

3 Simple, Low-Cost Ways to Quickly Boost Revenue

by Drew Morris
Great Numbers! LLC

Demand's down because of the recession, and with it, revenue. But your competitors still have revenue and you can get some of theirs. Here's how:

1. ***Get customers and prospects to like you better.*** That is, improve how customers and prospects feel about your business, your brands and what you offer. Those feelings have made the company's revenue what it is today—because people decide to buy, buy again and refer their friends, or not, based on that feeling.

Just as food does not originally come from the supermarket, revenue does not originally come from the sales force—it comes from customers. Their decision to buy comes from winning their hearts and minds. Which starts with where they believe you're coming from. The leader's role is to shift the way the company *thinks about* its prospects and customers from “those who buy” to “those whose lives we're working to improve.” Really. Once prospects and customers feel that you're actively trying to better their lives, their powerful inborn need to return the favor will kick in.

Here's an example. The Wall Street Journal recently reported that Heinz, the ketchup maker, put up supermarket displays that explained how consumers could prepare a \$10 meal for their family using Heinz's pasta sauce, pasta, ground beef and salad. Heinz helped customers stretch their budgets, at a time when it matters. Wanna bet they'll buy again and remember the brand that helped them out?

If your company can get just a few percent more of your prospects to choose what you offer over your competitors' offerings and a few percent more of your customers to buy again soon, and refer their friends, what would it do for your revenue (and profits)?

Another powerful boost can be simply how the company answers the phone and how quickly it answers customers' email. Customers should get a clear sense that the company thinks of them *as people*—that they're important, respected, welcome and that their time is valuable. Then they'll “like you back.”

2. ***Beef up your value propositions and the promises behind your brands.*** Try making them *truly compelling*. One quick way is to strengthen your guarantee. Another is to turn products/services into solutions to customers' problems. And of course, many companies are pricing and bundling products to provide greater value.

Here are a few of the other ways to enhance your value proposition, without cutting prices:

- An engaging staff—“I buy from the business often, just because I like the people there.”
- Teach the customer—Examples: T. Rowe Price teaches its customers financial literacy and sound investing. And REI, the outdoor-equipment retailer, teaches its customers how to avoid getting buried in an avalanche, among many other things.
- Customer-centered design (the two above are quick; this one can take a while)...
 - . Performance: Under Armor—athletic wear that wicks perspiration away from your skin. Polartec fleece: warmth without weight.
 - . Convenience: Salesforce.com—no software to install, or maintain; no capital outlay; no servers to buy and support for it to run on.
 - . Style/pizazz: A recent suggestion from Gregory Bean, of Greater Media newspapers, on how to fix the automakers: Give us our cars back! Cars that made people want to

buy, like the original Ford Mustang, with improved innards, but with the pulse-raising styling they had, instead of what Bean terms today's "motorized shoeboxes."

Now about your brands—how prospects and customers *think and feel* about your company and what you offer. It means something to them. Your brand can be *a covenant* with the buyer that your product or service will be as advertised and that you'll stand behind it.

The most powerful example I've heard is from a company whose name I don't know, that makes high-performance dive suits for challenging environments, serving customers like the U.S. Navy Seals. Their brand: "If our name is on the suit, your diver will return."

Another example: Avon. Their powerful brand is about three things: helping women look their best, celebrating sisterhood and enabling women in the developing world to have brighter, more independent futures because they're part of Avon's sales force.

What's your brand covenant? And what can you do to strengthen it and make it resonate with your customers?

A final point here is that to enhance either the value proposition or the brand, you first have to know what your customers most want.

3. ***Communicate the value your business offers as persuasively as possible.*** This is done with ads that drive purchases instead of just being artsy or entertaining. Example: OnStar's ads about drivers in distress. Prospect's reaction: I want that!

Most advertising is ineffective, or worse. It's all about the company, the brand or the product, with no attention to what it will *do* for the customer or user. The worst ads come across as a gorilla thumping his chest and roaring, "We are great, buy our stuff!"

This is fixable. And it's much more about the message you use than the media you choose. To persuade, you first have to find the customer's "buy button," the emotional reward your prospect wants. Then craft your message so that reward comes across.

Sometimes you know what the buy button is. Sometimes finding it requires research. The button is *always* rooted in an emotion. For example, both high-fashion clothing and high-end TVs are sold with the *same* underlying message—that if you buy our product, people will think you're cool. Believing that people will think you're cool, the buy button in this case, is the emotional reward of making the purchase. Like the Ford Mustang.

Once you have the buy button, you can craft a message that pushes it, using implicitly or explicitly the phrase, "so that." FedEx long advertised: Absolutely, positively overnight (*so that* the sender didn't have to worry about the package getting there the next day).

Now it's true that in a recession some customers and prospects won't buy, either because they're conserving money or because they don't need to (for example, automakers cutting production don't need as many car seats). But in many cases, a higher percentage of people will buy (and buy yours) if given strong reasons. Reasons such as they like your company or product better, they find what you offer high value or you made them "have to have it."

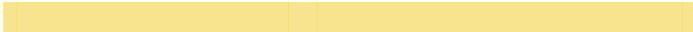
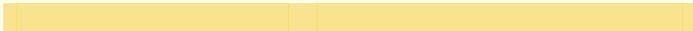
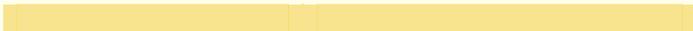
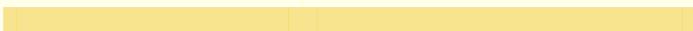
These 3 Ways Work...

In a recent half-day workshop, 6 seasoned CEOs found ways to create an average 25% revenue increase by working on the areas in the exercise on the next page. You can get a sense of where you are and whether there's an upside for your business by doing that exercise.

An Exercise

The chart below lists the above ways to boost revenue (and with it, profit). To get a sense of what you can do to increase revenue, rate your company along the gold scales. Mark where you are now. If your scores tend toward the left side of the scales, it could indicate that there's an upside waiting to be realized.

Some Powerful Ways to Increase Revenue

1a. Improve how prospects and customers <i>feel</i> about our company, brands and products/services, so they'll choose ours.	
	← We're widely disliked They just love us →
1b. Get people to buy more often. What else can you sell them?	
	← We do nothing about this Our efforts here work very well →
1c. Get more of them to tell their friends.	
	← We do nothing about this Our efforts here work very well →
2a. Beef up our value proposition.	
	← Unexciting Our customers say, That's for me →
2b. Make our brand promise more compelling.	
	← Lackluster Ultra resonant →
3. Make our marketing more persuasive.	
	← Unconvincing Gotta have it →

The six actions you just rated tap only a small fraction of your company's full potential—potential that can carry you through the recession, intact and still valuable. Other aspects of that potential include your management practices, your set of opportunities and the alignment and passion of your people. Your biggest upside will come from considering a full range of possible actions, then going full speed on your best shots—the actions that will increase your results the most, in the timeframe you need, and that you can realistically pull off. *Taking those actions will dramatically boost your business, in short order.*

The Bottom Line...

Executives and business owners have alternatives to just going down with the economy or cutting the workforce. Most of the assets these alternatives can harness are already in the company and tapping them is either free or low cost. Although workforce adjustments might still be needed, getting revenue up, as we've described, and harnessing the rest of your business's untapped potential will bring happier outcomes.

About the Author

Drew Morris is the founder and CEO of Great Numbers!, which helps executives figure out how to create those great numbers, and learn how to do so again and again. In essence, our tools and training give executives and business owners stronger "results muscles." You can learn more at greatnumbers.com or contact Drew at 732-671-6660 or drew.morris@greatnumbers.com.