

## **7 credit management tips for export success**

In business, risk and reward are two sides of the same coin, and that's especially true when exporting. But while you can't avoid all risks, you can minimize it and be prepared for it.

At Coface, we have been helping companies to manage their trading risks for more than 75 years, and we can provide cover in more than 200 countries. All that experience and expertise is at your fingertips as soon as you become a [Coface credit insurance](#) policyholder.

### **(H2 Tag) Here Are Our Seven Essential Credit Management Tips For Managing Your Credit Risk When Exporting.**

- Dig deeper than websites and directories - At the very least you require the full name, home address, and business address of the company director you are dealing with. Always be aware that unscrupulous people can create the illusion of a reputable business very easily.
- Don't believe references - The chances of ever being provided with a negative trade or bank reference are astonishingly small. If anyone has had a bad experience dealing with the company in question, this is not how you'll find out about it.
- Ask the awkward question - Be thorough in every possible way. Insist on seeing the latest company accounts. Ask for evidence that the company is trading profitably and not in debt. There will only be a problem if they've got something to hide.
- Don't necessarily worry if the company is using a factor - More and more firms use a factor or invoice discounter to secure their finance nowadays, so it isn't necessarily a bad sign.
- Trust evidence, not instinct - Even when your gut feeling is that a new customer is trustworthy, only be satisfied by hard evidence. That's why the authoritative and up-to-date credit reports Coface can provide on 80 million companies worldwide are such a key resource.

- Don't hesitate to ask for upfront payment - The time to decide about providing a company with credit terms or a credit limit is after they have paid on time, not before.
- An increased credit limit is a reward, not a right- You need more proof of creditworthiness than just one or two prompt payments before extending a customer's credit limit.

The clear conclusion for exporters is that the key to successful [credit management](#) is accurate and up-to-date information. The more you know about your trading partners, the lower the risk of dealing with them. As a Coface [Trade Credit Insurance](#) customer, you have free and immediate access to our unrivaled market intelligence – [company credit reports](#), sector reports, country reports, **political risk assessments**, economic evaluations.... constantly updated and always authoritative. You know more, so you can grow more.

If you're interested in learning more about Coface and our **business information services**, contact us today.