

Confidential Client Operational Survey

This brief questionnaire will determine your cost of account management & customer service.
Information will be held in strict confidence.

Monthly Revenue

Limited to your band and orchestra rental department

Rental income: _____

Maintenance/Service Fee income: _____

Late Fee Income: _____

Total Monthly Income or Actual Monthly Revenue: _____

Monthly Expenses

Account management and customer service related expenses

Payroll Expenses: (directly related to account management and customer service)

	Total Hours	Per Hour Wage	Weeks Per Month	Monthly Cost
Collections	_____	x \$_____	x 4.3 weeks =	_____
Repossessions	_____	x \$_____	x 4.3 weeks =	_____
Customer Service	_____	x \$_____	x 4.3 weeks =	_____
Payment Processing	_____	x \$_____	x 4.3 weeks =	_____
Accounting	_____	x \$_____	x 4.3 weeks =	_____
Office Management	_____	x \$_____	x 4.3 weeks =	_____
			Total =	_____
			Plus Benefits & P.R. Taxes =	_____

Total Monthly Payroll Expense

Operating Expenses: (directly related to account management and customer service)

Bank Charges (including credit card fees etc.) _____

Postage (billing, collections and other correspondence) _____

Telephone (long distance, line charges, etc.) _____

Occupancy (not including retail display area) _____

Insurance General (not including retail display area) _____

Utilities (not including retail display area) _____

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Office equipment rental/lease (postage machine, computers, letter folders, letter inserters, copy machines, fax machines, etc.) _____

Office Supplies (paper, envelopes, toner, paper clips, pens, etc.) _____

Collections/Field Work (collection work done outside of store location by sub-contractor and/or collection agency, as well as court costs and filing fees, etc.) _____

Legal and Professional Fees (Accounting fees, legal fees etc.) _____

Miscellaneous _____

Total Operating Expense _____

Expense Percentage analysis

To determine your account management and customer service cost as a percentage of revenue, please complete the following:

Total Operating Expense and Payroll Expense _____

Divided by the Total Monthly Income _____

Equals the total cost of account management and customer service in terms of percentage of income _____

If you're spending 13%-30% (or more) of your revenue on rental account management, AMS can save you a considerable amount of money as well as time, energy and valuable employee resources.

Cash Flow Analysis

Account management and collections performance is directly related to cash flow. To what extent are uncollectible accounts affecting your monthly income? Let's find out:

Monthly revenue (if all accounts paid on time)? _____

Number of active accounts? _____

Average monthly rental (w/fees)? _____

Total projected rental and service fee income by multiplying the total active accounts by the average monthly rental w/fees? _____

Subtract the Actual Monthly Revenue found above from the Total projected rental and service fee income

This is income that you are entitled to but not receiving _____

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Late Fee Analysis:

How much of your monthly revenue as a percentage is late fees? _____

If late fees do not account for at least 4-6% of your revenue, opportunities are being missed.

Credit Criteria & Productivity Analysis:

How many more contracts would be written if you could dramatically relax your credit criteria through improved collections? _____

Obviously, any number other than zero is an improvement. The purpose of this analysis is to demonstrate the opportunity for increased rental volume. Our largest account provides credit card references for approximately 40% of their approved contracts, thus, capturing the majority of the market their competitors turn away.

By what percentage would your retail sales and/or employee productivity increase by outsourcing the administrative tasks related to your rental operation? _____

While sales are more easily measured than productivity, it is suggested that your current payroll expenses could be redirected to other areas of your business or dissolved, either of which would directly relate to gains in your favor.

If AMS could help you...

Decrease your delinquent account volume and account management operating expenses while...

Increasing your rental volume, monthly cash flow and productivity...

What would you do with your extra time & money?
