

# How to Grow Your Business

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## ***Who Should Read This Article***

This article will be most helpful for those who already have been in business for at least 3 years. If you are at a stuck point and seem to have reached a plateau, the tips in this article will give you the 'what to implement' to get you on your way.

## ***Disclaimer***

To be honest, the title of this article is a little misleading. Libraries and bookstores across the country are full of hundreds, even thousands, of books written about how to grow your business. This article has one purpose and one purpose only... to give you some quick tools you can implement easily to get some quick wins and drive you forward past your stuck point. This is not an all encompassing bible. I will also mention that to be successful is not just about 'what' to implement but more importantly about the 'how' and the 'who' regarding implementation. Many people have great ideas but just don't execute. The ideas in this article will not work if you don't pull the trigger. Enough said.

## ***The Good Stuff***

So you are an entrepreneur and want to grow your business. That is a worthy goal in my books, and I'm going to reward you with some really simple strategies that work. How do I know? Because I have worked with hundreds of business owners that I've taught this stuff to. I've seen these in action over and over again. But as mentioned above, they can have their limitations depending on who is implementing.

There are only 5 ways to grow your business. They are as follows:

1. **Leads** - Increase the number of leads or inquiries coming in (new customer marketing)
2. **Conversion** - Increase the closing/conversion rate of those inquiries (sales)
3. **# Transactions** - Get people to buy from you more often (existing customer marketing)
4. **Ave \$ Sale** - Increase how much they buy from you on each transaction (sales)
5. **Margins** - The margin you make on each sale (knowing your numbers)

To make this easy, I'm going to give you the top 2 or 3 strategies I use with my clients to get wins in each of these areas. To make more sense of what I'm talking about regarding the 5 ways, turn to the back of the article for an example with numbers to see how this works.

**Warning:** Approaching the 5 ways in the correct order is crucial, and for each business it may be a little different. For the purpose of this article, I am going to address them in order as above; however that is rarely the order we actually work on them. If you'd like more clarification, shoot me an email

[jamiecunningham@actioncoach.com](mailto:jamiecunningham@actioncoach.com)

For each of the 5 areas listed above, measuring each one is the first thing you should be doing. It is impossible to improve these numbers if you don't know what they are and are not tracking them.

## Leads Generation

1. **Referrals** – by far the most effective marketing strategy out there. Also known as 'word of mouth'. The truth is, this is already the #1 way most businesses get their leads. The trouble is, it is usually because most of their other marketing does not work effectively. The other challenge linked to this is that most businesses don't focus on referrals. They primarily happen 'just because'. What would happen if you did the following..
  - a. Developed intentional ways to WOW your customer. Continually under promise and over deliver. Ask yourself the question "what would we have to do to get our customers saying, "We'd have to be crazy not to do business with (insert your company name here)!"
  - b. Implement some form of incentive / mechanism to prompt people to make the referral. Note: make sure you do point (a) first. You must first give before you get. The format of your referral mechanism will also vary depending on your business and the level of relationship you have with your clients.
2. **Host Beneficiary** – work with other businesses that share your target market but don't compete with you. Develop ways of working together that do 2 things
  - a. Give additional value to each other's clients
  - b. Introduce you to each other's clients.

An example of this that I've used in my business is to give away free tickets for our planning days to accountants to give to their clients. A \$495 of value to the accountant's client, and we get introduced to a new business owner.

## Conversion Rate

1. **Measurement** – although I mentioned this earlier, I'm writing it again because it is that important for conversion rate. Simple awareness on what this number is will change your behavior and that of your sales people. If you have a sales team, this number should be tracked on an individual basis.
2. **Sales Training** – there are 3 things that successful sales people do. They are train, train and train. The reality is most businesses invest very little time and money in training themselves or their sales people and still wonder why they don't make sales. Spend the money and the time. Get regular training. This could be as simple as reading a book a month.
3. **USP & Guarantee** – you have to be different in a way that is beneficial to your target audience to stand a chance. Be sure that your uniqueness (Unique Selling Proposition – USP) is clear and can be articulated in one sentence. If it is not easily said, then it is not easily understood and will not have an impact. A clear USP will boost conversion rate, Average \$ sales, and margin because it will move you away from price competition.

## # Transactions

1. **Customer matrix** – how well do you know your customers and their needs? I learned this lesson in my first business. In our printing shop, we often had people come in for press checks (seeing the job on the press). As they came in to the building, they would see our display area and invariably say “I didn’t know you guys did that ...”. We took it for granted that our customers knew what we did as well as we knew. Educate your customers on other ways you can help them.
2. **Communication** – have a systematic means of staying in touch with your customers. The frequency and style will vary depending on your business and type of customer, but make sure you have something. ‘They’ say that if you are not in communication with your customers every 90 days, then you have lost the relationship you had with those customers.

## Ave \$ Sale

1. **Track quotes vs Jobs** – Are you winning the bigger deals? If not, why not? Obviously this strategy is only applicable if you provide quotes.
2. **Raising prices** – the fear around doing this more often lies with the business owner and sales people vs the customer. Be sure you have your USP identified, and some sales training would not go astray before doing this.
3. **Up sell etc.** – what else can someone be buying at the same time? How can you ‘incentivize’ someone to buy more? Bulk buying discounts, bundles, etc.

## Margins

1. **Job Costing** – have an accurate system in place so you know your real costs. It is very hard to give accurate pricing if you don’t know what your true costs are. Make sure you include freight, direct labour, and materials. This should be as real-time as possible, so you always have your finger on the pulse to know how profitable you are.
2. **Efficiency** – how well do your operations run? How many mistakes do you make? Simply getting a grasp on minimizing errors and speeding up through-put can have a huge impact. Map out your workflow process (how an order goes from the customer’s mouth or email, right up to where they pay you). Know each step and where the inefficiencies lie.
3. **Focus on high margin items** – this is where knowing your numbers comes to your aid. Simply deliver your offering to focus on the high margin products you are good at. Being best in class at a few things is far better than being mediocre at many things.

## *The End*

If you truly want some of this stuff to work, then follow this advice. Pick 2 strategies to implement in the next 90 days, and put in some form of accountability. Focus is only possible when you can get your head around your priorities. If 2 seems like too much, pick one. Good luck.

**Written by**

Jamie Cunningham – ActionCOACH Business Coaching

[Jamiecunningham@actioncoach.com](mailto:Jamiecunningham@actioncoach.com) – [www.actioncoach.com/jamiecunningham](http://www.actioncoach.com/jamiecunningham)

Jamie works with success oriented business owners who really want to turn it up a notch. His niche is working with family businesses that are currently in or looking to undergo succession and want massive growth while doing it.

### The 5 Ways Model

<b>LEADS</b>	4000	10%	4400
	X		X
<b>CONVERSION RATE</b>	25%	10%	27.50%
	=		=
<b># OF CUSTOMERS</b>	1000		1210
	X		X
<b># OF TRANSACTIONS</b>	2	10%	2.2
	X		X
<b>AVG \$ SALE</b>	\$100	10%	\$110
	=		=
<b>REVENUES</b>	\$200,000		\$292,820
	X		X
<b>MARGIN</b>	25%	10%	27.50%
	=		=
<b>PROFIT</b>	\$50,000		\$80,525.50