



**blackhorse**  
RETAIL FINANCE



# How Do I... ...Make credit pay?

Electrical goods retailers can clinch vital sales in an increasingly competitive market by offering customers a range of flexible credit options. Black Horse Retail Finance, with extensive experience providing consumer finance facilities to some of the UK's biggest retail names, plus a national sales team trained to help and support retailers, offers insights into this important retail sales tool.

**B**lack Horse Retail Finance, part of the Asset Finance Division of Lloyds TSB, has an extensive range of finance products that can be used as key tools to drive sales by helping your customers spread the cost of purchases.

Graham Field, director of Black Horse Retail Finance, explains the huge benefits of credit. "If used correctly, credit can frequently underpin the most profitable sales for retailers. Credit helps customers to budget better, or to bridge the financial gap that allows them to buy more expensive and better products.

"Today," adds Field, "credit is widely accepted. However, no matter how widespread and socially acceptable credit now is in the UK, it is the job of the salesperson to introduce credit into every sale – without fail. Why? Because customers may be embarrassed about asking for credit or they may not be aware you offer it."

## PUTTING CREDIT INTO THE EQUATION

"Never double-guess a customer's financial position," advises Field. "The customer may have other pressing or unexpected bills to pay, or they may not want to tie up a large chunk of their credit card limit."

Black Horse Retail marketing manager Gary Mitchell urges retailers to introduce credit at an early stage, giving customers plenty of time to think about it, and the various options available. "If customers are aware of the fuller scope that finance gives them to choose from a wider range of products, the salesperson can bring more – and better – products into the sales process early on.

"Leaving it until the final moments of the sale," says Mitchell, "is just too late. Introduce credit early in the sale, always use the lowest instalment possible and stress the benefits of credit again and again, together with the immediate advantages of increased spending power, the ability to spread the cost with a deferred first payment and the convenience of an additional credit line."

## FLEXIBLE RANGE OF OPTIONS

Black Horse has several credit option products designed to meet every budget – be it big or small - and credit can be that trump card for retailers in sealing a deal.

The options include:

- **0% Finance – Interest Free:** A loan which is interest free – an attractive option for every customer.
- **Deferred 0% (Interest Free) Finance:** Just like Interest Free, but also gives customers breathing space before their first repayment.
- **Fixed Repayment 0% (Interest Free) Finance:** Being interest free, customers simply pay a fixed amount every month until their item is paid for.
- **Interest Bearing Credit:** Flexible interest bearing terms which let retailers fit the repayments around a customer's budget.
- **Deferred Interest Bearing Credit:** An interest bearing agreement allowing customers to delay their first payment for an agreed period of time. If they pay off the loan before the deferred period is up, they get it interest free.
- **Fixed Repayment Interest Bearing Agreement:** An interest bearing agreement allowing retailers to agree a fixed rate of interest at the beginning with a customer. The customer then pays a fixed amount every month until the total is paid off.
- **Interest Option:** The interest is waived if a customer pays off the loan within an agreed time. Otherwise, they simply carry on their monthly repayments with interest until the end of the loan.



For more information about working with Black Horse Retail Finance, please contact our Sales Support Team on 0870 609 1039 or visit our website at [www.poscredit4u.co.uk](http://www.poscredit4u.co.uk)

► Prominent point-of-sale can be a powerful reminder to your customers that their options might be greater than they thought