1. Set an Upfront Deposit

Tie the first payment to your biggest early cost, explain it in one sentence, and make the deposit the booking.

LoftyBiz
loftybiz.net

1 The five steps

Step	My version	Example (Diego, plumbing, Guadalajara)
1 Biggest early cost		$1,200 materials in week 1, plus early labour
2 Clear percentage		50% on booking = $1,500; 30% at pipes-in; 20%
3 One-sentence reason		"We order your materials as soon as you book..."
4 Deposit = the booking		No deposit, no date in the calendar
5 Make paying easy		Send a payment link the moment they say yes

2 Write your one-sentence reason

"We order / start / reserve _____, so we ask for ___% upfront to cover it and hold your date."

3 Worked example (illustrative): Diego's plumbing crew

Typical job / materials in week 1	$3,000 / $1,200	Jobs at once / cash tied up, before	6 / $7,200+
Deposit on booking (50%)	$1,500	Stage payments	30% = $900 at pipes-in; 20% = $600 or
Cash tied up, after	$0 (each deposit covers the mat	Final payment wait / cancellations	34 days → 2 days; about 1 in 10 → almos

Diego, Mei Lin and their figures are illustrative. These are examples, not promises. Keep the payment steps in Systex (loftybiz.net).

2. Build a Payment Menu

Start with pay-in-full plus a reward, then step down only if needed.

LoftyBiz
loftybiz.net

1 The four options (present in this order; stop at the first yes)

Option	My version / reward
1 Pay in full today + a reward	
2 Half now, half within 30 days	
3 Three monthly payments	
4 Layaway: start after a set amount	

2 How to present it

Don't list all four at once like a price sheet. Say: "Most people pay in full and get the free yearly check-up. Does that work for you?" Only if they hesitate, move to the next option. Align payment dates with when customers get paid (for example the 1st or the 15th). For big purchases, a third-party financier can pay you upfront while the customer pays them, for a fee of usually a few percent.

3 Worked example (illustrative): Mei Lin's wholesale line, Shenzhen

Old terms	Pay 60 days after the order	New menu	Pay at order, 5% off · Half / half · 60 days
Share who pay at order, after 2 months	70%	Monthly wholesale sales	$60,000
Discount cost a month	70% x $60,000 x 5% = $2,100	Cash arriving ~2 months earlier	70% x $60,000 = $42,000, every month

That cash funded her next stock order, so she stopped borrowing from her supplier at high rates. Keep the menu and who is approved for longer terms in Systex, our own product (loftybiz.net).

3. This Week and Mistakes to Avoid

Turn the payment policy into a fixed system.

1 Mistakes to avoid

- A deposit that does not cover your actual early costs (10% vs 40% spent in week 1 still leaves you financing the customer).
- Apologising for the deposit. State it as your normal policy.
- Exceptions for friendly customers. Exceptions become the rule within a month.
- Discounts so big they wipe out profit. Check gross margin first; a bonus is often cheaper than a discount.
- Long payment terms for everyone by default. Make them an option for approved customers.
- Starting work on a payment plan with no money received. Use layaway instead.

2 Do this this week

[ ] Add up the money you currently have tied up in unpaid work
[ ] Set the deposit as a percentage of your biggest early cost
[ ] Write your one-sentence reason
[ ] Build a four-option payment menu
[ ] Use both on the next three customers
[ ] Put the deposit and the menu into Systex as fixed steps, so nobody forgets

3 Job payment tracker (one row per job)

Date	Job / customer	Deposit in?	Amount	Stage / final in?	Notes

Diego, Mei Lin and their figures are illustrative. These are examples, not promises. Results vary. General business education, not financial, legal or tax advice. More free tools and Systex (our own product): loftybiz.net