



7 Ways to Recession-proof your Business With Modern B2B Payments and NetSuite



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Recessions are a part of the natural business cycle. A recession is a period of time when economic activity declines significantly, reducing gross domestic product (GDP), real income, employment, industrial production, and wholesale-retail sales. Recessions end when the economy returns to a state of expansion, but it's difficult to predict precisely when that will be.

The majority of businesses are negatively affected by recessions, but there are things you can do to ensure your business comes through even stronger. Companies that survive and thrive during a recession typically share two common characteristics: cash reserves and access to capital. Planning well in advance for the next downturn is critical.

NetSuite offers a wealth of features to recession-proof your business. [NetSuite Financial Management](#), in particular, can help you plan for a recession and stand firm during one by providing visibility into your business's financial processes and quickly producing budgets, forecasts, model what-if scenarios, and detailed performance reports based on real-time data.

Below are three ways you can recession-proof your business with NetSuite and thrive during an economic downturn.



1. Create a Cash Flow Plan

NetSuite automates core finance and accounting processes, provides detailed insight into your business's performance, and reduces the risk of accounting errors — all to give you greater financial control.

A [cash flow forecast](#) is crucial for any business because it tells you if you'll have the needed revenue to run the business or even expand it. It also allows you to see if more cash is going out of the company than in and identify the problem areas so you can reverse that cash drain.

With NetSuite's unique [Planning and Budgeting](#) capabilities, you have all the information you need at your fingertips to accurately project cash flow. A comprehensive cash flow forecast will be invaluable in the event of a recession and will help guide the management team, serving as an early warning tool to alert them to any variances or problem areas.



2. Aggressively collect Receivables

NetSuite can help you aggressively collect receivables and pay down any outstanding debts with three key financial management tools:

1. SuiteBilling

NetSuite automates the entire invoice-to-cash process, allowing you to overcome bottlenecks with ease. With an automated invoice-to-cash cycle, you can eliminate manual bottlenecks, minimize data errors, and improve the flow and visibility of information from order entry to invoicing to reconciliation.

2. Adopt Payer Portals atop NetSuite

In a recession, customers gravitate toward merchants and suppliers who are easiest to do business with. Businesses can create delightful payer experiences by sending customers a payment request from NetSuite. Paystand can accomplish that with invoice workflows and individual invoices. Merchants can easily send invoices with embedded payment links within the email. What's more, the "Pay Now" button in the email automatically carries over the Merchant bank information.

Upon clicking the 'Pay Now' link, payers are presented with multiple checkout options. They can use our Zero Fee Bank Network, ACH, or Credit Card. They can also use Smart Lockbox capabilities to digitize paper checks, send international wires, and offer dynamic discounting offers to their customers. Further, allow your AR staff to use Virtual Terminals to capture payment methods and take payment when talking with customers on the go.

3. Revenue Recognition

NetSuite's revenue recognition capabilities allow you to automate revenue scheduling, allocation, and reporting. You can create specific recognition rules for each product or service your company offers and easily link them to individual line items in customer contracts, making accounts receivable a breeze.

With fast and efficient revenue recognition, you can stay on top of your cash flow and ensure your business is able to pay down any outstanding debts.

4. Financial Consolidation

NetSuite enables companies to quickly and easily generate and send invoices, define credit terms, manage collections, obtain the required liquidity to fund growth, shorten DSO, and seize new investments and opportunities as they arise. Offering real-time visibility throughout the entire AR process, finance teams can find the status of receivables anytime, from a wide-ranging scope of receivables down to each individual client and invoice.

NetSuite houses all your invoice-to-cash cycle data in one place, easily accessible across the organization. With a unified data platform, all your departments are connected, increasing visibility and reducing the risk of errors and duplicate data entries. In addition, shared data and automated workflows shrink the window between order entry, invoicing, and reconciliation, with each step in the invoice-to-cash process flowing smoothly from one department to the next.

With a comprehensive view of your business's financial health, deeper data insights, and increased efficiency, you can consolidate your finances to prepare for a recession.



3. Eliminate Credit Card Fees

No CFO should have to part with 3-5% of their revenue just to collect that revenue. Finance leaders running on NetSuite can use zero-fee payment rails, such as the Paystand Bank Network, which uses funds that are already in the customer's bank accounts.

Payers easily log in to their bank without leaving Paystand's checkout page. Paystand quickly checks for a valid bank account and "goods funds" in real-time. Payers can then simply pay using their bank account. No fees are involved, and funds are available in 1-2 business days.

Businesses can also offer their customers fees and incentives to switch from credit cards to zero-fee bank payment rails. For example, they can provide customers with options to pay the credit card convenience fees or take incentives (e.g., discounts on the invoice total) to pay over Paystand's bank network, which saves the merchant card fees.



4. Automate and put your AR on Auto-Pilot

Automating core accounting functions eliminates the risk of manual error and shrinks your DSO, providing your business with a stronger bottom line. NetSuite automates crucial tasks in the billing and collections process, eliminating time-consuming, manual tasks. With an automated, faster, and more reliable billing and collections process, your accounts receivable becomes more efficient, [reducing your DSO](#).

With NetSuite, your finance team can automatically post transactions to general and AR ledgers with accurate tax calculations for each invoice, allowing for fast and precise tax processing and billing. NetSuite automates historically manual AR processes, empowering finance teams to create and send digital invoices and offering multiple payment options for simplified payments.

Paystand helps businesses take automation to the next generation by putting your AR cash cycle on auto-pilot. Customers can use Paystand to put payments on Auto Pay for NetSuite Sales Orders and Invoices, ensuring timely payments. Paystand also enables customers to digitize paper checks by using SMART Lockbox services that speed-up funds availability and auto reconcile payments in NetSuite.

Further, AR teams using NetSuite can gain efficiencies by merging all open invoices so customers can pay them simultaneously. Each payment is auto-reconciled to its respective invoice. Customers can use Paystand's Auto-pilot features to reduce the payment submission time by using the "One-Click Checkout" experience. Essentially, payers who have used Paystand Network before only have to perform one click, as all information from prior transactions is auto-applied to the new payment.

The path toward stress-free accounting is through putting your AR Cash Cycle on autopilot with automation, removing hours of repetitive tasks from your team's workload, and allowing tasks to be automatically executed and error-free.



5. Quickly win business with Advance Deposits

NetSuite provides finance teams with the ability to quote estimates to clients. NetSuite customers can use Paystand's Advance Deposits for Quotes & Estimates capability to quickly secure customer commitments and unlock working capital and efficiency by speeding up time to cash. Currently, AR teams using Quotes & Estimates ("Q&E") are unable to accept advance payments from prospects at the early Q&E stage of the sales cycle. However, with the new Advance Deposits feature, AR teams can configure a minimum deposit and accept advance payment. Upon payment receipt, the Q&E is instantly converted to a Sales Order.



6. Acquire and Serve new customers with Cash Sales

NetSuite allows businesses to use Sales Orders to book purchase commitments. In addition, companies can use Paystand's Cash Sales for Sales Orders capabilities to accept instant payments from one-time, walk-in, and cash basis customers, quickly unlocking new revenue. AR teams have otherwise been unable to receive instant payment against a Sales Order, forcing them to send an invoice and wait for 30 to 60 days. AR teams can now accept Cash Sale payments and settlement (of short pay invoices) against Sales Orders.



7. Synergize AR and Payments automation

AR automation helps businesses generate e-invoices and reminders and enables customers to pay using self-service or via virtual payment terminals. At the same time, Payment automation helps digitize the payment mix and move payment volume to no-fee formats like Paystand's bank network.

Further, funds receipt and transaction deposit reports can be automated and synced with the NetSuite ERP in real-time. Paystand auto uploads deposit reports when funds are sent to the bank. AR teams can see every transaction and access all associated data.

Integration of AR automation and Payment automation helps customers reduce the burden of manual invoice generation and cash and bank reconciliation while helping scale revenue without adding more AR staff. Synergies from AR and Payments automation help fix the cost of AR operations for an unlimited number of payments using our [Payments-as-a-Service](#) (PaaS) model.

Recession-proof your revenue with integrated AR and payment automation

The right strategy for such stagflationary times is to recession-proof your business by both realizing top-line revenue faster and reducing costs of AR operations.

Finance teams running on NetSuite can realize top-line revenue faster by

- Invoicing and collecting faster by up to 60%
- Making it easier for customers to make payments

Finance teams running on NetSuite can reduce the cost of AR operations by up to 50% by

- Reducing credit card fees of 3-5%

- Using a fee-less banking network
- Fixing a monthly cost to process an unlimited number of payments

Paystand's NetSuite integration provides a self-driving AR solution that enables customers to achieve fast, efficient, and profitable payments. With Paystand and NetSuite on your side, you can stand firm in a turbulent economic environment and scale your business without your fees and manual tasks scaling too.

Real Results for our NetSuite Customers



ERPs like NetSuite provide a great system of record for core ERP, GL, AP, and AR processes. Paystand helps businesses take automation to the next level by putting your AR cash cycle on auto-pilot. Customers can use Paystand to put payments on Auto Pay for NetSuite Sales Orders and Invoices, ensuring timely payments. Build upon the power of NetSuite with Paystand's one-of-a-kind features, including:

1. Embedded payment links

Send customers a payment request from NetSuite via email (or an automated email workflow). With Paystand, you can quickly and easily send an invoice with an embedded payment link within the email, and the “Pay Now” button carries over the Merchant bank information, streamlining both invoice workflows and individual invoices.

2. Multiple payment rails

Upon clicking the “Pay Now” button, offer payors a seamless check out experience with multiple payment options including the zero-fee [Paystand Bank Network](#), ACH, credit cards, and even [Smart Lockbox](#) for paper checks and wire transfers.

3. Zero-fee Paystand Bank Network

Our zero-fee bank network allows your customers to log in to their bank without leaving your unique, branded checkout page. Paystand’s technology automatically checks for a valid bank account and sufficient funds, and processes the payment without any transaction fees, with funds available in 1-2 business days.

4. Fees & Incentives:

Our Payer Incentives model enables you to promote your preferred payment options among your customers. Zero-fee, or feeless, payments are free for your customer and are typically used for ACH and bank-to-bank payments. While the company absorbs these fees, they tend to be significantly less than credit card processing fees, which only [continue to rise](#).

When it comes to offsetting fees, there are two options:

- **A credit card convenience fee:** Here, you will be shifting the cost of the processing fee to the customer to offset expenses or discourage the use of this payment option. It's not "zero-fee" for your customer, but it is for you.
- **True "zero-fee" options:** There is no fee for the end consumer when discussing zero-fee. Usually, this is through promoting ACH and bank transfer payments. With this method, you cut the costs of processing fees while encouraging your vendors to pay directly to your bank. While not entirely free for the company, you pay a small fee instead of a hefty processing percentage fee. In the long run, this is the most cost-effective method. Zero fees for your customers foster satisfaction, leading to faster payments and decreasing your DSO, and the company is only paying a small transaction fee rather than hefty interchange and processing fees.

Paystand has pioneered feeless B2B payments through our Payments-as-a-Service (PaaS) model, Payer Incentives Module, and the Paystand Bank Network. We built our business on how payments should be, not how they've always been. In a 21st-century digital world, there's no need for gatekeepers and middlemen who charge transaction fees. Everything we do is about creating capital efficiency for your business and delivering a frictionless payment experience to your customers.

5. Automated cash application and reconciliation

Paystand automatically performs the cash application for each payment, automatically uploading deposit reports when funds are sent to the bank. Furthermore, Paystand automatically reconciles bank statements directly to the NetSuite ERP for single or multiple invoices and generates general ledger entries, eliminating the need for manual entry. AR merchants can see every transaction and access all associated data from their dashboard, allowing for a fast and easy accounts receivable process.

[Paystand's NetSuite integration](#) provides a self-driving AR solution that enables customers to achieve fast, efficient, and profitable payments. With Paystand and NetSuite on your side, you can stand strong in a turbulent economic environment and scale your business without your fees and manual tasks scaling too.

Make Payments a Strategic Advantage with Paystand

A Business Payment Network for the Digital Era

Paystand helps you:

- Speed up time to cash
- Automate complicated billing processes
- Eliminate credit card fees
- Simplify payer experience

All within Netsuite.

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