

Successes & Strategies

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Issue 2, July, 2004



The 4 Ways To Grow Your Business

My clients who participate monthly in the *Business Getting Results* meetings have certainly heard this list from me time and time again. Hopefully enough so they live it each day. If one of your goals is to see your business grow (and I hope that it is!), then this simple list of four concepts should help guide your decision making. If your latest idea/strategy doesn't answer to one of the four, it may be time to reconsider it. But lets not waste anymore time. Here they are:

#1 – Increase the number of customers of the type you want – Note the last part (“of the type you want”). If your sales and marketing efforts are yielding you customers, but not “A” type customers, you need to focus your energies elsewhere. Decide who it is you want to become a new customer. An easy way to do that is to write up a profile of the best customers you have now. What are the common characteristics? Think about how you might reach that particular type of person. You might ask them directly why they use your product or service and NOT someone else. Capitalize on that information in your marketing. Probably the best way to obtain new business is to *ask for referrals* from these people. Simply tell them the truth: They are a great customer and you want more just like them. They will be flattered and likely, very helpful. We'll talk more about selling in detail in future issues, but if you want to sell more effectively, do not sell the features and benefits of your product/service, sell based on the problem it fixes. Buying is an emotional decision. If you can identify real pains from your prospect that your product/service will fix, you will be a much more successful salesperson.

#2 – Increase the number of times customers come back – It costs **SIX** times more to win a new customer than it does to get an existing customer to buy again. I think that means you want to spend some time and resources on these people. The obvious route is to provide exceptional customer service. Stay in touch. Do you follow up with your customers religiously after the sale? Even though they bought, something may have gone wrong in the process. Finding these problems is a

huge opportunity. Your existing customers are **80%** more likely to buy again from you if you solve a problem they have than if they never experienced a problem at all! Statistics also show that **68%** of customers who leave for a competitor do so because of perceived indifference. The more you stay in touch, the more they are likely to return and more often as well.

#3 – Increase the average value of each sale – This can be done in a number of ways. One is by bundling your product/service. Instead of selling the charcoal grill, provide a reasonable discount and sell the grill, the charcoal, the lighter fluid, a lighter torch, cooking utensils and the chef apron as a package! You get the idea. Train all people responsible for selling to suggestively sell complementary products/services. “You want fries with that?” is an example you have likely heard. It is easy to see how grocery stores increase the average value...by merchandising. There is a reason milk is as far away from the front door as possible. Same reason you can barely make your way past the magazine racks, snacks, etc. all piled around the register.

#4 - Increase the effectiveness of each process within the business – The one way this is accomplished easiest in small business is to systemize everything that can be, so that it can be done by someone other than you. When I work with clients, a major goal is usually to find a way to get the owner unstuck from working **IN** the business (dealing with constant minor emergencies, for example) and to get them to start working **ON** (creating strategies that work on #1 through #3 above). Systemization can make that possible. It also makes your business more valuable because it won't depend so much on you to operate.

That concludes this month's newsletter. Your comments are welcome. Phone me at 617.965.5959 or I can be emailed at larry@rodmancpa.com. See you next month!

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