

BUSINESS MADE EASY[!]



Episode 64

What A Business Needs To Grow?

Full Episode Transcription

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Good day. Good day and welcome to the Business Made Easy podcast where we make business easy. Jason, your host here again for another week on the podcast. It's all about growing your business, growing your business bottom line and giving you a better life as a result. How are you doing out there? Thanks so much for joining me. If you are new to the show, welcome. If this is your first time here, don't forget to hit that subscribe button, that will make sure you get the -- if you enjoy the show, you get it each week into your listening device of choice. But I am very, very happy that you found us and, and I'm glad you're here with us.

For those of you joining me again, welcome back. I'm glad you are here too. I'm gonna give you as much value as possible today as I tried to do in every episode of the podcast but today I really wanna get in there and help you to grow your business. I wanna give you three steps process that you can implement in your business to get it kicking some goals and growing on.

But before we get into that, if you haven't joined our free Facebook group community go to businessmadeeasypodcast.com/community. So that's businessmadeeasypodcast.com/community. And more on that too, if you do have a question that you want answered in you business, you can do that over on the website at businessmadeeasypodcast.com and just hit that red record button. And if you've got a question that you'd -- just something that you really like to know the answer to or you just need help with something in your business, drop me a line. It's free. You just, go in there to businessmadeeasypodcast.com hit that red record button and away we go.

You can ask your question and I'll get an audio file of that question and I'll answer it on the show for you. And as a, as a gift for doing so, I will also throw

you a nice black business made easy, two easy t-shirts as well. So yeah, just hit that record button on businessmadeeasy.com.

All right, let's get into today's episode. As I said, it's a great episode. It's a topic that I absolutely love talking about and love working on with businesses and that is growing your business. Because at the end of the day, we're all in business to, make money. That's the end goal, really. I mean, yes, we love what we do and yes we wanna serve our customers and serve our audiences etcetera but if there's no money being made at the end of the day, well, it's gonna get pretty deflating and we're gonna get pretty hungry 'cause there'll be no food on the table.

So we need to grow and we need to keep growing. I've heard business owners say before that, "Look, you know, I don't really wanna grow any more than what I am." And the problem with that is, you plateau and, and I don't believe there's no such thing as not growing. I think plateauing or, going just staying the same status quo. I think you either grow or you go, you know? If, because the world's moving so fast these days, you can't really just plateau and doing nothing. It just doesn't work. Now for some people, the thought of growing is quite frightening because, if you're gonna grow, you might be under stress and strain out trying to get done what you've gotta get done.

So the idea of doing more or taking on more work of growing your business could be quite a daunting task. And I'm gonna deal with that today and give you some tips to help you, to get over that barrier and identify potentially where the problem might be for you if you're thinking that way right now. So if you're kind of scared of growing and you don't want to grow because the idea of just more customers and more problems etcetera is just beyond wanting I guess. Then stay

with me because I've got something for you in this today as well which will gonna help you to get past that and help you to get back on that growth train. So we're gonna cover in all aspects of that and I'll follow the episode of what your business needs to grow because growth in business can come from different areas. When we talk about growth, growth in your business, we're not talking about just getting more customers and more sales in the door potentially, okay? We might have enough customers, we might have enough sales but we might not be making enough money from those.

So we're gonna talk about that as well and I'm gonna give you a three-step process to start you off on this journey and to get you thinking about this so that you really do know where to start and know what you got to do to get growing. So just three practical steps we're gonna go through to identify where it is that you need to grow.

So I'll start with step one and, it's going to sound seem obvious but you'd be surprised how many people don't actually do this or know this, but the very first thing I want you to do, the very first step in this growth process and it's the very first step that I look at when I get a new client come to me and they want help growing their business, the very first thing I do, to identify what the current situation is. What's your current state of play in your business? Now what are we talking about when we talk about that? Or what we wanna know what our numbers are? We wanna know what the business currently looks like. Is it making sales? What's the level of those sales? So what's the annual turnover of the business? We wanna know how many customers are we serving on a weekly basis, on a daily basis or in an annual basis?

Now, you don't have to get to granular with these numbers but with these, there's some critical numbers that we wanna know. We wanna know financially what our sales are but we also wanna know how many new customers are we getting a year to our business? We want to know how many prospects or leads are coming into a business each year? So inquiries, this can apply for, and I should tell you this now, the things we're talking about here you would do the same thing for any business. It doesn't matter what business you're in.

So I don't want anyone to sort of thinking, "Oh, this wouldn't work for my business." It works for any business. If you've got an online business, you need to know these, these numbers as well. If that'll be different numbers, it might not necessarily be new leads coming to your website. That'll be more businesses so you'll be looking into Google Analytics to get that information and thankfully Google gives us, a lot of that information in Google Analytics. So you can get that information there. But for, for a physical business you might wanna know customers or foot traffic coming through your door.

You might wanna know yes, how, how many leads or quotes you're doing in your business depending on if you got a service-based business. So that's what I'm getting at there. We wanna know that sort of numbers and and like, they're a non-financial numbers, really. We'll also wanna know what the average trends like if so we know how many new customers are coming, we know how many sales we're doing, what's the average transaction value of those of those sales.

So that's very easy to do because if you know what's your annual turnover of your business is, then you can just divide your your total sales for the year and, and you just need to look how many invoice is you issued during the year. Might be one way of doing that. But we wanna know, we could divide that by into the

total sales and that's gonna give you your average, it's gonna give you your average transaction value per customer. We also wanna look at the net profit per customer that we we're getting. So what's the total, the annual net profit of the business after you paid your expenses and wages all those sort of things, what's the actual net profit of the business? So we're trying to build up a picture of what your business currently looks like and you can map this out. I use a tool called Mindmeister, which is just a mind mapping tool and I'll, put a link in the show notes for that as well.

So if you go to businessmadeeasy.com/shownotes/mindmeister, and that spell, M-E-I-S-T-E-R. But again, go to the show notes businessmadeeasy.com, slash episode sixty four and I'll have a link in there for that program. But MindMeister is a great mind mapping tool where, I'll sit down and I'll just map these things out in one branch and just sort of list them all out. So I got a complete picture of what your current business looks like. That's what we wanna do then because you gotta know whether you're growing or not. You're not gonna know if you're growing if you're not, if you're not knowing where you're currently are, basically. So, that's step one in this process, I want you to identify what these numbers are.

Step two in the process is to then get very, very clear about where, what growth looks like to you. Growth is gonna look different to every business. Growth could be not so much more customers in the door but growth might mean more, average spend per customer.

So if you've got, now new customers and I've mentioned this before in previous, forecast but new customers are expensive and they're expensive because if you should gotta spend advertising money, to attract them whether that'd be social

media or whatever advertising and marketing you're doing, so there's a cost there. Then there's cost to on boarding them and processing any new, work that you need to do for that new customer and you went off type stuff the new customers. So new customers can be expensive to acquire. So you might have a, growth for you might not be more customers. It might actually be more transactions or an increasing dollars spend per customer in your business.

And that, that's where you can get if you got an online business, that might be offering complementary products to something that you're doing. If even in any business, we, always should be offering complementary products to whatever somebody is, buying. That if you're installing kitchens, you should always be offering value add to your complementary products to your customers. But that might be, where growth is for you. Growth in your business might be important in your average spend per customer.

So that's what the next step is and you do that on the mind map as well. You just put out another branch there and say, "Okay, growth to me looks like you know, I want to achieve X Y and Z. I wanna achieve this in sales. I wanna achieve this in net profit. I wanna have this many customers or I wanna increase my customers by this. So you have to get very clear about what growth is to you. So I want you to write that down and step two, you could start with words, "Growth in my business would look like X, when if I achieve the results I wanted to achieve. I would have a net profit of this. I would have sales of this. I would have these many customers.

And then once you do that step two, so you gotta clarity now. So in step one, you worked out where you're currently are. Step two, you work out where it is that you want to go and in what time frame? I would put a time, always try and

put a time frame around it because if you leave it open ended, you just plot along and you won't actually, work to any goals. So I want you to actually by growth in my business by X date. By the end of 2018 or by the, whatever date you set within or in the next three months, I want to set these. I want to achieve these goals. So that's our measurement of success. In step two, is that what you've listed out there that's how we, we would gauge that. In step three, we then start to look at the gap.

We start to look at the gap between step one where we are currently on then step two, where we want, we would actually want to be. Our ideal growth plan and we start to pull away, pull apart exactly what's going on your business. So here's the thing right now. This is for the people that are feeling like they don't want anymore growth in their business.

We'll start with that area first so we get over that hurdle. That feeling of overwhelm and I guess yeah because the feeling of overwhelm and the lack of drive for growth or one, not wanting to or that stress that you could be feeling in your business could be from a lack of capacity in your business.

Now, growth, you can't grow in your business if you haven't got capacity in your business. So if you own service-space businesses, it's heavy, heavily relying on our time then even you got so many hours in a day, you only have so many hours in the day, days in the week, etcetera. We've spoken about that before but you have to, I guess create capacity in order to grow because you just can't get it anymore. You can't get blood out of a stone you know? You gotta, create that capacity.

So in your growth plan, it's step three, that's the first area, I would be looking at. Where can I create efficiencies and where can I create capacity in my business? And that might be needing so we will be looking at efficiencies. So our systems and processors in our business is our coaching system. Is that the area that's causing blockage? So we're looking for blockage points in the business where are things that's bottlenecking in getting cold out? That's the very first place I would be looking if I was feeling that overwhelm and I just, growth was just not on the ride after me.

I'll be starting to look at those areas. Can I outsource any tasks? Is there someone I can get, can I employ a person to do X role within the business which is gonna free out this capacity here to be able to take on more customers? Is there a particular technology or machine that I can implement in the business to streamline processes and systems and there's many examples of that depending on your industry. If your online business is a ton of resources. If your physical bricks and mortar business, there's a ton of resources there as well for you. It doesn't really matter what your business is, but I'll be looking at where can I create capacity in my business to facilitate growth? That's the question I would be asking in step three.

So if I was feeling of these things, overwhelm if my team that I already have, all my machinery or whatever it is, is already going to maximum capacity, then we really first need to create capacity first before we can actually grow further. So that's probably for those people in that space, that's where I'll be looking out first because you just can't get more hours of the day. The only thing you do is do more efficiently. Do more efficiently during the day. So that's what I'd be looking at there in terms of capacity. If, I was looking at if I had excess capacity, if I already had excess capacity I'll have people standing around in the business or if

I had machines sitting idle or I had trucks going out half empty or those sort of things so I've already got enough capacity. I'm actually not too busy at all or I might be just starting adding business even. I've got plenty of capacity? And so you would need more customers. So I'll be looking then for, at my sales process and saying, "Okay, what I've got to do to build value and get more customers across the line? I've got the capacity to grow so I need the customers to go. So that area, in sense I'll be looking at what, what my sales process is looking like? So, we'd be looking at two things there.

We'd be looking at new leads so what traffic, is coming to my website? What inquiries in my physical business? is the phone ringing? Are my sales people, or am I doing a lot, if you're one man, solo, business owner, you know, are you taking a lot of leads? So that's why measuring these things is very important. You wanna know this information because it helps you identify where the, the linkage break is in your business growth.

So now if you had a long chain, I think of it as a long chain and, and one of the links were broken, these numbers will give you the pin point for you exactly where things are going wrong in your business. That's what I love about business is that it can be quite predictable. It's very much like just turning dials on a dashboard you know? You're just turning dials, testing, measuring and, and I have a saying in business. if you can measure it, you can manage it. If you can measure it, you can manage it. So if you can measure these numbers you can measure how many quotes you're getting or how many contacts you're getting, you can manage that.

You can say, "Okay, well, that's dropped off. I can see a trend that's dropping down. Why are my leads dropping off? You might you be having a lot of leads

come into your business but they're not converting into sales. So you wouldn't know that, if you don't measure your numbers properly, if you don't get these numbers and they're not hard to get. They're really not hard to get and if you need a hand with finding them, just drop me a line at Jason at business made easy podcast dot com and I'm more than happy to help you. But they're not hard to get but you do need to find them. So if you got capacity and you in step three, if you got capacity and you're wanting to grow, you would look at your sales process. What are my conversions? Are my quotes converting into, into actual physical sales? So that's the area where I would be looking at then.

As I said, if you're not getting sales but getting a lot of leads then I would be looking at my quoting or conversion system. Where, is my client or customer dropping off in that cycle? And that's very important to do. So this, a few hours you got first, you have capacity to grow. So that's what I want you to map out in step three. You identified what you want to do to grow.

Then I'll be looking at have I got the capacity? And then if I have got the capacity, have and if I haven't got it, I'll be [Inaudible] it but if I have got it, then I'll be looking at the sales and marketing process and saying, "Am I converting and bringing the dollars and the dough there?" Now, if the sales in marketing process, is working quite well, and not trending down or it's stable and everything seems under control there, I then be looking at also my average spend per customer. So is there anywhere in that sales process that we can add value to a transaction for a customer that's going to make their life better.

We always wanna be making people's lives better in our business. That's what we do. We serve our customers. We serve our clients. We wanna make their life better. Take some pain away. Is there something else that we can add to the

transaction to take that pain away for them? So, is there a some sort of maintenance plan we can add to our product with selling? Is there some sort of value add service that we can add to our product? So that increases the average spend per transaction that we have with our customer. So I'm giving you a few areas there then I'll recap again in a moment but you wanna look at if, if the sales and marketing, side of things seem to be converting and working quite well, is this somewhere in the business that we don't necessarily, need more customers. We just need to increase the value of those transactions for those customers. So that's, all and in point three there that's what we wanna basically identify the area that we need to grow in our business and get quite clear about that because it's not always as I said from the outset, not always about going and getting more customers.

It's about helping the customers you currently have, even better. Now, once you've identified these and I guess, I could have probably put this in step four but, we'll call it step four it's probably a bonus step so we what you, once you have these things, you got to make sure that you test and measure them regularly. None of this is a set and forget exercise. So I would recommend that you spend the, like once a month even, minimum, I would be looking at what the results are looking like on this areas that you're wanting to grow. I myself, I do it on a weekly basis. I have a dashboard report, one about add maintain, put together a dashboard report for me and it's just a one-page report that I can look at and see exactly what the numbers are telling me in my business each week.

And that helps me to then make decisions. Do we, do we need to go and get more customers or do we need to look at something? Is something, broken or not working as effectively anymore in our business? So I thoroughly recommend

doing that. It's just getting a one-page dashboard report. That's what we call it, our weekly dashboard and, it's just a template and you just set it up in Google sheets, again, if you need to hand with that, just drop me a line at Jason at business made easy podcast dot com. More than happy to sort of help stir you in a the right direction with that. But, yes it's just a dashboard report and then you can monitor and measure, manage the numbers as you look them each week and as the business is going along. I love the analogy, and I use this with clients all the time. If you picture yourself, going around the world, you're gonna sail around set up all your rigging and all your spinnakers and all those. Look at my sailing knowledge go.

I've never sail a boat in my life but anyway, I can imagine there'll be a lot of rigging and setting up that you would need to do so but you wouldn't just set up and then set back and then just sail so far around the world? You wouldn't be setting back in the wind on your hair and then just enjoying the breeze. You have to change because the weather conditions are changing? The climate, the sea, the oceans all changing all the time. So you have to change your spinnaker and you have to change your ropes and your rigging to accommodate so that you get the optimum performance out of your sailing boat as you go around the world.

And that's what you have to do in business as well. I want you to think of it like that. You have to be measuring these numbers all the time. Now they're not complicated numbers. I've given, probably five at most numbers there that you need to get regularly out of your business and your systems should at the very least, be reporting those for you and they're not very hard to get and then you can do amazing things with them once you have those core numbers. You can divide them into each other and get various, result in statistics and that's what

your dashboard report can produce for you each week or each month as you choose to look at it.

So think of that, think of sailing around the world and I've got to check and measure, measure exactly what it is that my business is doing. So that's my three-step process for you to grow. I want you, to think about it. Grab a mind map, again at [business made easy podcast dot com slash mindmeister](http://businessmadeeasy.com/mindmeister). I'll have the link in the show notes for you at [business made easy podcast dot com slash episode sixty four](http://businessmadeeasy.com). And, yes we'll just go back over them in the very first step, I want you to sit down and, and get clear about where your business currently is. Established exactly what it looks like.

Get it all out of your head and on paper, and in a visible format so that you can get an idea of how you're currently performing. In step two, I want you to work at exactly what growth looks like for you in your business. Again, do you have the capacity? What's your ideal scenario of a growth and then what time frame? Don't forget to put that time frame on there because that is very important to have a time frame to work to. And then in step three, I want you to work out what area of your business needs the most attention to help you achieve that growth.

So again if you don't have the capacity, where can I create capacity in my business? What can I do to create more capacity in my business? If you've got the capacity and you're not getting this you know, the sales, are you getting the leads coming in the door? Look at that, are you converting those leads? What's that look like? What's your conversion time? And if your sales and leads are all under control, how can we do the, the job more efficiently? How can we sell the goods more efficiently? How can we add value to the transaction for the

customer and increase the average spend per transaction as well? So there's my three-step process and I have my bonus one for you. That step four was to constantly be measuring and and checking in, checking these numbers and re-checking as you go along. 'Cause the funny thing is, you will get one area of your business ticking on right, you get your capacity all sorted and you get all that right and so I bet you, anyone is, something will break up in that sales area or in the marketing area or there'll be an algorithm change with Google or so anything can happen. as I said, that's the analogy of the sailing boat to sail around the world. So you just keep that in mind as you go as well. Alrighty, I hope that helps you.

Again if those new people joining with the show, I've spoken about, various topics like this before. If you go to business made easy podcast dot com slash episode twelve, I give you an actual five ways to grow formula as well. So there's some more content there that'll help you as well. But this is more about identifying exactly what your business needs to grow and, you'll these two things will work, episode twelve and this will work hand in hand together.

Alrighty, that's all I had time for this week. Before I go, if you again, if you haven't joined our free Facebook group and community there, it's there for you to join over at business made easy podcast dot com slash community, you can join the free Facebook group over there. Also, we have a free competition going at the moment too to win all of my all time classic business books that I just been business books, for me. If you go to businessmadeeasypodcast.com/competition, and you can enter in there. It's free to enter as well and we'll be drawing that the next couple of weeks. So yeah, alrighty, until next week, I, I'm gonna hand over to Mia and I hope you have a fantastic week in business and awesome week all round. So until next week,

here's to your success. It's been great to be with you. Talk soon, bye. Take us out,
Mia.

Thank you for Tuning In

We hope you enjoyed this episode.

If you have any feedback or questions about the content in this episode please don't hesitate to drop me a line at jason@businessmadeeasypodcast.com I would love to hear from you.

Other things that you might like to help grow your business.

We have a very active Facebook community that is free to join for business owners and entrepreneurs. You can get access here

www.businessmadeeasyfacebook.com/community

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Thank you again,
I appreciate you!

*Regards
Jason*

