

WINTER 16

THE PROFIT IMPROVER

Helping you realise your full profit potential



Referrals

INSIDE:

- Getting rebranding right
- A guide to win-win negotiation
- Making your workspace a productive one
- Getting your confidence on track
- And more



Tax agent
79639009

Maximising customer referrals

Word-of-mouth or customer referrals are one of the most cost-effective forms of bringing in new business.

Referrals are generally recommendations from satisfied customers, where one person tells another person about your product or service. Given the business potential from obtaining customer referrals, being able to drive referrals from your regular customers can provide significant benefits to your business.

Businesses can receive referrals organically, however, introducing a formalised process can increase your chances of word-of-mouth sales. Here are some ways to successfully generate more referrals:

Make your customers happy

The first and foremost principle to gaining customer referrals is to provide excellent customer service to your existing customers. An existing customer is unlikely to refer your business if they are dissatisfied and continually have negative experiences. Before you consider asking for a referral you must be sure you are delivering value to your customers consistently.

The best time to ask for a referral is when you exceed your customer's expectations and receive a compliment. Jump on this opportunity to ask your customer if they know of anyone else who could benefit from your products or services. If you feel hesitant to ask face-to-face, follow up with an email to ensure they are satisfied and ask if they would like to refer your business. You may consider creating a referral program on your website where satisfied customers can write testimonials and reviews.

Remind your customers

Asking for referrals should not be a one-off

occasion rather the same approach should be applied to each satisfied customer. When prompting a customer for a referral, ask them questions such as "have you considered this purchase as a gift for a friend or family member," or "would you like to buy one for a friend at a discounted price?" etc. Do not ask the customer for names of prospective customers to maintain confidentiality and privacy.

Introducing a referral program where the referring customer receives a discount or special offer is another way of triggering referrals. Motivating your customers through a monetary reward can kick your referrals into overdrive.

Recognise your referrers

Following up to thank your referrers for the referral is a great way to show your appreciation. Whether the referral results in sales or not, referring customers should be personally acknowledged as providing a referral is a very generous gesture on their behalf.

The worst thing you can do is get a referral and forget about it. Not only could you lose the respect of your referring customer but it can appear unprofessional. Instead send a handwritten thank-you note or personalised email as soon as you gain the referral. You may choose to publicly acknowledge their referrals either through your business's newsletter, social media platforms or throughout your office.

Establishing a set process to deal with how you will communicate with referrers from the time you receive their contact information will ensure each referrer is dealt with equally and receives the same appreciation.



Liability limited by a scheme approved under Professional Standards Legislation.

KRS ACCOUNTANTS

LEVEL 9
1 CORPORATE CT
BUNDALL QLD 4217
TEL (07) 5510 4892

EMAIL
info@krsaccountants.com.au
WEBSITE
www.krsaccountants.com.au

DIRECTOR
Kevin Smith

Virtual CFO
Tax Agent
Financial Accounts
Management Reports
Business Health Checks
Corporate Compliance

Getting rebranding right

Rebranding can be one of the most rewarding decisions a business owner can make but it is risky business.

Businesses looking to rebrand need to ensure they are rebranding for the right reasons. Whether you decide to rebrand due to



competition or evolving customer needs, ensure you have a clear strategic vision.

A successful rebrand requires planning and consideration of the risks involved. Here are some things to consider before your brand rollout:

Market research

Before embarking on your rebranding, understand how your customers perceive your brand compared to how you would like your brand to be positioned. Conduct research into your customer's current wants, needs and opinions of your brand and take into account how other stakeholders such as suppliers and the community view your brand. It is a good idea to weigh yourself against competition to help define what sets your brand apart from your competitors.

Communicate

To ensure everyone is on the same page, communicate with your customers, suppliers and employees to inform them of your rebranding. People are more likely to be receptive to changes if they are clearly explained. Remember to inform staff of any

changes or implications that will impact them from the very beginning, as they will become your brand advocates.

Identify what aspects of your business are staying the same, what is changing and a timeline for the rebranding process. This demonstrates you care about your customers, suppliers and staff and you may get some valuable feedback along the way.

Develop a marketing strategy

There is no point investing money in rebranding if you don't have a marketing strategy to promote and strengthen your new brand. Your marketing strategy should hone in on the core values of your brand, your main message and why you have made changes to your brand.

Once you have a clear vision for your brand, you will need to consider what tactics you will use to launch the new brand. Consider the use of internal campaigns such as meetings, videos and emails to employees announcing the change. You may consider a launch party where clients, employees, media and community members are invited to celebrate the brand rollout.

A guide to win-win negotiation

Negotiation skills are essential in both everyday life and formal business transactions. Effective negotiation leaves both parties satisfied and helps to maintain solid working relationships afterwards.

The aim of win-win negotiation is to find a mutually acceptable solution where you can make concessions that mean little to you, while giving something to the other party that means a lot to them.

Negotiating is not always a straightforward process; people use different styles of negotiating to find a solution. Even though it is not possible for a negotiation to always end with a win-win solution, there are ways to effectively negotiate and improve your chances, including:

Be assertive

An assertive communication style allows you to express your needs and goals in a confident and considerate manner. Assert communicators are more likely to achieve mutually beneficial outcomes, as they are factual rather than emotional or critical. One way of demonstrating assertiveness is changing your language from "you" statements to "I." An "I" statement describes your needs rather than sounding like a direct criticism.

Be prepared

Take a comprehensive view of the situation

before entering negotiation to examine what the other party needs from the deal and the reasons behind those needs. To adequately prepare, set your own objectives and what you will do if the negotiation, or a particular outcome, fails. Consult with colleagues and partners and be sure to rehearse the negotiation. Entering the negotiation armed with a set of considered responses and anticipated outcomes can help you to feel more confident throughout the process.

Choose your approach

Choosing your approach is integral to good negotiating and helps you best respond to the other party's tactics. There are three key approaches you may take: hard, soft and principled. The hard approach involves persuading your negotiating party to concede to your outcome by using extremely competitive bargaining. The soft approach involves conceding a point that is not important to you but is to the other party, foregoing your own interests. Principled negotiation is considered the best approach as it focuses on achieving a win-win by separating people from the problem and basing the agreement on objective criteria.

Engage with the other party

To constructively engage with the other party and increase your chances of a win-win, there are some things you can do during the negotiation. It is important to first introduce yourself and articulate the agenda before you make your first offer. It is likely the other party will make a counter offer but you should

rarely accept the first offer. When negotiating, remember your objectives, be sure to discuss ideas and then make and seek concessions.

Close the negotiation

Once you feel an appropriate outcome is approaching it is time to close the negotiation. Make closing statements and articulate agreements and concessions that you have already made. Follow up promptly on any commitments you have made and ensure to get agreements in writing. If your negotiation does fail, make sure you have an alternative plan as a fallback for the worst possible outcome. Do not be afraid to walk away if an offer is not in your best interests.



Making your workspace a productive one

While most advice surrounding productivity focuses on improving an individual's mindset, there is another aspect that can be enhanced; our workspace.

Improving a working environment is often overlooked when it comes to increasing workplace productivity. However, one of the best ways to change an individual's behaviour is to change their environment.



Here are some ways working individuals can create a workspace that is not only pleasant to work in, but will help improve productivity.

Let the sun shine through

Allowing plenty of daylight to shine into your workspace is a proven way to increase productivity, a person's overall mood and their well-being. Since not every workspace will have access to natural light, one solution could be to invest in LED lighting which mimics natural sunlight.

Keep warm

Cold office temperatures have been shown to lead to more errors and lower productivity. So, if you can control the temperature of your workspace, align it with your ideal comfort level. If this is not possible, rug up - warmer is better when it comes to working productively.

Add some yellow

Most office spaces are painted with neutral tones to create an environment that isn't distracting. However, this can also fail to stimulate workers. One way to make your workspace more energising is by incorporating some yellow colour here and there. Yellow is a cheerful and high-spirited colour that can represent a happy future, hope and wisdom.

Getting your confidence on track

In every customer-facing role, you need to be sure that what you are doing is the right call.

Constantly second-guessing yourself is a dangerous habit that can limit a business's progress and success. But it can be hard to keep your confidence levels high and begin each day fresh and energised when dealing with the stresses of running a business.

Luckily, there are exercises business owners can engage in to give themselves a self-confidence boost when they truly need it.

Practice a power pose

Imitating the body language of powerful people can instantly increase a person's confidence levels. Indeed, studies have shown that standing in a high-power pose can help improve a person's confidence while lowering their stress levels at the same time. So next time you need a boost try power-posing for a few minutes.

Some examples include standing with your legs apart and your hands on your hips, leaning back in a chair with your feet up on a desk and your hands folded behind your head and standing up leaning over your desk with both hands resting lightly on the table.

Smile

Smiling is quite a powerful form of communication. And while people can often

distinguish genuine smiles to the fake ones, both forms are good for boosting a person's confidence. So even if you're not feeling up to it, try to smile at least once every day - not only will it make you feel better, it will also help lower your heart rate and stress levels.

Listen to music

It is a well-known fact that music can affect productivity and energy levels. It can also affect confidence levels as well. Music with a heavy bass can make listeners feel more powerful, so next time you're feeling down, make a playlist of some bass-heavy songs.



Wise Words

A business that makes nothing but money is a poor business

- Henry Ford

Taking your business mobile

Going mobile can convey to your customers that your business understands their needs and respects their time and attention.

Making your business a mobile one carries many benefits in today's digital age, both in the short and long term. Here's why:

Mobile offers extra value

Mobile businesses can physically go to customers and provide a more personalised service. Instead of customers having to drive to your store to access your products or services, when your business is mobile, all they have to do is pick up their phone. For most people, this convenience is extremely attractive.

Mobile lowers costs

Going mobile eliminates the costs associated with an office's physical location, such as rent, electricity and office furniture. It also gives owners the freedom to base their business operations wherever they want to suit their budget.

Mobile growth is easier

In most cases, improving or rethinking aspects of a business is much easier when the business isn't confined to a physical location. When your business is mobile, it is a whole lot easier to hire new staff, add more products and services to your current line and incorporate new ideas.

Misleading conduct on social media

Businesses are becoming increasingly dependent on social media as a marketing tool and way to interact with existing and potential customers.



Although social media draws many benefits for businesses and customers alike; social media needs to be treated like traditional forms of advertising in that comments and opinions are not false, misleading or deceptive. Business owners are responsible for the content on their pages, irrespective of who published it.

Consumer protection laws apply to social media in the same way they apply to any other marketing activities. The Australian Competition and Consumer Commission (ACCC) may require businesses to substantiate any claims that may be false, misleading or deceptive on their social media pages.

To avoid breaching any consumer protection laws, business owners should consider the following:

Do not allow misleading claims in comments

Business owners are accountable for the posts and public comments made by others on their social media pages. Therefore, it is your business's responsibility to monitor comments to ensure they are not false or likely to mislead and

deceive consumers.

Monitor social media accounts

Social media pages need to be regularly monitored to ensure followers of your business's page do not post claims that could be considered false, misleading or deceptive. The amount of time you dedicate to monitoring your social media will depend on the size of your business and the amount of followers you have.

Consider establishing 'house rules' that apply to the behaviour expected from your social media followers, and ensure it is featured prominently on your pages. Followers who breach these rules should be blocked from your pages.

Responding to misleading comments

Businesses can choose to respond to false or misleading comments instead of removing them but it may not override the false impression made by the original comments. In most cases, it is safer to remove comments as soon as you become aware of them.

Turning a negative conversation positive

It can be quite common for conflict to arise during tricky business conversations such as trying to make a sale or convincing a prospect to make a commitment to your business.

No matter how beneficial these decisions may be for your business and the other party involved in the long run, the conversation surrounding the issue can dredge up a lot of negative emotions.

Prospects can become suspicious of offers that are too good to be true and will also be considering the risks associated with bad investment decisions such as losing money or reputation damage.

As negative energy begins to flow into a conversation, it can be easy to forget about

all the positive emotions business owners can tap into when trying to convince a prospect or partner to do something.

In every business conversation, it is important for owners to stay positive. While playing up a prospect's fear of failure can give them a good reason to make a commitment to your business, going negative all the time can also increase the opportunity of a prospect turning against you.

Here are five ways to turn a negative conversation into a positive one:

Reframe the conversation

To correctly reframe a negative discussion, business owners should try casting the issue at hand in a different light. For example, if a customer says that the only reason why you want to make a sale is to make more money, shift the conversation back onto them by informing them that your main objective is to assess whether you can help them or not.

Rephrase what you are trying to say

If a prospect starts using negative language to describe the situation, rephrase what they say in a positive light.

Revisit your past successes

By revisiting past successes, business owners can remind the negative prospect of what can be achieved when working together. For example, if the prospect has been successful using a product from your business, remind them of the progress that followed after that initial decision.

Request more information

When a prospect or customer makes an ambiguous statement that is also negative,



About us

KRS

Achieving better results for your business

At KRS Accountants, we can:

- positively help you identify opportunities to improve your profits
- work with you to achieve your business goals
- give you more time to run your business

We use our business advisory experience and expertise to monitor your business and give you proactive advice on how you can improve your bottom line and business value.

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

make sure that you push them to provide more detail to clarify whether your negative impression was correct to save diving straight into damage control mode.

Reorganise the conversation

People can often get caught up in the little details and lose sight of the big picture. Keep prospects on the right track by reorganising what they care about and remind them of their ultimate goal.