

PROFIT MATTERS

Helping you realise your full profit potential



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Identifying your target market

When it comes to marketing your business, having a broad or vague target market can mean your marketing messages get easily lost.

Understanding what makes your customers tick will help you to reach the right people and create more successful marketing campaigns.

Here are three ways to better understanding and defining your target market:

Research

In a business context, any data is better than none. Look to existing resources such as industry publications, news, case studies, examples and so on. Often these can provide much-needed insight into how your target customers think and behave, and what motivates them to purchase or not. This type of research also helps you to uncover external factors that might be influencing customers' purchasing patterns such as the state of the economy, technological and legal changes, etc.

Conducting your own research can complement existing research by discovering the gaps in the existing information. By creating surveys, interviewing customers and utilising social media for feedback and so on, you can gain a more comprehensive and detailed view of your typical customer.

Create a profile

Once you have some background knowledge of your target market, you can then start to create a profile of your typical customer(s). Examining your typical customer through the lens of geographics, psychographics, demographics and behavioural characteristics can help to gain a clear and specific vision of your target market.

Categorising through geographics involves consideration of continent, country, city or town

that the customer lives in as well as the size of the area, the climate, and if they live in specific neighbourhoods.

Demographics focuses on factors such as age, income, gender, occupation and education level. Whereas, psychographics focus on the interests, opinions, lifestyle, values, attitudes and personality traits of your typical customer.

Behavioural characteristics explore your target customers' behaviour towards your products and services. Analysing behaviours is helpful in understanding when they are most likely to purchase, what products and services they buy, if they prefer to purchase online or in your physical store, whether they purchase for a special occasion or regularly and how loyal they are to your business.

Evaluate

After gaining insight from your research and completing profiling of your typical customer, you can evaluate how well you are currently serving your target market and look at which areas require improvement. Evaluate how well you meet your target market's needs in comparison to your biggest competitors. Is your pricing, positioning and marketing efforts working? Look at what tactics work for your competitors that are successful.

Consider implementing feedback and suggestions provided by customers, using your research to change your marketing messages to better align the key benefits of your products and services, and so forth.

Monitoring your marketing efforts regularly is worthwhile as your customers and industry will continue to evolve - what works now may not be as effective in 12 months. Also, your target market may change completely in the future, making regular reviews and refinements even more important.



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Succeeding with an omnichannel business strategy

With more and more customers wanting to connect with companies both online and offline and at all times, businesses may be feeling the pressure to adopt an omnichannel strategy.



An omnichannel strategy integrates all channels to deliver a seamless customer experience through all business touch points. It means a business can be available at anytime and anywhere.

Here are three tips to delivering a successful omnichannel experience:

Drive customers to your physical store

Utilise your online presence to drive customers to your physical store. Advertise in-store exclusive promotions, offer click-and-collect services and if possible show availability of stock in a nearby physical store. You may also consider holding an event in-store for loyal customers to deliver a more personalised shopping experience.

Payment options

Customers want quick and easy payment solutions when purchasing online. To keep up

with growing customer needs for convenience, offer multiple payment options including mobile purchases and secure options such as PayPal. Use e-receipts to give customers their receipt via email. Be sure to break down the order costs in the shopping cart, i.e., tax, shipping costs, order summary, etc., to show the customer there are no hidden fees or charges.

Focus on improving delivery

Free delivery for online purchases is ideal as customers may balk at high delivery charges when another e-commerce site may offer free delivery for a similar product. Giving customers an option to track their delivery via the courier is also important as it provides reassurance that the order is on the way. Be sure to clearly state details regarding delivery and return policies and provide in-store returns. If your business or warehouse is located in a major city, consider offering same-day delivery for orders made in your city, i.e., orders made before 1 p.m receive same-day delivery.

Inspiring employees for long-term success

As an employer, the best way to truly drive profit is to inspire the team working for you.

Ensuring they are investing in the projects they are working on and sharing the same vision you have for the business will be the best strategy for long-term business success.

Provide great technology

By equipping your staff with updated and new software and hardware, you are providing them with opportunities to really get excited about their work. Working with outdated equipment such as computers with poor definition or a bad internet connection is only going to frustrate employees, steering them away from performing their best. Investing in great technology will pay off in the long run with the higher quality of work that will be produced.

Encourage risk taking and problem solving

If you hire a talented and resilient team, place trust in them to take risks. Playing it safe and doing things the same way they've always been done will see your business stay stagnant and prevent it from standing out amongst the competitors. Encourage your staff to brainstorm ways to solve problems, rather than dictating to them how to do their jobs. Give

them freedom to challenge themselves and push the boundaries, while guiding without controlling. If you hire a strong team of professionals, give them an opportunity to put their skills into action. They are more likely to stay with the business long term too which is an added bonus as you will save money on hiring and training costs.

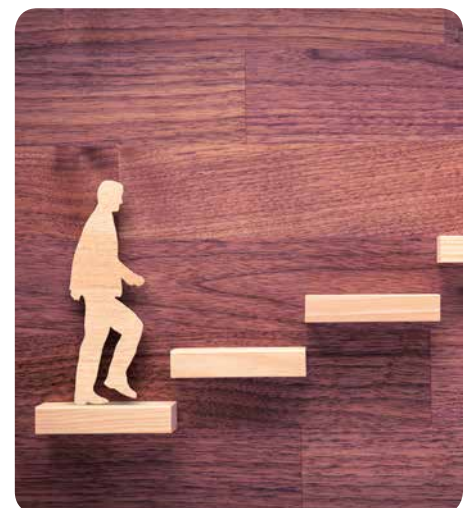
Create a team atmosphere

Workplaces where employees feel a strong sense of belonging are the type of workplaces where employees thrive in terms of productivity, creativity and skill development. The feeling an employee gets about their place of work and coming in each morning can make a huge difference when it comes to their attitude and producing high quality work. A strong team atmosphere also means employees are more likely to collaborate and seek help when faced with an obstacle rather than trying to overcome it alone.

Gratitude

There is always time in the day to recognise and show gratitude. Even if you are in a lull and your business isn't performing as well as you'd like, you are still much better off

financially than a lot of people. By showing appreciation and vocalising gratitude to those that help you succeed, you are breaking down a big barrier that can often arise between employers and employees. Expressing gratitude is not only a great way to inspire your staff, it's also a common daily practice amongst many successful entrepreneurs. Remember, you can be thankful for the smallest of things; such as thanking a staff member for staying back ten minutes, working into their lunch break or for lifting and motivating the team earlier in the week.



Signs it's time to sell-up

An important skill to being a successful entrepreneur is knowing how to transform your vision into a profitable business.

Another important skill is knowing when to recognise when a business idea or venture is simply not going to work out. Consider the following questions when weighing up what is the best move forward in terms of your business and making money:

Customers

Changes in new customer intake and the interactions you have with existing customers may be cause for concern. If people no longer want to do business with you, there may be something causing this, such as poor word-of-mouth or online reviews. It could also be that you and your staff have lost motivation to chase after sales and convert potentials into dollars.

Employees

High employee turnover and low retention rates are major indicators of a failing business. People want to feel secure in their job, and a fleeting flock shows they can tell the business isn't performing how it once did. Employees can easily

pick up on signs the business is going under, such as their work slowing down, the attitude of the employer is changing or customers are dropping off.

Cash flow

A business with no steady cash flow may be a warning sign. The inability to make a sale and maintain a continuous amount of money coming into the business means your business isn't performing. Many industries have periods of high performance and low periods, but continuous underperformance in a manner that has become the norm rather than a seasonal fluctuation means you should be weighing up your options about whether it's time to sell up.

Bills

Bills adding up without the money to pay them is a big indicator that you need to reevaluate the business and what direction to move in. Making payments such as bills, wages, super, etc., should not be seen as a hassle or something eating away at the business, but rather part of every business model. When these payments start to become hard to meet, something needs to be changed.

Benefits of cloud computing

Cloud computing is redefining the way small businesses conduct business; the advantages in the technology allow users to access data off-site, save on IT equipment and give businesses a competitive edge.

Here are a few benefits of switching your business to the cloud:

Greater flexibility

Growing businesses with a need for greater accessibility, i.e., flexible working arrangements for staff and so on, can benefit immensely from the cloud. Provided there is internet connection, you can access data from home, while on holidays, commuting or virtually anywhere across the globe.

Reduced hardware costs

Moving to the cloud can be likened to renting - you pay for your services through a cloud computing service provider. This means you don't need to purchase expensive IT systems and the costs of operating and upgrading these systems are removed. Instead, the cost of new hardware and software, etc. is included in your contract.

Automatic updates

Cloud computing has the added perk of providing

regular and automatic software and security updates for you. Not only does this keep your technology up-to-date, it frees up time that would be otherwise spent manually updating systems.

Increased collaboration and control

Employees and third parties can access and work on projects at anytime and from anywhere. Information stored in the cloud, such as files or documents, allow everyone to see the same version and include real-time visibility, so any changes made will be instantly updated.



Wise Words

Quality is the best business plan

- John Lesseter

Optimising in-house communication

Internal communication can mean the difference between having a team that thrives or plummets.

Businesses with effective internal communication experience higher levels of productivity, have stronger working relationships and a positive workplace culture.

Here are a few ways to ensure effective internal communication in the workplace:

Regular check-ins

Regular communication processes, such as a daily huddle or weekly conference calls are effective in planning, discussing progress on projects and problem-solving. Making communication habitual ensures all employees are kept aware of what is happening in the business and are on the same page. Providing regular updates to employees also helps to save time searching for information and allows them to get involved in discussions about business changes and future plans.

Flat organisational structure

Hierarchies can be detrimental to effective communication. A flatter organisational structure means there are reduced layers of management between staff and senior management. Flat structures can result in faster communication and lower misunderstandings. Another advantage is that rules and regulations are less complicated which can lead to fewer conflicts.

Team activities

An essential element of successful teams is a strong sense of community. Creating opportunities for employees to get know each other by incorporating team-based activities and activities outside of work, i.e., business events and celebrating birthdays, can help to foster closer teams. Team activities can also improve communication and help employees develop key skills such as leadership and management.

Managing work-related stress

With the end of the year fast approaching, now is the perfect time to reflect back on the year and make resolutions for 2018.

Although it may not be the first resolution to come to mind, managing work-related stress is crucial for performing optimally and feeling fulfilled with the work you do.

Stress, in any form, is detrimental to your health and wellbeing, so managing it is key to showing up as a better boss, employee, family and community member. To prevent stress from becoming a chronic issue, consider the following tips:

Identify your stressors

Are you aware of what “stresses you out”? Some patterns may emerge when you really look at how you respond to stressors in your life - you may feel physical tension when you're on the phone to a difficult client or become easily overwhelmed in meetings, etc. Identifying your stressors is powerful in understanding what brings about the most stress and how you react

to these stressors. It may be helpful to keep a journal to identify these situations and to re-frame how you would like to react to these stressors in a more healthy way.

Create boundaries

Avoid the 'busy' trap. To some degree, almost everyone is 'busy,' but it should not be an excuse to avoid downtime and relaxation. Setting boundaries helps to minimise stress whilst still managing your workload. Examples of healthy work-life boundaries may include setting yourself a deadline for sending emails, i.e., no emails after 8 p.m. or before 7 a.m., limiting contact from work while on holidays or delegating tasks.

Develop healthy habits

Combatting stress can be difficult at first - you don't know where to begin, old habits are ingrained into your lifestyle, changing thought patterns requires work, and so on. However, implementing healthy habits can dramatically improve your response to stress. Prioritising time for rest, recovery



and relaxation is critical in restoring your energy and rejuvenating for the next day. Incorporating mindfulness techniques and breathing exercises is one way to achieve this. Paying extra attention to basic habits such as getting enough sleep, eating a nutritious diet and exercising regularly can also help to fight stress.

Getting out of small business debt

Managing debt in your small business is essential in maintaining the financial health of your business as well as preventing bankruptcy.

Consider the following tips to ensure your small business debts do not spiral out of control:

Reshuffle or remove expenses

Reviewing your expenses is one of the first steps to take when tackling debt. Look at the costs you can cut out and find alternative solutions. Whether this means cancelling unnecessary subscriptions, getting rid of expensive systems or selling assets such as a company car. If you cannot completely cut out costs, plan to delay them. For example, take the full amount of time to pay an invoice so you have some extra cash to pay for unexpected expenses.

Increase revenue

Consider incorporating low-cost marketing techniques to generate additional revenue. Create low-cost promotions, such as special discounts for loyal customers, coupons, limited-time sales or offering discount codes in your email marketing for subscribers. Look for opportunities for improvement within your business - there may be

an underutilised area that could make more sales and needs heavier promotion.

Prioritise debts

Evaluate all of your debts and prioritise them according to the size of each debt and interest rates. Depending on the debt amount and what types of debt you have acquired, you could either choose to pay off the debt with the highest interest rate first or pay off the smallest debt first. Paying the smaller debts first may help psychologically as you may feel as though you are making progress. However, paying off debts with higher interest rates can help you save money on interest over the long run. Regardless of which option you choose, be sure to continue making the minimum repayments of all your debts.

Talk to creditors

Don't be embarrassed to contact creditors to inform them of your situation. Letting your creditors know your financial situation may put you in a better position to negotiate payment terms and conditions. For instance, if you have debt through a bank you may be able to arrange a hardship plan or consolidate your loans into one single monthly payment and so on.

About us

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Templeton

*Achieving better results for
your business*

At Leenane Templeton, we can:

- Positively help you identify opportunities to improve your profits
- Work with you to achieve your business goals
- Give you more time to run your business

We use our business advisory experience and expertise to monitor your business and give you proactive advice on how you can improve your bottom line and net worth.

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