

Digitizing Distribution A/R: Novick Corporation Increases Online Payment Adoption to Over 80%



The Challenge

With a century-long legacy, Novick Corporation has grown from a humble produce operation on a horse-drawn wagon into a premier food and essentials distributor across the Mid-Atlantic and Midwest.

Headquartered in Philadelphia's historic food district and with a growing presence in surrounding states, Novick provides a vast product line of nutritional food, essentials, and support services to organizations in childcare, education, healthcare, adult care, treatment facilities, and hunger-relief efforts.

In 2019, Novick's reach and customer base—spanning over 900 customers—were rapidly expanding. However, their receivables and payment processing systems weren't keeping pace. The organization still heavily relied on traditional payment methods, with nearly 350 customers still regularly paying with checks, contributing to inefficiencies and delayed cash flow. At the end of 2019, 28% of Novick's receivables were past due.

The Solution

To modernize their accounts receivable (A/R) operations and create a more streamlined, scalable payment process, Novick partnered with FTNI to implement a fully-hosted online payment portal and AutoPay solution.

FTNI's ETran integrated receivables platform allowed Novick to consolidate check, ACH, and credit card payments on a single, cloud-based platform, empowering their customers to make payments via a user-friendly online payment portal which also featured convenient AutoPay functionality.

SUCCESS STORY SNAPSHOT

Industry: Food Distribution

Location: Philadelphia, PA

Solutions: ETran Online
Payments & AutoPay

Payment Methods: Check,
Credit Card & ACH



Users are able to log into the portal to schedule one-time and recurring payments, view outstanding invoices, sign-up for AutoPay (automatic debit) and manage their chosen payment methods.

ETran's flexible design has allowed Novick to integrate with their existing systems and automate many previously manual back-office tasks such as payment matching and cash application operations. With enhanced visibility, centralized reporting, and simplified back-office workflows, Novick's A/R team has gained the tools to manage growing receivables volumes without increasing staffing needs.

The Impact

Since deploying FTNI's ETran platform, Novick has experienced a sweeping transformation in its receivables operations, translating directly into measurable business gains. When they first began using the ETran Platform, only about 20 percent of Novick's customers were using the online payment portal and AutoPay functionality in the first year. Today, that number has surged to over 80 percent adoption across their steadily-growing customer base.

What was once a heavily check-dependent A/R process—handling payments from 350 check-paying customers—has now become a streamlined payment acceptance and processing experience with just 10 remaining customers paying via check.

The most striking improvement came in their past due receivables and collections. At the outset of their engagement with FTNI, 28 percent of Novick's receivables were overdue. That figure has since dropped to just 6 percent, improving the company's cash flow, financial predictability, and reducing the time and resources spent on collections.

"It's not just about saving time or money," said Jeff Kaplan, Controller, Novick Corporation. "It's about giving our team and our customers an overall better payment experience. We've drastically reduced manual operations internally and empowered customers with convenient, self-service tools."

The most compelling outcome is how Novick has scaled its operations. Despite their business doubling in size since launching with FTNI in 2019, the company has not had to add a single employee to its A/R team.

"We've grown fast, but it hasn't felt chaotic within our A/R operations—and that's largely because of our use and trust in FTNI," Kaplan noted. "If we doubled again tomorrow, I'm confident we could handle it without having to add headcount. That's the power of having the right tools in place."

What began as a solution to improve payment processing has become an integral part of Novick's growth engine. By removing operational bottlenecks and improving the customer experience, FTNI has helped Novick not just adapt to growth—but lead it. The team is now able to focus more on strategic initiatives, all while continuing to deliver industry-leading customer service that defines Novick's legacy.

REALIZED BENEFITS

Reduced paper check payments by 97%

Increased online payment adoption from 20% in the first year of use to now 80%

Past due receivables reduced from 28% to 6%

About FTNI, an Ascendant Company



FTNI, an Ascendant Company, accelerates the way businesses accept, process, post and manage payments. Processing millions of transactions monthly, FTNI's accounts receivable automation platform, ETran, accepts any payment method, via any payment channel—all on a single, secure, cloud-based platform. ETran seamlessly integrates current business processes, bank and merchant processor relationships, and back-office systems to modernize and automate payment processing and cash application operations. Founded in 2007, FTNI serves more than 20,000 corporate users from over 1,000 customers spanning numerous industries including Banking and Financial Services, Distribution, Insurance, Nonprofit, Property Management, Realty, Utilities, and more. For more information, visit fni.com.