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helping you realise your full profit potential



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5 tips to stretch the marketing budget

Marketing a business can be a costly venture, so it is important to get significant results from small budgets.

Here are 5 tips on stretching a modest marketing budget:

1. If something works, stick with it

Many marketers scrap old promotions and create new ones because they want to offer their customers something new. However, this can be a costly mistake.

If current advertisements and promotions are still accurate and efficient, there is no reason to start a new one. Advertisements should run for as long as customers are noticing and reacting to them.

Even old concepts can be re-used with updated information to form new advertisements. This can save the business both time and money.

2. Reuse and recycle everything

Recreating new campaigns for multiple marketing mediums can become expensive. Reusing and recycling advertising campaigns can save businesses money.

For example, the images and wording used in a business's sales flyer could also be used in their e-newsletter and billboard signage.

This also reiterates the message the business is trying to send to their clients, increasing the likelihood that the client will remember the business.

3. Do not over-present the business

Small businesses can be tempted to follow in

the footsteps of large corporations and produce flashy brochures and large-scale television advertisements.

However, the look, tone and image of the advertisements should reflect the business and their customer base; it should not represent what the competition is doing.

Clean and simple advertisements often are better at attracting the audience as the message is clear and not cluttered with an overload of words, images and sounds.

4. Make use of customised layouts

A common problem of small marketing budgets is the inability to promote a single product to different target markets. A marketing template allows for this, whilst also saving the business time and money.

A customised layout involves creating a basic layout that is capable of being tailored to meet the needs of the different target markets.

Most sections of the brochure will not change regardless of the audience, such as company background and product features.

5. Do the expensive work in-house

Expensive tasks, such as distributing press releases and printing, can easily be done in-house.

It is a good idea to consider hiring a marketing manager to handle the work involved in the businesses marketing.

This is a more economical solution in the long term than outsourcing all the work that needs to be done to produce an advertisement.



KRS ACCOUNTANTS



Chartered Accountants



Liability limited by a scheme approved under Professional Standards Legislation.

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

The importance of succession planning

Succession planning is rarely high on the priority list for business; however the key to a successful succession plan is starting early.

Succession planning is the development of a strategy for the transfer of the ownership, management and financial responsibility of a business.

It is a process that outlines who will take over the business, when the current owners will leave and how this change in ownership will occur.

Succession planning will help to ensure that the business can continue to grow and develop when the current owner leaves. Despite its importance, succession planning still remains a



large blind spot for many business owners.

The idea of a succession plan might sound simple, however, in reality it can take years to implement and involves coordination across multiple areas of a business. Succession planning should not be seen as a single event but as a process that takes place over a time.

Businesses should have a good succession plan in place before transferring ownership of the business. This will help to ensure that the past owner can reap the maximum benefits of the transfer and not lose money due to the unforeseen taxes.

Many businesses owners can often require expert help to assist them in navigating the myriad of issues that arise with succession planning. These issues can vary from capital gains tax, estate planning, retirement planning and stamp duty.

An important decision to be made in the succession planning process is whom the successor will be.

The following are points to be considered when deciding on a successor for the business:

- choosing a successor entails choosing someone who is not only ready for the job, but has the respect of key team members and the ability to guide the company into the future.
- the successor should demonstrate commitment to the same values that the business was built on. They should not just agree with the values but also demonstrate

them in their work.

- a good successor should be able to establish a sense of continuity during the succession phase of the business. The successor will need to ensure that they establish and maintain key relationships with customers and employees during this time.
- it is not ideal to hire a successor on where the company is, but instead on where the company wants to be in the future. Future CEO's of businesses will require a different set of knowledge, skills and perspective than the current leaders.
- businesses also need to consider the core competencies that are important in a CEO. The successor should have excellent leadership, communication and management qualities; however some qualities will be specific to the business or industry. For example, some businesses may require the CEO to be an excellent salesperson.

Succession planning for a family business will be more complex than for a non-family business. Succession planning in family business can often stir up interpersonal and emotional issues.

However, the planning process is very similar—the key is in starting early. A potential successor should be introduced to the business as early as possible.

If family members show any interest within the business, they should be given every opportunity to be involved. This includes receiving the right training and education.

Encouraging employee engagement

Employee engagement is more vital than ever before to a business's success and competitive advantage.

Workers who are not motivated to work convey a bad impression to customers and are more likely to make mistakes. Employees who are engaged significantly outperform those who are not engaged.

Employees are no longer spending their careers working at one company until their retirement. In today's business environment employees often have many jobs in their working life.

Employees also have greater flexibility on where, when and how they are working, so businesses need to keep their workers motivated and engaged.

It is also more cost efficient for businesses to retain valuable employees, rather than having to pay the prices associated with recruiting new workers.

There are many factors that can impact an employee's engagement; however, there are three key drivers. Engagement is affected by the employee's:

- relationship with the immediate supervisor
- belief in senior leadership
- pride in working for the company

Traditional employee engagement programs involved surveys and reports which quizzed employees on whether they found their work meaningful, and were engaged in what they were doing for the business.

However, employee engagement should be a stronger focus in business. It should not be a monthly survey; instead it should be a goal that managers and CEO's work towards every day.

There are five key areas that managers and CEO's can focus on daily to encourage employee engagement:

- treat all employees with respect

- give credit when it is due
- communicate clearly, consistently and often
- offer benefits
- provide an optimal workplace environment for them to thrive.

Employees should feel comfortable to express their ideas regardless of their position or role within the organisation.

Managers also need to recognise the important contributions being made by employees and reward those accordingly. Top performers in the business are an invaluable asset in driving a business forward, so it is important that they are given opportunities to excel and are rewarded when they do so.

Some workers will never engage with the work, or business. In some situations, it is best to replace these workers with those who will want to show up mentally to work.

Counterfeit software in business



Some businesses may be unaware that they are using counterfeit software.

Counterfeit software is often designed to resemble the original program, which is then sold to companies at a reduced cost.

It is essential to ensure that the software being used in the business is legitimate and licensed. Although it may be a tempting and straightforward way to reduce costs, counterfeit software does have its risks.

Fines and charges: Strict penalties apply if a company is found to be using counterfeit software. If the counterfeit software is considered to be a serious evasion, business owners could end up facing criminal charges.

Threat of viruses: Installing a software program onto the business computer allows the program to have access to the entire computer system.

Counterfeit software can be modified to contain a virus, which when installed onto the businesses computer can merge with the code and compromise the entire system.

Lack of technical support: Unlike licensed software, the counterfeit does not come with the option of technical support.

Businesses who have licensed software installed can be confident that if there is any problem within the software they have access to IT support.

Businesses with counterfeit software will be left to solve the problem themselves.

Boost website traffic

Increasing website traffic is an important way in attracting the attention of customers to a business.

It also assists in higher conversion rates and repeat business. Although it can be costly, there are budget conscious strategies that can increase a business's search engine optimisation (SEO) and encourage more traffic to their website.

Videos

Videos clips are becoming increasingly popular as a marketing tool and can be a valuable asset to a company's website.

Videos are cheap and easy to make, and can be used to link back to a website. Images also often rank higher than text in search engines.

Blogging

Regularly updated and high quality blogs can increase a website's visibility within a search engine.

Links to the blog can also be posted on social networking sites and other blogs to encourage people to click through to the website.

Keywords

Using the right keywords on a website will allow for SEO. The keywords are best placed in headings, homepage titles, and website content.

This will increase the likelihood that they are picked up by search engines, or found by people researching a particular topic.

Crowd funding business dreams

Crowd funding can provide a platform for struggling start-ups to raise capital or businesses trying to get ahead with an injection of cash into a new project.

Crowd funding is still in relatively early stages; however, it is rapidly gaining momentum. There has been a boost in crowd funding due to the increase in the level of professionalism, ease of use and ability to access.

Crowd funding describes the collective effort of individuals who network and pool their resources, usually via the internet, to support efforts initiated by other people or organisations. It allows an interested party to invest within an idea that they find inspiring.

Businesses also can offer perks in exchange for contributions, such as a discounted price of a product when it is developed.

Crowd funding has been used in support of a variety of efforts, including disaster relief, startup company funding and inventions and software development.

One example of a successful crowd funded project is an American wristwatch company. The company originally listed their business venture with the hope of raising \$10,000 from potential investors. However, after 21 days, the company has raised over \$10 million.

There are, however, terms and conditions to the projects listed on some crowd funding websites. Kickstarter is an all-or-nothing platform, in that it only delivers the business the money if the project's target is met. Sites such as Indiegogo will pay the business their money if targets are not met, though do charge higher fees.

Wise Words

The man who does not work for the love of work but only for money is not likely to neither make money nor find much fun in life.

Charles M. Schwab

To receive crowd funding for a project businesses should consider:

- researching and learning from other successfully funded projects
- planning the project with a set of goals in mind
- having an active online presence, particularly on social networking sites, to spread the word of their project
- thanking all the supporters who contribute to the project



Marketing trends of 2013

It is never too late in the year to start following the new marketing trends, or to consider planning their implantation into the business for 2014.

Marketing trends can help a business understand what actions will generate the highest returns.

Mobile Advertising

Advertising through smart phones is expected to skyrocket. Smart phones are presenting a new medium for marketers to use in their advertising.

Businesses should consider adapting their website to the more compact screen size of contemporary devices.

This will help users access the company easily and more frequently.

Content Marketing

There has been an increase in search engines favouring sites with high quality and relevant content. Businesses need to ensure that they post information on their website regularly and to a high standard to ensure they are not penalised by search engines.

Responsive Design

Responsive design involves designing a website that responds to the device on which it is being viewed. This means that the website will look slightly different on an iPhone than a desktop computer. This trend allows the business to create a personalised experience for the customer, resulting in greater conversions to business.

Social Media

Social media has been a marketing trend for

the past couple of years; however, it is still just as valuable in 2013. Social networking sites can be used to engage with clients on a more personal basis.

Businesses should keep in mind that it is not about having a presence among all social networking sites, but instead choosing the right platforms to target their audience.

The new generation of cloud storage

Cloud based storage is becoming increasingly advanced with age. The service's easy access, tight security, and flexibility are attracting both big and small business owners.

Cloud storage refers to an online space that is used for the storage of data. It allows its users to back up data to a network of servers that are hosted by a cloud service provider. This data is then available through any Internet-connected device.

The move towards cloud storage is expected to increase as the online storage becomes cheaper, more reliable, and the connection to the cloud becomes faster.

The main advantage of cloud storage is the flexibility of anywhere access. The data stored on the cloud can be accessed through any

Internet-connected device, such as an iPhone or laptop at any location.

Cloud storage is cost-effective when compared to traditional security measures for protecting data. Traditionally, businesses had to pay for equipment, software and personnel to ensure the security of their private data. The cost of data security in cloud storage is generally covered through a subscription cost.

Another advantage of cloud storage is the ability for businesses to easily scale up or down, and only pay for what they actually use.

Business owners have been wary of storing private information in the cloud due to the threat of data hacking and privacy concerns.

However, cloud security is far stronger than any security devices a company can offer. Current cloud providers are highly concerned with the security of their systems. They will often utilize cutting edge data encryption and other security tools to protect data from being hacked.

Some of the advanced cloud providers can include advanced intrusion detection, allowing security teams to fend off hackers even before they attack.

Also, physical data storage, such as an external hard drive, can easily be damaged or lost. Data that exists in the cloud is not physical and, therefore, cannot be fractured in the same way an external hard drive can.

There are a lot of benefits to making the switch to cloud storage. The software is provided immediately, and there is no wait on what the business has paid for.

Working on the cloud allows businesses to be nimble, efficient and cost-effective.



About Us

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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.

Businesses today have much more flexibility and choice when it comes to backing up data on the cloud. There are cloud storage providers that each have their own advantages and disadvantages, as well as costs.

When considering making the switch to cloud based storage it is necessary to do some competitive shopping first.

Business should consider the following points:

- how much they are willing to pay, or whether a free account is the best idea
- their need for customer management, help and guidance
- the licensing arrangements of each service provider
- the capacity constraints of each provider
- whether the provider can still benefit the business in the future