

SUPPLIERS - MANAGING CASHFLOW THROUGH COVID-19

Changes in customer order patterns and payment terms is creating a real headache for suppliers which impacts corporate supply chains

CASH FORECASTING IS BECOMING INCREASINGLY DIFFICULT

Covid-19 has disrupted the smooth flow of supply chains which are increasingly dominated by peaks and troughs as customers respond to highly variable demand as a result of government imposed covid restrictions on shopping, entertainment, travel etc. These restrictions are also highly variable as the fight against the vaccine and its mutations continue.



Compounding this uncertainty is the alignment of inventory and staff to that demand which creates an element of fixed cost in the business which cannot so easily be flexed.

A SPIRAL OF NEGATIVE IMPACTS

The impact on suppliers is that they are increasingly financially stretched as they try to respond to so many variables.

This is resulting in lost revenue as suppliers minimise inventory, putting strains on customer relationships as they can't fill customer orders. In addition, on the people side staff perceived to be surplus this week are let go only to be needed the following week. In many cases employee skills, and trust lost that will be hard to recover.



STOP THE SPIRAL

Working with suppliers and their customers Crossflow has been able to give suppliers the flexibility of receiving payment for orders and invoices on demand.

How does this look? Well imagine now you are a supplier and you receive an order that you will deliver in 2 weeks but know you won't receive payment until 3 months later making it an instant cashflow headache pushing you straight into that spiral.



Now imagine if that headache was removed and you received part payment on the order, and the rest when your invoice is submitted and approved.

That simple mechanism transforms your capacity to respond to all the uncertainties created by covid-19 and gets suppliers back in control rather than constantly reacting. Crucially, it also enables them to improve product availability to their corporate customers.

Learn how to help your suppliers support your supply chain

Contact Us



Uncertainty is killing our business

CFO, European Supplier



All this variability is pushing us into a downward spiral

CEO



Crossflow enabled us to stop the spiral

Director – European Bank



119th Fastest growing company in Europe



Powering the fintech revolution
UK fintechs and the new wave of financial services



Connecting Funders to Corporate Supply Chains

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