



latest word

issue 8

december 2011

Where did the year go?

As we begin the final month of 2011, it is a good time to reflect on your achievements in your business (and personally) over the last year.

Did your year go according to plan? Did you have a plan? What went well and what didn't? What lessons can you take from your successes and more importantly from your defeats? Did you achieve the income and sales targets you had for your business? Maybe you didn't miss a single target, **because you had none.**

In the current business and economic environment, maybe you feel it's not about targets, it's about survival and getting what business you can? It's an approach alright but it's **always** about targets and it's **always** about goals, if you seek achievement.

You only have to reflect on your approach to getting things done on the day before you go away on holidays or in the run up to Christmas. As time runs out, you become very clear about what you need to do, what's important, and when and how what you need to get done, get's done.

Time is always ticking, the clock is always running so you must choose, you must prioritise, you must focus.

It's all about clarity!! In your business and in your life.

- ◆ What do you want?
- ◆ What is important to you?
- ◆ How?
- ◆ When?
- ◆ And Why?

So look back on 2011, reflect on what you have achieved, reflect on what went well and what didn't and then turn around, face forward and decide on the outcomes you want for 2012. What would you like to have happened when you reflect on 2012 next December?



When you decide on the outcome you want, when you set a target and goal, then the next obvious question is set in motion, the question **how?**

Let's narrow this right down

to income and revenue targets for your business, as it is your income that is the most significant variable in financial planning for the life you want.

11 Questions that you need to answer to move forward in 2012!!

1. What income do you want from your business in 2012?
2. What is your sales/revenue target for 2012?
3. What are your expected business costs and expenses in 2012?
4. Break your sales target down for each month of 2012. (because most businesses have busier and quieter months)

5. What level of products /service do you have to sell to reach your monthly sales/revenue target?

Get very specific!! For example, let's say you are a restaurateur, and your average customer spends €50 and your sales target for the month is €30,000 then you require 600 customers ($€50 \times 600 = €30,000$) or 20 customers per night spending €50. ($20 \text{ customers} \times €50 \times 30 \text{ nights} = €30,000$)

6. Next question, how do you attract customers?

7. List all your lead generation strategies and the number of leads each strategy typically returns.

(For example; Website, Flyers, Advertisements, Direct Mail, Referral, Networking, Affiliates, Trade shows etc. You should have 7+ effective marketing strategies that work. How do you know they work, you must measure!)

8. How many leads/enquiries must you have before they are converted to a client?

(Not every enquiry is a client, if you get typically get say four clients from ten enquiries, then your conversion rate is 40%. So you need say 40 clients per month, then you need 100 leads/enquiries per month to achieve this)

9. How can I get my existing customers to spend more with me?

(It's not all about new clients, existing clients spending a little more is a great way to improve your revenues. If you have ever been sold a pack of batteries when you've purchased a child's toy or if you have ever upgraded your hotel room then you have experienced a cross-sell or up-sell.)

10. How can I get my customers to use my services more often?

(From car washes, cups of coffee to grocery shopping, we are all carrying loyalty cards these days. It's all about encouraging greater levels of business. Your satisfied existing customers are your big opportunity!)

11. What is your profit margin and can it be improved?

(You can only increase prices, reduce the cost of the goods or services you sell or reduce overheads to improve the margins and profitability in your business. First things first, do you know your gross and net profit margin for your business? And yes, price sensitivity is high in recessionary times but know your margins and keep asking how can you improve them.)

So if you can answer these questions, you can improve your business in 2012. Now

I know that a restaurateur is not quite the same as a hairdresser or an architect, or solicitor or web designer or a medical professional but the same questions fundamentally apply to all businesses and, if you apply yourself to applying them, you will have a better business.



Set out a plan for quarter one of 2012 and act on it. Review your progress and then set out a better plan for quarter two of 2012 and act. Then quarter three, quarter four and 2013, you get the idea.

If you don't know where you are going, any road will get you there, so reflect, review, decide and act! This applies to your business and this applies to your life.

You make your business work for you and generate income, and then we can help you make that income work for you and the goals you have for your life. And if you don't know what income you need to get the life you want, **well we can help you with that too**. Think and plan now for a better 2012 and beyond



Last word

Thanks for taking the time to read our "latest word" We welcome any feedback you wish to give.

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framework financial:

Unit Ab1, Centrepont House, Rosemount Business Park, Blanchardstown, Dublin 15
Phone: 01 - 8829938 Fax: 01 - 8829772 Email: info@fwf.ie
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