



Are you an online educator? Here are our tips on getting paid

Have you heard that 'cashflow is king'? It certainly is. If you have an idea of how much money is coming into your business each month, you know you can pay your employees and contractors, your building expenses, and maybe even get paid yourself.

This collection of tips for getting paid is designed to remind you of some of the fundamentals you might have forgotten, and to provide some ideas for tweaks you can make to your existing payment system to ensure you do get paid for all the hard work you've invested setting up your courses initially, or constantly improving them.

So, what options have you got?

1. Charge Up Front.

Sounds obvious doesn't it? You might be surprised how many people don't. More and more people are buying online and if you think about your own experience, you expect to pay upfront.

2. Cover Your Costs In The First Three Payments.

Take a deposit that covers your costs or, if you sign someone up for 12 months access and charge monthly, cover your costs of delivery in the first three payments. This way if someone wants to drop out after 3 months you haven't lost anything and can look good by releasing someone from a program, no questions asked, instead of arguing that they have to pay the balance when they are already disaffected. It's not worth your energy!

3. Be Very Clear With Free Trials.

Your clients or customers want to know what they are paying. If you give one month free and ask for payment details straight away, let your customers know that their first payment will automatically be debited from their account when the trial expires. Send them an email reminder. Don't try and hide it in small print. Be bold! Be honest! Be helpful! If you automate this, you won't have to deal with refund requests.

4. Manage Expectations.

Let your customers know exactly what benefits they will get when they sign up, particularly with bigger courses. If they get access to all the available knowledge and wisdom as soon as they login, tell them! Terms of service or terms and conditions are the best way to do this, including letting people know if they are paying by instalments of the total amount, and not a monthly access fee. There is a difference.

5. Cut The Cord.

If people pay for monthly access in advance, then cut off their access as soon as a payment falls overdue or gets declined. You might like to give your customer a 3 day warning to give them time to sort out their payment details, but don't allow overdue payments to linger.

6. Don't Create Special Deals.

Requests from potential partners (who say they will promote your courses) for free access to your courses is all well and good, but you are better to share screen access with them and talk them through benefits than to give away a free login. Get a potential partner to agree on terms and pay for access before giving them a full admin or courtesy account.

7. Outsource Payment Plans.

This can be tricky. If you offer a high value course, you might like to make an arrangement with a financier to cover the full cost of the course by agreement between your participant and the financier. This is not uncommon for courses offered by RTOs. However, it does make dealing with poor payers more complicated because they will still call you but should be dealing with the financier.

8. When Should You Provide Refunds?

If you offer a money back guarantee, you have to honour it. If you don't, you still have to provide a refund if your product or service breaches an Australian Consumer Law consumer guarantee. Otherwise, consider a refund for the relief of getting a difficult person out of your hair. We can help you map out when to, and when not to provide refunds.

9. Get Your Debt Recovery Costs Covered

Your terms and conditions should include some specific provisions to allow you to recover any costs you incur in chasing payment, including interest, bank fees, debt recovery costs and legal fees. Let us know if you need a hand with getting that right.

10. Don't Delay!

If you don't get paid up front, then track any overdue payments very closely. Send a friendly reminder after 7 days, a polite reminder after 14 days, a worried reminder after 21 days and a 'considering next steps' reminder at 30 days. This can be automated through your payment systems. If you haven't been paid in 30 days, make a phone call and ask what the problem is and negotiate payment terms. At 45 days without agreement, send it to debt recovery to get it off your plate and to stop it being a distraction.

Historically, onyx was a stone worn by those facing battle and conflict. It symbolises protection. It's also synonymous with wisdom, determination and repelling negativity - three qualities that entrepreneurs need to achieve great, worthwhile goals. These qualities make it the perfect representation for what we offer our clients.

Rather than letting your legal issues distract you from your core business, we're here to lend our support. We aim to create legal documents that you understand, and your clients or partners understand, without needing further legal interpretation every time you start a new contract.

Let us help you keep your legal agreements and advice simple, straightforward and something that fits your business.

Check out our [website](#) where you can book a short advice appointment or [get in touch](#).