

MarketFinance vs factoring

KNOW THE DIFFERENCE

MARKETFINANCE

FACTORING

Credit control

We **don't chase your debtors** for payment so you maintain full ownership of those relationships.

You'll need to **hand over credit control** to your provider so they can chase your debtors for payment.

Cost

Invoice finance tends to be more **cost-effective** and comes with the promise of **no hidden fees**.

Providers often quote favourable rates at the outset but then add **extra fees** every month, making it considerably more **expensive**.

Contracts

It's a **flexible** solution. You can choose to finance some – or all – of your outstanding invoices and whether you'd like a pay-as-you-go or subscription option.

You'll likely get locked into a **rigid** long-term contract and could be forced to factor all the invoices in your ledger.

Confidentiality

For invoice finance, we use a **discreet** online tool to verify invoices and call on your behalf when we need to verify by phone. We set up a trust account in your name, so your customers pay invoices to your business, not to MarketFinance.

Factoring facilities are generally **disclosed**. That means your customers will know that you're using a factoring facility and pay invoices to your provider rather than to your business.

