

Customer Acquisition. Converting Leads to Customers

An Accountant's perspective

Building Blocks of a Business

1. Strong Leadership - To Grow the business, YOU MUST grow yourself and your people - This means new habits.
2. Robust Culture & Values - Business with great culture are **6 times** more profitable
3. Effective Communication - True Communication is the response you get!
4. Identify Top 5 Processes - Difficult to stop fighting fires without good processes
5. Learn How to Sell - How much time do you spend on pure sales?
6. Targeted & Consistent marketing - Why are you different - people buy you and your story
7. The Planning Methodology - Long Term goals & outcomes (Business & Personal)- 12-month plan & 90 Day Priorities
8. Know Your Numbers - Activity numbers v Financial numbers
9. Time Management - Important vs Urgent
10. People Accountability - Right people, Right role, Right Management

The Business Chassis

Inputs Vs Outputs

- Too many businesses focus on the outputs such as my revenue figures and profit.
- You need to spend more time on your inputs such as
 1. Leads
 - Where do you get your prospective customers find you?
 - Google
 - Social Media
 - Lead Generators
 - Referrals – Do you ask for a referral and do you have a program to say thank you?
 - Walk ins – How does your business present to potential clients
 - Do you ask and record how your clients find you.
 2. Conversion Rates – overcoming a potential clients resistance to change
 - Dissatisfaction x Vision + First Steps > Resistance to Change
 - Your goal must be to build a level of rapport designed to lower someone's resistance to you and / or your business
 - Sometimes this is built over time but in retail it needs to be quick so make sure you look appropriate and the place of business is fit for purpose. ie tradesman with dirty workvan, Not being prepared.

Dissatisfaction:

- Ask open-ended questions
 - How, What, Where, When type questions.
- Keep digging past the initial response.
- Do 2nd and 3rd level questions – when you say that, what do you mean, what impact does that have on others, how has that impacted your family.
- We are trying to dig to an emotional level not logical

Vision:

- Ask how they would like to see the service operate
- What is the vision, must get them to articulate it – This gets them to picture it in their head not you are articulating it.
- Ask them how their Vision would improve their situation
- Get them to say what it would be like if you could solve their problem (D) and deliver our Vision.

First Steps:

- Based on what you have learned about the person, their issues, and their goals – Design an appropriate FIRST STEP not total solution.
- If the solution is too big then it may impact the persons resistance level, if the solution is complex then break it into small steps. Examples may be if it costs a lot of \$\$ then offer payment plans, this is why AfterPay works.

3. Average Spend

- You have a captured market already (Your Current Clients) how can you increase their current expenditure
 - Are you charging the right price?
 - Are there other ancillary services you can offer?

4. Number of Transactions

- Can you get the client to use your service or purchase your goods more regularly?
 - Volume discounts
 - Loyalty programs
 - Communicating with clients

5. Margin

- Understand your costs
 - Fixed – eg rent
 - Variable – cost of goods sold
- Review your costs

Order of review

Based on the degree of control you have and the timing of impact of your actions

1. Margin

- a. No sense getting more sales if you are making a loss

2. Average Spend

- a. Bigger bang for your buck in marketing
- b. Increase potential market

3. Number of transactions

- a. You have already incurred the effort and cost of obtaining the client, maximise the reward

4. Leads

5. Conversion Rates

The Geared Effect

A bit like compound interest the reward of small incremental increases across the Chassis has a bigger impact than focusing on a single area.

How do we do it?

System

We are very systematic in our approach and use technology that is

- Real Time – no sense having data weeks, months or years old
- Integrated – systems that talk to each other
- Smart/AI – Systems that do the grunt work for us

Plan

Budget of not only the financial but non financial business driver information such as leads and conversions.

Business plan that provides a road map to your goal. Make sure the plan identifies

- The tasks required to achieve your goals
- The time frame for them to be done
- Who is responsible

Review and Adjust

Plans and budgets are not written in stone and should change as circumstances change eg COVID 19.

Review and adjust on a regular basis as to what is working and what is not working.

Accountable

Make people accountable for their responsibilities even yourself.

Helps if you have an external party to play that role such as a business coach or if money is tight a trusted friend or family member.

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