

Portofino Asset Management presents...

The Nine Biggest Mistakes Business Owners Make And How to Avoid Them



Nine Biggest Mistakes Business Owners Make *And How to Avoid Them*

Are you completely satisfied with the current performance of your business, or have you struggled to consistently meet your financial goals over time? If you're like most small to medium sized businesses, chances are you'd like to have some level of improvement.

Portofino Asset Management created this guide to help business owners improve their results. We've been helping financially successful businesses and for over 20 years, and we've helped many hundreds of individual owners. As a result, we know the types of business mistakes they've made over and over again.

In this guide, we explain nine important lessons on what we believe bring business success and what can lead to failure. We're confident the guide can help you increase your chances of reaching your business goals in this time of uncertainty.

Mistake #1: Not Having A Clear Strategy

Mistake #2: Fail to Leverage across multiple dimensions

Mistake #3: Offer No Reason Why People Should Do Business With You

Mistake #4: Keeping Things The Same

Mistake #5: Focusing on Your Product Rather Than Your Relationships

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Mistake #8: Fail to see things from your Customers Perspective

Mistake #9: Be Passive not Active

Bonus #10: Focus on Why You CAN'T Instead of HOW CAN WE

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1.

Mistake #1: Not Having A Clear Strategy

One of the biggest problems we see with businesses is that when times get lean, they start to become opportunistic and move away from what they do best and are known for.

Businesses that remain leaders in their field tend to stick to a core story and have clear strategies that are known by their staff and clients.

Here are some ideas on some clear strategies that successful business stick with:

Spend more time marketing to the customers you've already won over. This includes current and past customers who haven't been active buyers for some time. Stay in touch with periodic publications like newsletters or catalogs. Write, call, fax, email, or mail information at regular intervals. Implement a loyalty program that rewards customers for their patronage. Get infrequent customers to re-order more consistently by simply keeping in touch and presenting new products and different combination packages. Go back to those who bought from you in the past as they're much more likely to buy from you again.

Make marketing your top priority. Make marketing an essential daily task, as it's the engine that drives every enterprise. Delegate a predetermined amount of time, or commit to a number of daily tasks (try 5 a day) for generating new business. If you regularly spend 30 minutes a day on proactive marketing, try doubling your efforts by increasing your marketing time to 60 minutes. If you can't possibly find another 30 minutes in your busy schedule, set your alarm clock half an hour earlier. At first you might find it challenging to haul yourself out of bed any earlier, but eventually, you won't even notice as you make it your new routine. The extra 30 minutes spent on promotion may be the most important 30 minutes of your entire day.

Use information to your advantage. By providing helpful information, you position yourself as more knowledgeable, experienced, skilled, and service-oriented than anyone else in the industry. Information can be produced inexpensively and offered in a variety of formats to provide added value. By offering sound and timely advice, people will trust you and favour you with their business and the cost is negligible. Books, cassettes, CD's, videos, booklets, articles, and reports can all be effective ways to communicate specialised information. Since they're not just promotional, these items tend to receive greater acceptance in the marketplace while helping to sell yourself and your company. The idea is to share important information your audience wants. Expose your specific knowledge, skills, and experience and you'll raise the awareness, positioning, and perception of what you offer. Your intention is to get your message, company name, and your product out there in front of people who have the potential to buy.

Be careful about lowering prices on your major products. Often a drop in price is the first instinctive reaction at times of slower sales... but it's usually not in your best interests to do so. A lower price is likely the first way your competitors react. Marketing on price alone is a weak position to take and one that's virtually impossible to defend. Your competitor can easily and quickly beat you by offering an even greater reduction. If you're using price as your main strategic weapon, you have no choice but to respond. As prices drop, so do profit levels. This forces you to make cuts in other ways by reducing services, staff, or by squeezing suppliers for better wholesale prices. Selling on price is a difficult and dangerous game as there's always someone willing to offer a deeper discount.

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TIP – In fact, introducing a high-end product always has great results. Something that is at least twice as expensive as your highest price item. Make it featured. Tell the story about it. You will be surprised at the result.

*“If you don’t drive your business, you will be driven out of business.”
B.C. Forbes*

Sell hope. No matter how bad things may appear... better times lie just ahead. As humans, we’re driven by the desire to avoid pain and gain pleasure. Help people feel better. Give them hope and at least a temporary distraction from their troubles. As humans, we are naturally attracted to people, places, products, and services we perceive will lead us to greater happiness, fulfilment, greater pleasure, and less pain. Attach positive feelings to your product and business. Be upbeat, positive, optimistic and energetic. These feelings will come through in your marketing messages and the way you conduct your business. Others will feel the positive vibrations you’re sending out and they’ll be drawn towards your business.

*“In our factory, we make lipstick. In our advertising, we sell hope.”
Charles Revson*

Redefine your marketing system. Look at the 3 ways to improve sales – increase the number of first-time customers... increase the dollar value of each purchase transaction... increase the number of times each customer buys from you again over time. Concentrate initially on an effective method for attracting prospects that are more likely to convert to customers. It’s high- probability marketing. Don’t necessarily go for the sale right away. Focus new lead-acquisition efforts on those who are interested, fit your customer profile, and have the ability and authority to make a purchase. If they made similar purchases recently, they’re even more qualified. But not everyone is an ideal prospect for your product. Focus your energy on high-probability conversions. Zero in on your specific niche market. Get them in the door first. Build a base of first-time customers. Then... work at increasing transactional values and repeat sales.

*“I am the world’s worst salesman, therefore, I must make it easy for people to buy.”
F.W. Woolworth*

Market to past prospects (people who didn’t buy from you but looked). Though the marginal value of a prospect is considerably less than that of a customer, it may still be in your best interest to repeatedly invite prospects to buy. The simple fact is that in any market, there are always more prospects than customers. Nobody ever sells 100% of the people they reach. But just because a prospect didn’t act on your initial offer – however strong it may have been – that doesn’t mean they won’t become your customer in the future. There are infinite possible reasons why they didn’t buy the first time around. With subsequent offers you can turn some of these non-buyers into lifelong customers.

Mistake #2: Fail to Leverage across Multiple Dimensions

One of the danger numbers in business is one. One Client, one Product, one Supplier. The number “One” spells pending disaster. Successful businesses look to leverage or take advantage of many ways to get clients, service clients and retain clients.

How else can you leverage your clients, your products or your suppliers?

Here are some ideas around leverage.

Link your product or service to kindred businesses. Connect with other small business owners who market similar, but non-competing products and propose a Joint Venture (JV) of some kind. You could exchange customer lists, insert promotional pieces into your partnering business’s outgoing packages, buy their customer or prospect list, or get them to endorse your product to their in-house list — for a percentage of the revenue generated. Look for natural compatibility – office supplies and computers, athletic apparel and gyms, or flowers and gourmet chocolates. Joint venturing is an opportunity to generate additional cash for both parties by tapping into obvious high-probability revenue streams.

Offer cash-generating solutions to struggling competitors. As competition intensifies and sales slow for many businesses, new opportunities open up for you. Weaker companies will crumble and fall when faced with financial challenges. As competitors struggle to survive, they’re more likely to be interested in a joint venture of some kind. Cash flow is crucial so by suggesting possible JV’s, you’re giving them an opportunity to generate badly needed revenue. You want to access their customer base – they want your cash. The real value of a business is not in the equipment, machinery, vehicles, or real estate – it’s in the customer list. Customers are the asset you most want to nurture and harvest. During an economic slowdown, you can often “buy” your competitor’s customers at a substantial discount.

Maximise your marketing dollars by prioritising your efforts. Your best and lowest cost option is to first direct your marketing efforts to your own house list. These customers have already placed their trust in you. If you’ve delivered a satisfactory experience, they are much more likely to buy from you again. Secondly, look at low-cost, high potential yield opportunities such as publicity, and online marketing. Next, consider lower cost lead-generation tools such as small display ads, classifieds and postcards. Strive for maximum results in the shortest period of time and at the lowest possible cost.

Make your marketing more productive and efficient without spending more money. Strengthen your advertising with a bigger promise and more enticing offer. Expand your Unique Selling Proposition (USP) so it distinguishes your company more clearly and decisively. Extend your guarantee or make it a “better than risk-free guarantee”. Closely monitor your advertising. Be in tune with what the market wants and be willing to shift gears quickly. Test different headlines, offers, prices, incentives, and advertising media.

TIP – Extend your guarantee period, say from 30 days to 1 year.

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Systemise all major areas of your business – including operations, finance, and marketing. A well-planned system simplifies and organises each process, making your company run more effectively and efficiently. Systemised marketing automates the task of continuously getting your message in front of prospects.

The first step is to use lead-generation techniques such as small ads, postcards, and publicity to attract interested prospects. Each response or inquiry is then sent detailed sales material. Follow-up mailings are made until a sale occurs, or it's deemed no longer cost effective to pursue that particular prospect. A system is a repeatable process that can be done almost automatically. Generate interested, qualified leads — then follow through until the sale is made. After that it's up to you to deliver a superb product and great customer service. Success is about continuously delighting customers.

“Method goes far to prevent trouble in business: for it makes the task easy, hinders confusion, saves an abundance of time, and instructs those that have business depending, both what to do and what to hope.”

William Penn

Mistake #3: Offer No Reason Why People Should Do Business With You

This mistake is so common it's almost normal. And those businesses wonder why business is not going so well. You must take a stand and let clients know why should they do business with you and every other competitor you have out there.

Giving clients a reason why is so powerful. Here are some ideas on how to make a difference.

Incite immediate action with an extra incentive. Give them an extra push – a strong enough reason to respond immediately. Incentives are the key to stimulating response. Tilt the scale in your favour. Provide such an appealing and tempting bonus that closes the deal and makes it emotionally painful to pass up such a compelling offer. Most ads and marketing pieces fail due to the lack of a strong incentive. Use bonus reports, books, videos, CD's DVD's and gifts such as storage devices for the product purchased. The best bonuses enhance the value of owning the product. Use other incentives like guarantees, exclusive memberships, accumulated product benefits, benefits only available from bonus items, pleasure, relief of pain, financing options, etc. to move people to action.

Strengthen your guarantee. Buyers are first and foremost concerned about themselves and what they get from a transaction. This sense of "What's In It For Me?" is even more prevalent in tough times. To get more prospects to try your product, take away any perceived risk of buying. Give them a way out should they be dissatisfied for any reason. The value of a strong guarantee is the safety net it provides.

Extend purchase options. Offer different payment packages. Give customers the opportunity to purchase their longer-term needs at a substantial discount. Get them to commit to a twelve-month supply in advance — shipped as required – but prepaid at a sizable discount. A percentage of buyers will take you up on your offer if the incentive is strong enough. This kind of arrangement benefits you three ways:

- It gives your cash flow an immediate shot in the arm
- It increases the frequency of use of your product, helping to re-sell the customer each time
- It increases your profit on the sales transaction

*TIP – Be bold, offer a trial of your product for 30 days then debit the client.
When this is done you'll see about a 3X increase in sales with a 2X increase in returns.*

Simplify the decision making process. Provide important details and make them easy to find. Your prospect has enough decisions to make every day and probably doesn't need any more. Help make the decision to do business with you an easy and almost automatic one. Reveal your distinct advantages with clarity. Give prospects strong enough reasons why doing business with you NOW is their best option. Your prospects don't want to expend mental energy. They don't want to have to think long and hard about buying your product – that requires extra effort. Present the information in a way that allows prospects to quickly evaluate it for themselves. Do the difficult thinking for them. A comparison chart can work well where it positions you as the overwhelming best choice.

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Provide better value. Give your customer more. When everyone else is cutting back to trim costs they're taking things away from the customer, often without realising it. Cutbacks are a common reaction – a survival tool. But how does it affect your customer's experience? Do customers feel that you're cutting back and giving them less in exchange for their money? Now is the time to give them more for their money – not less. Add something more — an extra product or service to the mix. Choose items like information products and consultation services and your out-of-pocket expenses will be kept to the bare minimum, yet you'll be offering greater perceived value.

Mistake #4: Keeping Things The Same

One certainty in life in our current times – is that staying the same means you are going backwards.

If something doesn't work – change it and try again. If you are not selling, then change the price, change the sales copy, change something and try again.

Companies who do nothing – do not deserve to be helped. Try these:

Enhance the perceived value of your offer. Reassess your product or service. Is it what your target market really wants? How does your prospect view your product, service, or company? How can you revise or repackage your product to be of greater value in the marketplace? Perceived value is the key – that's what everyone wants, but they're more focused on getting better value when times are tough. Conduct a brainstorming session with key people where participants are encouraged to spit out creative ideas, even the silly ones. Ask how you can make your product or offer more valuable, versatile, practical, elegant, portable, attractive, useful, or necessary.

Inject a new feeling of enthusiasm and passion into your daily business activities. Expand these feelings into all your ads and marketing materials. You need to be fully engaged and passionate about what you do and what you sell in order to motivate others into taking action. Sincere enthusiasm and passion is infectious. Others will feel it too. It projects a feeling of confidence in your own products, which in turn, gives others the confidence they need to feel good about making a purchase.

Reduce the fear factor. When sales slow down, review your marketing copy. In times of recession and economic uncertainty, your sales copy can often benefit not by adding extra advantages or selling points, but by alleviating your prospect's heightened sense of fear. Challenging times makes most people more reluctant to spend, particularly on high-ticket items and products and services that might not be deemed essential. Each expense is scrutinised with greater care. Make it a less daunting purchase. Offer a payment plan over time. A low-interest option on expensive purchases like cars can work wonders. Provide a better than risk-free guarantee. Ease them into a purchase with a low-cost introductory package or trial period.

*“Markets change, tastes change, so the companies and the individuals
who choose to compete in those markets must change.”
An Wang*

Learn from products that traditionally sell well in adverse conditions. As an example, recent studies indicate that people are spending more money on home entertainment, improvement, furniture, and security systems. A common tendency is to hold back on large purchases and curtail spending splurges. Fear and uncertainty play a major role here. It's difficult to run up credit card charges when you can't be sure you'll be employed next week. People need to feel a degree of comfort and security to spend money. Help to give people those feelings and you'll increase sales. The auto industry understands this. By offering 0% financing, they sold cars in record numbers.

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Seek new sales outlets. Explore joint venture partners, outside distributors, and licensing arrangements with established and reputable firms. Consider producing foreign versions and offering territorial distribution rights. These are ways to fast track your expansion into new markets – markets that may be difficult to penetrate yourself. A good JV partner or distributor already has an established reputation in their respective markets. In essence, you get more than an initial channel of distribution. You receive their implied endorsement. They've already earned the trust of customers. By making your product available too, they're, in effect approving your product for their own family of customers.

Mistake #5: Focusing on Your Product Rather Than Your Relationships

A universal principle for success is: Find out what customers want, then provide it to them.

Too many times we see businesses that are completely fixated on their widget or gadget. Take time to find out what your clients really want. What other items or services do they want that would make your product even better?

Demonstrate to clients that you care about their needs. See if these ideas help.

Develop strong relationships with your customers. Relationships blossom when customers feel good about you and their shopping experience. What feelings do your customers take away from their visit or interaction with you? How can you make them feel even better? Enhance their perceptions about the entire experience and they'll feel good about you. Good feelings are a prerequisite to repeat and referral business.

Plan for the long term. Your intention should not be to merely make a sale now, but to gain a customer. A delighted customer is infinitely more valuable to your business than making a quick buck. Sure, immediate cash flow is important to keep the wheels of business turning. But to the intelligent entrepreneur, the initial sale is only the beginning. What makes the difference is the value you gain from each customer over a lifetime. Repeat sales are where the big profits are earned.

*“The purpose of business is to create and keep a customer.”
Theodore Levitt*

Redirect your focus to better serve your market. Forget about your product... your service... and your company for the moment. Put the focus squarely on your prospects and customers. Show what you can do for them – instead of merely showing how good your product is. For prospects to take an interest in the solutions you offer, you must first take an interest in their problem. People are primarily interested in themselves. Addressing those self-interests grabs the attention of those you want to reach. It gives you a direct route to the prospect's mind. A marketing approach based on the self-interests of the audience is a foundational building block to long-term success. Getting up close and relating to your prospect in a personal way is even more important in a down economy.

Care more than others do. It's a simple thing, but one that can make a big difference to your bottom line. We've all been in situations as consumers where it was clear to you that a company was far more interested in profits than people. You don't have to look very far to find this kind of corporate indifference. Entrepreneurs can gain a larger share of the market by providing a high level of service and by caring more. Listen to your market and give them what they want, the way they want it. Show you care by demonstrating a genuine interest in enhancing the customer's experience. Do the little things superbly well. Care passionately about the people you serve.

Express your appreciation. A simple “Thank You” note after a sale can go a long way to solidifying a positive experience. From the customer's perspective, it's nice to be acknowledged and appreciated. How often does this happen to you? No one ever gets thanked enough. In your market, the more unusual or rare it is to receive a thank you note, the more your customer will appreciate it. By taking the time to express your sincere gratitude, you simultaneously enhance your image.

TIP - Even better – handwrite the note

Keep in touch. For any relationship to endure, it requires occasional contact. Satisfied customers are usually glad to hear from you. Continually seek out information and gage the level of satisfaction you're providing. Encourage candid responses and be willing to look beyond initial reactions that may be hiding the truth. Keep in touch in the way your customers prefer. Give them the option of hearing from you by mail, email, telephone, or fax. Reinforce your appreciation of customers by giving them first crack at any new merchandise, sales, discounts or special offers. Make this one of the advantages of being on your customer list. By staying in touch with periodic information that's meaningful and of interest to the marketplace, you'll strengthen customer loyalty and generate additional sales at the absolute minimum cost.

*TIP – Newsletter research, writing, editing, can be outsourced for very little.
Don't even consider doing this yourself.*

Seek referrals. After you've over-delivered on your promises, ask customers to tell others. Offer to send your catalog along with a discount coupon for first-time purchasers. When customers are delighted with your product or service, they're eager to tell family, friends and associates. Offer incentives to newly referred customers and reward those who sent the business your way.

Mistake #6: Keeping Your Communications A Secret

Most business owners and their business have fabulous stories about how they came to be, what interests them the most, what they do, how they do it, etc. Trouble is most keep these wonderful stories a complete secret from clients and staff.

Stories sell. Being human is normal. Share your stories with clients. See what happens.

Maintain a consistent presence in the marketplace. A common mistake during challenging economic times is to slash marketing budgets and withdraw advertising. It's a reactionary retreat in an effort to reduce expenses. But the marketplace relies on familiarity. When your regular ad suddenly vanishes, the perception is that your business has disappeared too. Whenever prospects are unsure about their choices, they tend to favour the one that's most familiar, the one they've heard the most about. To make your product known, you've got to maintain a presence in the marketplace. Advertising allows you to do that on a wide scale. Familiarity means business so keep getting the word out.

Examine every aspect of your business from a marketing standpoint. Every contact, direct or indirect, has an impact. Each one has the potential to be pivotal. Look closely at your brochures, business cards, websites, sales letters, offices, company vehicles, yellow pages ads, staff appearance, and the attitude of your receptionist. Each possible point of contact either helps you or hurts you. First impressions leave their mark and are often irreversible. They last beyond the moment and tend to colour any future information about you, shaping the prospect's perception of you. Develop ways to make a great impression at every contact point.

"To succeed in business it is necessary to make others see things as you see them."

John H. Patterson

Add a human element to your marketing. Sign your sales letters personally. Provide a knowledgeable and concerned live voice at the end of the line instead of a maze of voice mail options. Reveal something about you and your company. Prospects want to have a comfortable feeling about you beforehand. You want them to connect with you and establish a buying relationship, but they know little about you, your company, products and services. They want to see who they're doing business with – a real person – but most companies use stock photos of models, buildings, offices, trucks, or common products. Add personalisation — your own fingerprint to your marketing materials. Prospects will feel a stronger connection and therefore be more inclined to do business with you.

Mistake #7: Sticking with Boring or No Marketing At All

When everyone else is going left – successful people go right.

Whether we like it or not, the majority of people are usually wrong. So in times like now, great companies will ramp-up their message, ramp-up their marketing and will claim more clients.

What will you be doing?

Make your advertising pay off. Grab immediate attention with a headline that addresses the self-interest of your audience. Offer your strongest benefit in the headline. Tell why your solution is better, faster, easier, cheaper, or safer. Present a strong introductory offer. Offer a risk-free money back guarantee. Use additional incentives such as coupons and bonus gifts. Show them how they can get what they want and make it remarkably easy to do so.

“The best looking merchandise won’t sell without the intelligent persuasion of somebody’s words.”
Elmer Wheeler

Use powerful, targeted advertising to impact your market. Advertising gives you total control of your message and allows you to deliver it in a way that captures attention, interest, curiosity and response. Effective advertising is the engine that powers many successful businesses. It does cost money, but the potential return on investment is many times the cost. A good ad follows this basic format:

- Captures the attention of a predetermined target prospect
- Conveys a degree of importance and tells the reader why he should be interested (benefits)
- Builds believability with customer stories or testimonials
- Presents an irresistible, limited offer
- Leads prospect to the end result he desires, by way of the order form.

Connect with new prospects by making your ads resonate. Your mission in outside advertising is to trigger responses from new prospective customers. To do so, you need to make a mental connection with the kind of person you’re trying to reach. To capture their attention and undivided interest, talk about something that’s important to your prospect. To get a response you must first attain a level of rapport. To build rapport, understand your prospect and connect on an important issue. Take him by the hand and clearly communicate your unique benefits, strong guarantee, and irresistible offer. Make it very obvious that it’s in your prospect’s best interest to act and act now. Capture attention and interest from the headline to the order form. Fuel enthusiasm to the point where it cannot be stopped. Get prospects reaching for their credit card early because the advantages are overwhelming. Give them that warm, fuzzy feeling inside where they not only want what you offer, but they simply must have it. Do the work for them. Present the facts, and figures. Provide comparisons that conclude with your clear-cut advantages. By doing so you’re making the decision to act a no-brainer.

“Salesmanship is the art and science of serving the needs of a market by helping them overcome their natural resistance to purchasing something that is ultimately to their advantage and far more valuable to them than the money they exchange for it.”
Carl Galletti

Demonstrate proof of your claims. Let prospects hear from past customers about their experiences. Use testimonials in all your marketing materials. Testimonials influence perceptions – more so than sales copy alone. It's a third party endorsement provided by someone who apparently was once in the same place the prospect is now. Testimonials help set the stage by establishing a level of expectation. They add believability and credibility to any sales presentation.

“Stripped of nonessentials, all business activity is a sales battle. And everyone in business must be a salesman.”

Robert E. M. Cowie

Employ stories and metaphors to illustrate important points in your presentations and marketing materials. When you can liken your point to something the prospect knows and understands it makes sense right away. It simplifies things, making complex ideas and concepts easy to grasp. Using examples speeds and simplifies understanding. It also makes your marketing efforts much more interesting to the audience. When you offer supplemental content to make your point, you shed light on your message and make more of an impact. It helps to crystallise your words by painting a clearer, more vivid picture – something that's instantly understood. Stories, metaphors and examples help you make your point and define your ideas with clarity in a simple, yet compelling way.

“The truth isn't the truth until people believe you, and they can't believe you if they don't know what you're saying and they can't know what you're saying if they don't listen to you, and they won't listen to you if you're not interesting, and you won't be interesting unless you say things imaginatively, originally, and freshly.”

William Bernbach

Mistake #8: Fail to see things from your Customers Perspective

As we mentioned in Mistake #5, seeing things from your clients' perspective gives you insight into what they want. Smart businesses will change their offerings accordingly and be more appealing to clients.

Take time out and talk to your client – get their views – you might be surprised.

Shore-up your marketing weaknesses. Make every person, every communication, and every representation of your company contribute a positive perception about you. Every encounter you have with people influences their perception of the experience and your company. You can have the best products, services, prices and people. But one bad experience with a moody cashier, order taker, or delivery person and all the positive attributes are soon forgotten. Any one thing that frustrates, angers, or annoys a customer can cause them to never buy from you again. Not only that, but studies indicate people are more likely to tell others about their negative shopping experiences rather than the positive ones. Everything is marketing... and marketing is everything.

Appeal to your prospect's emotions. Hit the "sweet spot" — the hot button that captures their attention and interest. Get them emotionally involved so they can easily take ownership of the promised benefits you offer. Allow them to fully connect with all the positive feelings. Provide logical, sound reasons why they should buy from you. Make them feel good about the decision to buy with sound, factual backup that supports the outstanding overall value of your offer.

Evaluate potential risks from your customer's point of view. Consider possible perceived risks prospects have about buying from you. Knock them off one by one by addressing these risks in your sales material. Facing these objections head-on adds to your credibility and helps strengthen your rapport with the prospect. It tells prospects that you take their concerns seriously.

Sell satisfaction. Let your prospects know how former prospects (now happy customers) have benefited by taking action. Communicate your success stories, product reviews, laboratory test results, endorsements the growth in sales, market share, or repeat customers. Solid testimonials are one of your most valuable marketing tools. Use them often. Let customers express their own true feelings in their own words. Never edit what a customer tells you – exact wording is crucial to credibility. The more effective you are in transferring the successful experience of a customer to new prospects, so they can actually take ownership of the benefits for themselves, the more successful you'll become.

Exude confidence. When you're 100% confident that your products or services are superior, you can't help but spread that same message. Confidence is a key component to your success. Winning sales is largely about winning the confidence of prospects that your claims are truthful and your product delivers all you promise. When you consistently deliver quality, it's much easier to craft compelling sales messages because you have plenty of pluses to build upon. Confidence breeds confidence. In addition, you'll be much more inclined to attract repeat business, referrals, and plenty of positive feedback you can use in the future. Use those testimonials to generate even more sales as they in turn help a prospect feel confident enough to buy.

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Use size to your advantage. Does your smaller size mean greater flexibility... lower overheads, therefore lower rates or fees... faster delivery and responsiveness? The fact that you can turn on a dime and adjust to changing market demand instantly is one way to gain an advantage over your larger competitors. Sell your efficiency, adaptability, and higher level of personal service. Point out the advantages the customer gets as a by-product of your smaller size. For example, if you work from home, you have lower overhead costs, plenty of free parking, and a comfortable, relaxed work environment that frees your mind to concentrate exclusively on better serving your customer. Use your advantages to strengthen relationships and increase the perceived value of your services. Don't hide your small size... make it work for you.

Mistake #9: Be Passive not Active

Now is not the time to be meek and mild. Take a stand. Be seen and be counted. But be smart.

You must be active about what you are doing. Clients sense it and want to be involved.

Give them a better reason to buy now. Your prospects still want to buy... but they're held back by fear. It's the fear of losing their job... losing a source of income... or losing on an investment. Difficult times seem to bring with them feelings of uneasiness and uncertainty. Therefore, many people feel a greater need to justify each purchase, beyond bare necessities. In the clear light of day, your offer must present more value in attainable benefits, than it costs in cash. Now it's more important than ever to stress your unique advantages. Prospects are looking for reasons to substantiate their decision to buy. Give them enough reasons to alleviate any hesitation. Make it more advantageous to buy now... rather than later.

Build your marketing strategy around the one thing that distinguishes you most favourably in the eyes of your customers. Identify your strongest and most unique competitive advantage and use it as your foundation. A strong, competitive selling advantage is the distinction that makes your message more powerful... your salespeople more effective... and it turns customers into enthusiastic promoters themselves. A strong Unique Selling Proposition (USP) or Competitive Advantage clearly defines your business. Reinforcing this core message strengthens your edge in the market and among your own staff. When those actively promoting the product are true believers themselves, they exude genuine sincerity and are therefore, more effective at selling others.

Bonus Mistake #10: Focus on Why You CAN'T Instead of HOW CAN WE

Here's one we threw in at the last minute.

Business owners who focus on why things WON'T work are ultimately doomed.

Since you cannot fix what happened – it has happened, therefore the only thing that is important is what you will do right now.

So focus on HOW CAN I make things happen. Success is yours – go claim it.

Revise Your Perspective. Understand the cyclical nature of the economy. The “official” definition of a recession is this: two consecutive quarters of negative growth. It certainly doesn't mean that your business is doomed to fail, though many will undoubtedly fall by the wayside. Look at a slower economy as an opportunity to expose your weaknesses so you can improve upon them. It's a time to assess, consult, re-organise, and prioritise your business in a new way. Using periods of slower sales and growth to gain a fresh perspective can lead you into new, more profitable directions. Take charge of your situation. Use creativity and action to stimulate growth, rather than accepting declining sales due to circumstances.

“Focus on the solution, not on the problem.”

Jim Rohn

Control your thinking. Whatever helps you stay positive is what you need to do first thing each morning... and whenever you find yourself getting off track. Negative messages may be all around, but you don't have to be adversely affected by them. Entertaining thoughts of doom and gloom will only drag you down. Avoid negative sources of information – media outlets and those individuals who tend to dwell on “bad” news. Be aware of your state of mind and the thoughts that occupy your consciousness. Your results are determined by the actions you take. But any action that isn't carried out automatically — by habit — is preceded by conscious thought. Those thoughts affect the amount of energy you put into the action and consequently, the results you achieve. Use music, lighting, colour, fresh air, exercise and great reading material to give you a shot of adrenaline whenever you need it. Control your thoughts because they control your destiny.

Channel your energy and focus. Choose one idea to focus on and work it exclusively. Launch a renewed marketing effort with a bang – not a whimper. Give it 100% of your effort and concentration. Commit yourself to a level of attainment and vow to do whatever it takes to get there. Your mission is to create a cash stream and build the value of your asset. Getting started — turning a trickle into a stream — is often the toughest part. It takes hard work, persistence, and determination. But once you're off and running... once you start delighting customers and the word spreads, your cash stream can flow continuously for you. Start from where you are.

“The best place to succeed is where you are with what you have.”

Charles Schwab

Nine Biggest Mistakes Business Owners Make *And How to Avoid Them*

Stick with it. Persistence and tenacity are vital qualities, particularly during an economic downturn. Difficulties, discomfort, and challenging times are a part of business life. Every entrepreneur and business owner experiences problems and obstacles. Know that it's all just part of the process. When the going gets tough, simply press on. Keep taking action – particularly in the marketing arena. Those who fall victim to the frustrations and difficulties tend to look for ways to ease the pain of the moment. Goals and objectives are abandoned. Actions are no longer taken. Instead of success, survival becomes the focus. This may be an instinctive human reaction... but it can also be fatal to your business. Choose your outcome in advance and stay with it. When you persist, you cannot fail.

“Show me the businessman or institution not guided by sentiment and service; not guided by the idea that ‘he profits most who serves best’ and I will show you a man or an outfit that is dead or dying.”

B.F. Harris

Nine Biggest Mistakes Business Owners Make *And How to Avoid Them*

We believe Portofino Asset Management can help you avoid mistakes and build a more secure business future.

It's difficult to avoid all business pitfalls – even for the savviest owners. Many businesses simply don't have the time to process the vast amount of information available today and apply it to their individual, complex business needs.

To get the benefit of Portofino's expertise or to learn more about avoiding these serious business mistakes, please call 1-300-72-1995.

A Personal Invitation

From my perspective, you have made the first step in acquiring and getting to read this report. For that I thank you.

But reading alone will not make things happen. You must action these ideas.

Each of the Nine Mistakes highlights some actions that you can apply to your situation. What other thoughts come up from the ideas presented? How can you put them into your business?

One of my mentors, T Harv Eker says, "Rich people constantly learn and grow; Poor people think they already know".

My only caveat is that it is very easy in today's world to research and research and research. You must take action on ideas, get a result and then decide to keep it, change it or dump it.

I invite you to review our Shape-Up For Profit System. This is a home-study system that has practical approach to take you through 8 Key areas that will help you generate more profit - right now. <http://ShapeupForProfit.com>

Be sure to visit <http://Systemised.com> to review our systems, training and education - all focused on helping business earn More Profits - More Clients & More Time-Off.

Thank you for taking time to get this far. I wish you tremendous success in your personal and business life, and I look forward to seeing to in person one day soon.

For your profits,



Murray Priestley
Managing Partner

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