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My 2 Cents on... How to Beat Those Pesky 2015 Results

You do have to feed your prospect pipeline and generate new clients on a constant basis, so your business doesn't dry out over time. The good news is, you can do it with very moderate means and a good dose of street smarts.

How? Through superior marketing, thorough planning, and a disciplined execution of your plan! But let's step back and start at the beginning.

MARKETING

Your marketing must initiate and drive change. In order to achieve this, your marketing activities need to do three things:

1. **Break through** the competitive clutter to reach your intended audience and create awareness of your product or service.
2. **Deliver a WEIRD message** that communicates the benefit of your product or service, i.e., your unique value proposition. (WEIRD = well-targeted,

engaging, interesting, relevant, differentiated)

3. **Persuade** your target audience that you and your product/service are simply the best solution.

"Change" is the key in all of this. Your marketing needs to drive change. If you're marketing, you should see your business grow because of your marketing activities. Otherwise, you'd be wasting your time and money.

PLAN & EXECUTE

Where do you start? It would be wise to start with some goals and objectives. You want to get very specific here and set up some



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quantifiable goals, so you can measure and track your progress against them.

Good goals are **S.M.A.R.T.** goals (specific, measurable, action-oriented, realistic, and time-sensitive).

For example: Let's say your next marketing campaign's goal is to deliver 12 new clients over the next 6 months (or 24 new clients per year). That's measurable, time-sensitive and, let's assume, it's also realistic.

However, it is neither specific (you don't know which type of clients you're after, or how they will affect your revenue and profit), and it's clearly not action-oriented, since you still have no idea of what to do to find these clients.

So, let's first make it more specific. Let's say each of your 12 new clients should generate incremental revenue of \$1,200 and \$600 profit per year.

Ahhh... now you know that your cost of generating each client must not exceed \$600 per year in order to stay "on plan"! (\$1,200 revenue - \$600 cost = \$600 profit per year).

Of course, in order to produce a complete cost and profitability plan and analysis, there are also other related costs to be considered. But let's ignore those here for simplicity reasons and assume they're all covered under the broad umbrella, called "marketing".

So, if you put your 6-months marketing goals/plan on a 12-months trajectory, you have just established your "annual marketing budget":

Incremental	Per Month	Per Year	Analysis
# Clients	2	24	
Revenue/client	\$1,200	\$28,800	Net Sales Value = 100%
Cost/client	\$600	\$14,400	Expenses = 50%
Profit/client	\$600	\$14,400	Gross Margin = 50%

\$600 cost per new client x 24 clients equals \$14,400, which is your annual marketing budget, and which should yield \$28,800 incremental annual revenue with \$14,400 incremental profit.

You also know that in order to achieve half of this within half a year (i.e., 12 clients in 6 months), you should probably spend half of your annual budget or \$7,200 during the first 6 months, i.e., about \$1,200 per month.

Perhaps you might even want to spend the major portion of that 6-month budget during the first one or two months, if you can afford a "front-loaded" marketing plan. "Hit 'em hard'n fast" can be a very powerful strategy to win a fight!



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Of course, these numbers are simplified and for illustrative purposes only. They may not only vary widely, but also depend on the strength of your marketing message and how well it is delivered (i.e., what you say, how you say it, and how many of the right people within your target audience you reach).

OK, so far we have quantified the metrics. Now let's get more specific. Let's manage your "product mix" and then qualify your new prospective clients to define your target market.

YOUR "PRODUCT MIX"

Say you focus on factoring and equipment leasing. This mix should also be reflected in your marketing goals and efforts, as well as in your allocation of your time and budget.

You may want to end up so that 50% of your new clients are factoring clients, while the other 50% are equipment-leasing clients.

Of course, there might be some overlap and some of your new clients may need both.

But let's say for the sake of argument here that factoring and equipment leasing were mutually exclusive.

It would therefore be sensible to assume that you will need to spend one half of your available time and marketing budget on factoring and the other half on equipment leasing in order to achieve your desired results.

Again, I'm simplifying a bit here, but you get the point.

It also becomes clearer now, why one person cannot possibly work too many cash flow niches at the same time. You simply would not have enough time and budget to market each one sufficiently and at a level that would generate the desired results.

You'd be very broad, but not very deep in your efforts and marketing expenditure, and your marketing for each one of those cash flow instruments would likely remain below "critical mass" and not produce any significant results.

Especially in the beginning, you are much better off focusing all your energy and budget on **one** cash flow niche. Once **this** business produces regular and sufficient income, you can still diversify and use some of those earnings to build another one.

YOUR TARGET MARKET

To determine to whom you are going to market, you might want to identify one particular industry sector to begin with that can benefit particularly well from your services.

The companies you target should be of similar make-up in terms of sales, number of employees, types of customers they service, etc., and they should have similar needs and challenges.



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This will allow you to have a streamlined marketing campaign and message, since you will be marketing to a rather homogeneous group.

You will also gain more experience with **their** market and business because of your repeated exposure to the same or very similar business issues they have.

This will make your communication with them a lot easier and much more effective and productive as you move forward.

EXECUTION OF YOUR PLAN

Congratulations! You're off to a good start. You already know...

- your goals and objectives
- how much time and money you will spend and when
- how to manage your "product mix"
- your primary target group
- your marketing messages

Your goals and objectives are now specific, measurable, (hopefully) realistic, and time-sensitive.

But wait! What happened to "action-oriented"? You still don't know exactly where to begin and what to do next in order to turn this big, hairy goal of 12 new clients in 6 months into "bite-size" chunks.

So how do you turn your goals into action?

This is the real kicker: It's easy and simple! You just break your big goals down into baby steps. Here's how:

If you know you need 12 clients in 6 months, it is prudent to assume that you will need two clients each month to stay on plan.

Let's assume for instance that your preferred marketing method is making cold calls to selected target companies.

Now, in order to generate two clients per month, let's say you need eight qualified and motivated prospects per month (assuming a 25% conversion rate).

In order to find these eight prospects, let's say you need to make 800 contacts per month (assuming a hit rate of only 1%). And in order to make 800 contacts per month, you need to make about 200 contacts per week. If you work 5 days a week, you need to make 40 contacts per day. Can you do this?

To put this into perspective: Full-time sales professionals in large organizations and telemarketers are expected to make anywhere between 100 – 150 contacts per day!

Be it as it may, have you noticed how you break a big, hairy goal (12 new clients in 6 months) down into manageable baby steps and thereby create an actionable daily to-do list?



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And that's the whole point! The numbers may vary, but by turning goals and objectives into the smallest units of manageable daily tasks, you deliver an excellent execution of your marketing plan.

And by planning your work that way and working your plan with discipline, each day will bring you closer to achieving your longer-term goals and objectives. All you need to do is make those 40 calls each day, 5 days a week, 6 months in a row!

One more thing: Monitor what you do and track your results on a daily basis and you will soon find out what your personal "conversion numbers" are.

Then you can see whether you need to increase your efforts (if you fall behind on

To your success,

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your plan), or up your goals (if you're ahead of your plan).

Remember, you can only manage what you measure. And your way to success always begins with the first step.

Once you see the first results, it's only about repeating this first step over and over again.

And that's how you beat your 2015 results in 2016.

I wish you a happy, healthy, and prosperous New Year!