

Profit Builder

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MEMBER

Volume 3, Issue 2

Special points of interest:

- Show and tell—going on the road with style.
- Winning the talent quest—tips to building a great team.
- Keep the home fires burning—a classic story for a modern quandary.

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Are you an Idea Killer or an Advocate?

Every great business was once an idea in someone's mind.

And it's this continual stream of ideas that keeps a business vibrant and gives it a sustainable competitive advantage.

Too often though you'll hear people say, "I don't know what else we could do to improve this business" or "We've tried lots of things and found that what we do now is the only way for this business to operate properly."

Edward De Bono, a world authority on creative thinking, points out the 'danger of logic' being that it allows us to justify our current ideas and thereby prevents us from implementing new ones. Creativity, on the

other hand, requires us to step outside our current paradigm and to apply a lateral approach to the thinking process.

The question that everyone running a business needs to ask themselves is *How open am I to considering ways to improve what my business does*. And related to that, What do I do to proactively encourage people within my organisation to challenge the status quo and continually seek to improve processes?

Ideas do not need to be huge to have a big impact. In fact, more often it's the little things that make a difference. And that's why experimentation and innovation are so critical to high performance.

An Important Closing Comment

Creating an environment in which team members' ideas are encouraged and listened to is not a chant for unconditional empowerment. At the end of the day, critical decisions must be made by the CEO or by people who have been delegated to make the call.

Mastering the fine line between control and empowerment is probably the most difficult aspect of leadership and management. Remember that clearly defined processes, responses and systems for approving and implementing ideas reduce the risk of anarchy and alleviate tensions.

The five-minute stress-buster

from Harvard ManageMentor

Stop. Breathe. Reflect.

So, now you've interfered with the automatic stress response, you should be able to focus on the real problem without the distractions of exaggerated worries. Reflect on the causes of your worry and consider these questions:

- What is the emotional 'hook' that sets my stress reaction going?
- Am I exaggerating the threat?

- Why do I leap to the most awful conclusions?
- What is the specific problem in this case?

Understanding the source of stress takes more than a quick moment of thought, but if you've been working on the issue, you'll be able to apply your understanding to the particular stressful moment.

The next step is to choose how to deal with the situation. Consider each available option,

and then choose the one that best fulfils your goals. Ask yourself:

- What is my real goal here?
- What is the best solution to the problem?
- Do I have the skills and tools to achieve the best solution?
- What can I do right now? Later today? Tomorrow?

Once you've made your decision, then you can act on it with clarity.



Motivation is what gets you started. Habit is what keeps you going.
Jim Ryun

Hit the road, Jack! Making the most of tradeshow

Tradeshows are valuable ways to generate leads, network and stay abreast of the competition.

And they can be intimidating.

Figuring out how to stand out from the crowd, which shows to exhibit at, and what's the best way to make strong connections with potential customers are important questions to ask before taking to the road.

A common method of directing traffic to your exhibit booth is to rent a list of conference attendees and send them an invitation to visit your booth, remembering to include your booth number and location. A less expensive alternative to renting this list, is to send an invitation to your current mailing list of existing and prospective clients. You may want to promote a special deal if they place an order or sign a contract for services while attending the show.

At the tradeshow, don't stop trying to draw people to your

exhibit just because you have done some pre-show promotion.

Have a game plan. Think of your exhibit booth like an advertisement. Don't just rely on your logo and corporate identity to make your booth stand out. Display a headline that addresses a common problem your customers experience and you can solve. Make sure you have conveyed what's in it for your customers to use your product or service and attend your booth. Leave an impression by handing out promotional items with your company logo on such as chocolate, pens or anti-stress toys.

Once you have people in your booth, make sure you have a clever and concise spiel about your business. Collect business cards in a bowl or a hat. Offer an incentive for the business card—promise to draw a business card to receive a free service, tickets to a show or dinner at a popular restaurant. Wherever

possible, ensure your booth never goes unmanned. Being there to make a connection with clients is half the mission.

It's important too, to have team members in the booth who find it easy to talk to strangers. The gift of the gab is a critical component of tradeshow success.

You may also like to consider contacting the show producer in advance and enquire about speaking opportunities at the conference or seminar. This positions your company as an authority, and puts a face to it as well.

Afterwards, remember to follow up all the leads you generate. Research analysts estimate that 55–70% of leads generated at tradeshow are never contacted or used. Sending a brief note, email or personal message after the tradeshow can lead to valuable sales, and make the tradeshow a well worthwhile exercise.

Advertising to pack a punch

The first basic principle in effective advertising lies in understanding that its true purpose is to get a response.

And to manage these responses you need mechanisms for customers to respond, such as phone, fax or email, and systems to convert those responses, such as a series of questions to help your team identify the respondents' needs.

And the easier you make it for a potential customer to respond, the better—you may

wish to introduce toll free phone and fax numbers for instance.

Other ways you can encourage people to respond might be:

- "Call now for your free booklet full of hot tips on building a backyard pool!"
- In ads or flyers, include detachable coupons that encourage readers to send in for more information
- Create an enticing offer for the first 'x' number that respond to an advertisement (for example, a "Free set of

steak knives to the first 25 customers!")

As to the advertisement itself, remember to write it from the customers' perspective of "What's In It For Me?". Create a story—some of the most successful advertising campaigns have been those that actually engaged with their readers to paint a picture. And remember, in advertising your business, focus on the value and the benefits, instead of just the price.



Tips for building an ideas culture

1. Take leadership and make communication about innovation a priority

Challenge your people to look for improvements in everything they do every day and talk about this at every opportunity.

2. Formalize opportunities to present ideas

Incorporate an ideas-exchange session in your regular team

meetings, or create a suggestion box or forum on your intranet, with a means of acknowledging the idea.

3. Reward ideas

Provide positive feedback for all ideas. Even if it is an idea that won't work, be sure to say thanks to reinforce a culture of innovation and idea sharing.

4. Implement, implement, implement

Failing to implement ideas is the fastest way to kill innovation and your team's motivation. Co-author of *In Search of Excellence*, Bob Waterman, states "The companies (that) persist where others give up...accomplish the most difficult part of strategy: implementation..."



Get a winning team

Getting great people is possible.

You simply need to make your business an attractive place to work for the sorts of people you want to recruit.

The classic question to ask is: Would I work for me?

Think about what you can offer a prospective recruit, such as career opportunities, a positive work environment and other benefits. Keep

these things in mind when you're writing your recruitment ad. You want your ad to say "you should work at our place—it truly is an amazing place to be!"

And involve your team in the selection process—any new hires you bring on will be working with the team after all, and they'll be far tougher than you ever will be!

You'll still need to give the team guidance in this process. One way is to systematize the interview questions, then give your team a framework to evaluate the candidate, based on key areas like energy levels, attitude, or presentation.

By taking this approach, you can take full control—and full responsibility—for attracting the right people to your business.

*Imagine
what you would do
if you knew
you couldn't fail...*

Straightforward tips for marketing your business

Small business operators often neglect strategic and marketing planning for a whole host of reasons. It may be a lack of training, not knowing where to start, or just thinking that they're too small to worry about such a thing. Others think it too expensive or time-consuming in the face of all their other day-to-day tasks.

Marketing doesn't necessarily need to be this way, but it does need to be practiced if your business is to survive and grow.

Discover what the market wants

The most effective way to market your business is to take a customer-focused—or demand

-driven—approach. What do people want? What do they need, or think they need?

Have the right products or services

What do your customers expect or request in terms of range? Quality? Perceived benefits? Application? Construct your offer around your customers' needs.

Be adaptable to change

Your customers needs are constantly changing, so you must be able to recognize change and adapt your business profitability to new conditions.

Marketing is the planned process to bring together, in

the most effective way, buyers (demand) and sellers (supply) at a profit.

Your marketing strategy then, is simply:

- to identify those people who are or could be interested (and crucially, that have the ability to pay!)
- to find out what they want, and then
- plan to successfully offer this to them at a profit.

By taking an approach of giving customers what they want, in the right way and at the right time, sales and profits should then be a natural result.





Is your fire still burning?

People buy value. And the key to success is to offer value without having to resort to price-cutting. This requires resolve, hard work and an understanding that people will pay good money for what you have to offer, so long as you tell them clearly of the value proposition you are presenting to them. Don't just assume they know how clever you are or what goes into your service.

In most businesses, the only variable customers understand is price. This doesn't mean they need the lowest price. It means they don't know any other way to make a comparison between

suppliers. In these situations, vendors who are able to clearly explain why customers will be better off to pay a little more will be significantly more profitable than their competitors because that additional margin travels straight to their bottom line.

To illustrate this point, there is a classic tale you may have heard attributed to Ben Franklin.

Ben had a printing business and was concerned about a competitor's pricing policy.

He invited his competitor around for dinner one evening, and placed a bowl of broth

and a piece of bread on the table. In the room was a warm fire with a blanket next to it.

Ben said to his guest, "I can live on this bread and broth and have no trouble sleeping by the fire wrapped in that blanket. If you can live on less, you can starve me out. If you can't, you had best reconsider your pricing."

Issues of illegal price fixing aside, the lesson is clear: unless your costs are lower than your competitors' or you are willing to sleep in front of the fire, don't compete on price.

About our consulting services

We are not your average consulting firm. Far from it.

We are members of the Principa Alliance—an international network of accountants and business advisors.

So when you work with us to improve your business, you're gaining access to a global knowledgebase and a wealth of consulting experience that is much

more powerful than any one firm could offer.

Combining our knowledge of your business, the personal relationship we share with our clients and the consulting tools, support and networking power of the Principa Alliance, we can help you achieve more with your business than you imagined possible.

Our goal is to help you build a stronger, more profitable

business, and enjoy a higher quality of life and greater financial and personal freedom as a result.

We can and will do so much more for you than just 'keep the score'.

Contact us today to discuss how we can help you build a business that delivers on its promise.