



Unlocking the Full Potential of EFT Payments With Petitpren, Inc.

The Challenge

For the last 10 years, Petitpren, Inc. has been encouraging customers to sign up with Fintech for electronic funds transfer (EFT) services to automate alcohol invoice payment collection. A subset of their customer base had always resisted the change and preferred traditional payment methods like cash, checks or money orders. These payment methods presented frequent challenges, including:

Extended Delivery Times

Petitpren's drivers were delayed with certain deliveries because they had to wait for managers to write checks, create money orders or gather cash to pay the invoice. This disrupted their route efficiency and kept them on the road for longer.

Being Unable to Deliver

In some cases, managers forgot to leave checks behind for invoice payments. Or their money order machine was down and couldn't issue payment. In either case, the driver could not make the delivery, further contributing to route inefficiencies and creating issues for both sides.

Issues With Multiple Payments

Some retailers were complaining about having to write multiple checks for same-day deliveries. For example, Petitpren had separate deliveries for kegs and cases of beer. Retailers wanted to write only one check for the whole order, but each delivery had its own invoice required to be individually paid at the time of delivery.

Collecting the Wrong Payment Amount

There were some cases of drivers accidentally collecting underpayments or overpayments. In this case, the sales rep or AR clerk had to collect the short-pay from the retailer. This resulted in issues with accounts receivable at the end of the day and credits needing to be issued back to the retailer.

Security Risks

Drivers faced security risks driving around with either cash, checks or money orders picked up throughout their shift. As the day progressed, the security risk grew with payment collected at every stop.

To address these challenges, Petitpren joined forces with other local distributors who understood the immediate ROI of EFT payments and set out to initiate change by lobbying for statewide EFT adoption.

In March 2023, the state of Michigan passed a mandate requiring all alcohol distributors only to accept payment via EFT, thanks to the combined efforts of Petitpren and other local distributors. Prior to the mandate, Petitpren had a little less than 50% of their customer base enrolled in EFT payments through Fintech. Since the mandate, they have enrolled nearly 99% of their alcohol retailers. As soon as Petitpren became aware of the deadline to begin accepting EFT payments only, they began reaching out to customers and energizing their sales reps and drivers to sign up new retailers before the deadline.

Petitpren knew how their retailers could benefit from using EFT payments – speedier invoice processing, faster deliveries, and invoice data integration into their back-office system. This EFT mandate accelerated Petitpren's success with adding new retailers, but Petitpren were greatly assisted by Fintech's simplified enrollment process and helpful distributor tools.

The Fintech Solution

Using Fintech's complimentary Customer List Analysis, Fintech could find gaps where they could enroll more alcohol businesses in EFT invoice payments by comparing a distributor's current customer list to Fintech's retailer database to find potential EFT relationships. These are retailers already on Fintech with other distributors. Fintech assists in connecting these retailers with the distributor that provided the customer list inside to initiate an automated payment relationship.

Fintech also drove enrollment with a co-op incentive program, in which Fintech matched Petitpren's enrollment incentive for their sales reps 50/50. Petitpren did 3 co-op incentives with a designated Fintech point of contact for each so they could be updated weekly on each new relationship added.

Petitpren noted that the most helpful enrollment method was Fintech's E-Vite tool. Sales reps and drivers can use this free tool to text or email a custom link to potential customers to speed up the enrollment process and track the invites they've sent. Petitpren also received a custom flyer with a personalized QR code and a custom link that allowed retailers to enroll in Fintech in just a few minutes. Alternatively, they can send customers to Petitpren's website to click the Fintech sign up link on their homepage and enroll from there.

Fintech addressed the payment amount collection issue overnight through its EFT payment system. All invoice payments are collected for Petitpren on time and effortlessly, taking the burden of payment collection during a delivery away from the distributor and customer. Funds transferred always match the amount indicated on the invoice. With EFT, drivers save an average of 15 minutes per delivery, getting drivers back on the road faster, which results in efficiency dollars of \$6.83 per delivery. It also gives critical time back to retailers to focus on other areas of the business.

What Our Customers Are Saying

"Our decades-long partnership with Fintech has helped us scale our business tremendously by adding new relationships. With the Michigan EFT Mandate, Fintech's tools simplified the enrollment for new retailers coming onto EFT for the first time. Their Customer List Analysis allowed us to identify the gaps in our market, and our dedicated Fintech account manager kept us updated as we found and enrolled new retailers. Our co-op incentive programs with Fintech drove a significant increase in sales reps' enrollments. For us, the benefit of going fully EFT is enormous and Fintech makes that process simple."

Suren Fonseka, Manager, IT & Administration, Petitpren, Inc.

https://petitpren.com/about_us/