

WORK BOOK TWO



THE 7 GROWTH MULTIPLIERS

LEARN HOW THESE TOP GROWTH MULTIPLIERS

CAN INCREASE YOUR PROFITS

MEAGHER **COACHING ACADEMY SPECIALIST**
Where Small Businesses Grow

The 7 Growth Multipliers

“Movie producer Michael Todd once said, *“Being broke is temporary; being poor is a state of mind.”*”

Theo Paphitis of Dragons Den claims that 50% of businesses fail inside two years.

Forbes, Bloomberg and Practical Ecommerce claim that in certain business categories, over 80% Of Businesses Fail In their First 18 Months... **WHY?**

The main reason is because they don't have enough customers buying from them regularly! They literally run out of cash.

- They don't attract a sufficient number of qualified prospects.
- They fail to convert their prospects into profitable customers.

So, the only way to succeed in business is to be relentless in your pursuit of acquiring a constant supply of qualified prospects to be converted into buying customers.

The Challenge

People will only buy when they are ready to buy and

People don't want to be sold to, they prefer to buy.

People prefer to buy from people they Know, Like and Trust.

As extensive research and massive investment has proved the above to be true, it demands that we adopt a completely different approach to how we prospect for new leads.

The 7 Growth Multipliers/Continued...

Short, Medium or Long Term

A substantial number of business owners acknowledge that, medium and long term prospecting is essential but they also need customers today.

So, let's deal with acquiring new customers today.

To help us do this we will need to look at the challenges and how best to position ourselves in the marketplace, together with the most effective, efficient and cost effective, Lead Generation System to match your business needs.

If you need customers today, let's look at medium term prospecting and then let's look at the cost of escalating or accelerating the process.

With Amazon, 'Same Day' delivery is the very same process as 'next day' or 'five day', just a little dearer.

We will look at the background to prospecting, the obstacles to be overcome and the massive new opportunities available to us today.

"You gain strength, courage and confidence by every experience in which you really stop to look fear in the face. You must do the thing you think you cannot do." – **Eleanor Roosevelt**

There is a limit to how much you can cut expenses before quality and service is affected.

Therefore, it makes sense to focus on growth:

Increasing just one of these will help your business to grow...

But by increasing all of these Multipliers by just a small margin will exponentially skyrocket your bottom line profits!

So, What Are The 7 Growth Multipliers?

- 1. Number of Hot Prospects.**
- 2. Conversion Rate.**
- 3. Number of Transactions.**
- 4. Transaction Value.**
- 5. Profit Margin.**
- 6. Number of Referrals.**
- 7. Buying Lifetime.**

So, What Are The 7 Growth Multipliers?

/Continued...

1. Number of Hot prospects.

It is easy to accept that to make sales we need to achieve increased volumes of 'Hot Prospects', whilst we strive to increase our conversion rate, i.e. the number of 'Hot Prospects' we need to make a sale.

The only way we are ever going to generate 'Hot Prospects' is to have big volumes of 'Luke Warm Prospects' and even bigger volumes of 'Cold Prospects' which are commonly called 'Suspects'.

We must look at our database of prospects as we would a 'Sales Funnel'.

Into this funnel goes a large volume of raw material to be converted.

We will in due course, and the sooner the better, get to understand how many cold prospects or suspects or cold leads that we need to make a sale.

Once we have established this figure, it will be abundantly clear to us that we need to continuously top up this 'sales funnel' with more prospects.

It could be tempting to think that surely business will improve so much that we won't need to do all this, but you are wrong. Irrespective as to how successful the business becomes you will always need to generate more 'Hot Prospects', it's a fact of life.

This subject is covered in great depth in the module 'Lead Generation Made Simple' using the 'PERFECT Method'.

So for now just accept that whatever number of 'Hot Prospects' you are currently generating, you should aim to increase this number by 10% and it is inevitable that you will immediately see an increase in sales.

So, What Are The 7 Growth Multipliers?

/Continued...

2. Conversion Rate

To increase the conversion rate, the fundamental and critical factor is always, absolutely always, based on the quality and exclusivity of the hot prospects.

So we should continue to search for a good quality vein of Hot Prospects.

But we must simultaneously work on improving our own ability to increase the conversion rate.

It is so easy for the sales manager to blame the quality of the prospects when in fact he or she should be working on improving their own skill level.

It doesn't matter how good the prospects are, we still need to go to work.

The fish won't jump into the boat.

3. The Number of transactions.

Every company and all marketing organisations will guarantee you that one of the most expensive part of your business will be in finding new customers.

So having found them, you must go to work on developing your product range, in order than you can take full advantage of the goodwill you have generated between yourself and newly acquired customer.

If you have difficulty in extending your range of products or services, you would do well to consider taking on additional products that will compliment your core business.

So, What Are The 7 Growth Multipliers?

/Continued...

4. Transaction Value.

To grow your business, you must get out of bed early to find ways to increase the transaction value.

This will seem obvious to so many and yet day after day I hear business owners ask “How am I going to increase my sale price when my competitors are reducing their prices?”.

How do the High Street retailers increase their transaction value? They simply take a £1 product, price it at £1.50 and offer two for £2. The wine retailer sells more £6 bottles than £8 bottles until he places a massive shelf of £10 bottles next to them and immediately up go the sales in £8 bottles.

5. Profit Margin.

We are not just selling our products or services, to keep us busy.

We need to make a profit and more to the point we need to work hard on increasing our profit margin.

To achieve this we simply, cut our expenses, increase our sales or perhaps a combination of both.

When you start to look at how best you can cut expenses, you may have heard the old wives tale of “look after the pennies and the pounds will look after themselves.”.

Well in business this doesn't work, if you need to cut expenses, instead of worrying about to save on paper-clips, make the more difficult decision and cut payroll.

So, What Are The 7 Growth Multipliers?

/Continued...

6. Number of Referrals.

By far the very best method of winning new customers is through referrals.

Before they even meet you, they believe that should be able to Know and Trust you and hopefully will get to Like you, so you are well on the way.

In these Social Media days, instead of your customer actually passing to you the name of a prospective customer, they are doing far better than that by posting positive reviews on your website.

You should consider rewarding your staff whose names appear in positive reviews.

7. Buying Lifetime.

When you and your bankers sit around to value your business, you will find that one of your greatest assets is in your customers, with particular focus on their loyalty.

This logic is based very much on the understanding that winning new customers is a very expensive business.

In order to increase the value of these customers, you ideally need to be able to demonstrate their loyalty. Once you can show that your customers stay with your company, this will automatically enable you to justify increasing the cost of acquisition.

It is acknowledged in the Veterinary profession that a pet owner will spend some £11,000 on veterinary bills during the lifetime of the pet.

From this you can see how a Vet can justify investing hundreds of pounds to win a new customer.

Success Story And Positive Mental Attitude

Alfred Noble had the unique situation when his brother died and it was reported, in error that Alfred had died .

This was accompanied with an epitaph for Alfred which credited him with his valuable invention of 'Explosives'.

Alfred Noble very promptly discovered his purpose or 'His Why' in life.

He didn't like how he was to be remembered and donated huge funds to recognise those who were dedicated to 'Peace'

DON'T FORGET TO WATCH THE "7 GROWTH MULTIPLIERS" VIDEO