

Your Definitive Guide To Surviving The Economic Downturn

The Business Survival Kit

A Practical Action Plan To Increase Your Sales & Profit

By

Lee Duncan
Business Growth Coach

<http://www.leeduncan.com>

“Lee is one of two people that have played a major role in shaping our business over the past 3 years. When I first met Lee we were writing 30 mortgages a month, including my own sales. With his help and guidance we are now writing in excess of 150 mortgages per month even in this so called 'credit crunch'. I am also now free to focus on our growth and management, as the structure of the business has been shaped so that I am no longer advising.”

Darren Pescod, Managing Director of The Mortgage Broker Ltd

Introduction

This report presents a practical action plan for businesses to improve operations in order to protect themselves and even achieve growth during the economic slowdown. It describes the main issues facing business now and gives a step by step plan that you can apply to improve your own business, giving you more time, sales and profit.

To put it another way, when you have read this report in full you will have a clear and practical action plan that you can follow to survive the poor market.

The report explains many of the steps successfully used now by the companies I have worked with. While many firms have struggled this year, my clients have recorded higher sales in the first quarter of 2008 than they did during the same time in 2007. This is quite some achievement, given the tough economics of the downturn.

Case Study

“Seven years after starting my own business, I had fallen asleep at the wheel. Business was steady and customers were happy, but we had not really grown sales for the previous four years. If I'm honest I think I had become complacent and was working long hours because I was very busy. “

“It seems strange looking back now, because for the first three years I had been really motivated and excited by my business. I think I just accepted it would stay that way forever, with me going through the motions, until I met Lee at the start of 2006.”

“Since then **he has helped me to practically double our sales** and get the business growing consistently, month after month. “

“I have cut down my working hours and I take longer holidays too”
April 2008



Chella Heyes
Managing Director of Zoom Answer Call

How Tough Will Business Get For You?

The official statistics don't make great reading. House prices are shaky and there is nothing major to boost confidence on the horizon. The Bank of England's £50Bn loan scheme for lenders will perhaps take some of the sting out, but the writing is on the wall for a house price correction. Some analysts firmly believe that house prices are in the region of 40% over valued. If that is the case, prices are likely to come down by 15-25% at least, before any real confidence will come back.

When house prices fall, there will be people left in negative equity – where their house is worth less than the mortgage they have on it. This is what happened in the early 1990's and caused a bit of a slump then. The situation now, though, is worse because of the fearsome levels of personal debt that people are carrying on credit cards, loans and overdrafts.

Doing business in a strong economy is pretty straightforward as long as you do a reasonable job. However, when the economy slows down and people start to lose their jobs, with a credit crisis like we have never seen before, it is likely to be a lot tougher:

- The Bank of England are forecasting a slowdown in growth and increasing inflation and we are seeing these already.
- There has been a massive drop in mortgage lending and in property sales, with figures at their lowest since records began in the 1970's.
- The world economy is becoming shaky as a result of the American economic slowdown. They are likely to slip into "a mild recession" according to the International Monetary Fund. This will have a knock-on effect to companies that trade internationally. Economic forecasts of recession are always weak, the reality could be much harder.
- The price of fuel is at an all-time high with petrol and diesel both up at crazy levels. This will increase the price of almost everything since oils are used in many manufacturing processes, transport, heating and power generation among other things.
- Catalogue store Argos has reported a drop in sales already this year and Starbucks, the trendy coffee business has reported a fall of 28% compared to last year. People are spending less. How will this affect your business?
- During the good times it is relatively easy to make a decent living in business, but as things get tighter you need to take a critical look at your business and fix any issues that could hurt you.

Most people in business have become fully occupied just turning the wheels to keep all the day to day business going smoothly. If you want to protect and grow your business you need to work ON it, not just in it. So where do you start?

Two Questions You Must Answer To Work ON Your Business

There are normally two reasons you might give for not working on your business.

The first is that you simply don't have the time to do it. You are so busy handling customers, chasing leads, managing staff, chasing suppliers, couriers, dealing with HR issues, fending off cold-calls and dealing with all the other issues in your business that you find you have no time left for clear thinking.

The second is that you don't know where to start. You know that your business has things it could do better – following up on leads faster, having better promotional materials, writing more customer friendly letters, regularly reviewing your accounts, improving your sales technique, keeping in touch with customers more often and so on - the list keeps growing.

Yet which will have the biggest and most significant benefit for you? You really need to choose wisely to work on the area that offers quick wins as well as long term benefits.

Let's deal with each of these questions in turn.

When Can You Do It? There Just Aren't Enough Hours In The Day ...

If you are like most people in business, the single biggest challenge you have is time. If you are already working 60+ hours per week, you might feel run down and out of energy to make improvements to your business after so much effort goes into just running it. The trouble is, if you don't make changes, you will keep getting the same results and having to work these long hours.

One strategy that can work for you is to pick a time when you know that you feel bright and most mentally alert. For a lot of people this will be sometime during the morning. Pick between 30 minutes and an hour of this every single day to shut the door of your office. Tell your people that this is business improvement time and that you are not to be interrupted – get them to take messages unless there is an upset customer on the phone or something that simply will not wait.

This might mean that you get into your office an hour earlier in the morning before anybody else arrives. Use this time to focus on improving your business, not just getting emails and admin up to date. It really is important that you commit this time to improve your business.

Once you have freed up some time, you can move onto the exciting part – what to work on first to improve things...

What Do You Need To Do? It's Difficult To Know Where To Start...

There are many areas in your business that must function smoothly and effectively to keep your personal stress levels down and your profits consistently up. Here is a list of 5 important areas your business needs to be good at. You'll find lots more detail on each of these in the Action Plan section. Depending how you do things at the moment, you will find some of these easier than others:

1. **Financial Management** – get your finger on the pulse of your business, so that you know how much money will be coming in over the next few months and how you are doing this month. What costs are there that you can take out of your business without really hurting it?
2. **Return On Investment (ROI) from Marketing** – Most businesses do a variety of advertising and very little that you do will bring in sales. It makes sense, especially when times are tight, to do more of what works well and stop things that don't. Check out step 2 of the Action Plan section to learn the first steps to take.
3. **People** – having the right people in your business makes it fly, the wrong people sink it. Check that everybody earns their pay. If they don't, you must either retrain, discipline or dismiss them. Your business is not public transport – its purpose is to make money, not to carry passengers.
4. **Customer Contact** – keeping in touch with customers after they buy builds a relationship with them. If you fail to keep in contact with your customers, you don't have much hope of selling to them again.
5. **Sales Process** – tune up the way you deal with customers and your sales approach, with well-written letters, emails and SMS text messages. Make it consistent, effective and professional to increase your sales without having to spend a penny more on marketing.

These are the first places you should look to start working on your business straight away. The next section gives you more detail about how to do them.

Business Health Warning...

If you skim through the Action Plan section, mentally ticking off each item as "done" or "unnecessary", you are missing the point. There is enough work contained in that list to keep you busy for quite a while, improving and refining your business.

Take your time and read carefully through the Action Plan section before formulating your own plans.

Your 5 Step Action Plan

1 - Monitor Your Vital Signs of Business...

You need to know how your business is working on a day to day basis. The reason that many firms fail is that they were too slow to react. The wages, rent, phones and so on all stack up really quickly. A sharp dip in sales will make a big dent and if it's not dealt with immediately, the company can run out of cash within a very short space of time.

So, your first actions are financial. Your cashflow and sales are the lifeblood and pulse of your business. If you want to look after your business well, you need to watch these vital signs of its health at least every week.

Ideally you will build a cashflow forecast to show you what you will have in the bank, based on current sales, for the next three months.

If that feels too heavy going, try this. Add up your monthly total costs and then divide this by the number of working days in the month. For example, if you need to cover £6,000 of costs every month and there are 20 working days in the month, you will need £300 of income every day just to cover your costs.

Knowing this figure, you can monitor daily sales and know if you are beating this or failing. If you are not hitting it routinely, you need to change something fast. Either get better at selling, or cut costs. Whatever you do, you must act on it.

2 – Make Your Marketing Profitable

When people try to sell you advertising, they will tell you how important it is to get your name out there, so that people know about you. This kind of marketing is called brand advertising and is proven to be less effective than a far better approach that most people don't understand – direct response marketing. Direct response marketing is all about getting enquiries from your marketing effort and measuring that response so you know how well it is working and what it is worth to you.

To find out how well you are doing with your marketing, every time you get an enquiry you need to make a note of where the lead came from. Find out what works the best and what doesn't work at all. If you have a newspaper advert, record exactly how many enquiries per month come from it. If you don't make any sales within a month, stop the advertising because it is not profitable.

You can create a simple Excel spreadsheet to record the number of leads coming from each advertising campaign and the number and value of sales you make from them. From this you can calculate the Return On Investment (ROI) for each campaign. This might sound a bit involved and difficult. It isn't. The alternative is to not do it and keep wasting money on advertising that doesn't work.

Here is a worked example to explain this more clearly. Let's say you spend £1000 per month on advertising. This is split between a regular newspaper advert, Google Pay Per Click advertising on the Internet and small ads in the local village magazines. To figure out if these are all paying you back, you will need to keep score of how much business you get from each of them.

In the simple table below, you can see how this might look.

Source	No of Leads (£ per Lead)	Total Cost	No of Sales (£Total Sales)	ROI is total sales-costs
Google PPC	20 (£30)	£600	10 (£1350)	£750
Newspaper	0	£300	0 (£0)	- £300
Village Magazine	4	£100	3 (£850)	£750

From the table, you can understand where you are spending money and what results you get from it. When you can understand this, your advertising will shift from being an expense to being an investment.

In this example, if you stopped spending money on newspaper ads, you could save £300 for no lost sales. Or, you could shift the £300 to buy another 10 Internet leads, almost certainly giving you another sale per month.

This simple example explains a vital concept that all really successful business people understand. By building on this model, your marketing will move from hit and miss to a dead certain money-making investment.

The next step is to understand how to write adverts to give the best response. There is not nearly enough space in this report to go into this, but it is equally important.

One business I know used to have two adverts on one page of a glossy magazine. One of these ads took $\frac{3}{4}$ of the page and got zero response. The small quarter-page ad was much better and produced 5 or 6 enquiries because it was well targeted and written to appeal to a particular audience. Once I explained to him how the good advert worked, he was able to produce adverts for other magazines and papers that also got good, profitable responses.

Of course if you are not getting enough leads at all, you need to focus on this. Do not ignore it because a lack of leads will kill your business stone dead. Like with the example above, test out some advertising as cheaply as you can to figure out if it will work before you start to spend serious money on it.

One chap I know spent £2,000 on an advert in the Daily Mail. He got zero response from it, yet insisted it was a great advert. It plainly was not – if nobody calls, your advert has not done its job, no matter how much you love it! And that tends to be the problem with learning this type of marketing; people get attached to their creations and take any criticism as a personal attack, instead of just looking at the numbers and trying something different.

3 – Get The Right People On The Bus

Many people in business employ friends and relatives only to discover that they have made a mistake. Other times you employ people who become your friends. The trouble is, when they don't perform, you have the difficult task of either managing their performance so that they become effective or letting them go.

Because it is so uncomfortable to deal with, you avoid it and your business suffers for longer. They say that a rotten apple can spoil the barrel and with bad team members this is certainly true – demotivation, disruption and low productivity can all reach out from just one person who doesn't fit in your business. Then of course the cost of carrying them comes off your profits and ultimately out of your pocket.

So, why do you avoid dealing with it when it first crops up? When it's somebody you have become friendly with, it can be intensely stressful and difficult to sack them or make them redundant. If you know you have people in your business that you are avoiding dealing with, are you really being the boss you need to be?

What will the impact be if you let this carry on and business gets tougher? Will you lose sales and have to make more redundancies because you didn't act decisively to halt the rot as soon as you saw it?

You see, the cost of your avoidance is not only their salary but also the impact on you and anybody else working in your business.

Decide to deal with them immediately. While it will be uncomfortable to address, the result will be more goodwill and respect from the rest of your employees and a personal sense of relief at having done it. Employing people is tough and you can expect to make mistakes at least some of the time.

4 – Build Relationships With Your Customers

Probably the area that most firms neglect is keeping in touch with your past customers after the sale has been made. If you don't somehow keep in contact with your customers, you are effectively treating them with apathy.

In study after study on why customers leave you, the results are startling and always the same. On average, 73% of the customers who go elsewhere do it because they think you don't care about them. The same studies have shown how you can keep in touch just once every three months and they will think you do care. These touches don't have to be major things either. You can call and say "Hi", send cards at Christmas, Easter and on their birthdays. You could publish a newsletter or invite them to a client's only event, etc.

The point is that you need to make the effort to keep in touch with your customers to show you care, or somebody else will take them off you. Before they bought from

you, they probably had bought elsewhere. Most businesses don't upset customers by offering bad service, but lose them through apathy.

Remember also that when you are building a relationship with your customers that you want to be their friend, not just put your name in front of them all the time. Don't send them cheap and cheesy pens, mugs or coasters plastered with your name unless you have a brand name that others will enjoy showing off. If it is crass and obviously advertising, your customers won't appreciate you doing it.

Do something different to stand out, be special and get remembered for it. Get this right and they will start talking about you to their friends, helping you to increase sales through referrals.

5 – Improve Your Sales Process

In making sure that you have the right people on the bus, one of the things to check is that every sales person working with you is pulling his/her own weight. If they are not making sales above their own costs, are they really worth having around? You either need to get them professionally trained to sell or let them go.

As far as training goes, it is possible for almost anybody to learn to sell better. Selling has been over-complicated and made into a confusing mixture of techniques and strategies designed to bamboozle you into buying sales training courses, books and materials forever. All of these have been designed, of course, by the sales trainers themselves. There is another, simpler way.

Selling is simply the ability to listen to the customer and match their needs with your products and services. Done well it is effortless, comfortable and there is no sense of hard sell or pushiness involved at all. One sales person I work with wanted to lift his sales. He was struggling on around £5,000 sales per month in January this year and was full of doom and gloom. After I helped him with sales training and coaching, he has sold £29,753 since the beginning of March – more than double his typical sales.

I'll Prove in Only 90 Minutes that I Can Make YOUR Business Grow 30-300%

...Your First Consultation is FREE

**No other Business Coach in the
UK Dares to offer a full 100%
Money Back Results Guarantee**

By Lee Duncan
Business Growth Coach

Have your business sales reached a plateau?

Have your profits hit an invisible glass ceiling that you want to smash through?

Are you frustrated because you seem to be stuck running your business, doing the same repetitive chores and dealing with the same problems every week, instead of being free to concentrate on sales growth and expansion?

You Can Break Through...

My name is Lee Duncan and, while you may not know me, for the last 5 years I've been working quietly behind the scenes of some of the UK's most successful small businesses.

In this time I've helped over one hundred UK business owners overcome their biggest challenges to enjoy growth of 30% to 300%, sometimes even more.

I specialize in helping business owners enjoy benefits like...

- Create a flood of sales leads
- Make more sales & profit
- Cut working hours in half
- Take regular, long holidays
- Cut out business stress

But before I explain how I can help you enjoy results like these, let me tell you a bit more about who I am.

Introducing Lee Duncan

Originally trained as a coach for management in 1993, in 2004 I decided to train with the world's largest business coaching organisation.

In March 2006 I won the European Award for Best Client Results, beating 150 other business coaches across Europe.

I am also trained in psychological profiling to help you to get the best out of yourself, grow self-confidence and eliminate bad recruitment decisions.

Knowledge To Boost Your Sales

You might be wondering how you could do things differently if you've been in business a while already. It's a great question and the answer will make sense as you read it...

I come into your business with no knowledge of what you do or how you do it. I ask the "stupid questions" that will identify quicker, faster, cheaper and more profitable ways to do things. I also bring experience from helping over 100 businesses of all types. These range from accountants to wedding veil manufacturers, carpet cleaners to IT consultants, hypnotherapists to mortgage brokers and too many others to mention.

Growth is Typically 30-300%

And, because I hold you accountable to take action, not just talk about it, you will try new things out and really enjoy your business more than ever before. My clients have grown by up to 300% in the first year. You might be wondering how fast yours will grow...

Is Success Guaranteed?

As long as you commit to taking action, I will *guarantee* your success. If your business, with my coaching, does not grow enough to more than cover my bill within 12 months, I will refund 100% of your investment in full.

You probably realise by now that you have everything to gain and nothing to lose. I look forward to meeting you.



Claim Your FREE Consultation

Lee gives a free 90 minute consultation to any business serious about growth. By the end of your meeting you will know the answer to 3 key questions

1. Can You Be Coached?
2. How Much Will Your Business Grow?
3. What Parts Of Your Business Need Attention?

Book your appointment now by choosing from these 3 easy methods:

1. Send an email to free90@leeduncan.com
2. Call my office on **01480 370142**
3. Fill in this coupon and post it to the address below

Name

Business name

Phone number

Email

Lee Duncan, Energising Business Ltd, 36 St James Road, Little Paxton, St Neots, Cambs PE19 6QW

www.leeduncan.com