



Attracting return customers

Most business owners know that it costs more to attract a new customer than to keep an existing customer happy.

In the current economic climate, working on maintaining a relationship with existing clients is worth investing the extra time and money to build business loyalty.

Outperform

Give customers more than they expect, and work on exceeding their expectations. This can start with building up a portfolio of unbeatable products and services, and extend to offering exemplary customer service and guarantees.

Incentive

Giving customers an incentive to come back may be as straightforward as creating and implementing a loyalty program, and offering discounts, special events, promotions, early access to sales or even freebies.

Customers will appreciate a business that appreciates their loyalty. It shows that a business is paying attention and makes them feel valued and included.

Community

There is nothing more powerful than a sense of community. In some industries, it may be easier to tap into a sense of community based on the shared interests of its customers.

Businesses should not underestimate the passion of consumers of even the most niche products and services. If someone is buying or using it, then people are interested in it.



Work on being part of the community, however large or small.

Appreciation

Clients will notice even the smallest of thoughtful gestures. Some companies make follow up calls or emails following the conclusion of a transaction.

Thanking customers for buying or using a service goes a long way in cementing in the customers mind that they are not just another faceless number.

Communication

With the prevalence of social media, small businesses are able to reply directly to customer complaints or issues.

Rather than ignoring these, or responding with PR spin, it is good business, both from a customer service viewpoint, and an internal viewpoint to acknowledge the complaints and see whether this is endemic throughout the company. Client complaints can be the first sign that things need to be fixed, and constructive criticism should be encouraged.

How to make online content more engaging

Getting rid of products to improve profits

The importance of employer branding

Outsourcing small business tasks

Writing effective marketing copy

HELPING YOU REALISE YOUR FULL PROFIT POTENTIAL

Writing effective marketing copy

In the frenetic world of small business management, good marketing copy is often overlooked, with priority placed on cash flow, sales and inventory management.

With the popularity of social media, great copy is incredibly valuable in attracting the attention of digitally driven, tech savvy and time poor consumers.

Following a few basic rules when writing marketing copy can go a long way in helping a business stand out and attract customers.

1. Target audience

It is necessary to identify the target audience. Tailoring the language and the message will be more effective as each industry and demographic has its own language which will appeal and speak to the right audience.

2. The voice of the business

Understanding the identity of the business will go a long way in helping develop its own clear and distinct voice. A recognisable voice will in itself send messages about its values to the consumer.

For example, a homemade biscuit company might adopt a friendly voice when describing its produce, conjuring up the image of a warm and inviting kitchen to the consumer.

3. Brief

Short, impactful and clear copy is far more effective than meandering long copy. It isn't always possible or necessary to describe everything about the business in the copy. Focus on promoting the most important aspects of the product, company or service.



4. Call to action

Marketing copy is there with a goal in mind, whether to announce, promote, encourage etc.

Understanding the goal of the copy, and creating a call to action will result in more customer feedback and engagement.

5. Address customer concerns

This may be counter intuitive, but playing the devil's advocate will assure readers that the business has considered their natural scepticism. This also allows the business to emphasise their unique selling point, "You may think products like these are expensive. However we make sure they are always affordable."

It is vital to remember that every word chosen sends a message to the consumer and that effective marketing copy should reflect the values of the business and show that it understands the needs of the consumer.

Outsourcing small business tasks

With the cost of running a business increasing, it may be worthwhile for small businesses to embrace outsourcing as a way to reduce time and money spent on basic, everyday business tasks.

Small businesses are able to save on a myriad of everyday costs associated with running a business, such as a call centre, payroll department or bookkeeper.

Functions to outsource

Assistant. A virtual assistant can make scripted phone calls, research information online, complete data entry and send bulk emails.

Specialised help. Specialised services such as graphic work, writing or editing can be sourced from experienced and professional freelancers.

Call centre. Using an overseas call centre can be effective

for businesses whose selling point is not primarily its customer service.

Outsourcing challenges

Time difference. The chances are that most of the outsourcing work will take place overseas, and with that comes time differences. A way to deal with this is to bundle up all the work that needs to be done at the end of the working day and ask that it be finished by the next morning.

Language. Language barriers are common and can be avoided if the chosen outsourcing firms or individuals have been thoroughly vetted before that, with enough Skype or email conversations back and forth to satisfy the language requirement.

Communication breakdown. The bigger and more complex the task, the higher the chances that something will be misunderstood or lost. Work around this by breaking down the tasks into manageable bites.

The importance of employer branding

Small businesses are increasingly facing skill shortages as the competition to attract staff remains a key concern for business owners.

One strategy to deal with this is to focus on employer branding as an effective tool to engage professionals, increase productivity and reduce staff turnover.

In short, employer branding refers to building brands that people want to work for. Specifically this refers to the image of an organisation as a 'great place to work,' and is an essential part of business strategy.

Small business owners trying to recruit in a competitive market should work on communicating the unique selling point of the company to the candidates it wants to attract. This can range from promoting the values of the business, its ambitions for the future, its company culture and its business strategy.

While every business will have different brand values it will wish to emphasise, it is vital to note that employer branding works from the point of view of a client or employee and may not be the same as how the business owner or manager views the company and its goals.

Why employer branding is important:

Cost effective. Strong employer branding helps attract the right talent which will save costs in the long run by

reducing the number of new hires and the extra time used in training. Branding also breeds loyalty amongst employees, resulting in an improvement in retention rates.

Growth. Attracting and keeping talent encourages growth in the company as long term employees have made a commitment to build on the success of the business.

Employees as brand ambassadors. Strong employer branding inspires positive word of mouth which can influence consumers and future employees.

Having a strong business identity is a crucial starting point onto which to build a successful employer brand, and should be the first focus of any branding exercise.



Getting rid of products to improve profits

Businesses looking to improve their profitability may need to consider cutting under-performing products and services.

No matter how much time and effort went into developing a product, if the business is being dragged down by low performing inventory, then it may be time to make a cut.

There are a few simple ways to decide which products should stay and which should go.

80/20 rule

An often used marketing and business rule states that businesses should focus their attentions on the 20 per cent of products that generate 80 per cent of revenue. Using this principle, companies should compile a shortlist of the products and services that bring in the most profit and scrutinise the products that fall short of this mark.

Businesses may be reluctant to get rid of a product or service that has cost a lot to create, develop and market. However, if it has not met profit expectations, then keeping it on board will do more harm than good, costing the business time, energy and money in the long term, while taking focus away from developing new products and services.

Emotional attachment

There will always be those few products that have emotional significance, however for the sake of profitability businesses should emotionally detach themselves from their products and services.

A business can develop an emotional attachment to their first product, their highest selling one or the one that is beloved by all. These products are associated with feelings of pride, nostalgia and achievement, which will make them hard to shake.

However, chances are they have been superseded by better and more profitable offspring.

Trial run

If it is still too difficult to make the right cut, businesses should consider doing a trial run.

Going a week or month no longer promoting and marketing the least profitable products will help imagine a life without them. During this time the extra money saved can be focused on promoting the most successful items. At the end of the chosen time, businesses should analyse the results. Has there been an improvement in profit? Have customers asked for the 'invisible' products? The results should help the business come to a decision.

How to make online content more engaging

With Facebook now prioritising picture heavy posts in their news feed, small businesses are being urged to refocus their efforts in connecting with their customers via social media.

Although social media may be relatively new compared to more traditional modes of marketing, it is nevertheless an incredibly useful and effective way to engage with potential clients.

However, many small business owners are falling behind in understanding which social media platform is best suited to their business model and target audience.

Facebook

Great for: retail, services, hospitality

Having a Facebook presence is almost a necessity for most businesses, allowing them to involve customers via blog style posts promoting products, news and encouraging users to share these posts with their friends; invaluable and free modern day word of mouth.

Having a Facebook page is also an excellent means of developing awareness of a product or brand.

YouTube

Great for: retail, services, tourism, entertainment

Businesses with a product to sell are able to showcase their work with short, catchy videos, offering customers a deeper engagement with the business via behind the scenes of product lines, tips and reviews.

YouTube is the second most used 'search engine' on the internet. Users spend an average of 23 minutes on the website looking at videos, giving businesses a large and

focused audience to target. Although the demographic is generally younger, there are a variety of videos catering to all ages and interests.

The ability to search videos using tag words also gives businesses a way to market key interest words to their clients. Many have extolled the power of online video, though many small businesses are yet to see its true potential.

LinkedIn

Great for: finance, academic

LinkedIn can be a valuable tool for a business if they recognise its potential as an online version of a business lunch or conference.

Having a LinkedIn profile can build a connection within an industry by using the groups and discussions features to showcase a business' knowledge and expertise.

If potential clients are able to see that a business is experienced and professional, they are more likely to want to deal with them.

Twitter

Great for: technology, hospitality

The potential of this platform for small businesses is far reaching; as long as a clear and committed strategy is used. Small businesses need to dedicate time and focus on publishing relevant content to their followers.

Twitter is a powerful way to update customers on the goings on of a business and allows businesses to converse with their clients in real time and more informally. However, a happy medium between too much content and too little is necessary in order to reap the benefits of twitter.

ABOUT US

Achieving better results for your business

At KRS Accountants, 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 business value.

Our services include virtual CFO, tax agent, financial accounts, salary packaging, budgeting & cashflow analysis, management reports, business health checks and corporate compliance.

Call us on (07) 5510 4892 to discuss ways in which we can help your business become more profitable.



DIRECTOR
Kevin Smith

P: (07) 5510 4892
info@krsaccountants.com
www.krsaccountants.com



Liability limited by a scheme approved under Professional Standards Legislation



Chartered
Accountants

