



Index

Keep On Marketing	1
Business Plans - Some Questions To Consider on Marketing	2
What's It Mean? Sales Mix and Stock Indicators.....	2
How Well Do You Know Your Business?	3
Financial Stress Testing.....	4
Exporters Need Export Plans	4

GST Rate Increase to 15% - Are you ready?

We are holding a free Seminar at Club Waimea, 345 Queen Street, Richmond from 7pm to 9pm on 8 September 2010 to ensure that you have all the help you need to make the transition hassle free.

Contact our office now to book yourself a seat.

Ph 03 544 6179 or complete the enquiry form on our website



Keep On Marketing

In a tight economic climate it is tempting to stop marketing. However, if you wish to take advantage of the business upturn, you have to think differently to take advantage of changing economic circumstances.

Businesses need targets, especially to customers:

- Give guarantees on your product or service.
- Have a vision; don't try to be all things to all people.
- You don't need to spend huge sums of money on advertising.
- Have you considered being proactive with the use of public relations and communications by issuing well prepared news releases on products/services/activities that your business has undertaken?
- It is a good idea to employ a journalist to 'professionalise' your news release and then send it to the media in your region.
- If you have slow moving stock in your business, is it possible to package the slow moving stock with other stock items and sell them as a package of products?
- Have you explored the opportunities of marketing your business in conjunction with another business, whereby you share the customers and jointly market and promote the businesses?

You need to be thinking differently in the current economic circumstances by being proactive in marketing, public relations and communications. You may find that targeting products and services directly to specific customer segments gives you better outcomes.



Business Plans - Some Questions to Consider on Marketing

One of the most important aspects of the preparation of a business plan is firstly to consider the business' market and the business' marketing plan.

Questions to consider include:



- Do you know your target market?
- Do you understand the diagnostics of your customers/clients relating to age, sex, occupation, salary levels, interests etc?
- Is the business capable of handling the market that you bring in?
- Have you checked your marketing activities/aids including promotions, videos, telephone answering, product wrapping, staff training, the image that you are presenting?
- Are all of these marketing activities presenting the correct image?
- Have you developed a customer database?
- Have you developed a web page? Is the web page regularly updated?
- Do you have systems to capture customer details for inclusion in your customer database?

If you would like a paper on Marketing, please contact us.

We have over 50 questionnaires to help you think about your business plan. You might think it was all done and dusted after you first put it together. But is dusting off exactly what it needs? Your business plan needs to change and grow with you and your business. Is it time for a review?

"Next to doing the right thing, the most important thing is to let people know you are doing the right thing."

John D. Rockefeller

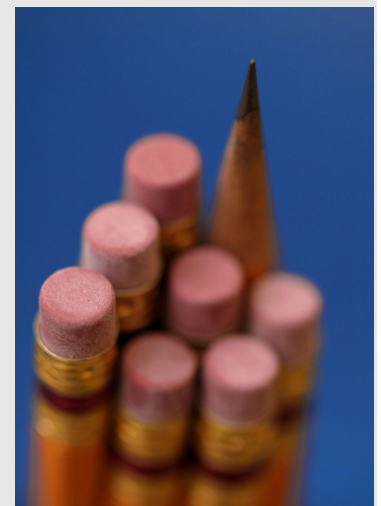
What's It Mean?

Sales Mix... If your business has identified its departments, it's desirable to isolate the Sales, Cost of Goods Sold, Gross Profit and Key Expenses such as Wages, Advertising and Rent for each Department.

The dissection of the Sales income for the business into Departmental Sales is known as 'Sales Mix'. Departmental Sales Mix measures the income to be contributed from each product group.

Stock Indicators... measures the success of stock management in meeting customers' demands without over-investment in excessive stock. Factors affecting stock management include:

- Stock displays
- Department mix
- Ordering procedures and systems
- Stocktaking techniques and timing
- Stock security controls using stock
- Key performance indicators, including:
 - Average stock on hand
 - Turn (days)
 - Return on inventory



Be sure to read each article with the mindset "How this could apply to our business". Thinking of it that way will guarantee that you get value. Also make copies for each team member. To really make sure something positive happens, work with your business development specialists to talk your team through ideas.

How Well Do You Know Your Business?

When was the last time you took stock of the position your business is in? This month you could ask yourself 'How well do I know my business?' To start this process, why not ask your employees what business you're in. Then compare their answers to yours. As part of the review of 'How well do you know your business?' we have prepared a checklist which we are happy to send you. Some of the questions are:

Customers

- Who are your customers?
- How well do you know their preferences?
- Do you know your 'A' grade customers?
- Do you have special policies for your 'A' grade customers?
- What are your policies to convert 'B' grade customers to 'A' grade customers?
- Does your business exceed your customers' expectations?
- If you believe your business exceeds your customers' expectations, how do you know that?
- Do your clients refer business to you?



KPI (Key Performance Indicators)

- Have you identified key performance indicators for your business?
- Are they appropriate?
- Do you share the key performance indicator information with your team?
- Every business will have different KPIs. Popular KPIs are:
 - Debtors' Days Outstanding
 - Stockturn
 - Work in Progress
 - Gross Profit Percentage by individual products or departments
 - Sales/fees per team member

Team Members

- Have you identified team members' strengths and weaknesses?
- Have you identified special training or development individual team members may need?
- Are you conducting staff training and development activities for your team members?

Marketing

- Is your website user-friendly?
- Have you asked customers/clients whether they get the information they are looking for from your website?
- Do your team members know what your customers/clients think about your website?
- Are your team members using the website to fully supply information to customers/clients?
- Have you got a growth strategy for the business?

Cashflow

- Have you analysed your cashflow position?
- Are improvements needed to cashflow?
- Are credit terms clearly explained in writing to customers/clients?
- Are tax invoices accurately prepared and sent promptly?
- Are statements prepared and mailed?
- Is follow-up action started as soon as the debtor exceeds your stated terms of trade?

Please contact us if you would like to discuss the 'How Well Do You Know Your Business Checklist'.



Financial Stress Testing

If you are planning to borrow money from a financial institution in the current economic times, you will need to satisfy the bank that you have the ability to repay the loan irrespective of the prevailing financial conditions.

Financial Stress Testing requires the business to prepare best and worst case scenarios, taking into account sales levels, gross profit margins, operating expenses and interest rates. As part of the Financial Stress Testing Presentation, you will need to present financial data prepared no later than 1 month prior to the application being lodged, so the banker can ascertain the current financial performance. Other items to be included in the Financial Stress Testing analysis include Key Performance Indicators for the previous financial year and the current year to date, debtors' aged analysis, creditors' aged analysis and budget variance reports.

If you need to borrow additional funds, please contact us so we can assist in the preparation of a suitable package of information to satisfy the bank's Financial Stress Testing requirements.

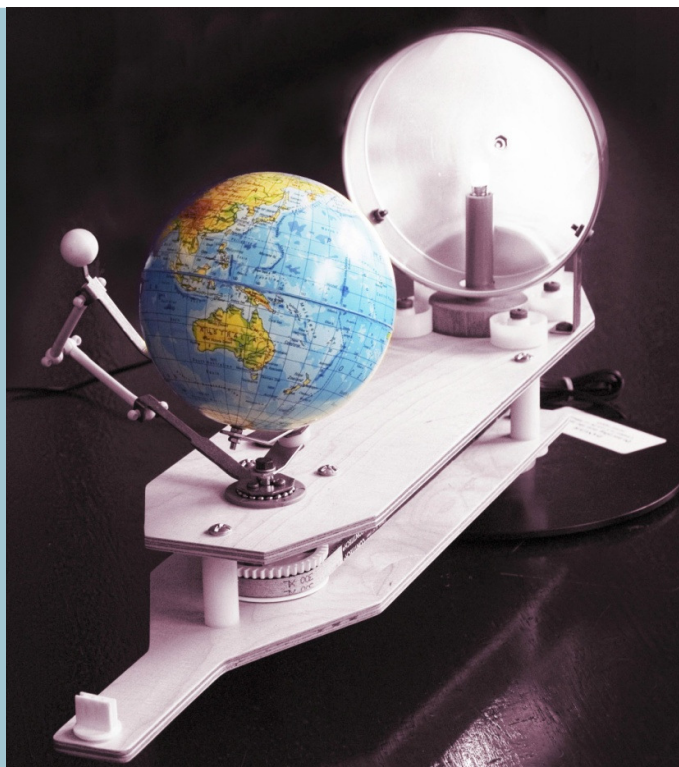
Exporters Need Export Plans

Exporting requires detailed planning and research to understand cultural issues, regulations, types of business models and representatives. It is important that detailed investigations are undertaken and that you don't launch blindly into a foreign market.

To successfully undertake export operations you need:

- To consider an export market business plan
- A plan to suit your market priorities and objectives
- Business development services to help with aspects of planning representation in other countries
- Sales and marketing targeting initial customers
- To target reference sites
- Management for your business in the foreign market
- To facilitate strategic alliances in the foreign market

If you require further assistance in planning an export entry strategy you should contact New Zealand Trade and Enterprise and/or have a discussion with us.



An Important Message

While every effort has been made to provide valuable, useful information in this publication, this firm and any related suppliers or associated companies accept no responsibility or any form of liability from reliance upon or use of its contents. Any suggestions should be considered carefully within your own particular circumstances, as they are intended as general information only.