

Startup Success Strategies

By Marshall Bird LL.B LL.M

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About the Author

Marshall Bird LL.B LL.M is one of the best-known names in the field of Creative Business Financing, and Business Startups.

He has a refreshingly different, "go for the jugular" approach to business, as you'll discover in these pages. His [highly acclaimed courses](#), which give practical, real-world inside information on successfully financing and starting a business, are rapidly becoming known as the "**Bible for Business Startups**."

Marshall received his Master of Laws (LL.M.) degree from the University of Michigan, USA, after graduating with a Bachelor of Laws (LL.B.) degree as Senior Scholar in Law from the University of Auckland, New Zealand.

As an Attorney at Law in Beverly Hills, California, he advised business owners on startups, represented many high-profile clients, established retail, publishing, and entertainment ventures, and taught business and marketing with one of his famous clients.

But he is **not** one of the "pretend experts" who have never taken risks and whose book learning and academic theories lead people astray.

He has hands-on experience starting, buying and running successful real-world and online ventures, and one that didn't work - which makes his insights especially valuable.

He co-produced videos that have been seen around the world - one featuring Arnold Schwarzenegger, another the famed dog-trainer, Barbara Woodhouse - and was the executive in charge of production of the 26-part TV series "Explore," with James Coburn.

In New Zealand, where he is also a Barrister and Solicitor, he founded and controlled a daily newspaper, and a multimedia publishing company.

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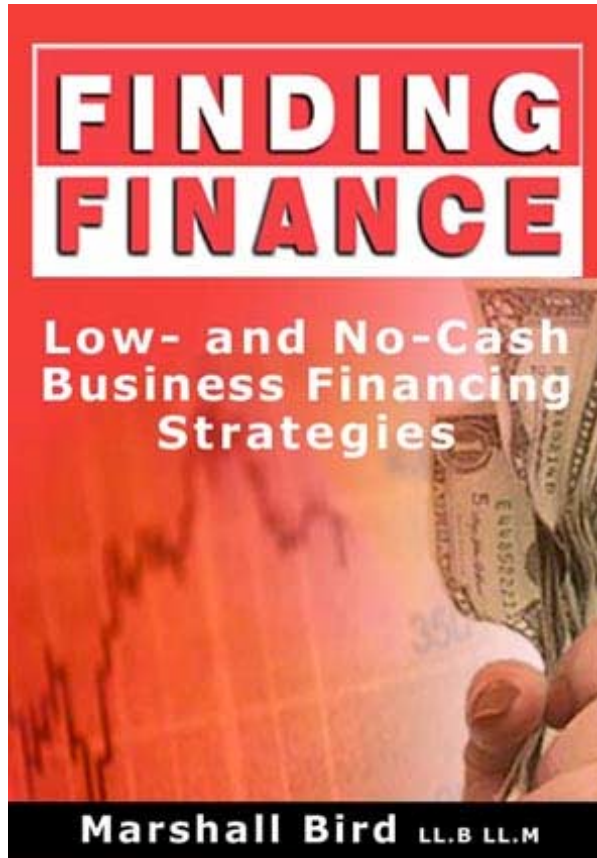
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FINDING FINANCE: Low- and No-Cash Business Financing Strategies



20 years out of print. Now at last, **expanded, updated, and improved** -

The must-have **“Bible of Business Financing.”**

8 volumes – **972 pages** show...

- Smart ways to set a business up
- and find finance to start or grow

[AVAILABLE for immediate download](#)

“Finding Finance” is the essential **encyclopedia of creative financing techniques**, strategies, alternatives, and ideas for starting and expanding a business – **many of them never available before.**

Already the Number One program on how to finance any business - and how to get started for less.

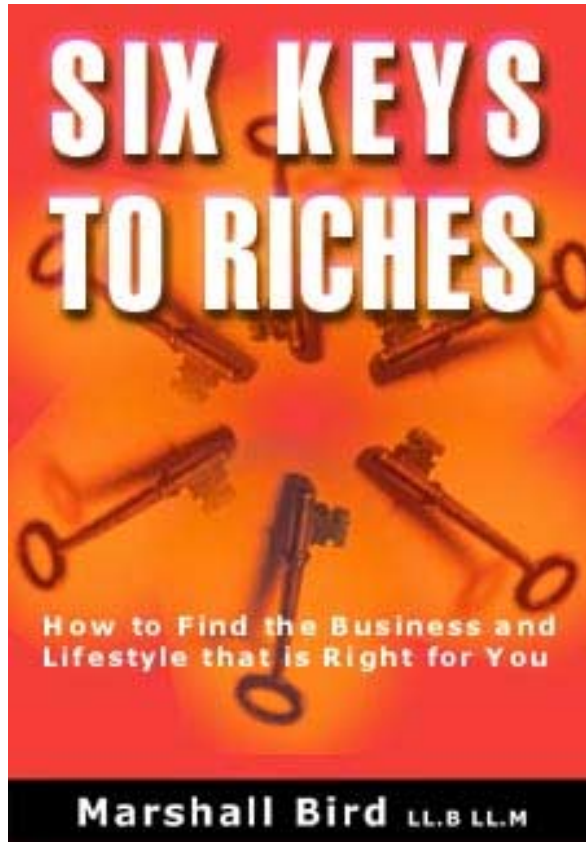
Everyone knows about “conventional” sources of money to start a business - but not many people tell you that **they don’t work for most startups.** “Finding Finance” gives you the smarter, do-able, creative approaches and methods that **do** work.

Unique to this program: hundreds of new, innovative ways to get a business open and operating profitably - WITHOUT going to banks or turning to outside investors who want to take control.

A proven program for every business owner; including startup and financing strategies that can work even if you have bad credit or little or no cash of your own.

[Click HERE to ORDER - or for MORE INFO on “FINDING FINANCE”](#)
<http://www.findingfinance.com>

SIX KEYS TO RICHES: How to Find the Business and Lifestyle that is Right for You



A key to business success and a brilliant life is - **do what is right for you.**

The problem is ...

98 people out of 100 **don't know** what is right for them, **and** don't know how to find it.

For it to make sense, your business must produce **enough money** to let you live the life you want, **and give you the time to enjoy it.**

But most owners don't run their businesses – from the day they open their doors, their businesses run **them.**

It shouldn't be that way, **and doesn't have to be.** Now, finally, there's a program that **puts you in control -**

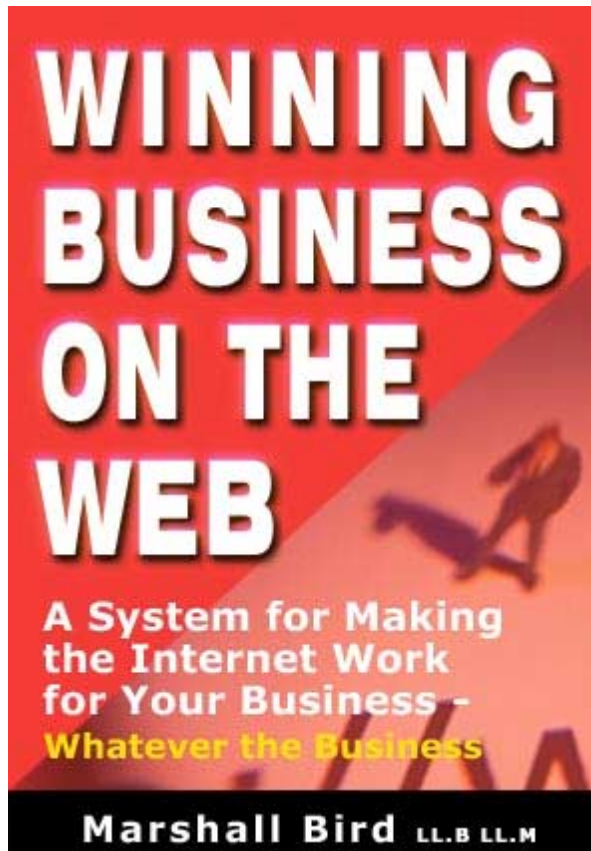
By using the "Six Keys" to **find your ideal lifestyle and the business that will allow you to enjoy it,** whatever you want out of life can be yours. You reap the financial and personal rewards that come from discovering and then doing what is exactly right for you.

Six special Worksheets let you -

(i) decide the future you want, and then (ii) design the way to achieve it. You actually **CAN** work at something you like, **and earn from it all the money you need** to be able to do the things you want to.

The new "Six Keys" will be available within a couple of months. To receive four tips on the subject now, and be advised when "Six Keys" is ready, [click here.](#)

WINNING BUSINESS ON THE WEB: A System for Making the Internet Work for Your Business - Whatever the Business



At last - the most comprehensive and powerful guide to making the Internet work for your brick-and-mortar business...

[NOW AVAILABLE for immediate download](#)

“Winning Business on the Web” is the course that introduced the famed “PAPA” formula –

- Which helps you nail the four crucial points you **must** get right to make the Web work for a real-world business.



Your business **must** have a Web presence **even if you only serve local customers**.

But the way owners of brick-and-mortar businesses should use the Web is different to online-only sellers.

What works for “dot-coms” won’t work for you - so this winning system is **specially developed** for real-world businesses.

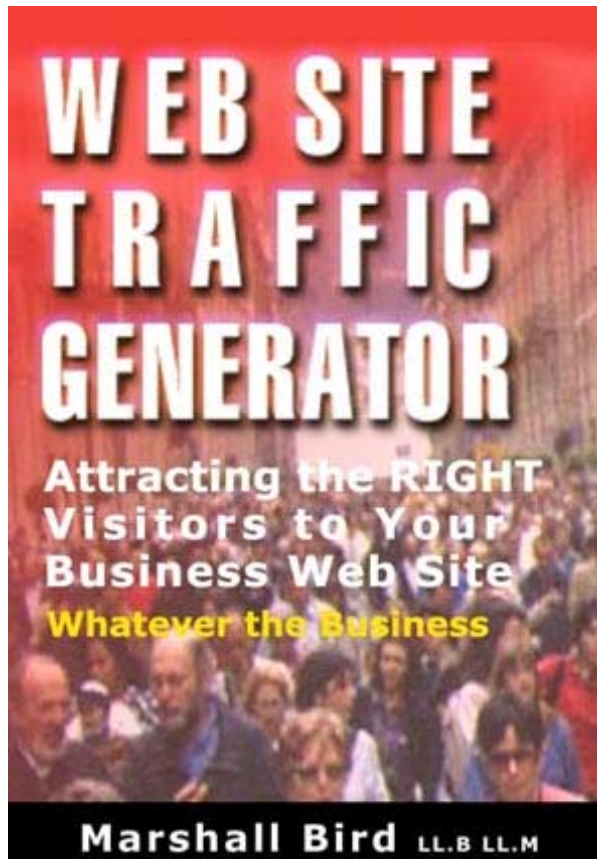
Your customers want options - to buy online; to find out online what you have then visit your store and buy there... Or order online and pick up their purchase from your business...

Here’s **exactly** how to use the Net to serve them better and skyrocket income for your real-world operation. You’ll learn the best ways to sell nationally and internationally, but there’s special focus on **how to use the Web in local business**. There’s nothing like this –

And nothing as good. It’s a complete system for creating the perfect Web presence, with **step-by-step instructions** on **everything** from how to set the site up, to exactly what to put on it, and how to use it to cater to the people most likely to buy from you.

[Click HERE to ORDER - or for MORE INFO on “WINNING BUSINESS ON THE WEB”](http://www.startups.co.nz/winonweb.html)
<http://www.startups.co.nz/winonweb.html>

WEB SITE TRAFFIC GENERATOR: Attracting the RIGHT Visitors to Your Business Web Site - Whatever the Business



The first thing to do after you've got a great Web site is ...

Make sure it's visited **by exactly the customers who are likely to buy from you** – either...

- By making their purchase online or
- By visiting your actual business location and **buying there**.

"Web Site Traffic Generator" was created exclusively for owners of real-world businesses, to show -

How to **expand your selling area** at no extra cost, and **attract local buyers** to your business ...

Which is the way savvy owners are now using the Internet - and which is **the strategy promoted first** by this program.

Available **NOW** for download... It contains the most powerful marketing information and traffic-building techniques **to attract buyers** to your business – **and sell them**.

It's **not just** about getting buyers to purchase **through your Web site** – "Web Site Traffic Generator" focuses **especially** on the promotions and techniques that **drive customers and clients to your store or office** to buy or use your services.

Includes more than 103 ways to promote your business free, or at low cost.

[Click HERE to ORDER - or for MORE INFO on "WEB SITE TRAFFIC GENERATOR"](http://www.startups.co.nz/webmarketing.html)
<http://www.startups.co.nz/webmarketing.html>

The Path to Profit ...

I gave a seminar recently, and asked:

“What is the one thing you **must start out with** to give your business its best shot at success?”

I got answers like - good suppliers, strong lines of credit, excellent marketing, a great location, knowledgeable staff, the highest profit...

- The answers are all **on** the target. But in business to score big you need to **hit the bull's eye**. And none of them did.

The bull's eye answer is -

Customers

FIRST you have to have customers: Your business must attract people who will (i) buy enough of your products or services (ii) at a price that makes you a profit.

Simple enough to say. But a lot of entrepreneurs underestimate what it takes to do that.



And many of them don't understand how much groundwork has to be done before the cash comes.

The result is that they don't make the preparations that are essential – and the cash **never** comes.

So there's your first **very** important business lesson. In just seven words -

The path to profit begins with preparation.

I don't deal with every aspect of starting a business. The focus is on the things that I regard as fundamental to setting up an operation that will work and make money.

I'll show you how to avoid the three deadly business sins that do most beginners in, plus set out the 12 key steps that will set you firmly on the path to profit.

The steps are as easy to follow as I can make them. And I've worked hard to keep things interesting.

I can't guarantee that **everything** in here is going to have you sitting on the edge of your seat, though, wondering what comes next. But -

- **What I can guarantee** is that if it's in here, it's important. Don't skip a line.

If you think that **you don't need to do the groundwork**.

Or it all seems like too much trouble ...

If you're impatient to get started -



Caution. Fail to follow the steps and you're likely to spend most of your time trying to dig yourself out from under a pile of problems that will eventually bury you. And which could easily have been foreseen and avoided.

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Read the book online. Or print it out. But either way, read it when you don't have a lot of other things going on around you, and can concentrate.

I wouldn't try to get through it all in one sitting. It doesn't matter how long it takes you; what matters is that you **do** work through it, understand it - and apply the lessons.

First do what matters, what's essential and will put you on the path to profit. **Read and do the preparation.**

The fun and the cash come after the foundations are properly laid.

Which is what this is all about.

Marshall Bird



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1 It All Starts With YOU

All fired up and ready to move? Great! Let's get started...

But starting a business **doesn't begin with the business**: It begins with **YOU** and **what you bring to the party**. You need to know yourself.

"Knowing yourself" involves knowing your resources – personal **and** financial.



Before you plunge into self-employment, be certain –

- You are able to do what you have in mind, and
- that it is right for you.

There are two parts to this -

- a) To make your business work, you must [have what it takes](#). Not everyone does.
- b) You will do much better - and have a whole lot more fun - if you are working at [something you love](#) and are passionate about.

Let's look at each separately.

A) What it Takes

Since you are going to be "organizing, managing, and assuming the risks of a business," the dictionary says you're on your way to becoming an entrepreneur: that's the definition.

Depending on who you talk to, you'll be told that the "true" entrepreneur is brash and aggressive, cold and calculating, and a hundred other things besides.

But so many successful business people don't fit those descriptions that it's clear such things **don't** determine what you can achieve. The reality is that if you have the desire to get ahead and do work you enjoy - and are **prepared to take calculated risks** - you're a good way down the road already.

- There **are** certain **qualities** you need to take with you into business, though: Most entrepreneurial people are success-oriented, driven by a need to achieve -

It's not talent, and not luck or 'the breaks' that decide where you'll end up, but self-motivation, enthusiasm, drive: Scratch a successful person and under the surface you'll find things like focus, self-reliance, direction, and determination.

These are "success traits" - the **personal qualities that fit a person for success**. The attributes don't make you an *entrepreneur* – **they equip you for success** in **whatever** you do. You become an entrepreneur simply by getting into business.

So steel yourself: to make the business a success, you're going to need a number of these traits.

The good news? **It's a one-time trip**. The qualities that you need to be successful don't change; they are always the same regardless of the field you enter. Acquire them and you'll do well at whatever you set out to achieve.

Do you have the right personal qualities?

- | | |
|--|--|
| <input type="checkbox"/> Self-motivation | <input type="checkbox"/> Self-reliance |
| <input type="checkbox"/> Perseverance | <input type="checkbox"/> Organizational skills |
| <input type="checkbox"/> Discipline | <input type="checkbox"/> Responsible |
| <input type="checkbox"/> Determination | <input type="checkbox"/> Self-Confidence |
| <input type="checkbox"/> Desire | <input type="checkbox"/> Competitive |
| <input type="checkbox"/> Drive | <input type="checkbox"/> Adaptable |
| <input type="checkbox"/> Focus | <input type="checkbox"/> Commitment |

Look especially closely at perseverance - a willingness to persist even when the times get **really** tough. Successful people have an ability to pick themselves up and start all over again whenever things don't work out the way they wanted.

=====

- Starting a business is a major commitment. If you're afraid of long hours, hard work, hate risk, aren't committed to doing whatever it takes to win -

Do yourself a favor: **Stop reading and send this book on** to a friend. I don't know you, **but I do know one very important thing about you**: You don't have what it takes. Face it, and get on with your life.

=====

But for those of you who are still with me, **here's some more good news –**

- i) You **can** minimize the risk. Follow the advice in this book. And
- ii) You actually **can** convert long hours and hard work into fun. **There's an easy way to do that -**

B) Do What is Right for YOU

If, like me, you were brought up to believe that the price of success is years of hard work and constant stress before the money comes, you've **been fed a load of bull**. It took me half a lifetime to discover something I'd like you to understand from the very start -

Business is **not supposed to be** some grim grind that rules everything else you do and occupies your every waking minute. Life is meant to be **fun**.

Your business must enhance your life - not run it. And it can. **Here's the secret -**

=====

- i) Do work which matters to you, and
- ii) Which allows you to earn the money you need
- iii) To live the life you want.

You actually CAN work at something you like, **and** earn from it all the money you need to be able to do the things you want to. **By choosing what is right for you**, whatever you want out of life can be yours.

- You may already know that – quite a few people do. But I very much doubt that you know exactly how to make that happen. **Very few people do.**

It requires that you learn about yourself, decide what's really important, discover your passion - and then select the right course to get what you want.

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There is a formula to achieve this ...

... and you have to follow the formula to get it right. But to be truthful -

- If you don't have the right guidance, it can be pretty near impossible.

I know, because even after I found the formula, it took me another year to come up with **a simple way to make it work**.

At the time I was a lawyer in Beverly Hills, making good money. But **I needed to work very long hours, and...**



...there was always incredible stress. To be honest, for a long time I thought (like a lot of people) that was how it had to be.

Now I can tell you that it isn't.

- This is so important that **if you do not get one more thing of value** out of this whole book, but understand and apply what I'm telling you here... I will feel all the effort involved in putting it together is worthwhile.

=====

Follow me on this -

I'd figured out that there had to be more to life than work; that part wasn't hard! It seemed obvious to me that life would be much easier and happier if your business involved doing what you love.

But I didn't know **how** to change things. And **I couldn't find anything** to help me discover -

- i) the business field that **was exactly right** for me, and which
- ii) could **also make me the money** I needed to let me live the sort of life I wanted.

There was a lot of material around that talked about choosing the right **career**; but it didn't help me select an **ideal business area** to operate in.

And anyway I wasn't looking for **only** a good business; just being in business isn't enough...

- To have any point at all, the business must give you **the money** and **the time you need to enjoy the life you want**. I wanted everything to work together.

For more than a year in the mid-1980s I researched how to find the right balance, and the practical ways to integrate business and lifestyle.

As a hard-headed lawyer and businessman I wasn't too comfortable with things that involved "getting in touch with my inner self" and so on. So I focused on real-world essentials.

I gathered together what I had discovered and broke the important steps into six Worksheets. These were just for my own **personal** use; I did NOT set out to "write a book." Then a friend used the system, and...

Eventually everything was published in the USA in a special Manual that was called "**Six Keys to Riches: How to Find the Business and Lifestyle that is Right for You.**" (It's presently out of print - but keep reading.)

=====

Very briefly, what I found is that **to be truly happy and successful, you must combine all three** of the things I outlined above –

(i) Do work which matters to you, and (ii) which allows you to earn the money you need to (iii) live the life you want.

- **This is my definition of the "right" business** for you, and I don't believe you should settle for anything less.

So for me, **step number one** in starting a profitable business is to find YOUR right business.

Do that and you won't face a lot of the stress and strain most business owners deal with every day - and you'll avoid the blind alleys. Hard work and long hours won't be a problem, because when you're doing what you love your efforts are a pleasure, not a chore.

- "Work is only work **when you'd rather be doing something else.**"

Today there are thousands of exciting opportunities in every business field. You can **work at something that challenges and satisfies you** without spending years blundering from one job or business to the next, looking for the one that's "right" ...

The trick, though, is **to know what that is**.

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If you're not dead sure what **is** the right business for you, and you want to design a life you can enjoy **and still make the money you require...**

I think it would be **very** smart to work through "**Six Keys to Riches: How to Find the Business and Lifestyle that is Right for You.**"

I know that the Manual has changed lives, and recently when my publisher asked me to update it and **turn it into a downloadable program...**



...I agreed, and I'm working on that right now.

I've added a lot of things I've learned since it was first published, but have kept the original six Worksheets (which is where the title "Six Keys to Riches" came from!)

You answer questions on each Worksheet and they lead you to the business and lifestyle that is right for you – resulting in **riches in the full meaning:**

- Money, of course. But the word equally **includes ANYTHING** that enriches your life: Family, friends, fulfillment – the things **you** value.

The new "Six Keys" will be available within a couple of months. In the meantime, I have put together a few pages of information that include four **very** important tips on the subject.

If you'd like them emailed to you and want to be advised (but NOT hassled to buy anything) when "Six Keys" is ready, [click here](#).



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2 Do Your Homework



The first of the three deadly business sins -

Inadequate investigation and planning before the business is launched.

A lot of entrepreneurs open their doors without knowing where they're going. They might have the necessary talent, desire, and motivation - but they haven't properly investigated and researched the businesses they're intending to start.

You **must** find out whether there's a market for your product or service, and what's involved in turning your idea into income. When everything else is said, **the point is to be sure that you can make money** from what you have in mind.

- You don't find that out by guessing, or assuming that what you have is what the world wants. Which is how the majority of startup owners do things...

And which is a major reason they go broke.

=====

Having a good idea is just the start of a successful business. You also need an identifiable group of people **who want what you offer and are prepared to pay the price** you need to make a profit.



Before you even **think** about anything else, **do the research**.

Don't guess...

Test, and check things out.

- Get a very firm handle on what the business you're setting up is all about, what you'll be selling or offering – and to whom.
- Know the unique features of your product or service, that a market for it exists - and what you have to do to reach it. Identify the channels of distribution, and size up the competition and the demand for what you have in mind.

Then decide whether the idea can work.

Even if you don't need to borrow or raise money (so you don't have to worry about satisfying "outsiders"), you **still** owe it to yourself to check that what you're doing isn't likely to be a costly waste of time.

And if you **do** intend going to outsiders for [finance](#) to get started, NOBODY is going to give you money until they're satisfied you know what you're doing, and that what you're doing has a fighting chance of succeeding.

Note that there are two parts –

- (i) Investigation (doing [the research](#)); and **then**
- (ii) Planning (setting your course). [Planning is covered in Chapter 3](#)

=====

2.1 The Research

Don't rush; take as much time as it takes to do a thorough investigation. You must find out everything you can about -

- 1) Your [market](#) – the DEMAND
- 2) Your [competitors](#) – the SUPPLY
- 3) Your [business](#)

1) The **DEMAND**: What market is there for your product or service?

You have to determine: Who are your customers, what do they want, how big is the market, how do you catch their attention, how much will they pay for your product? You find out about these things by doing market research.

- Your "market" is the people who might buy from you. That's not **all** people – it's only that specific group who have needs or wants **that can be met by the products or services you supply**.

That is your **target market**. And those people whose needs or wants can be met by your products or services are **your prime prospects**.

They are, quite simply, the customers that you want to capture.

- But you don't just need **some** customers. There has to be a level of demand that allows your business to operate at **a profit...**

There are probably at least "some" people who will buy what you offer. The real question is: can you sell **enough for it all to make sense?**

=====

Learn everything you can about -

- a) **The people** who buy the things you will be selling, and
- b) **Why** they buy/use them.

Successful business owners know their target customers' wants and needs, their likes and dislikes, as well as they know what their family members do and don't like. Maybe better.

Because when you know and understand your customers and their requirements, you can -

- **Give them what they want**, in the way they want it and will respond to. (That is, you can make them an offer they can't refuse.)
- **Go where they are**. (That means you can put your offer where they are most likely to see it - because you'll know where they "gather," what they read or look at.)

Which is the powerful formula for **seriously effective marketing**.

=====

2) **The SUPPLY: What's the competition?**

Competitors could be any business (whether real-world, clicks-and-mortar, or Web-only) selling the same products or services **in** or **into** your "area," and aimed at the same target group you will be selling to.

- Your "area" is the geographical region that your real-world business will draw its customers from, **plus** wherever **you believe your Web site** may pull buyers from.

What are the competitors' strengths – **and their weaknesses?**



When you know them and how they operate in every department, you can compete successfully.

But fail to know your enemy, focus only on their weaknesses and ignore their strengths, and you will lose the war.

Learn everything you can about the businesses you will be competing with. Start a file on competitors and near-competitors and record their details –

- Advertising and promotional strategies
- Pricing policies
- How they serve their customers
- How they make it easier for people to do business with them
- How they position themselves
- What they are offering their customers
- Where they draw their customers from

You'll want to **learn** from others – but **don't copy everything they're doing**. Find an angle, a better way, an improvement. **Be yourself**.

=====

In your research, be careful not to restrict yourself only to the "real" world. Pay particular attention to the Internet -

It has increased the area where business is done from a local to a regional, to a national, and an international, arena.

Which means "outsiders" can now compete with you in your market without needing a physical location to do so.

Use the Internet to research **other sites** - especially, but not only, the competition: There's an amazing amount of information online about markets, opportunities, and a lot of other important things.

- **A side benefit** when you do the research and look closely - you'll begin to see the **un-served** and **under-served** gaps in the market where you can cash in.

=====

Set Yourself Apart

A crucial part of your research is to **identify areas where you can attain an edge** over your competitors (a competitive advantage).

This involves understanding what your competitors are providing so that you can **differentiate yourself** from them - by offering something they don't, and which your **target customers will value**.



We all know that you need to sell great products, provide great service. But you're probably old enough to be told the truth -

- **That's not enough** to build a seriously profitable business.

In reality, there are very few products or services that are **not** being offered by others. It is difficult today to find **anything** that is completely unique. And most goods of the same type do more or less the same things.

Unless you're offering something new and different, the only way you'll build **your** business is by taking customers from **other** businesses.

- And to do that you must give the customers something extra ("added value") that will drive them into **your** business.

Find a way to set yourself apart **in a meaningful way** - do something better and different **so that people will choose to do business with you**, not with the other businesses that are doing or offering pretty much what you are doing and offering.

The question you need to answer is -

"Since people have a choice of others who can provide what they want, **why should they choose me** over the others?"

Your customers must believe that they will get some particular benefit if they deal with you instead of anyone else. **Otherwise, there's no reason for them** to buy from - or return to - you.

Maybe you offer -

- On-going service and support
- Replacements
- Longer guarantees
- Easier access
- Faster delivery
- Choice of ordering mechanism – retail shop, 0800 number, online store
- Customization
- Whatever

Decide the added value that your target customers will get when they deal with you instead of anyone else, **and communicate that benefit** to your targets clearly and consistently -

Provide them with a reason to buy from you and they **will** buy from you, and they **will** return to and buy from you again.

=====

3) Know your business

Build your knowledge of the **field** you're getting into.

- a) Keep up with what's going on, and what the trends are, in your industry. When you know what's happening in the marketplace you can make informed decisions and create intelligent plans of action for your venture.
- b) Learn everything you can about the products/services you will be offering. Bone up on what else is on the market that's comparable, and the pluses and minuses of each.

Why? Simple:

You want to become known as an expert, **because people rely on experts.**

Customers value solid information that helps them understand what they need to, and why what you're offering will satisfy their needs. When you know what you're talking about, people will listen.



Experts give advice: They're not salespersons, **and they don't have to resort to hype** or hard sell. They **discuss** things and make recommendations...

People trust and follow what they say - and **they buy from them**, and/or use their services.

=====

Let Them Know

To multiply the number of sales you make and make them twice as easily, become an expert. NOTHING will make your job of attracting customers and clients easier -

Satisfied customers who see that you know what you're doing and understand their needs will spread the word about your business like wildfire. And **nothing beats word of mouth**.

- You must work hard at establishing yourself and then **making sure that people know** of your expertise -

- Write articles for publications
- Give interviews
- Hold seminars
- Teach classes on the effective use of whatever you're offering.

Your expertise will also be another important factor in differentiating "you" from "the others."

- Incidentally - no matter what real-world business you're setting up, **you must have a Web site**.

One reason is because **you will be using it to promote your expertise**. Your car site runs articles about "How to Choose the Right Car for the Five-Member Family," your real estate site covers "How to Get the Best Interest Rates." You get the picture.



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3 Plan the Business

It's not that people plan to fail. It's that they fail to plan – and the outcome's the same.

There is a very simple strategy for minimizing risk and giving yourself an edge in business -

- **Plan.** The more preparation, thought, and planning you put into getting your business up and operating, the better your chances.

By **knowing what** you want to achieve, **thinking through** and establishing a **realistic strategy** to achieve what you're setting out to do, you significantly **increase the odds** that your business will succeed.

This comes down to three important and interrelated steps –



- 1) **Settle your goals.** Identify **what you want to achieve**.
- 2) **Devise your strategy.** Decide the ways in which you will **get to** your goal.
- 3) **Set them out in a plan.**

The **business goals** give you the aiming point - your destination - as well as the milestones you'll want to achieve **along** the journey.

Your **strategy** involves *the* methods you will employ to reach or achieve them.

And these give shape to **your business plan**, which is the guide that sets out where you're going, and helps keep things on course.

- It should be a clear description of who, what, where, why and how - including financial projections - relating to your business, your offering, the marketplace and the competition.

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Planning involves anticipating. And most of the things you'll face in a startup can be anticipated – by first thinking through what you're proposing, and then making sure you have the resources to do it.

You'll still need to be able to **think on your feet** and respond to things that couldn't have been foreseen. But with all the **unnecessary clutter out of the way**, you can do that more quickly, and have a better shot at getting it right.

The contents of your plan will be constantly upgraded and modified as your business develops and you gain experience. But start by **making it the very best you can** come up with - and make changes as you learn and see the need for changes.

It's important that you have a plan, even if you're in a hurry to move ahead - because if you have no target, or your aiming point is wrong, it doesn't really matter how quickly you travel...

As Yogi Berra warned:

- "If you don't know where you're going, you'll probably end up someplace else."

=====

As a first step, **you** must set down **your ideas** for what **you** want to achieve; it's your business and it must reflect what you want. **Don't look to anyone else** until you have gone through this exercise and put your basic plan on paper.

- At this stage it doesn't need to follow the depth and structure of a full business plan; but it's important to get the goals and strategies clear - and especially to identify income sources, expenses, and your timetable.

The time to do your planning is before you start looking for money, and certainly before you open for business. Once the doors are open, you'll wonder what hit you - **even if you've done the planning**. If you **haven't** planned, you'll be flattened.

Likewise, do ALL of the "nuisance work" you can **before** you open the doors. **Take care of things like -**



- Registering the business
 - Obtaining state and local licenses, permits and approvals
 - Getting utilities sorted
 - Placing advertising
 - Registering for tax
- Designing and printing letterhead and business cards.

All these things drain time and are a pain – but if you leave them until after you're open, they can cause nightmares. Be smart; take care of **all of this** early on; you have far more important things to do once you're under way.

=====

When it comes to **when** you open, don't have a deadline that will put you out of business if you don't get open on that day.

- **Everything will take longer** than you anticipate (including how long it takes you to make sales and get paid). Work on that assumption and plan accordingly.

Take time and get help with your **financial projections**: They're crucial.

When you miscalculate on income and/or outgoings, you get cash flow problems that can be disastrous. And if you haven't nailed down **actual** costs, everything is likely to cost more - which is why you should adopt the strategies outlined in the [next Chapter](#).

=====

As for presentation - what matters is not how well written your plan is, but that it deals with **how you intend to do business** over the next few years. How formal you make it from that starting point depends on how you want to use it:

- If you'll be showing it to **potential advisors or investors**, bankers and the like, it needs to be fairly thorough and presentable, and follow the "accepted" format.
- If it's just to be used as a **management tool**, the approach will be different.
- If it's to be your own **private blueprint**, to be pulled out, referred to, revised and added to from time-to-time, it can be as rough and informal as you like.

=====

Because so many things are going on at the start, **staying focused**, not doing **things that don't matter**, and not **going off on tangents** can be real problems.

Your plan can lessen or remove most of those, because it gives you the guide for what **should** be going on, and what **the priorities** are.

The truth is, it can be a lot of work to come up with a worthwhile plan...

But it's worth the effort. Here are a few of the benefits you'll get from the planning exercise -

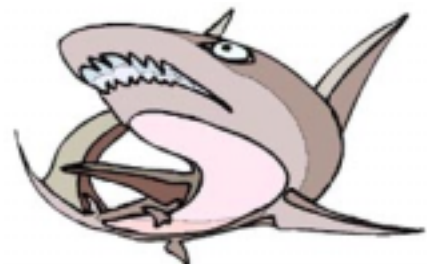
- 1) It **makes you think** objectively and critically about the things that matter - like opportunities and openings, viability, management, competition, and the market. **What's really important** about planning is **the process you need to go through**, and the **things you're forced to consider, to come up with** the plan.
- 2) There's no better **test for an idea** than to get it down in black and white - and have it make sense. If your business idea doesn't stack up, now would be a **really** good time to find out!
- 3) You **give yourself an edge**. Produce a plan and you're ahead of most other businesses from the start. (Generally they don't have one. If they do, it usually sits on the shelf.)
- 4) If you're **looking for outside money to finance** the startup, banks and investors like to know that you know what you're doing, and where you're headed with their money.
- 5) It's **easier to follow a path if you know where it's going**. Helps the peace of mind, too. And it's easier to find your way back to a known path if you sometimes have to leave it.
- 6) **You don't need surprises you don't need**. What you leave out in your planning will cost you money when it crops up later. If there is a later. Leave enough things unsettled and the surprises can do you in.

Two special alerts

- **Don't assume your competitors are all stupid**, or that things will stay the same – especially if whatever you're proposing is better than they are delivering.

Take careful note of the earlier warning - Too many entrepreneurs see the weaknesses, and forget about competitors' strengths.

No matter how good what you're intending is, the competition has **something you don't have** yet: **a going business**.



If you pose a threat to them, they can use their connections and spend the time (and probably the money) to match and combat you. Be prepared.

=====

- **Getting started and up to speed takes time.** A major miscalculation startup owners make is planning as though their businesses will be fully operational from day one, with all systems in place and everything firing on all cylinders.

The reality is that **you're likely to be up to your neck** in things that **have** to be done but don't advance sales and growth.

When you're planning, you may be anticipating business days that will be filled with sales and meaningful meetings...

In fact, you're likely to spend a lot of time managing, and putting out fires - and taking care of things that, in established businesses, are handled by the filing clerk and the receptionist.

Take that into account in your projections and planning.

=====

Will a plan guarantee that **there are no surprises?**

No. But it will take care of a lot of the things that **are** surprises to most startup owners (because they haven't bothered to think things through), **when they really shouldn't be surprises at all.**

- If you've done your job, you'll have anticipated most of the things and factored them in.

But you still have to be alert and ready for the unexpected. Even careful planning can't remove all uncertainty: You need to be light on your feet and ready to respond to whatever comes your way.

Like a yacht race, although you'll still be heading for the final mark, you occasionally have to change your course when the direction of the wind changes.



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4 Finding Finance



The second of the three deadly business sins -

Undercapitalization

That is, starting without enough capital to see you safely through the pre-opening stage **and** the period after opening until the business is making a profit.

Note that there are **two critical time frames** here –

Stage I

- The time up to the day you open your doors for business

During this period the money is going out for fixtures, equipment, legal/accounting and incorporation fees, deposits, inventory, advertising and promotion expenses, and similar - everything that's **needed to set up the business** on a sound footing.

You require enough money to get what's essential to start the venture, **plus** cover all the outgoings **until opening day**.

Stage II

- The time **from** opening day until you're at least breaking even

- Or, better still, solidly into profit. You need money to cover whatever difference there is between expenses and income until you reach break-even point or beyond.

- There are two more things to factor in -

Reserves (a "cushion" to cover unexpected expenses). Be generous with this - businesses can soak up money in a dozen ways you haven't even dreamed of yet. And remember the earlier alert - time will zip by. Count on everything taking about twice as long as you allow.

Your family's outgoings. A lot of owners forget to take into account the money they're going to need to cover their **personal and living expenses** up until the time the business is producing enough to pay them.

To get clear exactly what it's all going to take...

1) **Do the groundwork and settle your true financial needs**

"Financial needs" refers to the money required to get the business set up, **plus** whatever you need to carry you until it's producing profits. The profit/loss figures will come from your projections - so before you complete the exercise you need to...

2) **Prepare solid, real-world financial projections**

"Financial projections" deal with the expected performance of the business (income and expenditures) after opening. Ideally, they'll cover the next five years.

=====

At the planning stage, you must see things **as they are**, difficulties and dangers included - **not as you'd like them to be**. Getting the money side of things right is crucial.

Unless you are able to do the figuring yourself, get professional assistance to help you settle the startup costs, how the money will be used, and when your business will become profitable.

Most common mistakes -

- Expecting that hard work will make up for a shortage of money. **It won't.**
- "Hoping" something will happen. **It will** ... And if "hoping" is the best plan you can produce, what happens will almost certainly be bad.
- Cutting corners that shouldn't be cut.

Cutting corners is generally dumb and unnecessary. It's important not to do without something the business needs just to save money. **If it's necessary for your business, you need it!** Factor it in and then get the money to get it. Tell you how in a minute.

- Producing rosy figures with no foundation in the real world.

It's your business. If it's not IN FACT capable of making you money - where will that leave you?

Fudging figures is financial suicide. Do it and you are setting yourself up for ruin.

If you're not that stupid, still beware... there's a more subtle danger -



Many first-timers **get stars in their eyes...**

They see only the good things, and **produce projections that are too optimistic** - **generally in both what expenses** the business will face, and **the income** it will generate.

While that may not be as stupid as inventing figures, the problems it produces have the same impact -

Owners of undercapitalized businesses spend most of their time scrambling to find cash to keep afloat. **And when you're scrambling for cash, you can't run the business properly...**

The time and energy that should go into consolidating and growing goes into just trying to stay afloat and make ends meet.

A business that's reeling from cash crisis to crisis is generally not long for this world.

- The alternative - planning properly and realistically in advance and securing what finance you need when you need it - is a lot smarter, and lays the foundation for success.

You absolutely MUST -

- (a) Decide how much money you are going to need, and
- (b) Have the full amount either **in hand**, or **available** for when you need it.

=====

Easy to say...

4.1 But Where Does the Money Come From?

Well, there's a solution for that problem, too – but before the answer, first I need to prick one more bubble.

Conventional teaching is that to get your business funded “you must first put in whatever cash you can lay your hands on personally (including family, friends, credit cards).”

The rest, you’ll be told, comes (I’m quoting from a “respected” business publication here)...

- “by borrowing from a **bank or other lender**, and/or finding outside investment capital. In other words – by incurring debt, or selling equity.”



If you believe that venture capitalists and banks are a realistic source of funding for most startup businesses -

then **I have some seriously bad news for you** about the tooth fairv...

But still, today, people who should know better are writing and teaching that those are the only real financing options to get your business under way.

They’re talking nonsense.

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For a VERY few businesses banks and outside investors might be the right approach – but for the vast majority that advice is another load of bull.

The reality is that -

- (i) banks don’t like the uncertainty and risk that’s associated with most startups; and
- (ii) outside investment capital is **not** available for the majority of startups.

The reason it’s hard to get money from conventional sources isn’t necessarily because the business ideas are unsound. It’s **because the businesses are not offering** what investors are interested in, or are not able to provide the security that banks or other lenders need.

So that you don’t spend a lot of time looking in the wrong places, get this clear: The traditional approach to finding finance is too narrow, and **it doesn’t work for most startup businesses** that simply **can’t** borrow or attract investors.

4.2 The Smarter Solution

There **are other and better** ways to come up with the money you need to start your business, often –

- **without incurring debt** (and risking bankruptcy if you can't meet payments, and/or losing the collateral you've pledged – which is usually your home); and
- **without going to investors** (and losing control, or having others tell you how to run your life).

Instead of looking to “conventional” sources - that is, your own cash and advances from investors/lenders - to find any finance you need, **broaden your approach and start from the other end**: use creative strategies first, conventional last.

And if you don't have a lot of cash yourself, or have bad credit, it's even more essential that you do this.

- The **best way to get your business started** is by tapping into creative sources of money and following the [no-cash and low-cash startup strategies](#).

=====

Five very strong reasons for doing this -

- It will open your eyes to hundreds of other possibilities;
- It's very likely you will discover that you don't need to go to outsiders;
- It will make you focus on each aspect of your business. You'll find smarter ways of doing things, better ways to arrange the startup;
- It minimizes your monetary investment – thus minimizing your risk;
- It is far more likely that you will be able to reduce debt and retain control;

In most situations the creative solutions provide a far **more realistic, safer, faster, and easier way** to finance a business.

When you widen your focus you'll discover endless sources and possibilities to get funding to start your business - **which don't involve getting cash** from outsiders.

The likelihood is that you'll have many financing options, most of which - at this stage - you won't be aware of. The reason you almost certainly don't know about them is that this information has never been gathered together before.

- **The smart solution** to finding finance for your business lies in using -

1) **Creative Direct Sources of Money**

[There are hundreds of non-cash sources, techniques, and methods](#) for getting what you need to make your business fly. And for most owners they're better and **much** smarter than borrowing or selling part of your business; and

2) **Indirect Strategies**

Including ways to avoid paying money and ways to save money. As well, there are times when you **will have to come up with cash**: so you need to use the special techniques for getting cash in advance, and maybe try some of the easy ways to make additional money - which can be used in your startup.

Sometimes the strategies can work alone; more often they're used in combination.

=====

But whatever you choose, they have some things in common –

- ✓ They **don't** involve your own cash,
- ✓ Until now they haven't been given nearly enough attention,
- ✓ They're innovative and creative - and
- ✓ They work.

In fact, often these techniques and strategies can be even more important than up-front cash.



If you don't have all the money you need to get under way, you should get hold of the "**Finding Finance: Low- and No-Cash Business Financing Strategies**" program. [Click here](#).

"**Finding Finance**" is the premier program on how to start a business even if you have little or no cash, and it provides specific guidance in other key business areas as well.

There's nothing else like it, and it opens up many completely new ways to find money for your business.

- It also shows **how to multiply the chances** of getting the money you need. And it tells how to run the business in the smartest possible way.

The techniques apply whether you're starting a retail, wholesale, manufacturing or service business. It is better to use them **before** you even think about trying "conventional" sources.

In fact, it's possible that you won't need to go anywhere else to find finance.

=====

Can you start a business with little or no cash of your own?

Yes.

But you **have** to use the strategies and techniques set out in the **Finding Finance** program. There's no other way.

- You can't get access to the full range of innovative and creative financing options and strategies that are available unless you refer to it.

So, since you are beginning your planning now, you can start with a distinct advantage. The program will give you much greater certainty in finding finance, and help you build a stronger business.

Information of this quality and depth isn't available anywhere else.



To get the complete "**Finding Finance: Low- and No-Cash Business Financing Strategies**" program, [click here](#).



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5 Start Mean and Stay Lean

This is another crucial element of a successful startup – and another area that’s not given anywhere near the attention it should be.

Starting mean and staying lean has to do with two things -

- ✓ **Lowering** the amount of money you need to find **without cutting corners**, and
- ✓ **Creating habits** that are priceless

You must start your business lean – but healthy.

And your plan should be to run a tight and economical operation.

First make the money. THEN spend it.



The lean and mean approach applies when you are settling your requirements to open, and after that - forever more...

It is relevant for every business regardless of the size of the venture you are setting up.

- And it’s another reason to follow the path I’ve suggested (that is, [to use no- and low-cash startup principles](#)), **even if you have all the cash** you think it will take to get started.

=====

How do you put this into practice?

Once you have completed your estimate of -

- how much you’ll need to cover all the costs up to the day the doors open, and
- the amount of capital (plus reserves) required to keep the business (and you) operating until it goes into profit,

change your question from “how am I going to find all this money I need?” Instead what you want to know (exactly) is...

“How much money do I **really** need?”

❑ **Concentrate first on ways to lower the startup costs**, and apply cost-saving and cost-reduction measures.

Follow [the key no- and low-cash principles](#) and you'll discover better and more efficient ways of doing things, **instead of needing to look for more capital**.

For financing purposes, go over every entry on your list of “items needed before I can start,” to confirm that’s what you **actually** need. And go through the cash-cutting checks BEFORE you begin hunting for money.

Fail to do this and you’re likely to end up looking for cash for something that you don’t need cash to buy in the first place - or which the business doesn’t need.

There is NO point in struggling **to creatively find a way to finance** something that you don’t need.

Put your efforts into the important and the needed.

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Get clear that setting up and running a lean and frugal business isn’t just a matter of doing without something you need, or chopping some percentage off of the cost. And it’s not about being cheap.

It’s about **spending your money wisely**.

A lot of businesses run out of money and fall over. You seriously reduce the risk of that happening when you understand how to avoid waste, get by with less, and use what you have where it is most needed.

Your approach to business should follow the mantra of every stand-out operator -

- **Increase sales, decrease costs, so that you increase profit.**

Another essential is to **find smart alternatives** -

A simple example that’s right in front of you - think about the cost of paying a printer to print and bind this material you’re now reading, PLUS the cost of having the hard-copy book delivered using the real-world postal system... **versus** using the Internet to deliver everything (there’s more on this below).

- Because they're another aspect of financing, the cost-containment and the other street-smart techniques and principles are all included in the "**Finding Finance: Low- and No-Cash Business Financing Strategies**" program. [Click here.](#)

=====

Use the Internet

Correct use of the Internet is **another crucial part of setting up smart.**

Even for a "real-world" (brick-and-mortar) business, a Web site that is properly set up and used can literally make the difference between profit and loss.

No if. No but. No maybe... No matter what your field, you **must** have a Web site - right from the opening day: for spreading the word, establishing and maintaining relationships, getting new business - and multiple other reasons besides.



The Internet is an amazingly powerful way to cut costs and boost profits. But most owners of real world businesses **have no idea how essential a Web site is** - or how to use it effectively.

Around half of the businesses don't even have a site.

Of the half which do, I'd estimate that **about 90% are using it wrong.**

- Which means, when you learn how to use it **properly** to cut costs **and** to boost your real-world business's income, **that alone will leapfrog you** over most of the "competition."

The best online Manual telling how a real-world business should use the Web to make money is: "**Winning Business on the Web: A System for Making the Internet Work for Your Business – Whatever The Business.**" [Click here.](#)

It doesn't deal with Internet-only dot com businesses. It is specifically for **owners of businesses with real-world, brick-and-mortar locations**, and gives the top strategies - with special focus also on how to use your site to **multiply the amount of local business you get.** That's **very** important information.

- As well, it details the techniques to **extend** your product range (often at no cost to you), and **expand** your selling area for nothing extra.

It's vital that you set up a good Web site. If you don't know **all** of the angles, [click here](#).

=====

- Don't make the mistake of thinking that **starting lean and fostering frugality** means reducing quality or doing anything else that could hurt the business.

I'm talking only about taking advantage of every opportunity to conserve resources and eliminate waste.

- And don't think that a focus on frugality and the proper use of resources is only necessary if you haven't got a lot of cash to throw at your business.

It is **not some second-best solution just for people who don't have enough money...**

Today it's the way **every** business must start out - **and continue operating**.

In fact, many times it is lack of capital and the need to follow the no- and low-cash techniques that is **a major reason a business succeeds**.

Apart from anything else, being forced to get everything you possibly can out of the resources you have makes you a much better business person: Learning to use money carefully **becomes a part of your business culture**.

When tough times come, frugal habits and knowing the options will be the difference between the business that lurches or falls, and the business that wins.



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6 Begin With Proper Books and Records



Unless you're **very competent** at such things yourself, when it comes to dealing with figures and financial matters, get an...

Accountant or qualified financial advisor to work with you, to -

- ✓ settle your initial costs **and** financial projections, and
- ✓ set up bookkeeping, record-keeping, and reporting systems.

You need to **begin right**, and **stay on track**. That means -

- Complete an accurate "**Startup List**" of everything you are going to need to get the business operational (a template for this is included in the "[Finding Finance](#)" program). You should personally come up with the initial list, and **then** work through it with your financial advisor. ALSO run it by other business owners.
- Complete **projections** of income and expenditures for the business (preferably for up to five years). Don't do this alone - work with your CPA/financial advisor.
- After you've received the outside input, check everything on the Startup List a second time - to finalize the "**must-have**" items and essential expenditures.
- Settle the money** you are going to need and go through the entries with your advisor. Then put your financing together.
 - It's at about this stage that **it would be smart to review** the "[Finding Finance](#)" strategies to reduce or eliminate the need to find cash, or – if you can't dodge the need for dollars – to find ways to get the cash in advance of opening.
- Have the advisor set up a complete **bookkeeping system** for your business.

=====

Note that I said to work with "**an accountant or qualified financial advisor.**"

You **don't** want someone who only knows that one bunch of figures goes on the left and that another bunch goes on the right side of a financial statement.

You want someone who's smart and sharp in their area of expertise, and who is going to be of **use** to you.



Select an accountant or qualified advisor ([see Chapter 12](#)) and get him or her to give you financial counselling.

Have them organize what you need for the control of cash and the handling of money, suggest the type of checking system and other financial forms you will require.

Get them to set up a system for **generating and tracking core financial information** – especially cash flow and sales projections, stock turns, and accounts receivable and payable.

When the bookkeeping system is being set up, **also get a schedule** of what tax returns and reports to regulatory authorities are required, and when. Settle who is to be responsible for dealing with and filing them.

=====

At about the same time as you're setting up the financial side of things you will also need to decide (generally on the advisor's recommendation) whether to **start life as a sole proprietorship, a partnership, a corporation** – or to carry on business under some other arrangement (such as a trust).

This is so important, I'll say it again: You want a **savvy** professional to advise you; someone who understands and can give intelligent advice on the business you have in mind, and how you're intending to operate it.

- In fact, that's an essential for **all** of your advisors - and I deal with it again later.

=====

DON'T try to cut corners here.

When it comes to helping with projections, assessing your plan, and making recommendations based on it, you **must** work with a professional.

Then, once your business is open it's okay to **use a competent bookkeeper** to "keep the books" for you (that is, gather and enter the figures in the appropriate financial records and do routine bookkeeping work).

- **Your accounting system isn't just a bunch of figures** – a business is run by the numbers. So your system is **a vital tool for managing your venture**, and it has two parts –
 - i) Actually **recording** the transactions and financial information; which can be the job of a bookkeeper.
 - ii) **Using** the reports and financial statements to help run the business; which has to be **your** job.

I've been told that a lot less than half of all smaller businesses have usable, current financial information.

Which is a major reason they don't stay around long.

I wouldn't want to guess at the percentage that **do** get information but don't use it.

=====

If you can't or won't follow what's going on in your business financially, it's crucial that you come up with someone who will. Somebody **has** to keep their finger on the funds.

But even when you have someone else in your life - **never, ever leave it to them completely**. You **must** take the time to learn the essentials, and keep a very close eye on the financial information once you're operating.

- That's why it's important that **you** understand and can follow the system your advisor sets up.

The specific system they install will be one that they're comfortable with. But it must also be one you can readily follow and understand and get comfortable with. And it must be able to provide you with **timely** information.



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7 Management Matters



The third of the three deadly business sins -

Poor management.

Lack of general management know-how is **a major reason for business failure**. Many analysts say it's **the** major reason companies fail.

A business is an ongoing activity; it doesn't run itself.

- **Good management is a key** to business success.

You must acquire, or have available to you, the necessary skills to properly operate your venture.

To understand how important this is, learn from a group that is very savvy about what makes a good business: venture capitalists...

Venture capitalists and outside investors regard management as **the most important consideration** in the funding decision.



In fact, they prefer to invest in a first-class manager with a second-class business idea, rather than a second-class manager with a first-class idea.

- And most of them tend to favor **a strong management team** rather than a lone entrepreneur.

In your startup you will have to organize, control, and direct the operation, keep the books, analyze accounting records, and do the short and long-term planning – all of which are essentially management tasks.

As a small business owner attending a seminar once wrote –

- “When I came here my business lost its chief executive, advertising department, sales manager, controller, personnel department, head bookkeeper and janitor.”

7.1 Do What Matters

Good management has to do with **getting the right things done** (“achieving objectives”) **efficiently** and **effectively** with and through **people**.

You need to **manage people as well as “the business.”**

You have to choose the people who do the work, and then you have to lead them. That’s about communicating **what** they need to do, **how** things should be done - and **motivating** them to perform.

- Hundreds of books will tell you in great detail what good management is. So I concentrate on what I see as your core responsibility as you go into the startup phase, and that is -

Sorting out **what’s essential to the success** of your business from what’s not.

You only have so many hours in the day and there’s always far too much to get through. **So focus on what matters.**

For me that has to do with the **effectiveness** of your people, the **quality** of your product or service, and the **level** of communication.

You get your best shot at success when you run a business that has -

- i) a **great product or service**,
- ii) with **capable workers** who have confidence in the product, and
- iii) a **clear direction**.

- Good management promotes and maintains harmony between all parts.

=====

1 People

The best product or service usually comes from the most effective employees, so employee effectiveness is at the heart of everything. The smart route -

- a) Select the right people to do the work,
- b) train them properly, and
- c) delegate.

a) Find the Best People

A key factor in your business success will be your ability to recruit talented people and put together a great team. No matter how “well managed” it may be, a mediocre team produces mediocre results.



Very important:

Even if you are starting out as a one-person operation, you must **still** focus on **putting together a great team**.

The only difference is that in a solo startup the members of your team won't be employees. Get essential knowledge and experience by **linking with others** and **using outsiders** - but again, choose only the best.

If you need help with this, high-quality/low-cost staffing strategies are also dealt with in depth in "[Finding Finance](#)."

- **There's another important factor:** experience. You need know-how.

If you don't have experience in the field you're entering, find someone who does and make them a key part of your team. Somebody has to know how the industry operates.

b) Train Them

People need to be trained to be effective; they need to know what has to be accomplished, what's expected of them, and where they fit in.



Lead by example.

It's better for you to set careful parameters and let the workers apply the lessons.

Spell out clearly what you want from them, **what constitutes "excellent performance"** of their responsibilities.

That gives them an objective benchmark to measure their achievements – there is a built-in carrot, and achieving the goal gives them satisfaction. It's also good for morale.

- Teach workers **how to be efficient**, and how to **identify what's important** (and what isn't) in their work. Then **leave them to get on with it**.

That's why you're recruiting talented people: Your job is to stimulate and motivate the team, and make it function effectively.

Where they do what they do (**place**) is also important. Plan an environment your workers really like coming to, and where they can be productive.

I'd let them do things where and in a way they like and want to. And unless there's an intelligent reason to do otherwise, let them dress as they want and decorate their space to suit them.

[There's more on how to select the right people in Chapter 9.](#)

c) Delegate

One of the overwhelming things about running a business is that **you can get overwhelmed** running a business!

When you're doing the actual work, you get so busy that you don't get the time to sell, or oversee, or innovate, or do the things that contribute to income and growth.

Intelligent management encourages workers to grow and develop and reach a level where they can accept increased responsibilities. When you do that **you free yourself to do what you should be doing**, to direct, to start new projects, or finish something you started.

- Good people accept and thrive on responsibility. So it needs to be part of every position. Give them authority to make decisions and act. Delegate and set things up so they can work independently of you.

I believe a serious management goal should be to **make yourself dispensable**...



...**as quickly as possible**. When you're drawing up your list of positions and functions in your business -

Plan things **so that you can be replaced** by someone else (or by others).

Give your people the tools and encouragement to do things – because then they can do them!

2 Product or Service

Before launch, do what I suggested earlier: study and know every facet, benefit and feature of the product or service you are intending to offer.

- If it doesn't measure up, change and improve it - or **go into another line of work**.

That advice doesn't apply to **only** the product itself; a great product is the start, not the end. Do the same with **every aspect** of the product or service that the customer will come in contact with – including the presentation, support, and distribution.

Customers look for quality ([there's more on this in Chapter 11](#)). **Workers** want to be associated with - and respond best when they're dealing with - a product or service **that they're proud of**.



Again - be very certain that you're planning to offer products or services that **people want**. Those last two words are crucial.

And the trick is not just to offer a great product; there must also be **enough of a market** for you to sell **enough of the product** and make a profit.

And while you're busy thinking about managing, never lose sight of the fact that **you need to make sales**. They're crucial in every business, but life-and-death in startup situations.

=====

3 Communicate

Management involves leading, and outstanding leaders are outstanding communicators. A good manager gets on with and likes people and communicates well.



Communication isn't about talking; **it's about conveying knowledge or information** in a way that ensures **it is clearly received and understood**.

That applies to **both** (i) those who are responsible for creating and delivering your product (**your workers**), and (ii) those who will pay for it (**your customers**).

Be sure that you know what you're doing, where the business is headed, how it is going to get there - and that you are capable of taking it to that place.

Obtain the skills you need to successfully run the operation.

- **If you don't have what it takes**, find someone - or put together a team - to provide good management (partners, outside experts, employees).

Stay true to your vision, though. Run your business **the way you believe is best**; you created it to suit you and do what you wanted.

Take the opinions of others into account (**after** you're satisfied that they know what they're talking about), but –

You decide which **direction** is the proper one.

Do it any other way and you're back working for someone else.



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8 Market

Marketing has to do with **moving goods from you to your customer**.

It is not an artistic exercise. And it's not something designed just to enhance your image, or to keep your name in front of the public.

It's not **just** promotion or advertising. It's not **only** sales, either. It is **those things and a lot more**: everything from identifying then creating or providing the right product to satisfy your customers' wants, through to closing the sale - and beyond.

The purpose of business is to make a sale.

The real point of marketing is to be able to produce consistent profit for your business.

Marketing has to do with **reaching a targeted audience for a purpose**. It involves -

- Having a **product/service** people belonging to a certain group **want**
- Making sure members of that group **find out** about you
- Attracting** them to **visit** (or have some **contact** with) you, that will lead to them
- Buying** your product, or **using** your service – or doing whatever you want them to do **so that your business achieves its purpose**.

At the end of the day, how you do that boils down to -

- getting the right message
- to the right person
- and moving that person to buy.

And it all starts with identifying your primary market.

If there's one essential for effective marketing, it's this: Identify your target group and design **everything**, from the type of product/service to the after-sales service, **with only them in mind**. **Nobody else matters**.

Too many startup owners are nervous; they're afraid they'll reduce their chances of attracting customers if they narrow their focus and select a particular segment to go after in their marketing.



"Aim at everyone," the thinking goes, "and you're bound to hit something."

Or someone.

Not so. (Or at least what you hit won't be what you **want** to hit.)

- You actually **improve** your chances **when you target your marketing** at your prime prospects.

You will never arouse anyone's interest if you are talking to them in vague generalizations. If you hope to attract and sell, you must

- talk to your customers **specifically**
- about things **that matter** to them,
- in **a way** that matters to them.

When you have a **clear** target group, you can address their **precise** problem, **and offer a solution**. It's easy to tailor your sales message so it talks directly to them – and that's the approach that drives sales through the roof.

- Fail to do that, try to appeal to "everyone" at once, and your marketing (i) won't be effective, **and** (ii) will be far more expensive.

But before you can focus on that group, you have to know what the members of the group value. **Then** you can prepare your marketing. Which is why (Chapter 2) I insisted that you learn everything you can about your customers.

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8.1 Don't Hold Anything Back

Give your **best shot** right from the opening to **your best (or "prime") prospects**. Go DIRECTLY for the jugular!

Design a message that pushes the buttons your target buyers want pushed and will respond to (showing them you have the product/skill **that will give them the benefits** they want).

- The right message doesn't mean just pretty words - it's something that moves people **to act/buy**.

=====

Come up with a **marketing plan** for your venture –

How you're going to reach and cater to your targets. Essentially, that boils down to settling the result you want and choosing the best way to get it.

Keep your marketing consistent.

As part of your planning, create a **unified look and personality** for your business. An "image."

You know where your strength is; build your image around that. The purpose – to get people to accept you as the business they want to deal with.



This is not a snob thing – **it's far more important**. It's another way to set yourself apart and reinforce in the minds of your customers...

- **the type** of business you are, and
- **why they'll benefit** from dealing with you.

There's no "generally" right way to do this. Images and styles will differ depending on your target group and you. Here is the guiding principle -

You must present and position yourself in line with what your business is all about, what your most likely customers want and are comfortable with, and **in a way they will respond positively to**. Another name for all this -

Your Brand

Your brand is not just a logo, or a slogan, a color scheme, a particular presentation, or any other single element. They are **part** of it. It's a combination of these and other things - basically, and simply, **everything you do**.

Your brand is a sort of **shorthand for what you're all about** - how you present yourself, your marketing, advertising, promotion, customer service, the customer's experience of interacting with you: What your company (and product) stands for.

Everything communicates and creates in the mind of your customer who you are and what you're all about. And whether you're someone they want to do business with.

- The scary thing is, that's going to happen whether you like it or not, and **even if you do nothing**: because your business is **still** going to be sending out messages.

Your call: You can design how you want people to see and respond to you. Or you can just let it happen.

Designing is smarter. You get to put the right slant on things.

=====

- ☐ If you need help on this, there's an excellent short course on branding in: "**Winning Business on the Web: A System for Making the Internet Work for Your Business – Whatever the Business.**" [Click here.](#)

The advice is crucial for brick-and-mortar businesses, and doesn't relate only to using the Web. But because the Internet is so important (and cheap), there's special attention to ways you can use it to establish and quickly spread your brand.

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8.2 Getting the Word Out

When you've **got the message right**, deliver it to the places your prime prospects **are most likely to come across it** - using a combination of the trio known as "ad-pub-promo":

Advertising free and paid, classified and display, online and offline.

Publicity free and paid, online and offline.

Promotion "talking up" and pushing your product or service every day in every possible way, using promotions/offering incentives online and offline to attract the customers or clients you want.

Spread the word about your business anywhere and any way you can. Get talked about and noticed. When you're paying for the promotion, though, **target** your prime prospects.

Draw those prospects into your business, where you can sell to them (or get whatever result your marketing was intended to produce)

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- Marketing is covered in depth in the Manual: "**Web Site Traffic Generator: The System for Attracting the RIGHT Visitors to Your Business Web Site – Whatever the Business.**" [Click here](#).

This is aimed exclusively at real-world businesses.

The digital Manual gives no- and low-cost marketing strategies, along with more than 103 specific techniques for making the Web work for businesses. Many of them have never been revealed before, and can be used offline as well.



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9 Hire the Right People



Good people are about the greatest assets your business can have.

Choose right, and they can be the catalysts that turn an ordinary operation into a great one...

And a great one into a world-beater.

At the other end of the scale, **poor workers can sink you.**

If you follow the "[Finding Finance](#)" no- and low-cash approach, you may decide it's a lot smarter to do without salaried employees when you get started, and instead **use other workers** to establish and grow your venture without weekly/monthly wages.

- When I refer to "workers" I include **anyone who performs services for you**, not just employees. What I say here is still crucial, and most of the ways to choose and deal with employees also apply to these "outside" workers.

The most important thing isn't whether they're insiders or outsiders - it's coming up with the **right** person, or a strong team; you already know that mediocre people produce mediocre results.

- ✓ Many first-time business owners don't have hiring experience and/or **fail to treat the process as seriously** as they should.
- ✓ Another great failing is **not giving enough thought** to their staffing needs – what has to be done and the type of person best suited to do it.
- ✓ There's also a tendency to take on friends who don't fit the need - or hire clones (people with the same abilities as themselves, rather than complementary skills).

To ensure you get the right person, know **exactly** what the job requires and what skills and other work-related qualities the "right" worker should have.

Then - **fit the worker to the job.**

Any work is likely to be done best by someone fitted to the work, and who likes doing what the job involves.

There are two things especially that **you want in your ideal worker** -

- **Someone who is productive**

Being able to do the job at the level required is crucial. How much a worker gets paid to do the work is relative – and not the critical factor. A lot of owners focus on the amount they pay. That’s not the proper test.

What matters is the value of the work done for the amount paid - the **return** it gives you.

A worker paid \$10 an hour is high-priced if the value of their productivity each hour is 50 cents.

- **Someone you can trust**

You’ll start to make serious progress when you can spend time working **ON** the business, not working **IN** it. So you want people who will be able to take over and do what has to be done.

People must be given the chance to grow – you have to **leave them to get on with things**. Which means you have to be able to trust the person who takes over.

Don’t have anyone around you can’t trust, no matter how “lowly” their position or how good they are at their work.

Here are the stripped-down essentials of worker selection -

1 Before you hire. As always – do the homework

i) What is the position?

Be very clear on the work that needs to be done, the specific duties involved, and the skill, education, qualifications, and experience level required. Settle what you’re prepared to pay.

ii) Is it a certain and settled need?

Do you need to take on someone full-time? Will the work be ongoing, or is it for just a short period and unlikely to continue? Until it’s certain, resist the temptation to commit to a permanent employee.

Use temporary staff, consider contracting out - or outsourcing - the work, or look at other flexible arrangements. Various alternatives are given in "[Finding Finance](#)."

iii) Can the business justify the cost?

Is the benefit/income likely to cover the cost of the worker and help you produce a profit? Don't move until you've done the figuring. **Then** choose the best way to get the work done in a cost-effective way.

2 Preparation

i) Have a clear job description

Accurate specifications are necessary from everyone's point of view; they minimize misunderstandings and increase the chances that you'll get what you need. People **must** know what's expected of them.

ii) Prepare questions

From the job description and requirements, put together a written list of questions that relate specifically to the work you want done, work history and previous experience, skill level, and familiarity with the tools involved in doing the work. The whole point is to find the strong and weak points of the applicant.

iii) Who decides which candidates to interview?

Somebody must select applications that deserve further consideration. That person must know the requirements of the job and what qualities you are looking for in the right candidate.

iv) Who conducts the interview and makes the decision?

Sometimes it may be wise to engage an outside agency. Not every boss is suited to interviewing. Many people find it hard to say no, or tend to make their decisions on irrelevant considerations – especially appearance.

3 Pre-Interview

Before you interview, familiarize yourself again with the job requirements. And keep reminding yourself of the impact a worker can have **no matter what** the position.

Hiring is NEVER unimportant. Any person you take on has the ability to enhance or hurt your business.

Enhance is better!

4 Meeting and Choosing

i) Preliminary

Don't expect to get worthwhile results from an interview that isn't planned and prepared for. Review the requirements and your list of questions.

These identical questions should be asked of **every** applicant, and you **MUST** record their responses – so when it comes to reviewing your notes later you will be able to fairly assess their relative merits.

ii) Your presentation



If you want to get the right result ...

You **MUST** base the interview **on the job description and specifications**. You want the position filled with the best person available, not the wittiest, prettiest, most personable...

unless those are key components of the work.

Avoid any behavior the applicant could consider inappropriate. Be especially careful of your language, and keep away from anything even vaguely improper.

Listen, and let the applicant do most of the talking. You want to know about **them** and **their** skills, and you will discover most about them by asking your question and then listening to their response.

iii) The interview

You can interview alone, or with another person. **The value of a second person** is that the two of you can later compare notes and reactions. It is also a good way to get "balance," and minimize prejudices and biases.

Ask **every** applicant the standard questions you have prepared, and **carefully record the key parts of their responses**. Keep the interview flowing, but always remember to listen a lot more than you talk.

Assess ability, knowledge, and skill. You especially want to draw them out about their past work, and their **feelings about** that work -

What they did, how they enjoyed it, specifically what they liked **about** the work and what they disliked, what they liked about the work **environment** and what they disliked, why they left their previous employment (**all** departures).

- From this you may see a pattern – and that can be important: Past behavior is a good indicator of how a person is likely to behave and perform in the future.

iv) Give tests

If the position involves the use of tools/equipment or requires particular skills, do not make a final decision without **actually testing**. You want to know whether, in fact, the person has reached the level you require in the areas you're interested in.

v) Check references

Verify their references (talk to previous employers), and any education or training they're claiming. Most business owners don't bother – and yet the level of overstatement and lying on resumes is high.

vi) Review your notes

After the interview, go through your notes and rate (on a scale of one to 10, 10 being best) the applicant's level in each important job-related area. Also, before you make a decision, compare notes and reactions with any other company member who was involved in the interview.

vii) Hire the best and advise the rest

Come to a decision based as much as possible on the proven qualities of the applicant and how they match your requirements. This is obvious advice, but it isn't always followed – especially by those who have a tendency to equate physical attractiveness or other appealing (but not job-related) qualities with skill.

You want the best person for the job. **Not the best looking.**



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10 Choose the Right **Locations**



Location, location...

Having the right location for your business is often another crucial factor in its success or failure. A business that cleans up in one spot can wither and die in a different area.

In the real world, you can pretty much count on a good location to **produce** good business. Location can protect and **shelter** a business from competition, too.

Not so long ago you only had a **physical** location to worry about. Not any more; things have gotten a bit more interesting. Which is why the word in this Chapter's title is **locations** – not location...

- Today you must equally consider your (and your competitors') **presence on the Web** – the **virtual** location. It can be at least as important as the real-world facility. In fact, many times it's even more vital.

My experience is that **very few business owners have any idea** how crucial the virtual location is – **even for** those businesses that depend on a strong physical location. So I give some pointers below.

1 Physical Location

Begin your search for a physical location by setting out **specifically** in writing what your business requires.

- **Your goal:** pick a place that will maximize your profits with the lowest possible investment.

Which location is “right” for you depends on **the type of business** you are opening, the product or service, and **who and where your customers are**.

Physical location is crucial for some service (hotels) and most retail businesses. But for other operations it's more important to find low-cost rental space.

The key is –

Where will you draw your customers from? You have to be where your customers are, and where they are likely to come.

Which means that this is yet another time when understanding your customers pays off. Know their habits and preferences, and you have a guide to help you find a location that fits and will work.



Smart tip: To decide **what is the best location for you**, first consider the type of location your top competitors have. That gives you a starting point...

Then look for somewhere that beats their position.

- A lot of street-smart strategies for coming up with no- and low-cost premises, and doing the best possible deals, are included in the “**Finding Finance: Low- and No-Cash Business Financing Strategies**” program. [Click here](#).

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Most service businesses need to be **easily accessible to customers**. For savvy operators, though, today the Web is drastically changing what that means - and it's also lowering costs.

For retail stores and restaurants, passing foot and (possibly) vehicle traffic, public transport, parking availability, population trends, and neighboring businesses (as a source of customers) all matter. Consider, too, the number of competing businesses nearby, and the labor pool.

- **Beware:** Low traffic, changing characteristics of the neighborhood, driving distance, little or no parking, minimal foot traffic, transportation costs, lack of suitable labor, compliance costs (especially environmental or similar concerns).

For manufacturing, wholesaling and warehouse companies, while location still matters often it's **important to find low-cost rental space**.

- Those businesses must consider closeness to suppliers and customers, available transportation, suitable freight services (shipping charges can make you non-competitive), labor and utilities availability and cost, and state and local taxes and regulations.

For **other service businesses** being based close to the customer is also essential - especially where you do the work at their locations (plumbers, landscaping and lawn mowing contractors, roofers, for example).

- Before you sign and settle to buy or lease -

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Check the Neighborhood...

And the neighbors. You need to take a long, hard look at your trading area. Drive around. Go to the local supermarket/s: people, cars, tell you a lot about the area.



In some cases it may be smart to **fly over the location** you're considering, and check the surroundings - or at least look at aerial photographs.

- **Talk to the owners of businesses** close to the premises you're looking at. Find out how good (or bad) business in the area is, whether sales are going up or down, any neighborhood changes in the wind.

While you're at it, try to **find out what rent they're paying** – there's negotiating power if they're paying less than you're being quoted.

Try to talk to whoever **previously** rented the premises you're now looking at. They are often a good source of information about neighborhood patterns and trends, rents in the area, the landlord - a lot of important things you should know about.

Two more special alerts

- **Don't expect** heavy paid advertising to make up for a bad physical location. Advertising (radio, TV, papers) is expensive. And it's not likely to drive enough people into an area where they don't want to go.
- **Don't believe**, either, that "word of mouth" alone will pull people to your poor location. Or that the "inherent desirability" of your product/service speaks for itself and will have people clamoring at your out-of-the-way door.

You're likely to be long gone before the word-power kicks in.

Leasing

Don't assume it's always necessary to lock yourself into a lease or come up with a ton of money to get into the right premises. Think outside the square -



For many businesses **there are alternatives** - or at least **techniques that reduce costs**. The section on premises in "[Finding Finance](#)" is brilliant on this.

You or an advisor should check local body/government/council plans for the area - in case construction on a freeway past your front door is set to start in three months, parking prices are due to treble, and so on.

When it's time to sign, **make sure a professional reviews the lease**. But don't leave it all to them - you should read it, too. You may pick up things important to your specific business that have been left out, or discover **terms that are detrimental**.

=====

2 Virtual Location

Your Web site is your virtual (or online) location - which is **an extension of your physical location**. Each is an integral and essential part of your business.

For many brick-and-mortar businesses -

- (i) the Web site is used as a **communication** and **marketing** tool to attract and arouse a potential customer's interest, so that
- (ii) the sale can be made in the real-world store.

This is **an extremely powerful way** to use the Internet.

When it's properly set up, the **online** location can significantly increase customer and client traffic to your **real-world** location ([click here](#)) - but it does a lot of other things besides. It -

- Spreads the word
- Combats competition
- Helps you gain new business

- Expands the area you draw customers from
- Gathers leads
- Accepts orders
- Makes direct sales
- Keeps customers in-touch and updated

Use the Web to **complement and enhance** your real-world business -

For very little money, you multiply your locations and give customers **another way** of dealing with your business. **People like** multiple ways to shop.

- They want the convenience of being able to order, or buy, or otherwise deal with you, through the Web at a time **that is most convenient for them**, even when you're closed – and without sales pressure.

Sometimes it suits them to take the time to drive and do their shopping locally in your real-world location. Other times they simply want the transaction completed as quickly and painlessly as possible.

- **Use the Web to combat competition**

Since the Internet is available everywhere, your competitors with Web sites have already moved into your market.

Which means that **even purely local businesses** are not competing only against other local operations any more.



Local stores that don't have a good Web site are going to lose customers to businesses that do. You will lose that business not just to "outsiders," but to **other local businesses** that are online when you're not.

Three smart uses of the Web in the early days of your business

Cheap Startup - If your product or service is suitable, use the Web as your main location, and get the business started before you commit to premises and the other costs of setting up shop.

Generate Income Quickly - Since it's possible to introduce a product or business idea far more quickly and cheaply - and to a wider audience - by using the Web, often you can start to generate income almost instantly.

Testing - The Internet provides a fast, effective, low-cost way to test such things as responses to different offers and price-points, and to sort out customer preferences - without the costs and other hassles of a major real-world startup.

- **Try out different** marketing approaches and angles, and gauge reaction to your intended product range before committing to it.

[Proper marketing](#) will attract visitors to your site. How they react when they're there will quickly tell you whether or not what you are offering is going to work. If it doesn't, **it is quick, easy, and inexpensive to adjust** and test further.

There are 64 other (maybe better) ways to use the Net to make money for your business.

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You MUST Get Online

You don't have a choice any more: Regardless of the type of business, and whatever the product or service you're offering, you **need** to get online **successfully** if you're serious about being and staying in business.

Everything you need to know to do that is covered in major detail in: "**Winning Business on the Web: A System for Making the Internet Work for Your Business – Whatever the Business.**" [Click here](#).

That program has been prepared especially for businesses that have a real-world location and in any way deal with or sell to consumers. The focus **is not** just on making sales online, but on every aspect of using the Web to boost your real-world business's impact and income.



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11 Provide Quality, Value, Service, Support

In his seminar "A Passion for Excellence," Tom Peters talked about a company that promoted itself by inviting people to -

"Do business with us, because we're no worse than anyone else."

A lot of companies are still trying to get away with that approach to business. But now those that used to slide through by being "no worse than anyone else" aren't making it. These days -

You Need to Over-Deliver...

People will do business with you today when you provide honesty, integrity, quality products, and excellent service (meeting their needs in a way that exceeds their expectations – also known as "over-delivering").

...With Quality and Value

It's **not just the product** itself. Quality and value are essential in **everything** you do, offer and provide - in **all** the things that touch and surround your product:

- Employees. (They need to have pride in what they're selling/servicing/doing - and stand-out quality fosters that)
- Presentation
- Knowledgeable assistance
- Delivery, and
- After-sales dealings

Without those things as a starting point, your business isn't going anywhere.

Quality means "a degree of excellence, superiority in kind, the highest or finest standard." Service is a part of quality.

Value means "full worth." **Note again** not to confuse "value" with cost: Cost is the price. Value is **all** the benefits customers get when they deal with you.

The way businesses **grow and prosper** is by offering quality, being genuinely helpful, constantly innovative, and providing personalized service of the highest level.



A lot of real-world businesses think that “customer service” is something that happens after the sale; something about solving problems to do with the product - and it’s a pain.

Make that mistake and you won’t be dealing with a pain; you’ll be facing a business fatality.

- Looking after your customers **at every stage of the transaction** is seriously important...

The added value provided by outstanding service and support builds customer trust and loyalty, and leads to repeat sales.

Simple: To build a business that works, build reputation and customer satisfaction.

=====

Satisfied Customers...

- (i) Return and buy again

But they’re key for another reason - **they are a source of new business**. They -

- (ii) Recommend you to their friends and acquaintances

If they tell their friends they have found a business that gives them what they want, the recommendation is priceless, and new customers **will** follow.

Need more convincing about the value of superb customer service?

Try this -

A study by Forrester Research reports that **90% of satisfied customers** are likely to return to, and **tell friends and family** about, a business they had good dealings with. And positive word-of-mouth builds **more** business.

Read that figure again. **NINETY PERCENT!**

- Do you think your business might survive if 90% of your customers bought from you again?

- And the same percentage told their contacts that they, too, **should buy from you?**

Might that convince you that customer service is worth the space and emphasis I'm giving it?

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Use Technology...

Especially the Internet, to give a powerful boost to your efficiency and the quality of your service and support - from answering preliminary inquiries right through to handling after-sale complaints.

- Customer service and support functions can quickly be moved to the Web and delivered **more effectively and cheaply** (reduced staffing and telecom expenses) than face-to-face or telephone contact.

In fact, [a properly set up Web site](#) (complete with **full information** and an area for FAQs/Frequently Asked Questions) often removes the need for customers to contact you direct. Which means that staff don't have to personally and endlessly answer standard inquiries about the company, or its products or services.



The customer service process starts the moment a customer contacts your business –

Whether that's by telephone or email, or if they show up at your business, or visit your Web site.

They **expect** that service will be available to them from start to finish, **right throughout** the whole buying experience. That means -

- While they are **looking to buy** something. They like to be able to make contact with someone who will help them find products, and/or give them information about a product.
- Up until the time they are **ready to make the purchase**. They often have questions about credit, billing, returns, and even how to place their order.
- **After making the purchase** online. Or if the product is back-ordered in your retail business, a lot of customers want to check on the status of their order - what stage it is at, and when they will receive it.

- **After receiving the product**, some will have questions about its use, its repair, its assembly, or how to return it. And some will complain.

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You can use your site to provide the customer with information throughout - and even after - the transaction, and offer technical or other product support: like assembly instructions, other uses, after sales care, trouble-shooting, repairing, and so on.

There's no better, cheaper, or more effective way to upgrade and improve your service - 24-hours, seven days a week. The business is always open; help is always available. Nobody sleeps in cyberspace.



For in-depth guidance on this, get hold of: "**Web Site Traffic Generator: The System for Attracting the RIGHT Visitors to Your Business Web Site – Whatever The Business.**" [Click here.](#)

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It's Very Simple...

- 1) If customers like the service they get from you, **they will continue to deal with you.**
- 2) If they are unhappy with your service, you lose them.

Fail to coddle and nurse them, don't respond quickly (or at all) to their inquiries, and you'll get the same result -

Customer gone

You figure out which of the two courses will work for you -

- Lousy service loses the sale and the customer.
- Superior service guarantees repeat business - and the best free marketing there is: **satisfied-customer word of mouth.**

You'd have to be brain-damaged not to understand that **any opportunity to deal with your customer** is an opportunity to increase that customer's regard for your business, and his or her loyalty.

- Give your customers what they want, and take care of them as though they were the most important people in the world.
- Never** take them for granted, or assume that they're going to order or continue to do business with you.
- Entice them, reward them** - with unmatched service, loyalty awards, special offers, and even discounts exclusive to returning customers.
- Attend to their every need** - show them that they are appreciated, make sure their questions and problems are addressed immediately, the work is done, the service provided, orders are shipped - as, how, and when promised...

And reap the benefits.



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12 You Need Help!



The Chicago Tribune once ran a story in which they referred to Henry Ford as “ignorant.” Ford sued.

During the court hearing he was asked dozens of simple, general information questions, like: “Name the second President of the United States,” and “When did the Civil War start?” and so on.

Ford had very little formal education and didn’t get many of the answers right.

But after sitting through hours of this type of questioning he angrily called out -

- “I don’t know the answers to those questions, but I can find a man in five minutes who does. **I use my brain to think**, not to store up information I can get from others whenever I need it.”

You may never be smart enough to know all the answers - or even all of the questions. But you must be smart enough to **know when and where to look for help** when it’s required.

Don’t try to do it all on your own. **Take advantage of the experience**, education, ability, and imagination of others. No one can succeed without the assistance, co-operation, and advice of other people.

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You need people to advise you **before** you set out, **and** on an on-going basis.

Good people.

Which can be a real problem for startup owners, because they generally need help when they can least afford it - when they’re stretching to find the money to get started.

But you can get help at several levels, and some of it will be **both free and valuable**. And other advisors will cost you - but it’s essential that you get their guidance -

1) **Business Owners**

Others who have done it are a brilliant source of free information. Before you set out, make it a point to talk to people who have started their own businesses.

They don't have to be in the same field – but people with experience in the same type of business as you're starting can be even more help.

- Learn from them. It's valuable to **find out first-hand** what others went through, the problems they encountered, and how they handled them.

Meet face-to-face, at their business place if possible - **so you can get to see what goes on**. And ask all the questions you need answers to.

On the phone, if they don't know you they're not going to give you "trade secrets" it has taken years to learn. But **in the atmosphere of a friendly chat**, it's amazing what can come out.

After you've met with them, ask if it would be okay to call them occasionally when you really need some help. This is a very smart and easy way **to set up a network of contacts**. Later you may even pool other resources.

As well, ask about the advisors **they're** using and whether they can recommend them.

2) Professional Advisors

I believe you should find professionals to advise and guide you - and professionals generally want to get paid.

The choice, though, is often to pay a modest amount now - or **pay a lot more later**, when you're trying to fix things that wouldn't have needed fixing if the right advice was obtained at the start.

One of your advisors' roles is **to anticipate problems and protect**. Prevention is a lot smarter (and less costly at every level) than trying to clean up the mess after something's hit the fan.



Sort out and carefully select your advisors **before you start** to organize your business. You'll need at least -

- A lawyer
- An accountant, plus
- An insurance agent - and
- A banker

3) Consultants

Consultants **who know what they're doing** can be worth their weight in gold.

But **caution** - there's a saying: "If you can spell the word you are one."

- Meaning that in a lot of fields a consultant doesn't have to have any independent qualifications, background, or particular skills.

In every case and no matter what their role, **check what you're getting before you part with money** or let your advisors experiment with your business. Make independent inquiries; get referrals, and check out references.

Advisors have three roles

1) To give you **good, timely advice**

2) To keep you **from getting into - or help you get out of - trouble**

3) To provide you with **contacts**

- You don't want a lawyer who can only tell you how to operate within the law, or where to sign the documents.
- Your accountant should be capable of doing more than just balancing figures.
- Likewise with everyone you bring on board.

You want savvy, smart advice **from every quarter...**

People you have confidence in, who have a bit of meat, and who can make decisions and work with you. They also need to be accessible (so you can get at them when you need to).

- Look for those who have knowledge of, and interest in, business - **preferably your business field** - and a willingness to explain what you need to know.

Tell them about your business, what you have in mind: What you want to do, where you want your business to go, and **how you see them helping you**. **Make sure that they understand your vision** for the business - and how they'll benefit from being associated with you in the future.

Sort out fees before you start: Know in advance what you're going to have to pay and when.

- Often the fees will be based on hourly rates and will vary with the advisor, the complexity and extent of the service you need. But always get clear the basis on which you're going to be charged.

Some advisors will agree to let you **pay the bill over a period**. Make that arrangement up-front, though: Don't just leave the account unpaid and admit later that you don't have the money.



The anticipated cost of professionals should be factored into the business startup figures...

They're an essential investment, and **good advisors will pay for themselves many times over**.

Information on dealing with advisors, **plus** creative arrangements for compensating them is included in "[Finding Finance: Low- and No-Cash Business Financing Strategies](#)" - the premier program on smart ways to set a business up, and finding finance to start.

Two other important roles for your advisors

- ✓ Check them out as potential sources of **funding** for your business. Don't be afraid to ask if they have **access to people** or institutions that can help with financing. Or whether they're interested themselves in putting money into your venture - or would take shares instead of fees.
- ✓ Potential sources of **contacts**. Same again. **Who they know** can be about as important as what they know. Find out who they represent or know that can be helpful to you – as customers and clients, suppliers who will do favorable deals, and so on.

You're a source of income to them and it's in their interests to see that you succeed. **Let them help you.**

4) Business Groups

See whether there is a group of business owners in your area that meets regularly to discuss topics of interest to them, and share information and resources. If there isn't – consider setting one up yourself; it will be worth the effort.

Ideally, the meetings would -

- Discuss things going on that are likely to affect business in your area
- Involve some open sharing by owners of what they are **actually** doing in their businesses
- Include talks and advice given by anyone with particular expertise or knowledge

Members would also pass on details of -

- Equipment they have that other members could use
- Any contacts they recommend – like professional advisors, money sources, or even the best place to get paper clips

5) Outside Board of Advisors

These are people you select to join together to advise you on the best route for your business to take, evaluate proposals, suggest new or better avenues, and come up with solutions to problems.

You pick people who have **backgrounds that can help you** – academics, active or retired business owners and professionals, maybe others with technical, management or staffing expertise, general business knowledge, financial skills, and similar.

You especially want people who have already “been there” – those with business savvy and experience **in successful businesses**. And they must be in tune with your company's needs and goals.



The outside board is **not a direct part of your company** – it's an independent group, **there to help put you on track and to guide you**.

The members don't manage your day-to-day operations, and you don't have to follow their recommendations or advice.

But if you're not going to listen to them, there's not much point in having them. (Unless, of course, they have great reputations, and/or are **very** well connected. In which case they can probably help you without ever actually doing much “guiding”!)

Anyone worthwhile is likely to want to be paid for their services – but a number of companies pay their Board of Advisors with a combination of cash and stock - or, increasingly, all stock. There are a range of other suggestions in “[Finding Finance](#).”

- Properly used, a Board of Advisors can be invaluable. Apart from providing you with sound advice and objective viewpoints, if you choose them carefully they'll give your bankers and others who deal with you confidence.
- There's also comfort in having them approve of what you're doing. And they can ensure focus is maintained – something that is **very** important, especially in the early days.



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Some Last Words Before You Start Out...

- 1 **You** are responsible for the direction and control of your own life and your business. Nobody else can guarantee your success or make everything work. That is your responsibility. But you **learn** from others.
- 2 **Read, understand** - and then **apply** - what you learn in this and the other recommended resources. Remember, though: no matter how outstanding the tools you are given may be, it's still up to you to use them properly.
- 3 Do the **preparation**. Investigate and research; then act. Believe what you are doing will work, then find ways to make it work.
- 4 **Pay attention** to every aspect of your business. Maintain high standards in everything, and insist on delivering only the best of which you are capable.
- 5 **Enjoy** what you do, take pride in what you sell and the services you provide, and reflect that when you deal with others. That means fully understanding and believing in what you are doing, genuinely caring about the customer or client – and showing it.
- 6 **Customers** are not all the same, they are not interruptions to your work, and they are not people to be taken advantage of. They have their own unique needs, and they are doing you a favor when they give you their business.
 - They must be treated fairly and honestly, and as though they are the most important part of your business. Because they are. Listen and respond to their needs.
- 7 **Staff** are assets, not expenses. Involve them. Treat your employees right and they will treat your customers right. When you (i) genuinely care about your **employees**, (ii) communicate the pride and pleasure you get from your **business**, and (iii) make clear the value you place on your **customers**, your employees will communicate these same things to the customers.
- 8 Every business field has highs and lows. The point of **marketing** is to boost business and produce profit even in tough times.
 - The more valuable you make yourself to your customers and clients, the more responsive you are to their needs, the less impact “economic fluctuations” will have on your operation.

- 9 **Expect to be successful.** Your positive approach and attitude impact on everyone around you - staff and customers - and determine the outcome of your efforts.
- 10 **Persist.** Nothing worthwhile was ever achieved overnight or without effort. You have the best information I can give you, but you must still supply the determination and drive to make it successful. The most important element is the strength of your desire to succeed.

Marshall Bird

For Further Information About the Resources Included in This Book -

- **Smart ways to set a business up and find finance** to start and expand –

Finding Finance: Low- and No-Cash Business Financing Strategies

<http://www.findingfinance.com>

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- **How to make the Internet work** for your real-world business -

Winning Business on the Web: A System for Making the Internet Work for Your Business – Whatever the Business

<http://www.startups.co.nz/winonweb.html>

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- How to **use the Web to market and attract buyers** to your real-world business

Web Site Traffic Generator: The System for Attracting the RIGHT Visitors to Your Business Web Site – Whatever the Business

<http://www.startups.co.nz/webmarketing.html>

Startup Success Strategies - Quick Overview

- The **FOUR CRUCIAL AREAS** to concentrate on –
 - i) Know your customers
 - ii) Know why your customers buy what you want to sell – the benefits they are seeking
 - iii) Know your competitors
 - iv) Know your business – and become an expert

- The **THREE DEADLY BUSINESS SINS** –
 - i) Failure to research and plan
 - ii) Undercapitalization
 - iii) Poor management

- The **ONE STRATEGY** that will minimize your risk –
 - i) **Plan** your business. Set your path **after** you've done the research

- The **"P3" FORMULA** that focuses you on the things that will make a difference –
 - i) **People** – that is, customers **and** staff
 - ii) **Place** – that is, your business's locations
 - iii) **Positioning** – that is, differentiating yourself from your competitors so that you gain competitive advantage

- How to **SET THINGS UP** so that you stay on top –
 - i) Establish bookkeeping, record-keeping, and reporting systems that give you the timely information it takes to run your business



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