by correcting this one mistake.



**...most of your clients can afford to pay you on time. They just aren't doing it.**

*The mistake many MSPs make is they do not set early expectations with their customers to follow a simple, mandatory recurring **payment protocol.***

To set early expectations means to address collections for the first time **in the sales process**. To do this, you need an infrastructure in place that accepts recurring payments, as well as a simple communications protocol that ensures expectations are being set around collections during sales, onboarding, and in any contractual agreements that the customer signs.

We'll get into specifics of these later, but first we're going to identify common billing, payment, and collections missteps that MSPs make, and how you can start fixing them.

---

The majority of businesses we've worked with in service-based industries that struggled with collections all had at least one, and usually several, of these related pitfalls.

- ▶ They didn't bring up payment expectations during the sales process.
- ▶ They didn't discuss how and when they would collect payments during onboarding.
- ▶ Their primary way of accepting payments was via mailed check.
- ▶ They didn't have either penalties regarding late payments, or incentives for on-time payments in their service agreements.
- ▶ They didn't have Master Services Agreements that included approval for variable billing amounts.
- ▶ They were not consistent in sending invoices, payment reminders or follow-ups. Sometimes, unpaid invoices would sit for months without following up with the client, because the only way to do so was manually.
- ▶ They didn't have an easy, secure way to accept and automate digital payments.
- ▶ They didn't accept a portion of payment upfront at the start of a new contract.
- ▶ They didn't have a 24/7 accessible, transparent way for their customers to view and track their upcoming invoices or invoice history online.
- ▶ Their billing and collections processes were entirely or partially manual, meaning they were susceptible to human error and crumbled when the assigned resources were strapped for time.

---

Any one of these oversights creates a **barrier between your customers and their ability to easily and consistently give you money**. They lead to the majority of your customers paying late, which in turn leads to issues with cash flow, stagnated growth, and an urgency to go out and find more revenue in all the wrong places. But the *best* place to start generating revenue, and even MRR, is in the contracts you're already running!

The good news is, no matter how mountainous your aging A/R, or how cozy your existing clients have gotten with putting your invoice at the bottom of the pile, we've witnessed countless MSPs turn their businesses around with the system we're about to share. And so can you.

We're going to detail the steps you can take to create a new paradigm of on-time payments for your business. First, by helping you build the infrastructure and processes. Then, we'll go over the process for setting expectations out the gate with new customers, and include some email and contract templates to get you started. Lastly, we're going to break down exactly how you introduce this new payments system to your existing late-paying customers.

We've witnessed countless MSPs turn their businesses around with the system we're about to share.

# Your New Payments Infrastructure

*Create a billing and payments process that sets you up for success.*

Your billing and payments process will make or break your business. Having a complicated, process-heavy system for collections is not just an expensive and time-consuming burden to you. It also puts you at risk of billing problems down the road that may damage customer relationships. So a successful billing process is critical, but what does “success” look like?

For starters, if you’re still measuring the success of your business by your A/R instead of your cash flow, then it’s time for a shift in perspective. Money that’s still *owed* to you - **isn’t revenue**. Real revenue is the money you have in the bank, right now. It’s the fuel that keeps the engine of your business humming. If you’re not receiving payment on time, reliably, every month, your relationships with vendors may suffer, you’ll stretch your lines of credit and you can forget about scaling.

What’s more, you can’t achieve “success” by just automating an invoice to your clients each month and calling it a day (unless you have some REALLY great clients!).

This is why it’s extremely important to implement a reliable and efficient recurring billing structure, but this process can be more complex for service-based businesses than it is for other business models. Most of your contracts probably include fluctuating billing

---

agreements, so that dollar amount on your client's invoice is going to change month over month. Most payment gateways just aren't equipped to handle that with automations.

This is the reason so many folks in the MSP space think it's impossible to get their clients set up on autopay. By buying into this myth, all you're doing is making it easier for your clients to take advantage of you. With the right recurring billing structure and the proper collections tools, you can keep your clients accountable and enjoy the freedom and ease of automating real recurring revenue for your business.

*By optimizing these key parts of your process, you'll have a streamlined billing and payments process that generates consistent cash flow each month:*

- ▶ How your business accepts payments.
- ▶ Incentives and penalties for on-time or late payments.
- ▶ Structuring your agreements with payment in mind.
- ▶ Clear and proactive communication.

## Three Ways To Collect Payment

In general, there are three main ways MSPs collect payment for the work they do. Of course, there are hundreds of nuances within these three models. While we encourage a solution that works smarter instead of harder, we're going to lay out the pros and cons of each.

### 1. Checks or manual payments

*Labor intensive | Security Risks | Low payment costs*

There are still many MSPs that collect payments via check from their clients. Every month they send out a physical invoice with a return envelope, take that check when it comes in, deposit it, manually match it to an invoice, and update the invoice as "Paid" in their accounting software.



---

Let's appreciate the irony for a moment: your job is to offer digital, efficient, secure technical solutions for your clients, and yet this collections process is about as manual and vulnerable as it gets.

At first glance, it seems like the least expensive option, since it avoids fees associated with credit card processing and payment gateways, and requires no software. But manual collections actually costs as much as the labor required to keep it up. That includes the salaries of the extra staff on your accounting team, or the weekend hours spent updating invoices in your accounting software, or the time lost to troubleshooting issues that crop up later due to a system so vulnerable to human error. Not to mention the interest-free loans you're effectively giving to your clients when they don't mail out their checks on time.

Manually processing payments is also a security vulnerability. Most MSPs are selling cybersecurity and privacy packages within their services. And yet, what could be less secure than requiring your client to send a paper check by mail?

For businesses just starting up, this may be the most viable immediate option. Everyone has to start somewhere, **but this guide will not be as useful to you if you're not willing to create some technical infrastructure that enables recurring billing.** Options 2 & 3 have that covered.

## 2. Standard Automated Payment Gateway.

*Less manual work than checks | Secure | Adds modest processing fees*

Having a payment gateway enables a business to accept credit card and ACH payments either over the phone, through your website, or by storing a card on file for recurring billing. There are thousands of payment gateways to choose from, all with variable costs and services. PayPal is an example of this.

We commonly hear MSPs balk at the additional cost of a service they can perform themselves - but when you have automations replacing manpower, at some threshold you are actually **saving money** by taking on the additional expense.

---

Many payment gateways also have recurring billing functions, meaning you can have autopay within your Master Services Agreements - to some extent. Your clients will pay a set amount every month, and the gateway stores their card on file. This can go a long way to fixing your cash flow and reducing outstanding accounts receivables, but most standard payment gateways don't have features that allow for automated, rule-based variable billing. So if a client's bill varies every month based on adding new end points, changing licensing count or costs, data protection, or any other variable terms in your agreement, there will still be some manual labor or additional collections required.

To **truly** implement automated recurring billing, the payment gateway needs to integrate with your PSA/CRM tool and accounting software. Otherwise, manual input is still going to be the cog that makes it all "go."

The best automated payment gateway will automate payments based on variable billing amounts generated by the tools your business already uses, and for that, you need option number 3.

### **3. An Automated Payment Gateway That Integrates With Your Tools**

*Fully automated | Secure | Adds fees for automation, maximum time savings*

A *truly* automated billing solution will integrate with the tools your business already uses. It's nearly "set it, and forget it."

An Automated Payment Gateway designed for MSPs will automatically collect the exact dollar amount generated by your CRM/PSA's invoice from your customer's securely stored ACH or credit card, and then update the correct data in your accounting package. This is **real** recurring revenue, with virtually no input required from you.

This platform will be amenable to flexible billing in your service

---

agreements, with programmable billing rules and two-way syncing. When you document in your PSA that your client added three new employees this month, an automated payment gateway will intelligently charge based on the fluctuating terms on your contract.

It will also give your clients line-item level transparency to their current and past invoices, automate reminders, and share data seamlessly with your accounting software. It shouldn't require extra input every month, once it is set up. A tool like this saves your company time, guarantees you're collecting payment, and also gives your client ease-of-use, transparency and peace of mind.

### *Things to look for in an Automated Payment Gateway*

- ▶ Integrates with your CRM/PSA, Accounting Package, and other industry tools
- ▶ Can intelligently pull information and automate rules from your MSA
- ▶ Two-Way Data Syncing
- ▶ Automatic Invoice Reconciliation
- ▶ Can work with Adjusted Billing and Variant Payments
- ▶ A Customer Interface that gives full transparency & control
- ▶ Can handle multiple Payment Methods

The tool that thousands of MSPs use to automate the process of getting paid is called [ConnectBooster](#). Specifically designed to work for the nuances that service-based businesses face in their billing, ConnectBooster is **the best** solution to implement as the backbone of your new payments infrastructure.

## **Incentives and Penalties**

Now that you've adopted systems that make it **easy and secure** for your clients to pay you, you need to make it **necessary**.

---

By including incentives for on-time payments and penalties for late payments within your contracts and conversations, you are drawing a line in the sand that clearly states what your client must do to continue doing business with you.

There are several ways to institute penalties for late payments. One way is to charge interest after 30-60 days. Your business is not a bank for your clients, and when they collect on your services without paying for them, if you don't have penalties in place then you're effectively providing them an interest-free loan. You're not trying to be the best bank in town; you're trying to provide high-quality services at a fair cost.

Another common way to penalize late payments is to "turn the lights off." For example, if a client doesn't pay after 60 days, it's perfectly reasonable to terminate their services until you collect. If you still don't receive payment after 90 days, set the expectation that their bill will be sent to collections.

If that seems daunting to execute, think about this: If you miss a credit card payment, don't you usually get charged a late fee? When you receive your phone bill, or your internet bill, do you expect them to keep your lines open if you don't pay?

There is no reason to continue services for a client who owes you money and won't pay. The reality is, the services and hardware you provide to your clients is what **helps them keep their business alive**. It's arguably even more important than their office building. After all, with the cloud-based services you provide, their employees could likely do a lot of their work from home if they had to. But could their business continue to run if their technical systems all shut down? The same way your clients wouldn't dream of not paying their rent, they shouldn't think it's passable to stiff you.

With penalties, you convince your clients they need to pay on time - *or else*. But many of your clients might have an inherent discomfort

---

with the idea of autopay, and it may take a little more convincing to show them that recurring ACH is their best option. This is where incentives come in.

Incentivizing autopay is simple: Just speak to their wallet. One of the most effective methods MSPs use to set up autopay is to offer a “discount” for doing so. Usually, this discount comes in the form of a surcharge on their invoice if they’re paying via credit card or mailed check - maybe 2-5% of the total invoice amount, whatever covers the difference of the expenses *you* accrue through credit card processing fees or manual labor.

It’s important to always address penalties and incentives early on in conversations with new clients, and not to roll out anything new in this regard without first letting your existing clients know. You want to be firm, but you don’t want to blindside them. We’ll discuss the best ways to have these challenging conversations later on.

In addition, and importantly, any penalties or incentives should **always** be reflected in your service agreements. It’s tempting and honorable to take people at their word, but covering the ground rules in your contracts saves you from liability. For new clients, it’s simple to set that expectation out of the gate with their initial MSA. For existing clients, make sure you bring this up at their next contract renewal. We’ll show you the best way to include these in your MSA, as well as other aspects to billing & payments that should be under contract.

One of the most effective methods MSPs use to set up autopay is to offer a “discount”.

## Structuring Your Master Services Agreements

Your Master Services Agreements aren’t just “contracts.” More than simply detailing the infrastructure and services you’ll provide to your client’s business, MSAs detail the scope of obligations required by both parties. Inclusive of this are the guidelines your clients must follow to continue doing business *with you*, so leverage your MSAs wisely, and particularly clauses around payments terms and schedules.

---

There are tons of great free resources online for structuring the entirety of your MSA, so we won't concern ourselves with each section of the document. Just your payment terms.

*Your payment terms are one of the most important parts of your MSA. These provisions should cover each step of your payment process in detail. It should answer the questions:*

**How do you collect payment?**

Does your business send an invoice? How often? Is recurring billing a necessary part of doing business with you, or do you otherwise offer incentives to clients who set up autopay?

**Do you take a portion of payment upfront?**

Is it a percentage, a flat fee?

**What is your timeline for collections?**

At what point will you take action if payment is not received? 30 days, 60 days?

**What happens if your client does not pay on time?**

What are your penalties? Will you collect interest? Will you terminate some portion or all of their services?

All of these terms are flexible and entirely at your discretion. It is important to keep in mind that you must have the infrastructure to support whatever this contract dictates, so don't specify payment terms that you are not prepared to enforce.

Here is an example of an MSA with a payment terms clause that dictates a simple monthly payment schedule, as well as clearly states the conditions under which services may be terminated if payment is not received. Additionally, it includes a clause for how payments are

---

handled for out-of-scope work, which is a very useful stipulation to refer back to with your clients as needed.

Bear in mind that this is no substitute for legal advice, and by no means comprehensive. It should only serve as a template example that you must review with your legal team and adapt to your needs.

## **PAYMENT CLAUSE EXAMPLE**

### **I.(a). PAYMENT**

Monthly payment is in advance for the following calendar month period (beginning date will vary based on date of purchase) and is due by the end of the calendar month for the following month, and no refund shall be made in the event the either party terminates this Agreement. If payment is more than thirty (30) days past due, Customer will be put on a credit hold and [COMPANY] will no longer perform Remote Support, as defined herein, until payment is made in full. If payment is more than sixty (60) days past due, all Support Services will be suspended indefinitely until payment is made in full. Notwithstanding the foregoing, Customer shall remain liable for any unpaid and outstanding amounts due.

#### **I.(a)(i). ADDITIONAL PAYMENTS.**

In the event Customer requests Support Services outside of Normal Service Hours (as herein defined) or otherwise outside the terms of this Agreement (including but not limited to, hardware purchases), Customer shall be invoiced for such services in addition to the monthly payment pursuant to Section I.(a) ("Additional Service Payment"). Customer agrees that such Additional Service Payment shall be made via auto draft and Customer agrees to provide [COMPANY] with any and all information as may be requested by [COMPANY] to arrange for the auto draft service. In the event any instance of an Additional Service Payment will exceed \$500, [COMPANY] shall contact Customer prior to initiating the auto draft payment.

In addition to clearly detailing your payment terms and penalties, it is a good idea to include any billing or rate adjustments that might be anticipated at contract turns (which usually occur annually). This keeps your MSA flexible and allows for any new payment programs you might institute later in your relationship with your client.

Of course, putting this information in your agreements is only a piece of the puzzle, albeit an important one. The intent is to cover

---

you, should any issues arise later on. But don't use your contracts as a tool to blindsides your clients once their agreements are signed. To get your business paid on time, expectations must be set verbally and clearly understood by both parties from the outset.

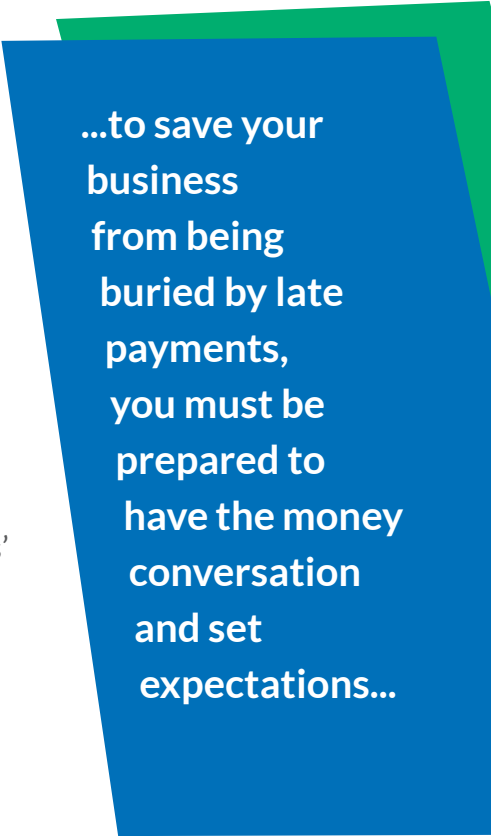
### Clear Communication

Creating a reality where your customers *always* pay on time is as much a psychological exercise as it is a practical one. Having infrastructure in place is the first step, but to save your business from being buried by late payments, you **must** be prepared to have the money conversation and set expectations. No tool can do that for you.

We will structure the rest of this guide with the supposition that you will have the infrastructure to automatically process payments - whether that's through a limited Standard Payment Gateway, or ConnectBooster. The rest of the work is all in how you approach these conversations with your clients.

Mindset here is critical. It is much easier to ask for what you are owed when you also know it is deserved. To communicate clearly, you must be clear with your intentions, expectations and beliefs. Do you intend to provide service without payment? Do you expect your clients to pay you on time, or to continue paying late? And most of all, do you believe that the **tremendous** value you provide to your clients' businesses *entitles* you to on-time payments? Your services are the reason they are able to keep the lights on. You deserve to keep the lights on, too.

The second aspect of "clear communication" is in how you introduce these new billing tools and new best practices to your team. You know best how to handle conversations with your people, so we won't delve into that outside of the context of guidelines that your Sales team can use with new clients. Suffice to say, you should be clear with your team early on about any process changes, to



...to save your business from being buried by late payments, you must be prepared to have the money conversation and set expectations...



---

ensure there isn't too much resistance to change, and your internal workflows continue to run smoothly.

Now, read on to learn how to assert the value of your business, and to convince your new and existing clients to pay you on time, every time, *while also* making it a win/win.

---

# Checklist for Setting Up Your Automated Payments Machine

*Feeling ready and excited to create a new paradigm of on-time payments in your business? Keep these strategies in mind when building the infrastructure.*

---

**1**

## **Keep your team trained.**

*Your employees and contractors are the backbone of your services. You'll want to keep them informed on any software changes before they occur, and provide documented training for any new processes you institute. This includes billing, collections, and also how your sales people approach such conversations with new and existing clients, which we'll discuss in Chapters 3 & 4.*

**2**

## **Automate, automate, automate.**

*Work smarter, not harder. For every step in your billing, payments and collections process, look for tools that will allow you to automate, and set up automations early. These steps include invoice reminders, dunning notices, transaction reconciliation, collecting payment, and even automated billing rules that calculate invoice amounts based on your contracts.*

**3**

## **Offer discounts for using autopay.**

*For clients who won't budge on recurring ACH, consider offering a slight discount on their monthly bill. This discount can be a percent off, or it could be the avoidance of a surcharge that you would otherwise include for clients who won't implement ACH autopay.*

---

## 4 Enforce interest or terminate services for clients who fall behind.

*Always have late fees or penalties in place for non-paying clients, and be sure to discuss them with your clients before they sign your contract. You can always make exceptions if it feels appropriate.*

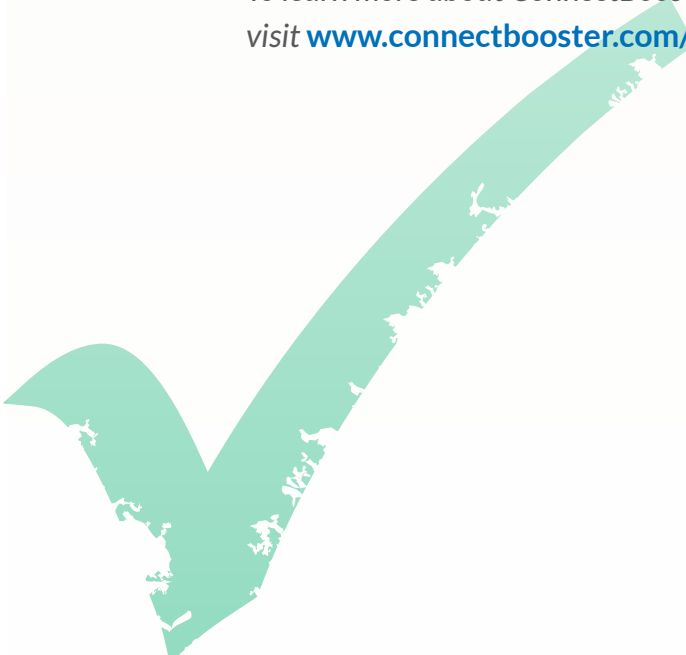
## 5 Always document it.

*Ensure that your billing and payments protocol is documented in your MSA, from start to finish. This should especially include specific details about incentives, penalties and late payments. Doing so not only protects you from legal action, but gives you something concrete to refer back to if you have to have difficult conversations with your clients later on.*

## 6 Aim for transparency.

*Offering your clients a 24/7 payment portal, plus a transparent online view of their invoice and payment history has several benefits. For starters, they won't be able to make excuses regarding "missed" invoices. Secondly, most of the people you work with will appreciate the professional level of service. Remember, the easier it is for your clients to pay you, the more likely it is that they will do it promptly and without complaint.*

*To learn more about ConnectBooster's client-facing payment portal, visit [www.connectbooster.com/features/](http://www.connectbooster.com/features/)*



# Getting New Customers To Pay On Time

*Set expectations around payments from the initial conversation.*

This cannot be overstated: when it comes to getting paid on time, having an appropriate collections process in place is only half the battle. Think about who interfaces with your clients during the sales and onboarding process. Is it you? Do you have a dedicated sales person, or team of people? Whoever comprises your sales team needs to be trained on how to have what we like to call “The Money Conversation.”

Early expectations are so important when you’re establishing a relationship with new clients. It is never easier to assert boundaries than it is in those early conversations, so here’s how you can make sure your prospects understand and respect the rules of doing business with you from the start.

## Setting Your Sales Team Up For Success

Fear of alienating a potential customer often prevents MSP owners and sales professionals from bringing up expectations around billing to new prospects. But really, when is there a better time to have the conversation? When they’re happy and excited to work with your business? Or after they are three months behind on payments and you’re frustrated and out of money?

---

Repeat this mantra often: “I deserve to be paid for the work that I do.” On time, and on your terms. Once you believe that, it’s much easier to establish early expectations, to confidently implement incentives and penalties, to collect a portion of payment upfront, and to transition to only accepting **recurring** ACH or credit card payments.

The best way to start “The Money Conversation” is to bring it up in the sales process when you’re discussing pricing. Before, during, and after, make sure you’re also laying out all the value you’re bringing to their business. Introduce the subject when things are good, with a firm and positive attitude. Usually, a new client who’s worth your time will not object. Now is your chance to train them in doing business with you, so don’t miss the opportunity.

*Not sure how to work recurring billing into your sales pitch? Do it in a way that adds value to them. Here are two examples, each with different angles.*

**Security Example:**

“As you know, we are committed to protecting our customer’s sensitive data. That’s why we only accept payments through our encrypted payment vault. This can be done either through ACH (with a discount), or via credit card. Most of our clients prefer to be set up on recurring billing as well, to ensure that all sensitive information is protected completely.”

**Convenience Example:**

“To make it easier to pay your bill, we use an automatic billing software that directly deducts payments from your preferred account. Our software sends summarized statements via email before and after processing your payment details, and you can log in to your payment portal any time to see your full history and update your information. This way you don’t have to waste time following up on a paper trail of invoices each month, but still have total transparency and control in the process.”

---

## Closing the Gaps During Onboarding

Congratulations, you made the sale! Now it's time to onboard the new client.

Generally, MSPs have various documents for clients to sign, review and utilize during the onboarding process, as well as at least one kickoff conversation. Aim to include information about payments in any case where it makes sense to do so, such as:

- ▶ Your Master Services Agreement
- ▶ Your Welcome Document
- ▶ Any "Setup" Questionnaires or Checklists
- ▶ The Kickoff Meeting

***The most obvious of these is your Master Services Agreement.***

We included more detailed information about this in an earlier section in Chapter 2, but essentially your service agreements should clearly state what your billing expectations are, penalties and incentives, and when payment is due. Any new customer should be required to initial this section, and should be required to sign the agreement before work commences.

If you're collecting a portion of payment upfront, don't continue to the next step of your onboarding process until this payment is received. The day that your first payment is received should be your start date, *not* the date of verbal agreement, or even the date the contract was signed. No sale is truly done until that money hits your bank account, so consider very carefully how much effort you're going to expend on clients before they pay you.

If you're waiting for initial payment to begin services, it is a good idea to include instructions on how to set up their recurring billing when

---

you send your agreement, and even a separate form that documents consent to electronic withdrawal. If you're collecting via a payment portal like ConnectBooster's, these instructions should detail how they can login and use your interface. If you're using a Standard Payment Gateway that requires you to set it up for your client, then you should offer to get them set up over the phone or in person, right away.

You can also include information about how to use your payment portal, or how to manage their recurring billing, within your welcome documents. Include "Set up recurring billing" as an item on your setup checklist. Confirm with your client that recurring billing is being utilized in your kickoff call.

If a client has pushed back on the idea of autopay and you've decided not to make recurring billing a mandatory part of doing business with you, now is a good time to bring it up again. At some time during your kickoff call, ask the question: "Have you set up recurring billing yet?" Inevitably, if their answer is no, you can restate all of the benefits.

If this sounds like overkill, remember that *repetition bears repeating*. The same way that you should regularly reiterate your value propositions so that your clients associate your services with everything they stand to gain, you should also concisely return back to your business' *rules of engagement* with new customers - including how, when, and with what frequency you will get paid. Because clients who think they can string you along, probably will. The clearer and more consistent you are about your process, the more likely it is your clients will see it as imperative to follow it.

Of course, tone is equally important. Remember to keep these conversations light, and to communicate these items as if they are a "given." You're simply setting a status quo, consciously and unconsciously. It's better to create the perception that recurring billing is another one of your services, a convenience to *them*. You don't want it to seem like you're verbally beating them into submission.

---

## Don't Be Afraid to Walk Away

Perhaps you're wondering, "What do I do if a prospect won't consent to these payment guidelines?" A new customer who makes a fuss about their initial payments is almost guaranteed to cause future problems. Don't be afraid to walk away.

One of the best sales tactics is so simple, and so often overlooked: Believe in your own value, and act like it. Your business won't wait for money. Your business won't waste time trying to collect money. Knowing what you know now about how to effectively get your service-based business paid, you can walk into a deal, and if they aren't on board with your model, **don't do business with them.**

Of course you want to sell to every prospect, but if you're working with a potential client who isn't going to fall in line, *you're better than to go walking down that path.* They can go stiff someone else (although it may be better just to tell them they're "not a good fit.")

By the way, don't be surprised if they come back, ready and willing to set up recurring billing. **By not compromising on the things that are most important to your business, you've just upped your perceived value to that prospect immeasurably.**



# Breaking Current Client's Bad Habits

*How to get your existing customers on recurring payments.*

Once you've established your system to onboard and set expectations with new customers, it's time to "bring your existing clients in". Current customers who constantly have past-due invoices might be reluctant to abide by a new process right away - especially if there has been a lack of consequences for paying late in the past. Then again, there almost certainly will be clients who look forward to an automated payments system: especially if you introduce it in a way that reinforces the value it adds *for them*. Many clients may jump at the idea of automating a process that previously required more of their time and effort, too.

Whether your clients are reluctant or enthusiastic, any changes to your current system is going to take a bit of leg work, but don't worry. You **can** get the majority (or all) of your customers to pay on time!

There are a handful of ways to make the transition easy by incentivizing your existing customers to get acquainted with your new payment processes. We'll give you some email examples, but just like with new customers, you're going to have to rebuild your existing processes to see a difference.

## Starting Over and Doing It Right

Customers who haven't been paying their bills on time are going to require a paradigm shift. Some may be resistant to the change, but many will be eager to embrace it if it means easier payments for them.

---

You have a few options to get their buy-in to the new system. Making a general announcement explaining the new standard ahead of time gives you the opportunity to frame the change as positive.

Having 80% or more of your customers on recurring billing is going to reduce your aging accounts receivables and make your company cash flow consistent and predictable, so don't hesitate to roll out this announcement to your existing clients as soon as you have adequate systems in place. Just be sure to provide a grace period, and to be attentive to their needs and concerns during the transition.

Also, it may be helpful to start with the clients who you know will be more amenable. This way, you can iron out any kinks in the process, and learn by tackling the easier problem first.

*Here are a few ways you can introduce the change in your billing process to your existing clients.*

#### **Increasing costs**

Make an announcement via email saying you are changing how you accept payments due to increasing costs of business. These are fairly common in the world of business.

#### **Customer convenience**

Pitch it as a free value-added benefit for your customers. By implementing automatic payments, you give them the power to pay their bill or automatically schedule their monthly payment whenever and wherever 24/7, regardless of business hours. ConnectBooster has a "Pay Now" feature that lets customers pay their current invoice amount directly from their notification email.

#### **New agreement conditions**

This one is a must. It is typical for MSPs to have their clients sign a new service agreement every year, so at each existing customer's next renewal date, add in the clause about payment expectations, and discuss the changes when the time comes for them to renew.

---

## Increasing costs example:

Good Day [CustomerName],

As we all know, the cost of operating a business is constantly increasing. Unfortunately, we are not immune to this fact of life. To offset rising costs of overhead and to ensure we can continue to provide you with top quality service, we will be increasing all of our contract rates by 5%, effective [insert date].

Nobody enjoys having cost's increase, so in an effort to minimize the impact, we have instituted a process by which you may qualify for a discount from this increase amount.

**Qualify for a reduction by enrolling your agreement invoices in autopay.**

When you enroll for autopay using ACH, you will receive a 4% off the upcoming cost increase, resulting in a net increase of only 1%.

When you elect to enroll in autopay using your credit card, you will receive 2% off the upcoming cost increase, resulting in a net increase of 3%.

If you are interested in signing up for autopay, please contact us for the required authorization paperwork.

Additionally, we have now implemented a new online portal where you may view past and present invoices, ask questions, and make payments anytime day or night. If you would like greater transparency and control over your billing arrangement with us, you can access this portal here: *[Insert customer sign-in link]*.

If you have used our other portal in the past, you will be able to access this new one with the same credentials. If you have never used our portal or you have, but can't recall your password, you may use the "Request Access" or "Forgot Password" links found on the login window to gain access. Please note: Your Username will be your full email address. ie. Demo@example.com

*Thank You,*

[YourName]

[CompanyName]

---

## Convenience Example:

[CustomerName],

Thank you for your business! We are excited to announce a new technology that we are making available to you called the (YourBusinessName) Payments Portal.

We encourage you to take advantage of this new efficient and time-saving way of working together. We are investing in this technology in response to many of our customers requesting greater control and transparency into their billing process with us. We are constantly striving to ensure that we give you the best pricing, service and value available.

Our new Payments Portal will give you the ability to:

- ▶ View and print your current invoices
- ▶ Pay your invoices by ACH or credit card
- ▶ Access invoice history and payment history
- ▶ Set up autopay for monthly services
- ▶ Schedule future payments

Set up is easy! Simply login in here [paymentportallink] and selected your preferred billing option.

*Sincerely,*

[YourName]  
[CompanyName]

---

In our experience with hundreds of MSPs who have initiated “The Money Conversation” with their current clients, using the Increasing Costs method of communication has proven itself as the most successful motivator of change. This is because it most effectively answers the age old client question of: “What’s in it for me?” In this case, you have an answer they’ll always be happy to hear: “More money in your pocket each month.”

One great way to position yourself is to use the mixed approach. Start with the “Convenience” pitch as part of your initial rollout announcement, and then use the incentive of “Increasing Costs” to motivate clients to engage with your new system.

*Has the time come to have “The Money Conversation?” Keep these strategies in mind when you communicate with your new and existing clients.*

- 1 Introduce it during the sales process.**

If you don't already have one, it's a good idea to create a “best practices” document for your sales team that details different ways to introduce your prospects to recurring billing. Include ways to speak to security and convenience.
- 2 Make signing up for automatic billing easy.**

Any onboarding email should include steps to sign an authorization form for account withdrawal with ACH and credit card. Include this when you send over your MSA if your intention is to collect payment upfront. Make sure to have clear set-up instructions on hand to send over, or else an airtight process to quickly get them set up, yourself.
- 3 Use contract renewals as an opportunity.**

When the time comes for a renewal, discuss the changes to your billing process with your existing clients. Write a payments clause into your service contracts to include a stipulation of auto-account withdrawal, any extra fees and/or late payment penalties.
- 4 Set the tone.**

Remember, it's not what you say, but how you say it. Manage objections with confidence, and your prospects will be more inclined to acquiesce to your guidelines.
- 5 Don't forget the importance of perceived value.**

Use your new billing and payments protocol as a way to put you head and shoulders above your peers. It is entirely possible to take this as an opportunity to raise your perceived value to your new and existing customers. Don't forget to tell them what they get out of it, but also make sure you draw your line firmly in the sand when it comes to what you're not willing to compromise on. Both tactics can be used to your advantage.

# Following Through On Established Expectations

*Use the tool that already helps thousands of MSP's get paid on time.*

Hopefully, you see that it is possible to transform your company's finances by setting expectations in the beginning and making a few changes to your internal processes. It would be disingenuous to say that all those steps on their own will be enough.

You will have to take the initiative to make the change from the old manual process and make collections easier for you, and your clients. Even having an upfront conversation with your customers can still lead to inconsistent payments if your team has an inconsistent billing schedule, or fails to follow up with late fees. Clients will notice if you impose new boundaries with them and then don't follow through. You have to not only set expectations, but keep the processes that support them running smoothly afterward.

Automating as much of your process as possible will make it easier to transition to a recurring revenue structure and make sure your clients never miss payments.

The best way to set your business up for success is to automate your billing process. Here's just a few of the ways businesses who use ConnectBooster leverage time-saving automations to making billing and collections run smoothly and efficiently.

*“ ConnectBooster is a no brainer. Invoices go out and it collects money for you. No more spending precious time processing payments. Clients love the ease of use and security. The few times I've needed support the ConnectBooster team has been ready and helpful. ConnectBooster is one of the products that make you wonder, how (or why) you ever got things done without it. ”*

*Ryan OHara,  
Sphinx Technology  
Solutions*

---

### **Automated Variable Billing**

Bill the correct amount based on agreements in your CRM or accounting software every time, without manually adjusting individual invoices.

### **Automated Dunning (Past Due) Notices**

Configure and automate dunning notifications to send if a customer is behind on payments. These can be specified to send after any timeframe or to exclude specific customers.

### **Automated Summary**

Send emails with a detailed account summary of what they were charged and the services they received, and give your clients the option to pay off their balance directly from the email.

### **Automatic Accounting Reconciliation**

Automatically match and reconcile invoices in your accounting package upon receipt of payment, with two-way data syncing to and from your accounting package. No more manually matching up payments with invoices.

### **Easy End-Customer Payment Options**

Have access to a 24/7 payment portal that you can brand to your business, where your clients can add, change and securely store payment methods, schedule and manage monthly autopay, and view their entire itemized invoice and payments history.

MSPs who use ConnectBooster and follow these best practices reduce the average age of their accounts receivables by over 30 days. More than one service-based business using ConnectBooster is doing “the impossible,” and operating at virtually \$0 in aged accounts receivable, all while saving 8-20 hours every single month.

*“ We have a 100% adoption rate with new clients, which has changed our company tremendously. I no longer struggle with late-paying customers or accounts receivable thanks to ConnectBooster and the new way we do business. ”*

*Kelly Siegel, CEO of National Technology Management*





You can try ConnectBooster risk free for 120 days, and if you don't see a difference, you can cancel for a full refund.

<https://www.connectbooster.com/demo/>



 877.733.6584

 [info@connectbooster.com](mailto:info@connectbooster.com)

 [connectbooster.com](http://connectbooster.com)

