

THE MILLION DOLLAR BUSINESS OWNER

SECRETS YOUR RIVALS HOPE YOU'LL
NEVER DISCOVER!



ALDEN

ALDEN PORTER III

Financial Impact Coach

The Million Dollar Business Owner

Secrets Your Rivals Hope
You'll Never Discover!

by Alden Porter III

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Dedication

To my incomparable Ginger,

For nearly 40 years, you've been the bedrock beneath my professional strides. This work, like every venture, thrives on your unwavering belief and support. To the backbone of my success and our shared journey—this one's for you. Forever in gratitude.

To Your Success,

Alden Porter

Contents

Introduction	i
Profits Through Building a TEAM (Together Everyone Achieves More)	1
Define Your Target Market	21
Creating a Powerful Offer	39
Creating Effective Marketing Material	47
Use Scripts to Increase Sales Immediately	67
How to Use Advertising for Immediate Profits	81
Immediate Sales	93
How to Double your Referrals	108
Profits from Thin Air	119
Generating an Unlimited Number of Leads for Your Business	139
Unleash Your Business' True Potential: Mastery Awaits You!	152

Introduction

Unlocking Success: Your First Step to Business Greatness!

Congratulations! By opening this page, you've made a commendable leap towards enhancing your business. Applauding your tenacity and drive!

Spanning decades, my journey has taken me from the nuanced realm of small business ownership to the high-octane corridors of a Fortune 10 corporation. This rich tapestry of experiences has endowed me with strategies and insights that are gold. These nuggets of wisdom have shaped not only my own ventures but also the many businesses I've had the honor to coach.

I'm a firm believer that we're merely a couple of innovative marketing strategies away from sales achievements that might seem like fantasy today. The initial chapters of this guide are as pivotal as the ones that follow. The techniques discussed have not only supercharged revenues for businesses like yours but have been the secret sauce for many of your competitors.

My unyielding passion for Business Coaching is a testament to the transformative power of these strategies. Throughout my coaching journey, the surge in demand from businesses seeking direction has been palpable. Whether it's for strategic marketing,

robust operational structures, or the mere essence of mentorship, the call has been clear. No matter your industry, the foundational tenets in this book apply universally. They are the blueprint for success, suitable for any business mold.

Don't await the "right" moment; seize this one, because it's perfect.

To your success and beyond,

Coach Alden

PS. Keen for an expert's perspective on your venture? Reach out to me at owner@alden3.com. Together, we'll sculpt your success story!

One

Profits Through Building a TEAM (Together Everyone Achieves More)

The people you employ contribute, directly or indirectly, daily to the strength and vitality of your business. You can't run your business alone, so you rely on their skills and support.

In simpler words, your employees help you to make money.

But your employees are not just the people who arrive at your office every day and exchange their effort for a paycheck. Their role is not just to build capacity and sell more or serve more.

Your employees are part of a potentially powerful group of people that you can leverage to put your business on the fast track to success. Your staff is more than the people who work for you. They are members of your team—the group of people who are collectively working to achieve the same objective or reach the same vision.

I say they are more than just employees because their collective, cohesive value is much higher than their individual worth.

We all know that more people working on the same task will ensure the task is completed faster. In business, when you have more people working together on the same task, you save time, increase brainpower, and ultimately, **make more money**.

Corporate Culture

Corporate Culture has become a common buzzword when it comes to building a successful business and rightly so.

Your corporate culture is the environment in which you run your business and the environment in which your team members work. It is rooted in the vision, mission, and beliefs of the organization, and dictates the “kind of office” and “kind of people” that work in that office.

Corporate culture is something that typically develops organically. The business owner and senior employees create a positive or negative environment based solely on who they are as people and how they behave as leaders. You simply can’t avoid creating some type of corporate culture when you run a business.

You can, however, avoid creating a negative or unproductive corporate culture. Whether you are just starting out or seeking to improve your workplace, you do have control over the type of environment in which you run your business.

Like most things in business, this won't happen overnight. However, with a clear idea of where you want to go, and what you want to create, you'll be well on your way to getting there.

Vision

Your company's vision statement should be a bold, clear, short sentence that every single one of your employees knows and understands. It is a roadmap to your idea of success; if you don't know what that looks like, how will you know when you achieve it?

If your goal is to create a highly profitable company, what does highly profitable mean? \$1 million in annual sales? \$3 million in annual profit?

Do you seek to become the industry leader in sprocket production? How will this be measured? How many sprockets will you have to produce to reach this goal?

The vision statement is a short summary of the long-term objective of the company—what the company will look like, produce, achieve; it is how you know the company is “successful.”

Many companies either do not have a vision statement or they keep it a secret from their employees. It is only discussed in board meetings or management meetings. For a team to collectively work toward a goal, they need to know what the big picture

objective is. They need to have buy-in in the company's direction and be communicated with on a regular basis.

Be proud of your vision. Keep it visible for staff, post it on the wall, include it in internal communications, and connect day-to-day activities to it as often as possible.

Sample Vision Statements

Here are some real examples of corporate vision statements:

“At Microsoft, our mission and values are to help people and businesses through the world realize their potential.” – Microsoft

“Give every customer a reason to believe...STAPLES Business Depot—That was easy!” – Staples Canada

"To build the largest and most complete Amateur Radio community site on the Internet." – eHam.net

Creating a Vision Statement

The process of creating a vision statement is something that you can work through alone, or in collaboration with your team. It is highly recommended to review the draft vision statement with your employees to ensure they understand and support the goals and objectives of the company.

Keep the following points in mind when crafting your vision statement:

- **Think big** – Why did you start or buy this business? What was your dream or purpose in doing so?
- **Think long-term** – Vision statements should last five to 10 or even 25 years
- **Be specific** – Use numbers, dates, ratings systems, and other ways of measuring success
- **Be succinct** – Use clear, short, simple sentences that are easy to repeat and remember

Mission

Your mission statement is a general description of how you are going to achieve your vision. This is a longer and more detailed statement that should include what your business is, who your customers are, and how you are different from (better than!) the competition.

Sample Mission Statements

“The Mission of McGill University is the advancement of learning through teaching, scholarship and service to society: by offering to outstanding undergraduate and graduate students the best education available; by carrying out scholarly activities judged to be excellent when measured against the highest international standards; and by providing service to society in those ways for which we are well-suited by virtue of our academic strengths.” – McGill University, Montreal, Canada

“Starbucks purchases and roasts high-quality whole bean coffees and sells them along with fresh, rich-brewed, Italian style

espresso beverages, a variety of pastries and confections, and coffee-related accessories and equipment -- primarily through its company-operated retail stores. In addition to sales through our company-operated retail stores, Starbucks sells whole bean coffees through a specialty sales group and supermarkets. Additionally, Starbucks produces and sells bottled Frappuccino® coffee drink and a line of premium ice creams through its joint venture partnerships and offers a line of innovative premium teas produced by its wholly owned subsidiary, Tazo Tea Company. The Company's objective is to establish Starbucks as the most recognized and respected brand in the world.” – Starbucks

Creating Your Mission Statement:

Here is a recommended process for completing your mission statement:

Step One: List your company’s core strengths and weaknesses. What do you do well? What do you need to work on, or avoid doing?

Step Two: Who are your primary customers? Describe the types of customers you serve, both internal and external.

Step Three: What do your customers think of your strengths? What strengths are most important to them? Go ahead and ask them if you need to.

Step Four: Connect the strength that each customer values with its customer type. Write it in a sentence. Combine any redundancies.

Step Five: Organize your sentences in order of importance

Step Six: Combine your sentences into a paragraph or two. Elaborate on points as needed. This is your draft mission statement.

Step Seven: Consult with your staff and customers and ask for their feedback. Do employees support the statement? Can they act on it? Do customers want to do business with a company with this mission statement? Does it make sense?

Step Eight: Incorporate the feedback received and refine the statement until you are happy with it. Then publish it – everywhere!

Culture or Values Statements

Your culture or values statement is the next step in the process. It describes how you and your staff will go about taking action (your mission statement) to achieve your objective (your vision statement).

Much like every family has their own belief system and way of doing things, from cooking to cleaning to raising kids, every

company has their own set of values when it comes to running a business. It reflects the unique personality of the organization.

Sample Culture Statement

Our Culture

* Values-based leadership. Our Credo outlines the values that provide the foundation of how we act as a corporation and as individual employees so that we continue to put the needs of the people we serve first.

* Diversity. It's our individual differences that make us stronger. We recognize the strength and value that comes when collaborative relationships are built between people of different ages, race, gender, religion, nationality, sexual orientation, physical ability, thinking style, personal backgrounds and all other attributes that make each person unique.

* Innovation. True innovation can only be fostered within a supportive environment that values calculated risk to achieve the maximum reward. At Johnson & Johnson Inc., we encourage and reward innovative thinking, innovative solutions, and an innovative approach in all that we do.

* Passion. The deep desire to enrich people's lives – by delivering quality products and remarkable experiences that make their lives easier, healthier, and more joyful.

* Collaboration. The unwavering belief that great results depend on the ability to create trusting relationships.

* Courage. The fearless pursuit of the unproven, unknown possibility – the willingness to take great risks for the benefit of the greater good.

Johnson & Johnson Canada

Creating Your Culture Statement

Involve your team in creating your company's culture or values statement. Generally, this is a point-form document that reflects the beliefs of the company, its employees, and its customers.

It can be helpful to think about the type of people you currently employ, as well as the ones you may wish to employ. What are they like? What are their belief systems? What are their most important values?

Remember that the culture or values statement is usually the longest of the three statements—and that's okay.

Your Team Leaders

The strength of a team lies in the strength of the people who lead it. No group of people is effective without strong leadership, just like no business is effective without a strong owner or management team.

Building a strong team means knowing who your leaders are, both in job description and natural ability.

Understanding the strength of your natural leaders and the skills of your natural followers will allow you to strategically structure your team for maximum effectiveness and efficiency. It will give insight into who is best suited for management promotions, project management, and which team members can assemble and motivate their peers.

Your leaders need to have a high degree of passion for your product or service and truly believe in the company’s vision. They need to be able to handle a high level of responsibility and manage a range of people to achieve a common goal.

Your leaders are your team builders. They present new ideas, build consensus, and encourage the involvement of others.

Types of Leaders

There are four main types, or styles, of leaders. Chances are you’ve experienced each type at some point in your career.

Type	Description	Ideal Use
Autocratic	<div>› Classical or “old-school” approach</div> <div>› Manager holds all power and decision-making authority</div> <div>› No employee consultation or input</div> <div>› Orders are obeyed</div> <div>› Rewards/punishment structure</div>	<div>› New, untrained employees</div> <div>› Detailed orders and instructions are required</div> <div>› No other leadership style has been effective</div> <div>› Limited time available</div> <div>› Department restructuring</div> <div>› High production requirements</div>

Communication

The only way to build and maintain a strong team is through strong, consistent communication. This is often an overlooked or neglected aspect of business management and is easily forgotten during periods of high stress or heavy workload.

Avoid letting communication fall on the backburner by creating a regular meeting schedule and sticking to it. Depending on the size and type of your business, daily, weekly, or monthly team meetings are an important cornerstone of a strong team.

Regularly scheduled team meetings are like Sunday dinners with a busy family. They give you, the owner, a regular forum with your staff to implement company-wide training initiatives, announce results, establish goals and targets, or share new visions or directions. They also give your staff a forum to share feedback and air grievances.

Bureaucratic	<ul style="list-style-type: none"> › “By the book” approach › All is done to specific procedures/policies › All tasks outside policies referred to higher management 	<ul style="list-style-type: none"> › Routine tasks performed › Standards and procedures need to be communicated regularly › Safety or training › Cash handling › Dangerous equipment
Laissez-faire	<ul style="list-style-type: none"> › “Hands-off” approach › Employees have almost total freedom › Little direction or guidance is provided › Employees must make own decisions, set own goals › Employees must solve own problems 	<ul style="list-style-type: none"> › Highly skilled and experienced employees › Employees are highly driven and ambitious › Consultants are being managed › Employees are trustworthy
Democratic	<ul style="list-style-type: none"> › “Participatory approach” › Employees part of decision-making process › Employees well informed › Leader has final say, but involved others › Collaborative approach › Encourages employee development with guidance and assistance from leader › Leader recognizes and rewards achievement 	<ul style="list-style-type: none"> › Collaborative environment › Employee development and growth is the focus › Changes or problems affect employees and require their input to create a solution › Team building and participation is encouraged

Effective Team Meetings

By now you’re probably thinking, “Sure, I hear some company’s team meetings are effective, but we tried them, and it didn’t

work,” or “I held regular team meetings, but after a while, no one showed up.”

There is a difference between team meetings held for the sake of having team meetings and well-prepared team meetings with a purpose.

You need to start holding team meetings with a purpose.

Establish a Schedule That Everyone Can Commit To

Scheduling is potentially the biggest challenge when trying to set up a team meeting. Often, all your staff members are busy going in eight different directions to fulfill their roles and operating on dramatically different schedules.

This is one reason why regular team meetings are important. Ad hoc meetings require ad hoc scheduling and reduce the likelihood that all your team members will be able to attend.

Ask your team to block off one hour (or two) each week (or month) for the team meeting in a time slot that is convenient for everyone. Establish a clear attendance expectation from everyone. This will exclude that time slot from the scheduling of other meetings and avoid conflict.

If you find that a team meeting is not necessary one week, you can always cancel it.

Know Your Purpose

Each team meeting should have a purpose and clear objectives. Is it to educate? Build consensus? Gather feedback?

Once you have established a purpose for a particular meeting, send an agenda to your staff confirming the meeting and outlining your objectives. This is a good time to ask if anyone has a subject they would like to raise at the meeting.

If you find you do not have a clear purpose or objective, ask yourself if a team meeting is the best use of time for that week and consider postponing it to the next regularly scheduled time slot.

Plan Each and Every Minute

The biggest complaint from employees about team meetings is the length. Too often team meetings run out of control and end up taking three hours instead of one. You will quickly lose team focus and respect for the regular meeting this way. By establishing a clear agenda and staying on topic, you can run an efficient, succinct meeting.

Your detailed agenda should include:

- meeting purpose or objective
- list of topics and associated speakers
- list of decisions that need to be made/agreed to
- time allocation for each topic

- opportunity for additional topics at the end

Circulate your draft agenda in advance of the meeting and request input and feedback. When all team members have reviewed and contributed to the agenda, you will increase their level of ownership and buy-in into the process.

Establish the Facilitator

Choose one person to chair the meeting and keep it on track. This is generally the business owner or a senior member of the team with some authority over junior staff and a high level of respect.

It is the responsibility of the facilitator, or chairperson, to create an environment of open dialogue and trust, and to keep the meeting on schedule.

Create a Follow-up Schedule

Assign the task of taking detailed meeting minutes to a team member or rotate this responsibility on a regular basis. It is important to record what happens in team meetings, just as you would in a client-related business meeting.

In the minutes, establish a system for tracking the action items that arise from decisions made in the meeting. This can be set up as a simple chart in a Word doc or a Google Sheet.

Decision	Action	Responsibility	Deadline

Make sure that these responsibilities are assigned and agreed upon in the meeting and clear deadlines are established. Reviewing or following up on this chart can serve as a regular topic during team meetings.

Circulate meeting minutes to all attendees and ask for input or revisions. You may wish to circulate meeting minutes with the agenda for the next team meeting and gather feedback at the same time.

Motivations + Incentives

A big challenge in team building is coming up with new ways to foster and maintain a high level of motivation. How do you keep teams of people excited and driven to succeed over long periods of time? How do you keep your team motivated to improve their performance and increase their achievements?

It is important to note that we're not just talking about individuals but teams of people working together. It is simple to motivate a single person, but an entire team of motivated people will generate significantly higher results.

The key here is to give incentives for individual and team accomplishments. Incentives that offer rewards based on collective achievement require people to work together and motivate each other to succeed.

Before we start talking about monetary and incentive-based rewards, it's important to look at motivational factors that are not incentive-driven.

Room to Work

Employees who feel their managers and supervisors believe and trust in their abilities are happier and will always perform at a higher level than those who do not. They are motivated to “prove them right” and feel supported in their efforts.

Micromanagement quickly reduces morale. It is essential that you and your managers clearly express confidence in your team members. You hired them to do a job, perform a role, so you must ensure they have the space to do so.

When you put effective systems in place and establish clear expectations, you create a clear context or boundary system for employees to work within. They understand the decision-making hierarchy and the general way ‘things are done around here.’

Your team should be encouraged to take initiative and to take risks within this context. You have hired your team based on their skills and intellectual capabilities and thus should be able to trust in their choices and decision-making abilities.

Incentives

Incentives are great motivators. An incentive is a reason to perform or act in a certain way. For example, if your team

increases sales by 40% by month's end, they will be treated to an expensive dinner.

Incentives need to be specific and have deadlines to be effective. In the example above, sales need to increase by 40% by the end of the month for the team to receive their dinner. If sales only increase by 30%, or if they increase by 40% at the end of the second month, the team does not earn their reward.

Time-specific incentives increase the sense of urgency and encourage staff to work harder to achieve the objective. If the incentive is not time-bound, there is no reason to work faster or harder, since staff will assume that they will reach their milestone "eventually."

Rarity is also a key component of effective incentive-based team building. If the reward is ongoing (i.e., if staff receive an expensive dinner every month sales are over \$75,000), then "there's always next time." There is a lesser incentive to push performance to receive the reward. Some team members may care one month but not the next.

Monetary Incentives

Bonuses and salary increases are a popular way to give your team an incentive to perform.

These can include:

- Commissions
- Bonuses for completing a challenging project, or hitting a target
- Rewards for highest producing employee
- Salary increases based on met targets

It's up to you how you choose to structure your monetary incentives, based on your budget and resources. Remember to ensure that the terms of each incentive are clearly outlined and that both parties (you and your employee) understand the agreement.

Gift Rewards

Physical, tangible gifts are an inexpensive way to reward your team for achievements and improvement. These rewards show that you have given some level of thought to what they might enjoy or appreciate in exchange for a job well done. They're also a great way to surprise employees.

Here are some ideas:

- Spa gift certificates
- Books (consider motivational or business-related topics)
- Meals (lunch or breakfast)
- Other gift certificates (gas, food, meals, local shops)
- Movie or theatre tickets
- Weekend getaway (hotel, meals, etc.)

- Flowers
- Gym memberships

Two

Define Your Target Market

What is a Target Market?

Many businesses can't answer the question: *Who is your target market?* They have often made the fatal assumption that *everyone* will want to purchase their product or service with the right marketing strategy.

A target market is simply the group of customers or clients who will purchase a specific product or service. This group of people all have something in common: age, gender, hobbies, or location.

Your target market, then, are the people who will buy your offering. This includes both existing and potential customers, most who are motivated to do one of three things:

- Fulfill a need
- Solve a problem
- Satisfy a desire

To build, maintain, and grow your business, you need to know who your customers are, what they do, what they like, and why they would buy your product or service. Getting this wrong, or

not taking the time to get it right, will cost you time, money, and potentially the success of your business.

The Importance of Knowing Your Target Market

Knowledge and understanding of your target market is the keystone in the arch of your business. Without it, your product or service positioning, pricing, marketing strategy, and eventually your business could very quickly fall apart.

If you don't intimately know your target market, you run the risk of making mistakes when it comes to establishing pricing, product mix, or service packages. Your marketing strategy will lack direction and produce mediocre results at best. Even if your marketing message and unique selling proposition (USP) are clear and your brochure is perfectly designed, it means nothing unless it arrives in the hands (or ears) of the right people.

Determining your target market takes time and careful diligence. While it often starts with a best guess, assumptions cannot be relied on, and research is required to confirm original ideas. Your target market is not always your ideal market.

Once you build an understanding of who your target market is, keep up with your market research. Having your finger on the pulse of their motivations and drivers (which naturally change)

will help you to anticipate needs or wants and evolve your business.

Types of Markets

Consumer

The Consumer Market includes those general consumers who buy products and services for personal use, or for use by family and friends. This is the market category you or I fall into when we're shopping for groceries or clothes, seeing a movie in the theatre, or going out for lunch. Retailers focus on this market category when marketing their goods or services.

Institutional

The Institutional Market serves society and provides products or services for the benefit of society. This includes hospitals, non-profit organizations, government organizations, schools, and universities. Members of the Institutional Market purchase products to use in the provision of services to people in their care.

Business to Business (B2B)

The B2B Market is just what it seems to be: businesses that purchase the products and services of other business to run their operations. These purchases can include products that are used to manufacture other products (raw or technical), products that

are needed for daily operations (such as office supplies), or services (such as accounting, consulting, and legal).

Reseller

This market can also be called the “Intermediary Market” because it consists of businesses that act as channels for goods and services between other markets. Goods are purchased and sold for a profit, without any alterations. Members of this market include wholesalers, retailers, resellers, and distributors.

Determining Your Target Market

Product / Service Investigation

The process for determining your target market starts by examining exactly what your offering is and what the average

Does your offering meet a basic need?	
Does your offering serve a particular want?	
Does your offering fulfill a desire?	
What is the lifecycle of your product / service?	
What is the availability of your offering?	
What is the cost of the average customer’s purchase?	
What is the lifecycle of your offering?	
How many times or how often will customers purchase your offering?	
Do you foresee any upcoming changes in your industry or region that may affect the sale of your offering (positive/negative)?	

customer's motivation for purchasing it is. Start by answering the following questions:

Market Investigation

On the ground. Spend some time on the ground researching who your target market might be. If you're thinking about opening a coffee shop, hang out in the neighborhood at different times of the day to get a sense of the people who live, work, and play in the neighborhood. Notice their age, gender, clothing, and any other indications of income and activities.

- **At the competition.** Who is your direct competitor targeting? Is there a small niche that is being missed? Observing the clientele of your competition can help to build understanding of your target market, regardless of whether it is the same or opposite. For example, if you own a children's clothing boutique and most middle-class mothers shop at the local department store, you may wish to focus on higher-income families as your target market.
- **Online.** Many cities and towns (or at least regions) have demographic information available online. Research the ages, incomes, occupations, and other key pieces of information about the people who live in the area you operate your business. From this data, you will gain an understanding of the size of your total potential market.
- **With existing customers.** Talk to your existing customers through focus groups or surveys. This is a great way to gather demographic and behavioral information, as well as genuine feedback about product or service quality and other information that will be useful in a business or marketing strategy.

Who is Your Market?

Based on your product / service and market investigations, you will be able to piece together a basic picture of your target market and some of their general characteristics. Record some notes here. At this point, you may wish to be as specific as possible or maintain some generalities. You can further segment your market in the next section.

Consumer Target Market Framework

Market Type:	Consumer
Gender	<input type="checkbox"/> Male <input type="checkbox"/> Female
Age Range:	
Purchase Motivation	<input type="checkbox"/> Meet a Need <input type="checkbox"/> Serve a Want <input type="checkbox"/> Fulfill a Desire
Activities	
Income Range	
Marital Status	
Location:	<input type="checkbox"/> Neighborhood <input type="checkbox"/> City <input type="checkbox"/> Region <input type="checkbox"/> Country
Other Notes	

Institutional Target Market Framework

Market Types:	Institutional	
Institution Types:	<input type="checkbox"/> Hospital <input type="checkbox"/> School <input type="checkbox"/> Charity <input type="checkbox"/> Church	<input type="checkbox"/> Non-profit <input type="checkbox"/> University <input type="checkbox"/> Government
Purchase Motivation:	<input type="checkbox"/> Operational Need <input type="checkbox"/> Client Want <input type="checkbox"/> Client Desire	
Purpose of Institution:		
Institution's Client Base:		
Size:		
Location:	<input type="checkbox"/> Neighborhood <input type="checkbox"/> Region	<input type="checkbox"/> City <input type="checkbox"/> Country
Other Notes:		

B2B Target Market Framework

Market Type:	Business to Business (B2B)
Company Size:	
Number of Employees:	
Purchase Motivations:	<div>Operations Need</div> <div><input type="checkbox"/> Strategy</div> <div><input type="checkbox"/> Functionality</div> <div><input type="checkbox"/></div>
Annual Revenue:	
Industry:	
Location(s):	
Purpose of Business:	
People, Culture & Values:	
Other Notes:	

Reseller Target Market Framework

Market Types:	Reseller		
Industry:			
Client Base:			
Purchase Motivation:	<div>Operational Need</div> <div>Client Want</div> <div>Client Desire</div>		
Annual Revenue:			
Age:			
Location:	<div>Neighborhood</div> <div>Region</div>	<div>City</div> <div>Country</div>	
Other Notes:			

Your Target Market: Putting It Together

Based on the information you gather from your product / service and market investigation you should have a clear vision of your realistic target market. Here are a few examples of how this information is put together and conclusions are drawn:

Target Market Sample 1: Consumer Market

Business: Baby Clothing Boutique	Business Purpose: <i>Meet a need</i> (provide clothing for infants and children aged 0 to 5 years) <i>Serve a want</i> (clothing is brand name only, and has a higher price point than the competition)
Market Type: Consumer	
Gender: Women	
Marital Status: Married	
Market Observations: located on Main Street of Anytown, a street that is seeing many new boutiques open up, proximate to the main shopping mall two blocks from popular mid-range restaurant that is busy at lunch	Industry Predictions: large number of new housing developments in the city and surrounding areas two new schools in construction expect to see an influx of new families move to town from Anycity
Competition Observations: baby clothing also available at two local department stores, and one second-hand shop on opposite side of town	Online Research: half of Anytown's population is female, and 25% have children under the age of 15 years Anytown's population is expected to increase by 32% within three years The average household income for Anytown is \$75,000 annually
TARGET MARKET: The target market can then be described as married mothers with children under five years old, between the ages of 25 and 45, who have recently moved to Anytown from Anycity, and have a household income of at least \$100K annually.	

Target Market Sample 2: B2B Market

Business: Confidential Paper Shredding	Target Business Size: Small to medium
Market Type: B2B (Business to Business)	Target Business Revenue: \$500K to \$1M
Business Purpose: Meet an operations need (provide confidential on-site shredding services for business documents)	Target Business Type: produce or handle a variety of sensitive paper documentation accountants, lawyers, real estate agents, etc.
Market Observations: there are two main areas of office buildings and industrial warehouses in Anycity three more office towers are being constructed, and will be completed this year	Industry Predictions: the professional sector is seeing revenue growth of 24% over last year, which indicates increased client billing and staff recruitment
Competition Observations: one confidential shredding company serves the region, covering Anycity and the surrounding towns provide regular (weekly or biweekly) service, but does not have the capacity to handle large volumes at one time	Online Research: Anycity's biggest employment sectors are: manufacturing, tourism, food services, and professional services
TARGET MARKET: <i>The target market can then be described as small to medium sized businesses in the professional sector with an annual revenue of \$500K to \$1M who require both regular and infrequent large volume paper shredding services.</i>	

Segmenting Your Market

Your market segments are the groups within your target market, broken down by a determinant in one of the following four categories:

- Demographics
- Psychographics
- Geographics
- Behaviors

Segmenting your target market into several more specific groups allows you to further tailor your marketing campaign and more specifically position your product or service. You may wish to divide your ad campaign into four sections, and target four specific markets with messages that will most resonate with the audience.

For example, the baby clothing store may choose to segment its target market by psychographics or lifestyle. If the larger target market is *married females with children under five, between the ages of 25 and 45, who have a household income of at least \$100K annually*, it can be broken down into the following lifestyle segments:

- Fitness-oriented mothers
- Career-oriented mothers
- New mothers

With these three categories, unique marketing messages can be created that speak to the hot buttons of each segment. The more accurate and specific you can make communications with your target market, the greater impact you will have on your revenues.

Market Segmentation Variables

Understanding Your Target Market

Demographic	Psychographic	Geographic	Behavioristic
Age	Personality	Region	Brand Loyalty
Income	Lifestyle	Country	Product Usage
Gender	Values	City	Purchase
Generation	Attitude	Area	Frequency
Nationality	Motivation	Neighborhood	Profitability
Ethnicity	Activities	Density	Readiness to Buy
Marital Status	Interests	Climate	User Status
Family Size			
Occupation			
Religion			
Language			
Education			
Employment			
Type			
Housing Type			
Housing			
Ownership			
Political			
Affiliation			

Once you have determined who your market is, make a point of learning everything you can about them. You need to have a strong understanding of who they are, what they like, where they shop, why they buy, and how they spend their time. Remind yourself that you may *think* you know your market, but until you

have verified the information, you'll be driving blind with your marketing strategy.

Also be aware that markets change, just like people. Just because you knew your market when you started your business 10 years ago doesn't mean you know it now. Regular market research is part of any successful business plan, and a great habit to start.

Types of Market Research

Surveys

The simplest way to gather information from your clients or target market is through a survey. You can craft a questionnaire full of questions about your product, service, market demographics, buyer motivations, and so on. Furthermore, anonymous surveys will produce the most accurate information since names are not attached to the results or specific comments.

Depending on the purpose (whether it is to gather demographic information, product or service feedback, or other data) there are several ways to administer a survey.

Telephone

Telephone surveys are a more time-consuming option but have the benefit of live communication with your target market. Generally, it is best to have a third party conduct this type of

survey to gather the most honest feedback. This is the method that market researchers use for polling, which is highly reliable.

Online

Online surveys are the easiest to administer yourself. There are many web-based services that quickly and easily allow you to custom create your survey and send it to your email marketing list. These services can also analyze, summarize, and interpret the results on your behalf. Keep in mind that the results include only those who are motivated to respond which may slant your results.

Paper-based

Paper surveys are seldom used and can prove to be an inefficient method. Like online surveys, your results are based on the feedback of those who were motivated for one reason or another to respond. However, the time and effort involved in taking the survey, filing it out, and returning it to your place of business may deter people from participating.

Keep in mind that surveys can be complex to administer and consume more time and resources than you have planned. If you have the budget, consider hiring a professional market research firm to lead or assist with the process. This will also ensure that the methodology is standard practice and will garner the most accurate results.

Website Analysis

Tracking your website traffic is an excellent way to research your existing and potential customer's interests and behavior. From this information, you can ensure the design, structure, and content of your website is catering to the people who use it and the people you want to use it.

User-friendly website traffic analytics programs can easily show you who is visiting your site, where they are from, and what pages of your site they are viewing. Services like Google Analytics can tell you what page they arrive at, where they click to, how much time they spend on each page, and on which page they leave the site.

This is powerful (and free) information to have in your market research and easy to monitor monthly or weekly, depending on the needs of your business.

Customer Purchase Data (Consumer Behavior)

If you do not have the budget to conduct your own professional market research, you can use existing resources on consumer behavior. While this data may not be specific to your region or city, general consumer research is actual data that can be helpful in confirming assumptions you may have made about your target market.

Your customer loyalty program or Point of Sale system may also be of help in tracking customer purchases and identifying trends in purchase behavior. If you can track who is buying, what they're buying, and how often they're buying, you'll have an arsenal of powerful insights into your existing client base.

Focus Groups

Focus groups look at the psychographic and behavioristic aspects of your target market. Groups of six to twelve people are gathered and asked general and specific questions about their purchase motivations and behaviors. These questions could relate to your business or to the general industry.

Focus group sessions can also be time consuming to organize and facilitate, so consider hiring the services of a professional market research firm. You may also receive more honest information if a third party is asking the questions and receiving the responses from focus group participants.

For cost savings, consider partnering with an associate in the same industry who is not a direct competitor and who would benefit from the same market data.

Three

Creating a Powerful Offer

I'm not going to beat around the bush on this one:

Your offer is the granite foundation of your marketing campaign.

Get it right and everything else will fall into place. Your headline will grab readers, your copy will sing, your ad layout will hardly matter, and you will have customers running to your door.

Get it wrong, and even the best looking, best-written campaign will sink like the Titanic.

A powerful offer is an irresistible offer. It's an offer that gets your audience frothing at the mouth and clamoring over each other all the way to your door. An offer that makes your readers pick up the phone and open their wallets.

Irresistible offers make your potential customers think, "I'd be crazy not to take him up on that," or "An offer like this doesn't come around very often." They instill a sense of emotion, of desire, and ultimately, urgency.

Make it easy for customers to purchase from you the first time and spend your time enticing them back.

I'll say it again: get it right, and everything else will fall into place.

The Crux of Your Marketing Campaign

As you work your way through this book, you will find that nearly every chapter discusses the importance of a powerful offer as related to your marketing strategy or promotional campaign.

There's a reason for this. The powerful offer is often the reason a customer will open their wallets. It is how you generate leads, and then convert them into loyal customers. The more dramatic, unbelievable, and valuable the offer is, the more dramatic and unbelievable the response will be.

Many companies spend thousands of dollars on impressive marketing campaigns in glossy magazines and big-city newspapers. They send massive direct mail campaigns on a regular basis; yet don't receive an impressive or massive response rate.

These companies do not yet understand that simply providing information on their company and the benefits of their product is not enough to get customers to act. There is no reason to pick up the phone or visit the store, *right now*.

Your powerful, irresistible offer can:

- Increase leads
- Drive traffic to your website or business
- Move old product
- Convert leads into customers

- Build your customer database

What Makes a Powerful Offer?

A powerful offer is one that makes the most people respond and take action. It gets people running to spend money on your product or service.

Powerful offers nearly always have an element of *urgency* and of *scarcity*. They give your audience a reason to act immediately, instead of putting it off until a later date.

Urgency relates to time. The offer is only available until a certain date, during a certain period of the day, or if you act within a few hours of seeing the ad. The customer needs to act now to take advantage of the offer.

Scarcity relates to quantity. There are only a certain number of customers who will be able to take advantage of the offer. There may be a limited number of spaces, a limited number of products, or simply a limited number of people the business will provide the offer to. Again, this requires that customer acts immediately to reap the high value for low cost.

Powerful offers also:

Offer great value

Customers perceive the offer as having great value – more than a single product on its own, or the product at its regular price. The offer takes the reader’s needs and wants into consideration.

Make sense to the reader

They are simple and easy to understand if read quickly. Avoid percentages – use half off or 2 for 1 instead of 50% off. There are no “catches” or requirements and no fine print.

Seem logical

The offer doesn’t come out of thin air. There is a logical reason behind it – a holiday, end of season, anniversary celebration, or new product. People can get suspicious of offers that seem “too good to be true” and have no apparent purpose.

Provide a premium

The offer provides something extra to the customer, like a gift, or free product or service. They feel they are getting something extra for no extra cost. Premiums are perceived to have more value than discounts.

Remember that when your target market reads your offer, they will be asking the following questions:

- What are you offering me?
- What’s in it for me?
- What makes me sure I can believe you?

- How much do I have to pay for it?

The Most Powerful Types of Offers

Decide what kind of offer will most effectively achieve your objectives. Are you trying to generate leads, convert customers, build a database, move old product off the shelves, or increase sales?

Consider what type of offer will be of most value to your ideal customers – what offer will make them act quickly.

The Free Offer

This type of offer asks customers to act immediately in exchange for something free. This is a good strategy to use to build a customer database or mailing list. Offer a free consultation, free consumer report, or other item of low cost to you but of high perceived value.

You can also advertise the value of the item you are offering for free. For example, act now and you'll receive a free consultation, worth \$75 dollars. This will dramatically increase your lead generation and allow you to focus on conversion when the customer comes through the door or picks up the phone.

The Value-Added Offer

Add additional services or products that cost you very little and combine them with other items to increase their attractiveness. This increases the perception of value in the customer's mind, which will justify increasing the price of a product or service without incurring extra hard costs to your business.

The Package Offer

Package your products or services together in a logical way to increase the perceived value. Discount the value of the package by a small margin and position it as a “start-up kit” or “special package.” By packaging goods of mixed values, you will be able to close more high-value sales. For example: including a free inkjet printer with every computer purchase.

The Premium Offer

Offer a bonus product or service with the purchase of another. This strategy will serve your bottom line much better than discounting. This includes 2-for-1 offers, offers that include free gifts, and in-store credit with purchases over a specific dollar amount.

The Urgency Offer

As mentioned above, offers that include an element of urgency enjoy a better response rate, as there is a reason for your

customers to act immediately. Give the offer a deadline or limit the number of spots available.

The Guarantee Offer

Offer to take the risk of making a purchase away from your customers. Guarantee the performance or results of your product or service and offer to compensate the customer with their money back if they are not satisfied. This will help overcome any fear or reservations about your product and make it more likely for your leads to become customers.

Create Your Powerful Offer

1. Pick a single product or service.

Focus on only one product or service – or one product or service *type* – at a time. This will keep your offer clear, simple, and easy to understand. This can be an area of your business you wish to grow, or old product that you need to move off the shelves.

2. Decide what you want your customers to do.

What are you looking to achieve from your offer? If it is to generate more leads, then you'll need your customer to contact you. If it is to quickly sell old product, you'll need your customer to come into the store and buy it. Do you want them to visit your website? Sign up for your newsletter? How long do they have to

act? Be clear about your call to action, and state it clearly in your offer.

3. Dream up the biggest, best offer.

First, think of the biggest, best things you could offer your customers – regardless of cost and ability. Don't limit yourself to a single type of offer; combine several types of offers to increase value. Offer a premium, plus a guarantee, with a package offer. Then, look at what you've created and make the necessary changes, so it is realistic.

4. Run the numbers.

Finally, make sure the offer will leave you with some profit – or at least allow you to break even. You don't want to publish an outrageous offer that will generate a tremendous number of leads, but leave you broke. Remember that each customer has an acquisition cost, as well as a lifetime value. The amount of their first purchase may allow you to break even, but the amount of their subsequent purchases may make you a lovely profit.

Four

Creating Effective Marketing Material

Your marketing collateral gets sent out in the world to do one thing: act as an ambassador for your product or service, in place of *you*. This may seem like a big job for a piece of paper but it's a helpful way to think about the materials you create.

When you meet with a potential or existing client, you do several things. You make sure you are well prepared with all the information the customer could need. You dress in clothing that is appropriate. You anticipate their needs and offer a solution to their problems. You may also cater to how they best like to receive information.

Chances are, you wouldn't meet with clients just for the sake of meeting with a client (e.g., to show off your new suit). Likewise, you shouldn't create and distribute collateral that is non-essential.

We all know that the biggest challenge for small businesses is the limited number of zeros attached to their marketing budget. Marketing materials can be expensive, and a single, well-

produced piece can devour the entire budget. Given that billion-dollar marketing campaigns fail every day, how can you be sure to make the most of, and be successful with, the dollars you're working within?

The answer? Limit yourself to only the essential items for your individual business and produce them *well* with the resources you have.

Your Essential Marketing Materials

The easiest way to throw away your marketing budget is to create and produce marketing materials *you don't need*. Since many pieces of collateral are paper based, this not only leaves you with boxes of extra (outdated) materials, but also takes a huge toll on the environment.

Take some time to determine what marketing materials you do need and stick to your list. It's easy to want to "keep up with the Joneses" when your competition comes out with a new piece but remember your focus should be on attracting and retaining a customer base, not matching the competition item for item.

Know your target market

Make sure you have a solid understanding of your customer base. From that knowledge, you can easily determine what the best way is to reach out and communicate with them. Are they a paper-based or techno savvy client group? Do they appreciate

being contacted by email or mail? Are they impressed by flashy design or simple pieces? *How* you communicate is often just as (or more than) important as *what* you communicate.

Pay attention to costs

Do you really need a die-cut business card? Does your flyer absolutely require ink to the edges? Unique touches to marketing collateral can grab a customer's attention but they can also dramatically increase the cost of production. Keep an eye out during the design process and make strategic choices about graphic elements.

Make mistakes – in small batches

Not sure if that flyer is going to do the trick? Testing out a limited time offer? Small production runs may cost a little more, but you'll avoid collecting boxes of unusable materials. Alternately, try a split run with type versions of the same piece and see what works best.

Keep the environment in mind

Environmental responsibility is on everyone's minds these days, including your customers. Always question if a particular marketing item can be produced in electronic format. Consider eliminating plastic bags in exchange for cloth ones, printed with your logo. Print everything double-sided. Send electronic newsletters. Use your website to communicate. Use recycled paper and envelopes when you can.

Brainstorm your wish list

Create a list of desired marketing materials and ignore (for the moment) expenses, clients, or any other constraint. Then, beside each item, indicate realistically if it is a needed, wanted, not needed, or electronic item. The next page includes a checklist to get you started. Once you have finished, re-write your list in priority order. This will keep you focused on the essentials only.

Marketing Materials Checklist

Item	Need	Want	Don't Want	Electronic
Logo				
Business Cards				
Brochure				
Website				
Newsletter				
Catalogue				
Advertisements				
Flyers				
Fridge Magnet				
Branded Swag (pens, etc.)				
Employee Clothing				
Product Labels				
Signage				
Internal Templates (Memos, etc.)				
Email Signature				
Blog				
Letterhead + Envelopes				
Thank You Cards				
Notepads				
Seasonal Gifts				
Company Profile				

Headlines + Sub-headlines

If your headlines were all that a potential customer read, how do you think your marketing materials would fare? Headlines need to be bold, dramatic, shocking, and absolutely answer the questions “What’s in it for me?” or, “Why should I care?”

Headlines (and sub-headlines) are vital in today’s market because we are bombarded with so much information that we scan everything. Readers are skimming your materials to find out why they should bother paying attention to your product or service. Hit their hot buttons and tell them why they should care, in your headlines!

Remember that headlines and sub-headlines are not just for advertisements. They work wonders in newsletters, sales letters, brochures, and websites, and can be incorporated into most your essential marketing materials.

Design

The cost of professional design can eat up most your marketing budget in a hurry. However, the cost of distributing materials that look and feel unprofessional can often be much higher. The key is to find the middle ground.

Unless you have design or desktop publishing experience (or even if you do), your time is probably not best spent designing your own marketing materials. Depending on the size of your business

and your graphic needs (i.e., Do you need frequent photography of your products?) there are several options you can choose from:

1. **Hire a design agency.** This is no doubt the costliest of your options. However, if you have several items to be designed, you may be able to get a package rate. Another option is to have the design agency create a logo and stationery package for you, then create a “how-to” guide for use of the logo, fonts, and other graphic elements in the rest of your marketing materials.
2. **Hire a freelance designer.** For most small businesses, the benefits of using a freelance designer (aside from cost savings) are convenience and trust. If you are lucky enough to find one you work well with, work hard to establish a seamless working relationship and you’ll never worry about the design of your marketing materials again. Ask colleagues for recommendations of local designers or post an ad on craigslist.
3. **Hire a part-time design employee.** Need to hire someone part-time for a task around the office or shop? Consider recruiting someone with design skills and hiring them for full-time work which encompasses other duties. This could include graphic design students or someone with an interest (and talent) in the field.

Whichever option you choose (or if you choose to design your materials yourself), the two most important things to remember about design are:

Keep it consistent. Your marketing materials must be consistent, or your customers will never learn to recognize your brand.

Keep it simple. Simple, clean design is the most effective way of communicating. Use “wow” pieces sparingly.

Guidelines for the Top 10 Marketing Materials

Logo

Use design resources

If you are going to spend any money on outside design help, this is the time to do it. Your logo is the visual representation of your product or service and appears on everything that relates to your business. This is the core of your brand image and needs to be done right the first time.

Remember the purpose

The logo needs to be a unique reflection of your business, your business values, and the industry you work in. Before you commit to your logo, make sure to consider color choice, image selection, and image recognition, recognizing the logos that already exist in the marketplace. Test it out on your family and friends for an outside opinion and use their feedback.

Don't get too complicated

Can it be produced (and seen clearly) in black and white? In a single color? With your company name? Too often businesses design their own logos that include a complex assortment of

photos, words, and solid design elements. These do not photocopy well and can't be clearly read at a small scale. Keep your logo design down to a graphic image and the name of your business.

Business cards

Cover the basics

A business card needs to communicate your basic contact information to potential clients, including who you are and *what your business does*. Make sure you've covered the basics and made it easy for them to be in touch.

- Name
- Title
- Company Name
- Company Slogan / Description
- Phone Number
- Email Address
- Address
- Cell Number (if applicable)
- Website

Make it memorable. Be creative.

Choose interesting shapes, die-cuts, orientation (vertical vs. horizontal), bright colors, and unique materials (wood, plastic, magnet, aluminum, or foam). You don't have to go crazy or spend lots of money to do this. Simple, clever twists on basic

design make an impact. Just keep it relevant to your product or service.

Give them a reason to keep it

What is going to keep them from throwing it out? Make the card worth keeping by adding something useful to the backside. For example, coffee shops put frequent buyer incentives on the backside of their cards, encouraging customers to keep them in their wallets. Other examples include pick-up schedules, reminders, calendars, testimonials, or coupons.

Produce a high-quality card

Use at least 100lb card stock and print in color. Choose clear, easy to read fonts that aren't any smaller than 9pt.

Letterhead

Ensure a professional quality

Letterhead that is simple, clean, and well produced allows the reader to focus on the important part: the content. Have your letterhead professionally printed on 32lb paper or choose a textured stock. Show that you are invested in the professionalism of your company.

Pay attention to design choices

The design of your marketing collateral should reflect your corporate values and the personality of your organization. If you are environmentally conscious, choose recycled paper and write

it in small print at the bottom of the page. Letterhead can also be a place for subtle graphic elements like watermarks, in addition to your logo.

Keep consistent with other materials

Your letterhead is part of your stationery package and should look and feel the same as the rest of your pieces. For example, if your business cards have been printed with rounded corners, so should your letterhead. Use consistent fonts, colors, and logo placement on your letterhead, business cards, and other internal documents to ensure recognition and ease of readability.

Brochures

Cover the basics

Each brochure you produce should include your basic marketing message, your Market Dominating Position or USP, and detailed company contact information. Product or service features and customer benefits should be clearly displayed and described.

Be purpose-focused

Why are you producing this brochure? Are you featuring a new product line? Trying to increase awareness? Introducing your service to a new market? Stay closely connected to the purpose behind your brochure and ensure all the information (and images) in the brochure support that purpose.

Keep it simple

Make sure the design and information organization are clean and easy to navigate. Like advertisements, leaving blank spaces gives the reader a break and makes it easier to narrow in on key messages.

Choose high quality production

If you don't invest in your business, why should anyone else? Produce your brochure on high quality paper, in vivid color and have it professionally folded. An impressive-looking brochure will travel farther than a homemade one—from one client's hands to another's.

Keep it fresh

If you produce brochures on a regular basis, consider giving each a theme to distinguish the information as new and interesting. Keep the overall look and feel consistent but play with images and content layout to revitalize the design.

Newsletters

Be in touch

Don't wait until your existing clients walk back into your store. Show them they're important to your business and keep them updated on new products and services by continuing to distribute a personalized newsletter.

Use an online distribution service

Online email marketing tools (CRM tools) have never been easier or cheaper to use and enable you to personalize your letters without much effort. They will also track for you which clients open their newsletters and which click through to your website.

Provide information, tell a story

Engage the reader with a short anecdote or a piece of relevant information. Many people are bombarded by hard-copy and electronic letters daily so make sure yours is worthy of their reading time. Include an “experts’ corner” or “new product feature” and structure the newsletter like your own business newspaper. Add links to relevant media articles, or special offers.

Choose a frequency you can maintain

Newsletters can be time consuming, so be realistic about how often you promise to distribute them. This depends on your resources, and the needs of your business, but generally once a month to once every three months is a good time frame.

Company (or Corporate) Profile

Your ultimate company brochure

Your company profile includes all pertinent information on your business and offerings, and acts as the base for all other marketing items. These are generally longer pieces – from five to 20 pages

in length, allowing you ample room for written and visual content.

Tell your story

The company profile is the place to tell the story of your business. Engage the reader, use anecdotes, and describe how and why your company was created. If you inherited the family business, describe how you're carrying on tradition and instilling new life. If you created your company from scratch with your college roommate, let the reader know. These real-life details are interesting and establish trust with your potential clients and associates.

Communicate your values

Here you have the space to describe your company's vision, values and approach, or philosophies. Make sure you relate your values to your offering and keep this section short and succinct.

Explain your offering – features, benefits, and all

Just like your brochure, make sure to describe the full features and benefits of your product or service. Sprinkle testimonials throughout the design to back up your statements. This can include your full range of services, or simply an overview of your product types. Use professional images and creative copy to keep readers engaged.

Choose high-quality design and production

Spend time creating a company profile that will last. Then, spend money producing one that will impress. Choose glossy paper and a high-quality press and leave the profiles around your store and office for clients to read and admire.

Signage

Get professional advice

Outdoor signage can be a daunting task for anyone who hasn't designed, produced, or otherwise gone through the process. Since signage is influenced by a variety of factors (one of which is your municipal government signage bylaw) you may wish to enlist the help of a professional (a signage designer or printer) to guide you through the process and avoid costly errors.

Make it visible

All your outdoor signage should be easily seen from the street, or within the plaza or complex you are located in. In some cases, you may need more than one sign to do this. Keep in mind how your sign will look at night as well as during the day; your company logo and phone number or website needs to be always visible.

Make it distinct

When it comes to signage, you can get creative with materials, lights, and colors. While you need to maintain logo, color, and

font consistency, you can add other graphic elements that may not work on the rest of your collateral, including 3D elements and window treatments. Make it memorable.

Remember your indoor signage

Every business needs indoor signage to continually remind customers where they are. This includes section signage, product signage, way finding systems, and promotion announcements. If your business is in an office, consider signage with your logo and company name above the reception area. Again, keep this signage consistent with the rest of your company materials and you will be contributing to brand recognition.

Advertisements + Flyers

Place ads strategically

Once you have determined who your target market is, you need to focus on advertising in the publications they are most likely to read and distributing flyers in places they are most likely to be. Spend ad dollars strategically and don't spend them all at once. Take time to test what publications work and which don't by measuring the response from each placement. Furthermore, when you place ads, request placement that is toward the front of the publication and in the top right-hand corner.

Grab their attention

You have less than half a second to grab the attention of your audience with print advertising so use it wisely. Spend the bulk of your time crafting the headline and choosing compelling images.

Keep their attention

If you caught their attention, you have another two seconds to keep it. Use subheadings to further entice them to read on for the details of your product or service offer.

Tell them why they should buy

Always include your marketing message or USP in your advertising. Describe the features and benefits of your product or service but focus on the benefits that will trigger an emotional response from your target audience – love, money, luxury, convenience, and security.

Tell them how they can buy

Include a call to action beside your contact information and include your phone number, website address, and business address (if applicable). You may wish to include a scarcity or urgency offer to compel your readers to act fast.

Know the importance of white space

If you try to cram too much information into your ad or flyer, your readers will skip it. Clean, clear, easy to read ads and one-page flyers with succinct messages are most effective.

Website

Be purpose-focused

Like your brochure, your website can serve several purposes. To be effective, you need to narrow in on the specific purpose when designing the content structure of the pages. Who is your audience? What do you want them to leave the site knowing? What do you want the site to make them do? Visit your store? Buy your offering? Pick up the phone? Make sure you are clear on this point before you start.

Make the address easy to remember (and find)

A website address that is too long or too complicated will not get remembered or found. Do a search for available website addresses that relate to your business or marketing message and try to secure a site with a .com ending. If your company name is taken, use your USP or guarantee instead.

Focus on content

The overall structure of how you organize the content on your site is like the foundation of your house. You can change the paint color, and the furniture, but the foundation is there for

good. Before you work with a designer and create the visual fabric of your website, focus on creating solid copy that is clearly organized. Put together a map of your structure, starting with your homepage and subpages, then allocate specific content to each page.

Revitalize regularly

Your company is always changing and so should your website. This is an important (and relatively inexpensive) way to communicate your company news and achievements, and most likely the easiest accessed source of information. Have areas for easy content updates – like a “news” section – and make sure sections like “employees” and “services” are kept up to date. For larger updates, go back to your purpose and website map and make sure the content changes still support the original intent of the website.

Organize for intuition

Make key information easy to access – especially your contact information. You can quickly tell if a website is easy to navigate because the information you are looking for appears in a natural order. For example, when visiting a restaurant website, a link to the reservations page is provided on the menu page. While you’re putting together your website map, do some research online and investigate what does and doesn’t work. A good rule of thumb is

to ensure it takes no more than three clicks to access a page. Bury content too deep and your audience will get frustrated and leave.

Keep consistent with marketing materials

Your website is an extension of your marketing campaign and should be treated as such. Use consistent logo placements, fonts, colors, and images so that all elements of your collateral are unified. The same applies to marketing campaigns. If you are running a new promotion, or featuring a new item in an advertisement, include that information on your website. Customers responding to the ad will be reinforced and customers who did not see the ad will be aware of the offer.

Measure your results

Your website is a piece of your marketing collateral, just like brochures and advertisements, and should be evaluated for effectiveness on a regular basis. Easy website analysis tools, like Google Analytics, will show you which pages your audience is viewing, how long they're staying on each page, and where and when they leave the site. That is powerful information when it comes to structuring content and choosing which page to put your most important messages.

Five

Use Scripts to Increase Sales Immediately

What do playbooks, prompts, guides, and scripts all have in common?

They are all popular tools that dictate or guide human behavior toward a desired outcome.

Playbooks help coaches tell sports teams specifically how to play the game to overcome an opponent. Prompts help to kick-start writers and other creative professionals when stuck in a rut. Guides provide a series of instructions so that a person or team of people can complete or implement a specific task. Film scripts tell actors how to act for a particular part.

If you're in the business of sales, you also know about sales scripts. Sales scripts are tools that guide salespeople during interactions or conversations with potential customers.

Many businesses use scripts, either as a way of maintaining consistency amongst a sales team, training new salespeople, or enhancing their sales skills. They may have a single script, or

several, and may change their scripts regularly, or use the same one for years.

What most businesses overlook, however, is that the sales script is a living, breathing, changing member of their sales team. They may be internal documents but deserve as much time and effort as your marketing collateral.

Do You Really Need a Script?

The short answer is yes. You absolutely need a script for any and every customer interaction you and your salespeople may find yourselves in.

Sure, countless business owners and salespeople work every day without a script. If you own your own business, chances are you're already a pretty good salesperson. But if you are not using scripts, you're only working at half of your true potential – or half of your potential earnings.

Scripts don't have to be “cheesy” or read verbatim. They act as a map for your sales process and provide prompts to trigger your memory and keep you on track. How many times have you made a cold call that didn't work out the way you wanted it to? Scripts dramatically improve the effectiveness and efficiency of your sales processes.

A comprehensive set of scripts will also keep a level of consistency amongst your salespeople and the customer service they provide your clients.

Once scripts are written, memorized, and rehearsed, they become like film scripts; the salesperson can breathe their own life and personality into the conversation, while staying focused on the call's objectives.

Why Your Scripts Aren't Working

If you are currently using scripts in your business, are they working? Are they as effective as they could possibly be? How do you know? When was the last time they were reviewed or updated?

Scripts are like any other element of your marketing campaign – they need to be tested and measured for results and changed based on what is or is not working.

Measure the success of your script based on your conversion rates. Of all the people you speak to using the script, how many are being converted from leads to sales?

When evaluating your existing scripts, ask yourself the following questions:

How old is this script? What was it written for?

Scripts are living, breathing members of your company. They need to be written and rewritten and rewritten again as the needs of your customers change, your product or services change, or as new strategies are implemented.

Does this script address all the customer objections we regularly hear?

Every time you hear a customer raise an objection that is not included in the script, add it. The power of your script lies in the ability to anticipate customer concerns and answer them before they're raised.

Does this script sound the same as the others?

Your scripts are part of the package that represents you as a company. There should be a consistent feel or approach throughout your scripts that your customers will recognize and feel confident dealing with.

Is everyone using the script?

Who on your team regularly uses these scripts? Just the junior staff? Only the top-performing staff? Make sure everyone is singing from the same song sheet – your customers will appreciate the consistency.

Types of Scripts

Depending on the product or service you offer and the marketing strategies you have chosen, there are countless types of scripts you could potentially prepare for your business,

When you sit down to create your scripts, it would be wise to start by making a list of all the instances you and your staff members interact with your existing or potential customers. Then, prioritize the list from most to least important, and start writing from the top.

Here are some commonly used scripts and their purposes:

Sales presentation script

Each time you or your sales staff make a presentation, they should be using the same or a slightly modified version of the same script. This script will include sample icebreakers, a presentation on benefits and features of the product or service, and a list of possible objections and responses. These scripts should also help alleviate some of the nervousness or anxiety associated with public speaking.

Closing script

Closing scripts help you do just that: close the sale. This could include a list of closing prompts or statements to get the transaction started. This type of script also includes a list of possible customer objections and planned responses.

Incoming phone call script

Everyone who calls your business should be treated the same way; consistent information should be gathered and provided to the customer. The person answering the phone should state the company name, department name, and their own name in the initial greeting. This goes for both the main line, and each individual or department extension.

Cold call script

This is one of the most important scripts you can perfect for your business. The cold call script must display the art of quickly getting the attention of the customer, then engaging and persuading them with the benefits of the product or service. The caller needs to establish common ground with the potential customer and find a way to get them talking through open-ended questions.

Direct mail follow-up script

Scripts for outgoing calls that are intended to follow up on a direct mail piece are essential for every direct mail campaign. They are designed to call qualified leads that have already received information and an offer then subsequently convert them into customers. These scripts should focus on enticing customers to act and overcome any objections that may have prevented them from acting sooner.

Market research script

Scripts that are used primarily for the purpose of gathering information should be designed to get the customer talking. A focus on open-ended questions and relationship building statements will help to relax the customer and encourage honest dialogue.

Difficult customer script

Just like every salesperson needs to practice the sales process, you and your staff also need to practice your ability to handle difficult customers. If you operate a retail business, this is especially important because difficult customers often present themselves in front of other customers. These scripts should help you diffuse the situation, calm the customer down, and then handle their objections.

Creating Scripts

Creating powerful scripts is not a complicated exercise but it will take some time to complete. Focus on the most vital scripts for your business first and engage the assistance of your sales staff in drafting or reviewing the scripts.

Your Script Binder

Keep master copies of all your scripts in one organized place. An effective way to do this is to create a binder and use tabs to separate each type of script.

You will also want to create a separate tab for customer objections and list every single customer objection you have ever heard in relation to your product or service. Find a way to organize each objection so you can easily find them – group them by category or separate them with tabs.

Then, list your responses next to each objection – there should be several responses to each objection created with different customer types in mind. A master list of customer objections and responses is an invaluable tool for any business owner, salesperson, and scriptwriter. The more responses you can think of, the better.

Remember, the script binder is never “finished.” You will need to make sure that it is updated and added to on a regular basis.

Writing Scripts – Step by Step

Step One: Record What You're Doing Now

If you aren't using scripts – or even if you are – start by recording yourself in action. Use your cell phone or video camera to record yourself on the phone, in a sales presentation, or with a customer.

Make notes on your body language, word choice, customer reaction and body language, responses to objections, and closing statements.

You may also wish to ask an associate to make notes on your performance and discuss them with you in a constructive fashion.

Step Two: Evaluate What You're Doing Wrong

Look at your notes and ask yourself the following questions:

- How are you engaging the customer?
- Are you building common ground and trust?
- Does what you are saying matter to the customer?
- Is your offer a powerful one?
- What objections are raised?
- How are you dealing with them?
- What objections are you avoiding?
- How natural is your close?
- Are you as effective as you think you can be?

Once you have answered and made notes in response to these questions, make a list of things you need to improve, and how you think you might go about doing so. Do you need to strengthen your closing statements? Do you need to brainstorm more responses to objections? Remember that everyone's script and sales process can be improved.

Step Three: Decide Who the Script is For

So now that you know the elements of your script you need to work on, you can begin drafting your new script, or revising an old one.

The first part of writing a script – or any piece of marketing material – is having a strong understanding of who you are writing it for. Who is your target audience? What does your ideal customer look like? Consider demographic characteristics like age, sex, location, income, occupation, and marital status. Be as specific as possible. What are their purchase patterns? What motivates them to spend money?

If you are writing a cold call script, you will need to develop or purchase a list of people who fall into the target market specifics you have established. If you are writing a sales script for in-store customers, then spend some time reviewing what types of customers find their way into your place of business.

You will want to use words that your target audience will not only understand but relate to and resonate with. Use sensory language

that will trigger emotional and feeling responses – *I need this, this will solve that problem, I'll feel better if I have this, etc.*

Step Four: Decide What You Want to Say

There are typically five sections of every script – and there may be more, depending on the type and purpose of script:

1. Engage

- Get their attention or pique their interest
- Establish common ground
- Build trust, be human
- Ask for their time

2. Ask + Qualify

- Take control of the conversation by asking questions
- Focus on open-ended questions that cannot be answered with a “yes” or “no”
- Get the customer talking
- Ask as many questions as you need to get information on the customer’s needs and purchase motivations

3. Get Agreement

- Ask closed-ended questions you are sure they will respond with “yes”
- Get them to agree on the benefits of the product or service
- Repeat key points back to the customer to gain agreement

4. Overcome Objections

- Anticipate objections based on customer comments, then refute them
- Make informative assumptions about their thought process, identify with their concern, then refute it using your own experiences
- Repeat concerns back to the customer to let them know you have heard them
- Ask about any remaining objections before you close

5. Close

- Assume that you have overcome all objections, and have the sale
- Ask the customer transactional questions, like delivery timing and payment method
- Be as confident and natural as possible

Step Five: Train Your Staff

Once you have written your company's scripts, you will need to ensure your staff understand and are comfortable using them.

Consider having a team meeting and use role play to review each of the scripts. This will encourage your salespeople to practice amongst each other and strengthen their sales skills. Ask them for feedback on the scripts and make any necessary changes.

You will also need to decide how comfortable you are having your salespeople personalizing the scripts to suit their own styles. Be clear what elements of the script are "company standards" and essential techniques, but also be flexible with your team.

Step Six: Continually Revise

After you have carefully crafted your script, put it to the test. Practice on your colleagues, friends, and family. Get their feedback and make changes.

Remember that scripts will need to change and evolve as your business changes and evolves, and new products or services are introduced. Always keep your script binder on your desk and continually make changes and improvements to it.

You may also wish to record and evaluate your performance on a regular basis. This is an exercise you could incorporate into regular employee reviews, to use as a constructive tool for staff development.

Script Tips

- Practice anticipating and eliciting real objections – including the ones your customer doesn't want to raise.
- Make the script yours – it should look, feel, and sound like you naturally do; not like you're reading off the page.
- Spend time with the masters. If there is a salesperson you admire in your community, ask to observe them in action. Take notes on their performance and the techniques they use for success.
- If your script is not successful, ask the customer why not? Even if you don't get the sale, you'll get a new objection you can craft responses to and never get stumped by it again.

- Don't fear objections. Just spend time identifying as many as possible, then practice overcoming them.
- Never stop thinking of responses to customer objections. Each objection could potentially have 30 responses, geared toward specific customer types.
- Anecdotes are persuasive tools – use them in your scripts. People enjoy hearing stories, especially stories that relate to them and their experiences, frustrations, and troubles. Let the story sell your product or service for you.
- Include body language in your scripts – it's just as important as your words. Try mimicking your subject's posture, arm position, and seating position. This is proven to create ease and build trust.
- If you only have your voice, use it. Pay attention to tone, language choice, speed, and background noise. If you only have sound to establish a trusting relationship, do it carefully.
- Be confident and focus on a positive stream of self-talk to prepare for the call or presentation. Confidence sells.
- Spend time on your closing scripts, as they are a critical component of your presentation or phone call. This can be a challenging part of the sales process, so practice, practice, practice.

Six

How to Use Advertising for Immediate Profits

Why do you advertise?

Seems like a silly question, doesn't it? Placing ads in newspapers and on the radio seems like a no-brainer way of growing or maintaining your business. You let a group of people know where your business is and what you sell, and you'll always have customers dropping by, right?

Sure, it's a little more complicated than that. There's your powerful offer, your strong guarantee, the placement of your headline, and how you structure your body copy.

But what I'm really trying to drill down to is *why* you chose to place *that* ad. What is the specific purpose for each advertisement you send out into the world?

Without a solid purpose or *strategy* behind each advertisement, it is impossible to measure what *is* and is *not* working. If you placed an ad offering 2-for-1 shampoo one week, and sales for conditioner skyrocketed, would you consider your ad successful? Absolutely not. Sales might have gone up, but the reason you

placed the ad was to speed sales on shampoo, which didn't happen.

The point is that every advertising dollar should be spent with purpose, focused on a desired outcome and relevant to the big picture. Advertising is expensive! What's the point unless you're making your money back and then some?

Types of Advertising

There are endless options when it comes to choosing which media to place your advertisements with. The media is a broad and complicated industry, with highly segmented readership.

This can help and hurt your advertising efforts. You have access to highly targeted audiences, but you also may spend a great deal of money on expensive advertising that your target market doesn't go near.

Here are the major types of media advertising:

Print

Print is the most common form of advertising. Ad production is relatively easy and straightforward, and placement is less expensive than broadcast advertising. We'll be focusing on this form of advertising in detail later in the chapter.

Types of print media include:

- Newspapers – daily and weekly
- Magazines
- Trade Journals
- Newsletters

Radio

Radio advertising reaches a broad audience within a geographic area. This form of advertising can be highly profitable for some businesses, and utterly useless for others. Always consider if there is a simpler, cheaper way of getting your message to your target audience. Key points to consider for radio advertising include:

- Use of sounds, voices, tones
- Length
- Gaining listener's attention
- Call to action

Television

Television advertising is largely out of reach for most small business budgets. Creating, developing, and producing TV spots is a costly endeavor, and does not always generate an acceptable return on investment.

This form of advertising generally reaches a broad audience, depending on the timeslot the ad spot airs. Typically, the most

expensive airspace is during the region's most popular 6 o'clock news program, or prime time (6pm to 10pm) television line-up.

There are some cost-effective alternatives to TV advertising that you can implement online. You could create a promotional video for your company, and post it on your website and YouTube, or Facebook, or play it in your store. Be creative with your ad budget when it comes to broadcast media.

Online

Online advertising has emerged as an effective tool for your marketing efforts. Internet usage has dramatically increased, and usage patterns have become easier to identify. This form of advertising also allows you to reach a highly qualified audience with minimal investment in ad creation. Places to advertise online include:

- Facebook
- Google Ads
- Online media (online newspapers and broadcast stations)
- Craigslist
- Banner ads on complementary websites

Classified

Classified advertising is one of the most highly targeted and cost-effective choices you can make in your overall strategy. People who read classifieds have typically made a decision to buy

something and are looking for places to do so. This is also a great way to test your headlines, offer, and guarantee before you invest in higher-priced advertising. Classified ad types:

- Daily and weekly newspapers
- Online
- Trade journals

Specific tips for effective classified ads:

Pick a format for your ad within the specifications of the publication. Will it look like a print display ad? A semi-display ad? A classic line ad? This will affect how you structure your message.

Choose the category (or two) that best fit with what you have to offer. If two apply, place an ad in both and measure which category generated more leads.

Grab the attention of your reader with a killer headline, then list benefits, make an irresistible offer, and offer a strong guarantee. Keep the layout simple and ensure the font size is easy to read.

Notice how other companies are creating their ads and do something to stand out. The classifieds page is typically cluttered and full of text, so you will need to distinguish your business in some way.

Use standard abbreviations when creating line ads to maintain consistency. Ask the ad department for a list of abbreviations they typically use.

Niche

Niche advertising can take any of the forms discussed above. The advantage of niche advertising is the super segmentation of each outlet's audience. Typically, there is a very small market in each niche, and a single publication that caters to it. This is very effective for companies who have no need for broad market advertising in traditional or mainstream publications. Types of niche advertising include:

- Trade journals
- Alternative media
- Online blogs
- Internal communications – newsletters, etc.

Your Advertising Strategy

Develop a strategy that is purpose driven.

Know exactly why you are choosing advertising, as well as the objective of every ad. Compare the benefits of advertising to other promotional strategies like media relations, direct mail, referral strategies and customer loyalty programs.

Some common objectives for advertising strategies include:

- Generate qualified leads
- Increase sales
- Promote new products or services
- Position products or services
- Increase business awareness
- Maintain business awareness
- Complement existing promotional strategies

These objectives will dictate where you advertise, how big each of your advertisements is, and how often you advertise in each outlet.

Find your target audience.

Before you do *anything*, get a solid handle on who your target market is, and each of the segments within it. Think about demographic factors like age, sex, location, and occupation, as well as behavioral factors like spending motivations and habits.

The composition of your target audience will be the deciding factor when choosing which media to advertise with, and what to say in each of the advertisements.

Decide on a frequency.

The frequency of your advertising campaign will depend on several factors, including budget, purpose, outlet, results, and

timing. You may wish to publish a weekly ad that includes a coupon in your local paper. Or you may only need to advertise a few times a year, just before your peak seasons.

Establish an advertising schedule for the year, or at least each quarter, and plan each advertisement in advance. This will ensure you are not scrambling to place an ad at the last minute, and that each ad is part of an overall proactive strategy instead of a reactive one.

Choose your outlets.

Decide where you are going to advertise and how often in each outlet. You may wish to choose a variety of media to reach several target audiences, or just a large daily newspaper where the highest number of people will see it.

It is a good idea when you are starting a new campaign to test its effectiveness in smaller, less expensive publications. Based on the results, you can make changes to the ad and place it in the more expensive outlets.

Remember that although budget is a large factor when deciding on advertising mediums, it is entirely possible to implement a successful ad campaign with minimal cost investment. The key is to make sure each dollar you spend is carefully thought through and your ads are placed in publications that will reach your ideal customers.

Maximize your ad spend with bulk purchases.

If you plan to advertise in a specific publication several times in each period, you will benefit from a meeting with the sales representative to review your needs. Often, media outlets will offer discounted rates for multiple placements.

Remember one company may own several media outlets including TV, radio, and online media. Ask your sales rep for other discount opportunities when advertising within the ownership group.

Remember to test and measure

How will you know if your campaign is successful if you don't test and measure the results? The only true mistake you can make in advertising is neglecting to track and analyze the results each ad generates.

Get in the habit of keeping a copy of each ad, and record all the details of the placement, including publication, cost, date, response rate, and conversion rate. Many publications will mail you a clipping of your advertisement with your account statement, but don't rely on this as a clipping service.

Evaluate the effectiveness of each ad you place and learn from what isn't working. If you are advertising in several outlets, make sure that asking customers where they saw your ad is part of your incoming phone script and sales script. You will need to monitor

not only what types of ads work the best, but also where the ads generate the highest response.

Creating Your Advertisement

You don't need to rely on professional copywriting or design assistance when crafting advertisements from your business. Spend your time and resources on what you are saying, ensure the 'how you say it' is clear, clean, and easy to read.

Ad copy

Headlines

Take at least half of the time you spend creating your ad to focus on the headline. Your headline will be the difference between your ad getting read – or not. Boldface your headlines for impact.

You have about five seconds to grab the reader's attention, so create a headline that sparks curiosity, communicates benefits, or states something unbelievable.

Sub-Headlines

The purpose of your sub-headline is to elaborate on your headline and convince the audience to read the body copy. All the rules of headline writing apply. If you did not mention benefits in your headline, do it in your sub-headline. Clearly tell the reader what is "in it for them," and get them reading on.

Body Copy

Choose your words wisely. You don't have room for lengthy paragraphs. Use bullet points to convey benefits wherever possible and keep your sentences short. You typically only have about 45 words to convince the customer to keep reading.

Remember to always include your contact information – your phone number and website address at the very least. This seems obvious but can be forgotten in the design process.

Ad Layout

Size

Choose your ad size based on the purpose of the ad and the budget you have available. Larger ads are more expensive, but you do need enough space to communicate your key messages to the audience.

If you place regular ads to maintain a presence in the local paper, you likely don't need full pages of space. Alternately, if you are launching a new product or service, or having a blowout sale, you will want to buy more space to increase the potential impact.

Graphics

Graphics should comprise about 25% of your total ad space, and more if you have a small amount of copy. Avoid drawings and clip art. Photographs will generate a better response. Don't underestimate the importance of white space. Give the reader

space to “rest” their eyes between headlines and body copy paragraphs.

Font

Choose clean fonts that are easy to read. Times New Roman and Arial are effective, simple choices. If you use two fonts in your advertisement, make sure you do not combine serif and sans serif fonts, and you keep consistency amongst headers and body copy.

Ensure that none of your copy is smaller than 9pt. Your audience won't take the time or spend the effort to read tiny copy.

Seven

Immediate Sales

If you're a business owner, you're also a salesperson.

You've had to sell the bank to get them to loan you your start-up capital. You've had to sell the best employees on why they should work for your business. You've had to convince your business partner, spouse, and friends why your business idea is a good one.

Now you must repeatedly sell your product or service to your customers.

The ability to sell effectively and efficiently is one every successful business owner has cultivated and continues to develop. It can be a complicated and time-consuming task—one that you will have to continually work on throughout your career to be (and stay) successful.

Fortunately, making sales is a step-by-step process that can be learned, customized, and continuously improved. There are a wide range of tools available to help and support your sales efforts.

You don't have to be the most outgoing, enthusiastic person to be successful at sales. You don't even have to be a good public

speaker. All you need is an understanding of the basic sales process and a genuine passion for what you are selling.

Sales 101

As mentioned previously, making sales is a process. There are clear, step-by-step actions that can be taken which will result in a sale.

The sales process varies according to the type of business, type of customers, and type of product or service that is offered; however, the core steps are the same. Similarly, sales training varies from individual to individual, but the core skills and abilities remain the same.

Here is a basic seven-step process that you can follow or fine tune to suit your unique products and services. Remember that each step is important and builds on the step previous. It is essential to become adept at each step, instead of solely focusing on closing the sale.

1. Preparation

Make sure you have prepared for your meeting, presentation, or day on the sales floor. You have complete control of this part of the sales process so it is important to do everything you can to set the stage for your success.

- Understand your product or service inside and out.

- Prepare all the necessary materials and organize them neatly.
- Keep your place of business tidy and organized. Reface product on shelves.
- Ensure you appear professional and well-groomed.
- Do some research on your potential client and brainstorm ways to find common ground.

2. Build a Relationship

The first few minutes you spend with a potential customer will set the stage for the rest of your interaction. First impressions are everything. Your goal in the second step is to relax the customer and begin to develop a relationship with them. Establishing a real relationship with your customer will create trust.

- Make a great first impression: shake hands, make eye contact, and introduce yourself.
- Remain confident and professional, but also personable.
- Mirror their speech and behavior.
- Begin with general questions and small talk.
- Show interest in them and their place of business.
- Notice and comment on positives.
- Find some common ground on which to relate.

3. Discuss Needs + Wants

Once you have spent a few moments getting to know your prospect, start asking open-ended questions to discover some of their needs and wants. If they have come to you on the sales floor,

ask what brought them in the store. If you are meeting them to present your product or service, ask why they are interested in, or what criteria they have in mind for that product or service.

- If you are making a sales presentation, ask for a few moments at the outset to outline the purpose of your visit, as well as how you have structured the presentation.
- Listen intently and repeat back information you are not sure you understand.
- Ask open-ended questions to get them talking. The longer they talk, the more insight they are providing you into their needs and purchase motivations.
- Ask clarifying questions about their responses.
- If you become sure the customer is going to buy your product or service, begin to ask questions specific to the offering (i.e., What size/color do you prefer?)

4. Present the Solution

Once you have a solid understanding of what they are looking for, or what issue they are looking to resolve, you can begin to present the solution: your product or service.

- Explain how your product or service will solve their problem or meet their needs. If several products apply, begin by presenting the mid-level product.
- Illustrate your points with anecdotes about other happy customers or awards the product or service has earned.
- Use hypothetical examples featuring your customer. Encourage them to picture a scenario after their purchase.

- Begin by describing the benefits of the product, then follow up with features and advantages.
- Watch your customer's behavior as you speak and ask further qualifying questions in response to body language and verbal comments.
- Give the customer an opportunity to ask you questions or provide feedback about each product or service after you have described or explained it.
- Ask closed-ended questions to gain agreement.

5. Overcome Objections

As you present the product or service, take note of potential objections by asking open-ended questions and monitoring body language. Expect that objections will arise and prepare for it. Consider brainstorming a list of all potential objections and writing down your responses.

- Repeat the objection back to the customer to ensure you understand them correctly.
- Empathize with what they have said and then provide a response that overcomes the objection.
- Confirm that the answer you have provided has overcome their objection by repeating yourself.

The Eight Most Common Objections

- 1. The product or service does not seem valuable to me.**
- 2. There is no reason for me to act now. I will wait.**
- 3. It's safest not to make a decision right away.**
- 4. There is not enough money for the purchase.**
- 5. The competitor or another department offers a better product.**
- 6. There are internal issues between people or departments.**
- 7. The relationship with the decision maker is strained.**
- 8. There is an existing contract in place with another business.**

6. Close

This is an important part of the sales process that should be handled delicately. Deciding when to close is a judgment call that must be made in the moment during the sale. Ideally, you have presented a solution to their problem, overcome objections, and have the customer in a place where they are ready to buy.

Here are some questions to ask before you close the sale:

- Does my prospect agree that there is value in my product or service?
- Does my prospect understand the features and benefits of the product or service?
- Are there any remaining objections that must be handled?
- What other factors could influence my prospect's decision to buy?

- Have I minimized the risk involved in the purchase and provided some level of urgency?

Once you have determined it is time to make the sale, here are some sample statements you can use to get the process rolling:

- So, should we get started?
- Shall I grab a new one from the back?
- If you just give me your credit card, I can take care of the transaction while you continue browsing.
- When would you like the product delivered?
- We can begin next month if we receive payment by the end of the week.
- Can I email you a draft contract tomorrow?

7. Service + Follow-up

Once you have made the sale, your work is not over. You want to ensure that that customer will become a loyal, repeat customer and that they will refer their friends to your business.

Ask them to be in your customer database and keep in touch with regular newsletters. Follow up with a phone call or drop by to ask how they are enjoying the product or service and if they have any further questions or needs you can assist them with.

This contact opportunity will also allow you ask for a referral or a cross-sell. In the very least, it will ensure you are continuing to foster and build a relationship with the client.

Cross-selling

Cross-selling is simply inviting your customers to spend more money in your business by purchasing additional products or services. This could include more of the same product, complementary products, or impulse items.

Regardless, cross-selling is an effective way to increase profits and create loyal clients, without spending any money to acquire the business. These clients are already purchasing from you which means they perceive value in what you have to offer, so take the information you have gained in the sales process and offer them a little bit more.

You experience cross-selling daily. From “Do you want fries with that?” to “Have you heard about our product protection program?” companies across the globe have tapped into and trained their staff on the value of the cross-sell.

Cross-selling is truly rooted in good customer service. If your client purchases a new computer printer, you’ll need to make sure they have the cords required to connect it to the computer, regular and photo paper, and color and black and white ink.

If you don’t suggest these items, they may arrive home and realize they do not have all the materials needed to use the product. They may choose to purchase those materials somewhere closer, cheaper, or more helpful.

Customer education is another form of cross-selling. What if your customer doesn't realize that you sell a variety of printer paper and stationery in addition to computer hardware like printers? Take every opportunity to educate your customer on the products and services you offer that may be of interest to them.

An effective way of implementing a cross-sell system into your business is simply by creating add-on checklists for the products or services you offer. Each item has a list of related items that your customer may need. This will encourage your staff to develop the habit of suggesting a cross-sell.

Other cross-sell strategies can be implemented:

- **At the point of sale.** This is a great place for impulse items like candy, flashlights, nail scissors, etc.
- **In a newsletter.** This is an effective strategy for customer education.
- **In your merchandising.** Place strips of impulse items near related items. For example, paper clips with paper and pens near binders.
- **Over the phone.** If someone is placing an order for delivery, offer additional items in the same shipment for convenience.
- **With new products.** Feature each new product or service that you offer prominently in your business and ask your staff to mention it to every customer.

Sales Team

What Makes a Good Salesperson?

There are a lot of salespeople out there but what qualities and skills make a great salesperson? These are the attributes you will want to find or develop in your team:

- Willingness to continuously learn and improve sales skills
- Sincerity in relating to customers and providing solutions to their objectives
- An understanding of the company's big picture
- A communication style that is direct, polite, and professional
- Honesty and respect for other team members, customers, as well as the competition.
- Ability to manage time
- Enthusiastic
- Inquisitive
- A great listener
- Ability to quickly interpret, analyze, and respond to information during the sales process
- Ability to connect and develop relationships of trust with potential clients
- Professional appearance

Team Building – Keeping Your Team Together

In many businesses, sales is a department or a whole team of people who work together to generate leads and convert

customers. Effective management of your sales team is a skill every business owner should cultivate.

Teambuilding, recruitment, and training will be discussed in later sections, but take some time to consider the following aspects of managing a sales team:

Communication

- Are targets and results regularly reviewed?
- Are opportunities for input regularly provided?
- Do sales staff members have a clear understanding of what is expected?
- Do all staff members know daily, weekly, and quarterly targets?

Performance Management

- Are sales staff members motivated to reach targets?
- Are sales staff recognized and rewarded once those targets are reached?
- Are there opportunities for skills training and development?
- Do staff members have broad and comprehensive product or industry knowledge?
- Is there opportunity for growth within the company?
- Is performance regularly reviewed?

Operations

- Do you have a solid understanding of your sales numbers (revenue, profit, margins)?
- Are your sales processes regularly reviewed?
- Do you have a variety of sales scripts prepared?
- Do you measure conversion rates?
- How are your leads generated?

Sales Tools

Every salesperson should have an arsenal of tools on hand to assist them in the sales process. These tools can act as aids while a sale is taking place or help to foster continual learning and development of the salesperson's skills and approach.

The list below includes some popular sales tools. Add to this list with other resources that are specific to your business or industry.

Tool	Description + Benefit
Scripts	<ul style="list-style-type: none"> › Used for incoming and outgoing telemarketing, cold calls, door-to-door sales, in-store sales › Create several different scripts throughout your business › Maintains consistency in your sales approach › Revise and renew your scripts regularly
Presentation Materials	<ul style="list-style-type: none"> › High-quality information about your product or service › Forms: PowerPoint presentation, brochure, product sheets, proposal › Serves as an outline of your sales presentation, and keeps you on task
Colleagues	<ul style="list-style-type: none"> › A source of help and advice, especially when you are on the same team or sell similar products › Also a source of support
Customer Databases	<ul style="list-style-type: none"> › An accurate, up-to-date database of customer contact information and contact history › Used to stay in touch with clients › Can also be used for direct mail and follow-up telemarketing
The Internet	<ul style="list-style-type: none"> › A powerful resource for sales help and advice › Information to help improve your sales process › Online sales coaching › Source for product knowledge
Ongoing Training	<ul style="list-style-type: none"> › Constant improvement of your sales skills › Constant increase in product knowledge › Investment in yourself and your company

8 Tips for Better Sales

Dress for the sale

Dress professionally, appear well put together, and maintain good hygiene. Ensure you are not only dressed professionally, but *appropriately*. Would your client feel more comfortable if you wore a suit, or jeans and blazer?

Speak their language

Show you understand their industry or culture and use phrases your customer understands. This may require researching industry jargon or common phrases. Remember to avoid using words and phrases that are used in the sales process (sold, contract, telemarketing, finance, interest, etc.). Doing so will help break down the salesperson/customer barrier.

Ooze positivity

Show up or answer the phone with a smile and leave your personal or business issues behind. Be enthusiastic about what you have to offer and how that offering will benefit your customer. Reflect this not only in your voice but also in your body language.

Deliver a strong pitch or presentation

Be confident and convincing. Leave self-doubt at the door and walk in assuming the sale. Take time to explain complex concepts

and always connect what you're saying to your audience in a specific way.

Be a poster child for good manners

Accept any amenity you're offered, listen intently, don't interrupt, don't show up late, have a strong handshake, and give everyone you are speaking to equal attention.

Avoid sensitive subjects

Politics, religion, swearing, sexual innuendos, and racial comments are off-limits. So are negative comments about other customers or the competition.

Create a real relationship

Icebreakers and small talk are not just to pass the time before your presentation. They are how relationships get established. Show genuine interest in everything your customer has to say. Ask questions about topics you know they are passionate. Speak person to person, not salesperson to customer. Remember everything.

Know more than you need to

Impress clients with comprehensive knowledge, not only of your product or service, but also of the people who use that product or service. Stay current on industry trends. Be seen as an expert to build trust and respect.

Eight

How to Double your Referrals

What if I told you that you could put an inexpensive system in place that would effectively allow your business to growth itself?

For most business owners, a large part of their customer base is comprised of referral customers. These people found out about the company's products or services from the recommendation of a friend or colleague who had a positive experience purchasing from that company.

If your business benefits from referral customers, you will find these customers arrive ready to buy from you and tend to buy more often. They also tend to be highly loyal to your product or service.

Seem like great customers to have, don't they?

Referral customers cost less to acquire. Compared to the leads you generate from advertising, direct mail campaigns, and other marketing initiatives, referral customers come to you already qualified and already trusting in the quality of your offering and the respectability of your staff.

With a little effort and the creation of a formalized system (or strategy), you can not only continue to enjoy referral business, but easily double the number of referral customers that walk through your door. All of this is possible for a minimal investment of time and resources.

Is Your Business a Referral Business?

Referral-based businesses benefit from a stream of qualified customers who arrive at their doorstep ready to spend. These businesses put less focus on advertising to generate new leads and more focus on serving and communicating with their existing customers.

A referral program can generate outstanding results for nearly any business. Since most referrals do not require any effort, the addition of a strategy and a program will often double or triple the number of qualified referrals that come through a business door.

There are, however, a few types of businesses that will not benefit from a formalized referral strategy. These are businesses with low price points like fast food restaurants and drugstores. Their customer base is large already and their efforts would be best spent on increasing the average sale.

A referral program can:

- **Save you time.** Referral strategies, once established, don't require much management or time investment.
- **Deliver more qualified customers.** Your customer arrives with an assumption of trust and a willingness to purchase.
- **Improve your reputation.** Your customer's networks likely overlap and create potential for a single customer to be referred by two people. This encourages the perception that your business is "the place to go."
- **Speed the sales process.** You will have existing common ground and a reputation with the referred customer.
- **Increase your profit.** You will spend less time and money generating leads, and more time serving customers who have their wallets open.

The Cost of Your Customers

As we discussed in the "Repeat Business" section, you don't "get" customers—you *buy* them. The money you spend on advertising, direct mail, and other promotions ideally results in potential customers walking through your doors.

For example, if you placed an ad for \$200 and 20 people make a purchase in response to that ad, you would have paid \$10 for each customer.

Referral customers cost you next to nothing. Your existing customer does the work of selling your business to their friend or

associate and you benefit from the sale. Aside from the cost of any referral incentives or coupon production, there is no cost involved at all.

Referral customers cost less and require less time investment than any other customer. That means you can spend that time making them a loyal customer or a devoted fan.

Groom Your Customers

Referral strategies can allow you to groom your customer base. As we have previously discussed, 80% of your revenue comes from 20% of your customers. These are your ideal customers!

These are also the people you have established as your target market and are the people you cater your marketing and advertising efforts toward.

You also have a group of customers who make up 80% of your headaches. These are the people who complain the most and spend the least.

Use your referral strategy to get more of your *ideal* customers. Spend more time servicing your ideal customers. Do everything you can to make them happy. Spend less time on your headache customers. You can even ask your headache customers to shop elsewhere.

Then focus your referral efforts on your ideal customers. Ask them to refer business to you and reward them for doing so. Try to avoid referrals from your headache customers. Chances are you'll just get another headache.

Referral Sources

Take some time to brainstorm all the people who could potentially refer business to you. Think beyond your business, to your extracurricular activities and personal life. There are endless sources of people who are ready and willing to send potential customers your way. Here are some ideas to get you started:

Past Relationships

No, not romantic relationships. I'm talking about anyone you have previously had a relationship with but for one reason or another have fallen out of touch. This includes former colleagues, associates, customers, and friends.

Including them in your referral strategy can be as simple as reaching out through the phone or email and updating them on your latest business initiative or career move. Gently ask at the end of the correspondence to refer anyone who may need your product or service. They will appreciate that you have attempted to re-establish the relationship.

Suppliers and Vendors

Your suppliers and vendors can be a great source for referrals because they presumably deal daily with businesses that are complementary to your own. The opportunities to connect two of their customers in a mutually beneficial relationship are endless. These businesses should be happy to help, especially if you have been a regular and loyal customer.

Customers

Customers are an obvious source of referrals because they are the people who are dealing with you directly on a regular basis. Often, all you must do is ask and they will happily provide you with contact information of other interested buyers or contact those buyers themselves.

Your customers also have a high level of product knowledge when it comes to your business and are in a great position to really sell the strength of your company. The words of your customers are at least ten times more powerful than any clever headline or marketing piece you could create.

Employees and Associates

Give your employees and associates a reason to have their friends and families shop at your business with a simple incentive program. These people have the most product knowledge and are in the best position to sell you to a potential customer.

This is also a way to tap into an endless network of people. Who do your employees and associates know? Who do their friends (and friends of friends) know? A referral chain that connects to your employees can be a highly powerful one.

Competitors

This doesn't seem so obvious, but it *can* work. Your direct competitors are clearly not the ideal source for referrals. However, indirect competitors can refer their clients or potential clients to you if they cannot meet those clients' needs themselves. For example, if you sell high-end lighting fixtures, the low-budget lighting store down the street may be able to refer clients to you and vice versa. You may wish to offer a finder's fee or incentive to establish this arrangement.

Your Network

Don't be shy about asking your friends and family members for referrals. Too many people do not provide enough information to their inner circle about what they do or what their business does. This doesn't make sense since these are the people who should be the most interested!

Take time to explain clearly what your business is all about and what your point of difference is. Then just ask them if they know anyone who may benefit from what you are offering. You could

even provide your friends and family with an incentive—a gift, a meal, or a portion of the sale.

Associations + Special Interest Groups

This is another place you likely have a network of people who have limited knowledge about what you do or what your business does. The advantage here is that you have a group of people with similar beliefs and values in the same room. Use it!

The Media

Unless a member of the media is a regular customer of yours, or you are in business to serve the media, this may not seem like an obvious choice either.

The opportunity here is to establish a relationship with an editor or journalist and position yourself as an expert in your field or industry. Then, next time they are writing a related story, they can ask to quote you and your opinion. When their audience reads the story, they will perceive your business as the industry leader.

Referral Strategies

A referral strategy is any system you can put in place to generate new leads through existing customers. The ideal way to do this is to create a system that runs itself! Here are some ideas for simple

strategies you can begin to implement into your business immediately.

Just Ask

This may seem simple and obvious, but it's true. Be open with your customers and associates and simply ask them if they can refer any of their friends or associates to you. Make it part of doing business with you and your customers will grow to expect the question. Alternately, let them know in advance you'll be asking later.

Remember that this can include potential customers, even if they don't buy from you. The reason they chose not to purchase may have nothing to do with your business; any person who has begun to or done business with you can refer to you another person.

Offer Incentives

When you speak to your customers, when you ask them for something, you typically try to answer the question "What's in it for me?" before they ask it.

The same is true when you ask your customers for a referral. Incentive-based referral strategies work wonders and can easily be implemented as part of a customer loyalty program, or as part of your existing customer relations systems.

Consider offering customers who successfully refer clients to you discounts on products, free products or services, or gifts. Offer

incentives relative to the number of referrals or the success rate of each referral.

This can have a spin-off effect, as your referral customers may become motivated to continue the referral chain. They too will be interested in the incentives you have provided and tell their friends about your business.

Be Proactive

The only way your referral program will work is if you put some effort into it and maintain some level of ongoing effort.

Here are some ideas:

- Put a referral card or coupon in every shopping bag that leaves your store
- Promote gift certificates during peak seasons
- Offer free information seminars to existing customers, and ask them to bring a friend
- Host a closed-door sale for your top 20 customers and their friends

Provide Great Customer Service

An easy way to encourage referral business is to treat every potential customer with exemplary customer service. Since the art of customer service is lost in many communities, people are often impressed by simple added touches and conveniences. That alone will encourage them to refer your business to their network.

Stay in Touch

Make sure you are staying in touch with all your potential and converted customers. Through newsletters, direct mail, or the Internet, keep your business name at the top of the minds, ahead of the competition.

Even if they have already purchased from you and may not need to purchase for some time, a newsletter or email can be a simple reminder that your business is out there. If someone in their network is looking for the product or service, it will be more likely that your customer will refer your business over the competition.

Nine

Profits from Thin Air

As a small business owner, you are in business for one reason: to make money.

Of course, there are other reasons you started or purchased your company. You may love the product you sell or service you provide. You may love the challenge of turning a floundering company into an overnight success. You may just love being your own boss.

Naturally, this all means nothing if you are not generating enough income to support yourself and your family, as well as the people who work for you.

Nearly all businesses make money. Unless not a single product or service is sold, there is always money coming in. But there is also always money going out. Supplies, wages, marketing, acquisitions, and operations all contribute to the expense of just staying in business.

Simply put, profit is the difference between money in and money out. This is the dollar value of your sales minus the cost of those sales.

In business, you will find that everyone wants to make more money. They want to increase their sales and get more money coming in. **What often gets overlooked is that the true secret to making more money is not increasing sales but increasing profit.**

What is Profit?

Before you can take steps to increase the profitability of your business, you must have a solid understanding of:

- Types of profit
- The factors that influence profit
- Your *current* profit

Types of Profit

There are two main types of profit:

Gross Profit

Gross profit is the simplest form of calculating profit. It is simply the money that comes through the cash register, minus the cost of acquiring or providing the products or services.

The formula is:

Total revenue (sales) – cost of goods or services sold = Gross Profit

Net Profit

Net profit is a more accurate reflection of your income. It is calculated by taking your gross profit minus expenses over a specific period (usually by quarter).

The formula is:

Gross profit – expenses (cost of running a business) = Net Profit

Factors that Influence Profit

Profit is your bottom line. It is the number that falls out the bottom when all other costs and expenses have been taken into consideration. Do you know what contributes to the amount of profit your business ends up with?

There are three main factors that influence profit:

Sales – Your Conversion Rate

The first, and most obvious, factor is the money that comes in the door through sales. In theory, the more sales you make, the more money you bring in, the greater your profits.

The ratio of potential customers to sales is called your conversion rate. This is the percentage of customers you have converted from leads to sales. A high conversion rate means more sales and more money coming in the door.

In addition to your conversion rate is the lifetime value of your clients. It costs much less to convince a customer to make repeat purchases than it does to acquire new clients.

Costs – Your Product/Service Margins

The second factor is the cost of your offering – what your product or service costs you to acquire or provide. If you sell a product, this is the wholesale price you pay for the product. If you offer a service, it is the cost of your (or your employee's) time plus any materials used.

Your margin is the difference between the price you pay and the price your customers pay. If you buy toothpaste for \$1 from the wholesaler, and you sell it for \$3, your margin is \$2. If a haircut costs \$20 in materials and service, and the customer pays \$50, your margin is \$30.

Expenses – The Cost of Doing Business

The final factor is the cost of running your business – those not directly related to the specific product or service you offer.

Expenses include:

- Office or store lease
- Computer equipment lease
- Employee salaries
- Utilities
- Marketing + advertising

Your Profit

It only makes sense that you first need to know your *current* reality or position to determine how to get to where you *want* to be. This applies to any plan to create in business.

Before you can increase your profits, you need to have an understanding of your current level of profits and if you're making any at all. The next section will take you through a process to review the specific factors that affect your business's profitability and ultimately determine how much profit you are currently bringing in.

Taking Stock of Your Profits

Before you devise a strategy to increase your profits, you need to take a good long look at the money your business brings in and the money you spend to run your business. You may wish to sit down with your accountant or bookkeeper to analyze the financial information that is available to you.

Decide on a specific period to review, one that makes sense to your business and one that will give you the most realistic picture of your business performance.

This will depend on if your operation is cyclical or remains steady throughout the year. Usually, the previous quarter or the previous four quarters will give you enough of an indication.

Here is a general list of items to review:

- Total revenue
- Total cost of goods or services
- Total cost of operations (overhead), including:
 - Employee wages
 - Recruitment
 - Business development
 - Utilities
 - Rent or mortgage
 - Office supplies
 - Computer leases
 - Incidentals
 - Total cost of marketing campaigns

Total profit after costs and expenses for this period:

_____.

The Five Factors that Eat Your Profits

It is easy for business owners to compare their organizations to the apparent success of their competitors. Joe's Pizza may always be teaming with customers and appear to be making money hand over fist, while your pizza shop may have slower, but more steady business.

It is important to remember that a business with extraordinary sales figures is not necessarily a profitable one. Sales are just one element of your profit calculation.

Here are some other elements to think about when reviewing the profitability of your business:

Impulse Spending

How often do you make purchases for your business operations? I'm not talking about acquiring new goods and services, but upgrading computers, taking your team out for lunch, or leasing a new color photocopier.

Do you allow your staff to make purchases on your behalf? Who reviews these decisions? Look not only at *what* you buy but *how* spending is structured in your company.

Small Margins

As we discussed in the previous section, your margins are the difference between your cost and the customer's cost to purchase your goods or services.

Typically, businesses that offer a variety of products will have both products with large margins and products with small margins. The products with large margins generate the most income so these are the products that staff should be focused on selling.

What many businesses overlook is that products with small margins will never generate a high level of income, no matter how many you sell. A store stocked with small margin items will never be able to increase their profit because they have so little margin to work with.

Your Customers

This may seem like a backwards way of thinking. Your customers spend money, so they are a positive factor in your profit calculation, right?

This is true for most of your customers. But remember the 80/20 rule of business: 80% of your revenue comes from 20% of your customers. These are your top 20% or ideal customers. What about your *bottom* 20%—the group of clients who ask for the moon and never stop complaining?

These clients can be a huge drain on both your staff resources and your financial resources. Their true value to your business is minimal; they cost more than they bring in. Fire them!

Loan Interest

How many business loans do you currently have? Credit card debit? Overdraft? The interest you pay on these loans can be a substantial monthly cost to your business.

A loan from a bank is just like any other product. You can shop around for the best deal. Consider consolidating or restructuring

your debt to minimize interest payments. Plan to search around for the best rate on a regular basis—every few months or quarter.

Vendors

Do you purchase your goods and services from a wholesaler or retailer? How long have you been in business with this company? What do you pay for goods and services relative to your competitors?

Ensure that you are dealing with as direct a vendor as possible to minimize your acquisition costs and increase your margins. If you have been doing business with a particular vendor for an extended period, consider renegotiating your business arrangement.

The Basics of Increasing Profit

Your Profitability Goal

Now that you understand the current profitability of your company, it is time to look at ways to increase your bottom line.

Like all other aspects of your business development, you need to have a clear idea of your intention or purpose before you begin any activity. Assuming you wish to increase the profitability of your business, you need to determine by how much and within what time frame.

Create a profit-related goal for your business, and write it here:

Three Ways to Increase Profit

There are countless strategies for increasing profit, but ultimately you can only increase profit in one of three ways:

1. Get More Customers

Use marketing outreach strategies to generate more leads and convert those leads into more customers. Introduce a new offer, expand your target audience, or approach a new target audience.

2. Get Your Customers to Buy More Often

Use customer loyalty and retention strategies to get your existing customers to buy from you more often. Make it easy for them to come back and do business with you.

You can do this by adding value to your product or service, keeping in touch on a regular basis, and giving your customers incentive to make repeat purchases. Customer service is also an overlooked component of building a repeat client base.

3. Increase How Much Your Customers Buy

You'll naturally increase your sales when you increase the number of customers and how often they purchase. The final

way you can impact your profit is by increasing the average dollar value of each sale.

This can be achieved by upselling or cross-selling every customer, creating package offers, and finding ways to increase the perceived value of your offering to justify increasing the price.

Managing Costs

One important way to impact the profitability of your business is through cost or spending management. Controlling how much money goes out will help you ensure that more money stays in your bank account.

Remember, however, that cutting costs can only help increase your profits so much. There is a point where you will no longer be able to reduce expenses and you will have to focus on increasing sales.

Why Cut Costs?

Cost management may seem like an obvious way of maintaining a healthy business, but it is also one of the primary reasons 80% of small businesses fail. Overspending is a huge problem for most businesses, and they don't even realize it.

Reducing costs is a great short-term strategy to boost profits. As mentioned above, there is a limited amount of impact that cost management can have on the bottom line, so it is an ineffective long-term strategy.

Cost management can also help you to generate more capital. A business that closely monitors and controls its spending is a much more desirable loan candidate than a business that spends freely. Most importantly, this strategy will help keep your business profitable through high and low periods. It's easy to spend money when your company is doing well, but this leaves little in the "just in case" account for downturns in the economy or unexpected expenses.

Where Can I Cut Costs?

Financing

As mentioned, interest rates are a big culprit when it comes to eating profits. Take stock of how much money you are spending monthly in loan and interest payments. Can this be reduced? Is there another bank that will offer you a lower rate? Is there a way to consolidate these loans into a single, low-interest account?

Alternatively, if your business is doing well and has a large amount of money sitting in the bank, consider investing it or placing it in a high-interest savings account. Let your money make you money instead of spending it on unnecessary business luxuries.

Suppliers or Vendors

Again, as mentioned above, make sure the price you pay for goods and services (for resale or internal use) is the lowest you can

find. Try to deal directly with the manufacturer or distributor and renegotiate discounts and contracts with your vendors every year.

Hours of Operation

Evaluate the hours you are open for business each day and why you have chosen the specific timeframe. Is it to compete with the competitors? Is it because you can serve the highest number of customers? Each hour you are open for business costs money so make sure you are operating under the most ideal timeframe.

Staffing, Wages, and Compensation

This can be a sensitive subject for any business owner or employee. It is important to look at staffing redundancies and capacity levels, as well as hiring needs, when evaluating cost management strategies.

Do you need to hire new staff, or can you build capacity within your existing employees? Is there another way to compensate staff, or provide performance incentives that are non-monetary, have a high perceived value, and are inexpensive for your business? Remember to take time and care when implementing any changes in this area of cost management.

Place of Business

If you operate an office in a downtown metropolis, you are going to have substantially higher operating costs than a competitor who runs an office just outside the city limits.

Make sure you can justify your location and the amount of money you spend to be there. Consider the following questions:

- Are my customers impacted by where I do business?
- Do my customers need to visit my office?
- What impression does my business need to present?
- Do I need parking facilities?
- Do I need to be visible?
- Do I have staff to employ?
- Am I near public transit, lunch outlets, and other amenities?
- Do I need access after business hours?
- Should I lease or buy?
- What other costs are specific to this location?

Eliminate the invisible!

What could you and your staff live without? What wouldn't you notice if it just disappeared one day? Take stock of expenses that are not being properly used or appreciated. Think of amenity-based items or convenience costs, like:

- Gym Memberships
- Morning refreshments (muffins, donuts, etc.)

- Publication Subscriptions
- Designer coffee and tea
- Fancy collateral packaging

Your Pricing Strategy

The cost of your goods and services has a direct impact on the money you bring in. Your pricing strategy is so important to your business that it can even determine your success.

Deciding how much to charge for your product or service is a challenging task. You need to factor in your own costs, the product or service's perceived value, and the going rate. Ultimately, you want to be able to charge as much as possible for each item, without overpricing yourself out business.

Avoid the Lowest Pricing Strategy

The days of the lowest price guarantee and pricing wars are over, especially for small businesses. The “big players” in the marketplace will quickly put you out of business if you try to compete on price. Their pockets are deeper, and they have lower operating costs due to their sheer size. They can afford to. You can't!

Clearly Position Your Company and Your Offering

How do you want your target market to view your business and your products? Are you trying to create an image of high quality?

High value? Reliable service? Make sure your pricing is consistent with the image you are trying to project. If you are operating a high-end spa, you're not competing with the budget nail salon down the street so your prices should be considerably higher.

Have a Good Working Understanding of Your Margins

Know how much the product or service costs you to offer before you establish a price. Do these costs remain consistent, or do they fluctuate? Restaurants that offer high quality meat and seafood often price their meals at “market rates” as opposed to fixed rates. Calculate the fixed and variable costs associated with your product or service. You will want to work the cost of the product or service, a percentage of your overhead, and your own profit into the cost of each item.

Pay Attention to Factors Beyond Your Control

Be aware of any government or industry regulations on the price of your product or services. Some laws will limit how much you can charge for standard services. For medical and dental services, most insurance companies will put a cap on how much a customer will be compensated for each service. Seek out all external factors that could impact your pricing.

Price with a Purpose

Your pricing strategy should be purpose-focused. What exactly are you trying to do by setting your prices at certain levels? Here are some potential reasons for pricing strategies:

- Short-term profit increase
- Long-term profit increase
- Customer generation
- Product positioning
- Revenue maximization
- Increase margins
- Market differentiation
- Survival

Pricing Strategies

Cost Plus Pricing

This is the most basic pricing strategy. Set your price at a number that includes:

- Cost of goods or services, based on a specific sales volume
- Percentage of expenses
- Profit margin (markup)

Target ROI Pricing

Set your price at a rate that will achieve a specific Return on Investment target. If you need to make \$20,000 from 1,000 units

(or \$20 per unit), then set your price at \$20 more than cost plus expenses.

Value Based Pricing

This can be a bit of an arbitrary pricing strategy, but it can also be the most profitable. Set your price based on the value or added benefit it brings to a customer. For example, if your product only costs you \$40 to produce, but will save the customer \$2,000 per year in energy costs, a price of \$150 or \$200 would not appear to be unreasonable in the eyes of the customer.

Psychological Pricing

What messages are you trying to send the customer when they're looking at your prices for your products? Do you offer the best deal? The highest value? These are reasons to choose prices that are higher or lower than the competition.

Pricing Guidelines

Price higher than cost

This may seem obvious but ensure your pricing not only covers your costs but also potential fluctuations in sales volume and in the marketplace. If you sell half of your order, will you still make a profit?

Include expenses

If you price to cover your costs, will you also be able to cover your expenses and still see a profit? Your margin needs to pay for your expenses, leave you with something to live on, plus some working capital for the company.

Consider the ‘fair’ price

What do your consumers think is ‘fair’ for each service or product? This is impacted by your competitor’s price, your company’s image (high quality or high value, low cost), and the perceived value of your product or service.

Strategies to Increase Profit

Once you have a concrete understanding of where your business stands today in terms of profitability, minimized your operating costs, and restructured your pricing strategy, you can focus on other strategies to increase profit.

There are countless strategies and tactics that will help you to bring in more customers, get those customers to come back, and get those customers to spend more when they do.

Here is a list of ideas, many of which are covered in detail in other sections of this book:

- Advertise
- Establish an online presence
- Sell more high margin items
- Generate more leads
- Focus on referral business
- Increase customer loyalty and repeat business
- Increase conversion rates
- Restructure your team
- Reinvent your product
- Sell your intellectual capital

Ten

Generating an Unlimited Number of Leads for Your Business

Where do your customers come from?

Most people would probably choose advertising as an answer. Or referrals. Or direct mail campaigns. This may seem true but it's not really accurate.

Your customers come from leads that have been turned into sales. Each customer goes through a two-step process before they arrive with their wallets open. They have been converted from a member of a target market to a lead, then to a customer.

Would it not stand to reason that when you advertise or send any marketing material out to your target market, you're not really trying to generate customers? Instead, you're trying to generate leads.

When you look at your marketing campaign from this perspective, the idea of generating leads as compared to customers seems a lot less daunting. The pressure of closing sales is no longer placed on advertisements or brochures.

From this perspective, the general purpose of your advertising and marketing efforts is then to generate leads from qualified customers. Seems easy enough, doesn't it?

Where Are Your Leads Coming From?

If I asked you to tell me the top three ways you generate new sales leads, what would you say?

- Advertising?
- Word of mouth?
- Networking?
- No idea?

The first step toward increasing your leads is in understanding how many leads you currently get on a regular basis, as well as where they come from. Otherwise, how will you know when you're getting more phone calls or walk-in customers?

If you don't know where your leads come from, start *today*. Start asking every customer that comes through your door, "How did you hear about us?" or "What brought you in today?" Ask every customer that calls where they found your telephone number or email address. Then, *record the information for at least an entire week*.

When you're finished, look at your spreadsheet and write your top three lead generators here:

1. _____
2. _____
3. _____

From Lead to Customer: Conversion Rates

Leads mean nothing to your business unless you convert them into customers. You could get hundreds of leads from a single advertisement but unless those leads result in purchases, it's been a largely unsuccessful (and costly) campaign.

The ratio of leads (potential customers) to transactions (actual customers) is called your conversion rate. Simply divide the number of customers who purchased something by the number of customers who inquired about your product or service, and multiply by 100.

$$\text{\# transactions} / \text{\# leads} \times 100 = \% \text{ conversion rate}$$

If, in week, I have 879 customers come into my store, and 143 of them purchase something, the formula would look like this:

$$[143 (\text{customers}) / 879 (\text{leads})] \times 100 =$$

$$16.27\% \text{ conversion rate}$$

What's Your Conversion Rate?

Based on the formula above, you can see that the higher your conversion rate, the more profitable the business.

Your next step is to determine your own current conversion rate. Add up the number of leads you sourced in the last section and divide that number into the total transactions that took place in the same week.

Write your conversion rate here:

_____.

Quality (or Qualified) Leads

Based on our review of conversion rates, we can see that the number of leads you generate means nothing unless those leads are being converted into customers.

What affects your ability (and the ability of your team) to turn leads into customers? Do you need to improve your scripts? Your product or service? Find a more competitive edge in the marketplace?

Maybe. But the first step toward increasing conversion rates is to evaluate the leads you are currently generating and make sure those leads are the right ones.

What are Quality Leads?

Potential customers are potential customers, right? Anyone who walks into your store or picks up the phone to call your business could be convinced to purchase from you, right? Not necessarily, but this is a common assumption most business owners make.

Quality leads are the people who are the most likely to buy your product or service. They are the qualified buyers who comprise your target market. Anyone might walk in off the street to browse a furniture store, regardless of whether they are in the market for a new couch or bed frame. This lead is solely interested in browsing and is not likely to be converted to a customer.

A quality lead would be someone looking for a new kitchen table and who specifically drove to that same furniture because a friend had raved about the service they received that month. **These are the kinds of leads you need to focus on generating.**

How Do You Get Quality Leads?

- **Know your target market.** Get a handle on who your customers are, the people who are most likely to buy your product or service. Know their age, sex, income, and purchase motivations. From that information, you can determine how best to reach your specific audience.
- **Focus on the 80/20 rule.** A common statistic in business is that 80% of your revenue comes from 20% of your customers. These are your star clients or your ideal clients. These are the clients you should focus your efforts on recruiting. This is the easiest way to grow your business and your income.

- **Get specific.** Focus not only on who you want to attract but how you're going to attract them. If you're trying to generate leads from a specific market segment, craft a unique offer to get their attention.
- **Be proactive.** Once you've generated a slew of leads, make sure you have the resources to follow up on them. Be diligent and aggressive and follow up in a timely manner. You've done the work to get them; now reel them in.

Get More Leads from Your Existing Strategies

Increasing your lead generation doesn't necessarily mean diving in and implementing an expensive array of new marketing strategies. Marketing and customer outreach for the purpose of lead generation can be inexpensive, even though they *may* bring a high return on investment.

You are likely already implementing many of these strategies. With a little tweaking or refinement, you can easily double your leads, and ensure they are more qualified.

Here are some popular ways to generate quality leads:

Direct Mail to Your Ideal Customers

Direct mail is one of the fastest and most effective ways to generate leads that will build your business. It's a simple strategy. In fact, you're probably already reaching out to potential clients through direct mail letters with enticing offers.

The secret to doubling your results is to craft your direct mail campaigns specifically for a highly targeted audience of your *ideal* customers.

Your ideal customers are the people who will buy the most of your products or services. They are the customers who will buy from you repeatedly and refer your business to their friends. They are the group of 20% of your clients who make up 80% of your revenue.

Identify your ideal customers

Who are your ideal customers? What is their age, sex, income, location, and purchase motivation? Where do they live? How do they spend their money? Be as specific as possible.

Once you have identified who your ideal customers are, you can begin to determine how you can go about reaching them. Will you mail to households or apartment buildings? Families or retirees? Direct mail lists are available for purchase from a wide range of companies and can be segregated into a variety of demographic and sociographic categories.

Craft a special offer

Create an offer that is too good to refuse—not for your entire target market but for your ideal customer. How can you cater to their unique needs and wants? What will be irresistible for them?

For example, if you operate a furniture store, your target market is a broad range of people. However, if you are targeting young families, your offer will be much different than one you may craft for empty nesters.

Court them for their business

Don't stop at a single mail-out. Sometimes people will throw your letter away two or three times before they are motivated to act. Treat your direct mail campaign like a courtship and understand that positive results will happen over time.

First, send a letter introducing yourself and your irresistible offer. Then follow up monthly with additional letters, newsletters, offers, or flyers. Repetition and reinforcement of your presence is how your customer will go from saying, "Who is this company?" to "I buy from this company."

Advertise for lead generation

Statistics show that nearly 50% of all purchase decisions are motivated by advertising. It can also be a relatively cost-effective way of generating leads.

We've already discussed the importance of ensuring your advertisements are purpose focused. The general purpose of most advertisements is to increase sales, which starts with leads. However, ads that are created solely for lead generation (that is, to get the customers to pick up the phone or walk in the store) are a category of their own.

Lead generation ads are simply designed and create a sense of curiosity or mystery. Often, they feature an almost unbelievable offer. Their purpose is not to convince the customer to buy but to contact the business for more information.

As always, when you are targeting your ideal audience, you'll need to ensure that your ads are placed prominently in publications that your audience reads. This doesn't mean you have to fork over the cash for expensive display ads. Inexpensive advertising in e-mail newsletters, classifieds, and the yellow pages are very effective for lead generation.

Here are some tips for lead generation advertising:

Leverage low-cost advertising

Place ads in the classifieds section, e-mail newsletters, online, and even in the old-fashioned Yellow Pages. If your target audience is technology savvy (and most of them are), consider online forms of advertising like Facebook and Google Ads.

Spark curiosity

Don't give them all the information they need to make a decision. Ask them to contact you for the full story or to receive the complete details of the seemingly outrageous offer.

Grab them with a killer headline

Like all advertising, a compelling headline is essential. Focus on the greatest benefits to the customer or feature an unbelievable offer.

Referrals and host beneficiary relationships

A referral system is one of the most profitable systems you can create in your business. The beauty is that once it's set up, it often runs itself.

Customers that come to you through referrals are often your “ideal customers.” They are already trusting and willing to buy. This is one of the most cost-effective methods of generating new business and is often the most profitable. These referral clients will buy more, faster, and refer further business to your company.

Referrals naturally happen without much effort for reputable businesses but with a proactive referral strategy, you'll certainly double or triple your referrals. Sometimes, you just need to ask!

Here are some easy strategies you can begin to implement today:

Referral incentives

Give your customers a reason to refer business to you. Reward them with discounts, gifts, or free service in exchange for a successful referral.

Referral program

Offer new customers a free product or service to get them in the door. Then, at the end of the transaction, give them three more ‘coupons’ for the same free product or service that they can give to their friends. Do the same with their friends. This ongoing program will bring you more business than you can imagine.

Host-beneficiary relationships

Forge alliances with non-competitive companies who target your ideal customers. Create cross-promotion and cross-referral direct mail campaigns that benefit both businesses.

Lead Management Systems

Once your lead generation strategies are in place, you’ll also need a system to manage incoming inquiries. You’ll need to ensure you receive enough information from each lead to follow up later. You’ll also need to create a system to organize that information and track the lead as it is converted into a sale.

Gathering Information from Your Leads

Here is a list of information you should gather from your leads. This list can be customized to the needs of your business and the type of information you can realistically ask for from your potential customers.

- Company Name
- Name of Contact
- Alternate Contact Person
- Mailing Address
- Phone Number
- Fax Number
- Cell Phone
- Email Address
- Website Address
- Product of Interest
- Other Competitors Engage

Lead List Management Methods:

Once you have gathered information from your lead, you'll need a system to organize their information and keep a detailed contact history.

The simplest way to do this is with a database program, but you can also use a variety of hard copy methods.

Online Database Programs

- High level of organization available
- Unlimited space for notes and record-keeping
- Data-entry required
- Variety of Customer Relationship Management Software.

Examples include:

- Salesforce
- HubSpot CRM
- Pipedrive
- Insightly
- Microsoft Dynamics 365
- Freshsales
- Zoho CRM

Unleash Your Business' True Potential: Mastery Awaits You!

Step Up & Seize the Day! Whether you're at the pinnacle, boasting earnings over \$250K annually, or ardently climbing towards that summit, this tome stands as your guiding star, catapulting you to unprecedented business victories.

Commit to a journey of relentless learning and watch prosperity chase after you! Dream of touching the sky with your business ambitions? Plunge into a transformative quest: rediscover timeless business sagas, hone cutting-edge marketing techniques, and saturate yourself in the wisdom of industry veterans. The exhilarating promise of the business realm? Embracing and consistently practicing proven strategies ensures a horizon brimming with endless possibilities. Yet, resist the allure of fleeting change only to lapse into comfort zones.

Before you dive headfirst into the arena, shield yourself with profound knowledge. Consider this: Before taking on a basketball legend like Michael Jordan, wouldn't you refine every move, mastering the game's every subtlety? Yet, many zealous entrepreneurs dive into the deep end, battling industry giants without the armor of essential knowledge. And when challenges arise, the external world becomes a convenient scapegoat.

Should your enterprise still be on the threshold of attaining abundant wealth, cherished free time, or dreams like securing your child's academic future, this book beckons you. It's time to master the potent strategies it holds. I fervently believe in the transformative power of education and the enchantment of mentorship. Arm yourself with unparalleled insights, ally with a seasoned mentor, and watch, in awe, as both your personal and professional worlds metamorphose into realms of wonder!

READY TO GET STARTED?

Please contact me directly
to schedule an appointment.

From 'Busy' to 'Booming': Accelerate Your Small Business Profits with Coach Alden

Drowning in the hustle and still not seeing the numbers you desire? It's time to transition from just being "busy" to truly booming. Navigate this journey with the seasoned guidance of a maestro in profit acceleration.

Coach Alden, a luminary in strategic sales and profit amplification, has crafted a playbook that's all about fueling the growth of small businesses like yours. His rich tapestry of experiences, from pioneering startups to steering ongoing ventures, encapsulates a deep-rooted expertise in the small business arena.

Guiding the helm of diverse entrepreneurial projects, Coach Alden's profit-acceleration techniques are the driving forces behind their success. His exceptional ability to 'think outside the box' and tailor strategies for the unique challenges of small businesses has made him an invaluable asset in the realm of profit-focused coaching. This book unveils strategies that have transformed many small businesses, catalyzing their profits and redefining their success stories.

Dive into Coach Alden's reservoir of insights, and fast-track your journey to amplified profits and a thriving small business!

ALDEN PORTER III
FINANCIAL IMPACT COACH

(734) 494-2600

owner@alden3.com

CoachAlden.com