

WELCOME TO THE SECOND EDITION OF THE RECESSION BUSTER!

The COVID-19 pandemic not only triggered a global health crisis, it also plunged Australia into recession for the first time in three decades. These economic conditions are unfamiliar territory for most business owners and we are here to help you navigate your way through this extraordinary period.

As we reopen our businesses we are being confronted with a new ‘normal’. More people are working from home and increasingly, staff and customer meetings are being conducted online. It’s a whole new world and consumer behaviour has also changed with a massive shift to online sales. As such, we genuinely believe your marketing and your website could be the difference between gloom doom and boom.

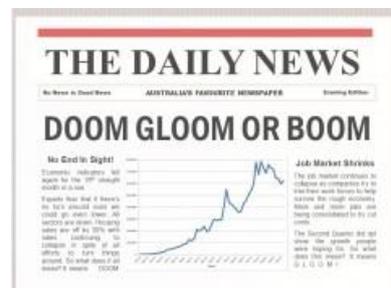
As a proactive accounting and business advisory firm we view financial statements and tax returns as the start of the client process, not the end. We do more than just ‘keep the score’ for our clients and aim to help you build a more robust, profitable and valuable business.

The purpose of these ‘Recession Buster’ newsletters is to provide you with innovative and practical marketing strategies that you and your team can implement. They are low cost initiatives that could help you revive, survive and hopefully thrive.

To grow a business you need to combine strategic thinking with the right tools and of course, people who implement.

Have a read of the newsletter and make sure you share it with your team members. To get the most out of it, read each article with the mind set - How could this apply to my business? Take notes, create an action plan and assign tasks to your team together with a deadline for their implementation.

If you have any queries or need help, please don’t hesitate to contact us.



4 WAYS TO GROW YOUR BUSINESS

Everyone wants to grow their business but sadly there's no magic growth formula. The truth is, no amount of enthusiasm, passion, hard work or talent can guarantee business growth and success.

Fundamentally there are only four ways to grow a business:

1. Increase the number of (ideal) customers
2. Increase the number of times customers come back and buy from you
3. Increase the average value of each sale you make to your customers
4. Increase the effectiveness of each process in your business.

If you could increase each one of these four factors by just 10% the compound effect would be a staggering 46.4% increase in your revenue.

In theory it sounds simple but the reality is, it's a complex process with lots of moving parts. In the digital and social age your marketing has never been more important and the internet and social media have turned marketing and advertising on its head. Offline marketing tactics like TV, radio, newspapers and direct mail have lost their marketing mojo. They have been replaced by online marketing tactics including Google searches, content marketing, email marketing and social media.

It's easy to think growth is all about attracting more new customers, clients or patients, however, it's only one part of the marketing jigsaw puzzle. To maximise your growth you need to consider all 'four ways to grow your business' and in this edition of the Recession Buster Newsletter we're going to examine the second way to grow your business – Get Your Customers to Buy More Often.

In future editions we will examine the other ways to grow your business.



How To Get Your Customers to Buy More Often

It makes sense to get your existing customers to come back and buy again and again. Research from Bain & Company suggest it can cost up to 6 times more to win a new customer than it does to have an existing customer come back and buy from you again.

Remember, you invested time and money to acquire that customer for the first sale but every additional sale involves minimal if any extra cost. The research also indicates that repeat buyers spend more with larger transactions.



It's easy to get caught up in the chase for new customers and plenty of business owners put all their marketing effort into attracting new customers. Their advertising and offers are all designed to win the attention of new customers but ironically, after winning that new customer they often ignore them in future marketing campaigns. A great example is tradespeople (carpenters, electricians and plumbers) who chase new customers but they often don't build a database to market their services to down the track. They simply assume the customer will remember them next time they need their

services. Leaving a business card or fridge magnet with the customer won't cut it anymore. Don't forget, when you decide to sell your services business you have very little to sell without a customer database.

Restaurateurs often make the same mistake yet it's so easy to get your satisfied customers to sign up to a birthday club or loyalty program to entice them to come back to buy from you again and again.

So how can you encourage repeat business?

1. Identify your best customers and pamper them

It all hinges on having an up to date customer database and then categorising your customers. If you identify the customers who keep coming back you can tailor your marketing and potentially expand the range of products or services you offer them. If you split or categorise your customer database into A, B, C and D grade customers you can develop ongoing communications and offers that are appropriate for each group of clients.

For example, your A grade customers are your ideal customers who keep returning and buying more. You could invite them to join your gold class customer club who get special offers and even discounts. Your B class customers could get special offers and product samples while your C and D grade customers might just get your regular newsletter or catalogue. Ultimately you need to focus 80 percent of your attention on the top 20 percent of your customers.

2. Deliver Awesome Service

There's no point chasing new customers if you don't deliver great service. You'll end up with a revolving door – as a new customer walks in, an existing customer will walk out. You should aim to delight your customers with a great buying experience so they keep coming back and share their positive experience on social media. Your commitment to awesome service could turn out

to be a real point of difference compared to your competitors.

Service standards including good telephone technique and even your speed of delivery and follow up can be systemised so all your staff know precisely what is expected. You want to delight your customers with your courteous approach, your point of sale, delivery and after sales service. This probably requires you to train the team so they deliver consistent, quality service.

Bain & Company research indicates a customer is 4 times more likely to defect to a competitor if the problem is service-related than price or product related. You must aim to deliver awesome customer service!

3. Nurture your customers

Customer retention is critical. Your existing customers have bought from you before, hopefully had a positive experience and simply need to be nurtured so they come back and buy again. It's just bad business to ignore an existing source of revenue that's right under your nose.

The nurturing process is designed to make your customers feel valued and with email it's cheap to stay in touch and keep your business top of mind with your customers, clients or patients. If you rarely communicate with your customers beyond the first 'sale' it's time to think about developing more 'touch points' including things like a newsletter, special offer, service reminder, thank you note or emails promoting new products or services. A business card or fridge magnet is old school marketing and not enough in the digital and social age.

Ask the customer for their email address so you can email them their tax invoice. Problem solved ... you can then add them to your customer database for future marketing campaigns.

When you've invested so much time, effort and money to earn the trust of your customers, it makes sense to nurture the relationship. Turn customers into brand loyalists and fans of your

business. Think about establishing a loyalty program that rewards frequent buyers. Follow up phone calls post-sale can strengthen your relationship with customers. Real customer service is what you do between sales.

Ultimately you probably want your communications to upsell but consumers might prefer educational information on how to use the product better, other applications for the product or how the product can save them time with a 'cheat sheet' of ideas.

In essence, they feel you're there to help them without trying to sell them anything. It shows you genuinely care and when customers are nurtured without being pressured to buy they tend to share the positive experience on social media or through word-of-mouth referrals.

In summary, existing customers trust you and they will consider purchasing other products from you. They provide the opportunity to cross-sell other products and online customer loyalty is a key driver of long-term business profitability.

These loyal online customers, just like their offline counterparts spend more and McKinsey report that e-Commerce spending for new customers is \$24.50 on average, compared to \$52.50 for repeat customers. Existing customers refer and are more willing to expand their purchases into new products and categories. As a consequence, they are more profitable than one-off shoppers and your marketing must entice them to keep coming back.

TURN YOUR 'ELECTRONIC BROCHURE' WEBSITE INTO A LEAD GENERATION MACHINE (PART 1)

During the industrial revolution there were tremendous changes to the way people did business. To name just a few, the advent of paper made from fibres rather than rags, the typewriter, newspapers, printing, mail systems, photography plus the start of radio and telephone. All of those changes must have seemed daunting and confusing at the time and that is precisely how many people feel now with the digital revolution.

The internet and social media have revolutionised the way we live, work, communicate and play. They have also turned advertising and marketing on their heads. Offline marketing tactics like TV, radio, newspapers and direct mail have lost their marketing mojo and have been replaced by online tactics like Google searches, content marketing, video, email marketing and social media.

Courtesy of the internet, your customers have access to more information in a day than their grandparents did in a lifetime. They had to spend hours sifting through their Encyclopedia

Britannica collection to research something we can Google in seconds. The



pandemic has also seen online sales and e-commerce explode so your website is now arguably your most important marketing tool.

The primary purpose of your website is to drive traffic and create leads but a lot of websites are really just electronic brochures that list the who, what and where of the business. Given the change in consumer behaviour, it could be time for a website review, reconstruction or makeover. Treat your website as an investment, not a cost and remember, it will always be a work in progress.

To help you, in the next few editions of the Recession Buster Newsletter we are going to examine some essential website ingredients that could turn your 'electronic brochure' into a lead generation machine.

1. VIDEO

Video is now a huge part of the marketing landscape and YouTube is the second biggest search engine behind Google. The statistics around video are compelling including:



- YouTube has over a billion users, almost one-third of total internet users.
- 45% of people watch more than an hour of Facebook or YouTube videos a week.
- More than 500 million hours of videos are watched on YouTube each day.
- More video content is uploaded in 30 days than the major U.S. television networks have created in 30 years.
- 72 Hours of video are uploaded to YouTube every 60 seconds.
- One-third of online activity is spent watching video.
- 85% of the US internet audience watches videos online.
- The 25-34 (millennial) age group watch the most online videos.
- Over 500 million (half a BILLION) people are watching video on Facebook every day
- 82% of Twitter users watch video content on Twitter

In a marketing sense, videos are 'white hot' and they can increase traffic to your website, help sell your products and services, let you share knowledge and keep visitors on your site for much longer (which is a Google ranking factor).

To get maximum SEO mileage from your videos make sure you write content on your social media channels that promote your videos. You can refer to them in your blog posts and remember, search engines like Google can't hear the words spoken in your videos so we recommend you include the transcript on the same page as your video.

By including the text and transcript, Google can effectively 'watch' the video, allowing them to index the content. Also, some people still prefer to read the content rather than watch the video so you satisfy both parties. A final point, carefully place the videos on the most relevant pages of your website.

2. A BLOG

Consider a blog page on your website that lets you write commentary about new products or services, the latest trends in the market or provide an insight into the industry. Your blog can position you as a thought leader or industry expert and build confidence with your customers who will see you as a reliable resource for information.



Your blog posts also help with your Search Engine Optimisation (SEO) as Google and the other search engines have an insatiable appetite for original, quality content. Your blog also serves as content to post on Facebook, Twitter and LinkedIn plus it can be re-purposed for inclusion in your newsletters and e-books.

Your blog gives your business a voice and allows a two-way conversation with customers, prospects and industry participants who can provide comments and feedback on your posts. Start by posting once a month then try and increase the frequency to fortnightly then weekly. Build confidence and momentum and make sure you reply to all comments.

3. RESPONSIVE TO MOBILE DEVICES

Research suggests that 62% of customers will stop considering a small business if they can't find information about it online. With

the majority of searches on Google now from mobile devices, if your website is not mobile responsive you are almost invisible.



Google switched to 'mobile-first' indexing years ago that means Google will crawl and index the mobile version of your website as its primary content ranking source. Previously Google used the desktop version of your website.

A mobile responsive website will adapt to the size of any screen it is being viewed on so if someone searches for your business on a tablet, smart phone or desktop your website content

and images show up and scale correctly. An unresponsive website will usually distort the way your website appears on mobile devices with text scrambled, images misaligned and users are forced to scroll through pages of information in search of what they want. This provides a poor user experience and remember, prospects are a click away from visiting your competitor's website!

LIFT YOUR CONVERSION RATE - LIFT YOUR PROFITS

Your sales conversion rate is usually expressed as a percentage and is the number of sales you make divided by the



number of inquiries you receive. When most business owners are asked what they think their conversion rate is, the majority say 75% to 80%. However, when the numbers are accurately tracked in those businesses, most owners find (much to their surprise) the figure is often as low as 20% to 25%.

Given those facts, it becomes clear that generating leads is not the greatest opportunity for the business – converting more of those leads into sales has far more potential.

By focusing on internal issues like sales training, special offers and better follow-up you can dramatically increase your sales conversion rate and increase your bottom line without spending any more on marketing.

You can start tracking conversions by simply keeping a tally of the number of inquiries you receive over a week and monitor the number of sales made from those leads. Draw up a spreadsheet and make note of each inquiry you receive and track any sales from that source. Then, at the end of the period (the week or the

month) you simply calculate the conversion rate for the whole team. Then, ask yourself, - what do we need to do to increase our conversion rate from 25% to 40% or higher?

See what answers you and your team can come up with and then quantify the financial impact on your sales and bottom line. You might get a very pleasant surprise.

Attract Quality by Offering a Career - Not Just a Job

Most job candidates, particularly the good ones, don't want just a job. In fact, they'll often go out of their way to avoid just



taking a 'job'! Rather, good people want a career or at least something with purpose and opportunities. Those people want to feel that they're making a difference, that they're contributing. If you're looking to attract quality candidates, what is your business doing to appeal to these types of people?

Take a look at the ads on www.seek.com and you will find most of them are stock standard job ads that detail the boring basics. They don't sell the real features of the employer or the role. The classic 'help wanted' ad is only marginally useful in today's competitive search for talent. Think in terms of any advertisement and make

sure you stand out in the crowd. Average job ads attract average candidates and if your business has a point of difference spell it out! Make it clear that you offer a great work environment with opportunity for personal growth, cutting edge training and potential for income growth.

You'll find most job seekers check out your website before they consider applying so if you've got one of those 'electronic billboard' sites it's time for a makeover. People will pass judgement on your business in seconds based on your online presence and you only get one chance to make a good first impression. If you're not getting quality candidates there's a reason and it's time to put your job ad and website under the microscope.



Job ads are like any other kind of advertisement, you need to get the attention of the people with the right headline. Instead of using the title 'Retail Sales Person' try something different – Can You Sell Ice to an Eskimo? If you are looking to employ passionate people then say so in the headline! There is a sea of sameness out there with job ads but an outstanding headline will get your ad read.

Tell the candidates that you offer something different and talk about how the people in your

business are a cut above the rest and thrive on team work. Tell them they'll need to think on their feet and that they will be rewarded for their efforts. Of course, make sure that you deliver on your promise! Sometimes you need to think 'outside the box' in order to attract high calibre people. Make sure you know what today's recruits want because the market has changed, particularly for millennials.

Business is a Team Game

Strategy is a top management job, but it is not a job for top management alone. The more people you involve in thinking about the direction your business should



take, the better off you will be. Involve revolutionaries – after all these are the people most likely to push the boundaries or change the game in some other way." (Boyett & Boyett – 'The Guru Guide' John Wiley & Sons.)

Your team could be those internal revolutionaries for your business – after all, they are at the coal face with your customers every day and they face challenges within your business. Why not start there for ideas on where and how to grow your business? Better yet, they'll feel more involved and committed as well.

FUNNY BUSINESS...

"I'll tell you, it's Big Business. If there is one word to describe Atlantic City, it's Big Business. Or two words – Big Business."

Donald Trump, US President and real estate tycoon looking down on Atlantic City from his helicopter, as quoted in a 1989 Time Magazine article.

**FUNNY
Business**

IS THERE VALUE IN GIVING A GUARANTEE?

What holds someone back from buying from your business?

The most common barrier is a fear of making the wrong decision. Are they buying the right product or service? Are you reputable? Is this the best deal? Is it good value? Is the product reliable? The list goes on and that fear of risk often stops customers in their tracks. Now imagine what would happen if you removed that risk – if you gave the potential customer a fall back position?

By offering a guarantee you are reversing or removing the risk for the customer. Doing so offers you a huge opportunity to increase sales. Better yet, it helps differentiate your business from your competitors.

But how risky is it? Guarantees can lift the response to your marketing by up to 350%. What would that mean to your revenue? Could you afford to have one 'bad apple' as a customer? Instead, offer customers a risk free guarantee and the good news is, statistical

research by Christopher Hart (author of Extraordinary Guarantees) shows it's only 0.1% of customers who are likely to call on your guarantee. If you're thinking 'I couldn't

offer an unconditional guarantee because people would exploit it', in reality the opposite is the case. Stand behind the quality of your products and services by offering a guarantee.

For a guarantee to be effective it must be specific. Maybe it's a lifetime warranty, full money back guarantee or return it in 30 days for a full refund. Remove the risk and fear of buying from you and promote it on all your marketing materials. Encourage your team to talk with customers about it and have it on your signage. Remember, when you literally guarantee to your customers that they will have nothing to fear in dealing with you, you'll remove the barrier and pave the way for them to take the next step and purchase.



HOW TO MAKE THE MOST OF THIS NEWSLETTER ...

Be sure to read each article and take notes on how they apply to your business. Circulate the newsletter to all your team members and to maximise the results, arrange a meeting to

discuss ideas. Set a deadline to implement and doing that should really get your business moving in the right direction.

The Recession Buster Newsletter is produced exclusively for members of the Accountants Accelerator Group. This is a group of proactive accounting firms across Australia who do more than just keep the 'score' for their clients. They are committed to helping their clients through the pandemic so they not only survive, but actually thrive.

**THE ACCOUNTANTS
ACCELERATOR GROUP**
Fast Track Your Firm's Growth

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