

101 START-UP TIPS



BUSINESS TIPS FOR NEW OR
ESTABLISHED BUSINESSES, FROM
OVER 25 YEARS IN BUSINESS.

TOM EDGE
WWW.TOMEDGE.CO.UK

Hot Tip #1	Most business owners believe training is vital to success BUT only a third have training BEFORE starting up. Ten times more businesses survive if they have pre-start training - So get on a business start up course <u>even</u> if your business has been up and running for 12 months. In the UK phone your local Business Link (Business Connect in Wales) or Enterprise Agency. Ask your accountant or Bank Manager where the best are run.
Hot Tip #2	Statistics show women in businesses are more likely to succeed than men. While women entrepreneurs aim to please, most men just want to make money. Female entrepreneurs claim to be the job creators while men rate themselves as money creators. Women are more likely to measure business success in terms of keeping customers and staff happy while most men believe success equals profit.
Hot Tip #3	The more people we serve and the better we serve them the more money we make.
Hot Tip #4	To the Japanese the customer is God, to the Americans the customer is King but to the British the customer is a PEST! Business success lies in YOUR attitude to your customer - we can serve our customer without being subservient to them!
Hot Tip #5	Currently 38,000 businesses a year are closing down in the UK. Most of them are good at the operations side but they cannot "sell "or keep in budget so they have to close down. Work just as hard at improving your selling and financial skills as you would your production or technical skills - if you want <u>your</u> business to survive.
Hot Tip #6	Most people starting out in business cannot sell so they "give it away" with low prices arguing their low overhead justifies the low price. Every successful business ALWAYS charges <u>as much as the market will stand -while keeping costs to a minimum</u> . Do market research on what competitors A, B, & C, are charging for Products 1, 2 , 3 Etc Draw a simple matrix Competitors down the left and Products across the top. What's the average price for products 1,2, 3, Etc? Now decide YOUR proposed selling price. Aim for the upper quartile!
Hot Tip #7	APPEAR to offer price advantage but charge top price! An average supermarket will carry 30,000 items of which customers will know the price of only 20. All supermarkets have to do is "price watch" 20 items and keep those low. They then charge top price for the other 29,980 items. Customers have the PERCEPTION that supermarkets are cheaper. You must do the same. Give your customer the PERCEPTION you have low prices but still charge top whack! Find other examples and copy. - Adverts for settees when customers think the price offered is for the whole three piece suit. Interest free credit is also a red herring.
Hot Tip #8	When customers mention your "high prices" use the "red herring" technique. You ask: "You do want the best value for money - don't you? "Then go on to give 3-5 benefits of doing business with you. (Write five benefits out now!)

Hot Tip #9	Put your prices up in writing! People will believe the written word when they will not believe the spoken word! Europeans rarely negotiate anyway!
Hot Tip #10	Your manufacturing or purchase price has nothing to do with your selling price. Your selling price is the most money you can get for it!

Hot Tip #11	<u>Find out what your customers want - and provide it at a profit!</u> Try to provide a customer with what they NEED and you'll make a living, provide them with what they WANT and you'll make a fortune....
Hot Tip #12	Do not tell a customer what you can do for them - ask them what they want. You will question your way into far more sales than talk your way.
Hot Tip #13	Only a third of businesses do proper market research . I know what I would want if I were a customer of mine - but this can be TOTALLY DIFFERENT to what my customers want. Seeing it from the customer's point of view is almost impossible for us!
Hot Tip #14	Find which of your competitors provide the best products or services and copy them. Upgrade these by only 10 % and put a lot of marketing muscle behind the results.
Hot Tip #15	Ask your customers what is the one thing you can do better next time - then do it.
Hot Tip #16	British Airways had a 68% increase in customer satisfaction by using the customers last name)
Hot Tip #17	When you work out the lifetime value of an average customer the numbers get astronomic. Work out how much your average customer will spend with you over the next 20 years and visualise that number tattooed on their forehead just BEFORE you tell them where to shove their business! (£ Per week multiplied by 1000 is how much in 20 years)
Hot Tip #18	Never hit the business running in the morning. Spend 10 minutes (I use ear plugs) planning the day and prioritising your tasks. 10 minutes daily is one week per year!
Hot Tip #19	Have a big dream - where will your business be in 3 years time? Put some numbers in there. Let your daily goals keep you on track for the big dream.

Hot Tip #20	Have an organisation chart (even a one person business). An organisation chart tells you what the business does! And is how your business will look when you've finished building it in 3-5 years time.
Hot Tip #21	Have a "treasure map" on your wall. This is a collage of pictures showing things you want and things you want to do. Daily look at this just before you write your To Do list.
Hot Tip #22	Use a year planner to give you an overview of your life. The first thing to put on the planner are your holidays. The second? Time for your family.
Hot Tip #23	Holidays are NOT a luxury, they are a necessity for us to "sharpen the saw " . Simply <u>book the ticket</u> and you will find the money and you will find the time.
Hot Tip #24	Decide <i>exactly</i> how much you will earn this year and your brain will automatically go into HOW mode. Write down the resulting plan. Then book the ticket. (Show commitment)
Hot Tip #25	My earnings are directly proportional to how much I like myself. Get to the Gym. Jogging or some aerobic exercise will boost your earning power too.
Hot Tip #26	Spending 20 minutes <i>everyday</i> reading or listening to self improvement / business tapes can DOUBLE your income in 12 months.
Hot Tip #27	Buy <i>Tom Edges'</i> tape "12 ways to give your business the edge." It's the best Investment you'll make in your business this year - it'll make you thousands by giving you hundreds of other Hot Tips for your business.
Hot Tip #28	Most self-employed people don't like selling because they cannot take the No's but professional sales people just shrug their shoulders and knock on the next door...and the next and so on...
Hot Tip #29	Positive thinking may not always work but negative thinking ALWAYS works .
Hot Tip #30	If I try to put 10 deals together I stand twice as much chance of pulling one off than if I try to put 5 deals together . That's the law of averages - right? So why not make the law of averages work for you? Doubling the doors you knock will double your chances too...

Hot Tip #31	80 % of <u>your</u> sales will be to people you have done business with before. Less than 20% will be new customers .
Hot Tip #32	80% of your profit will come from only 20% of your customers. Who are <u>your</u> most profitable customers? Can you do more business with them?
Hot Tip #33	Draw a matrix with your profitable customers listed down the left and your products across the top. Blot out the intersecting squares showing which customer buys which product. Immediately you can see who doesn't buy what! These are your "windows of opportunity". Tell your existing profitable customers about the products they don't yet buy!
Hot Tip #34	You will question your way into far more sales than you will talk your way into.
Hot Tip #35	Ask "What, why and How. Where and When and Who?" For example, never say "Can I help you?" Because 64.5% will say "No thank you" or "I'm just looking." Always ask "HOW can I help you?" and 67% give a positive thinking response!
Hot Tip #36	I get 18.5% more sales when I wear a blue suit than a brown one. How you look says more about you than you could possibly imagine. So dress appropriately...
Hot Tip #37	Eye contact, Smile, a cheery "Hello" mirror their body language -every time you meet and you'll have them eating out of your hand!
Hot Tip #38	Do not give customers a choice between doing something or doing nothing. ALWAYS give them an alternative choice. E.g. "Do you want to pay cash or credit ?" Remember if they answer to either - they've bought!
Hot Tip #39	Write down five alternative choices you can use when selling <u>your</u> product or service then practice drill and rehearse them. E.g. "Which colour do you prefer, blue or the black?" "Do you want us to deliver it; or will you pick it up?"
Hot Tip #40	Do not give a customer a choice of three - it just confuses them!
Hot Tip #41	The greatest salesman or woman on Earth is 99% like you.

Hot Tip #42	If you see yourself as a £5,000 a year person you are right. If you see yourself as a £500,000 a year person you are also right. We all have "comfort zones " and some people are not comfortable earning a lot of money so they <u>subconsciously</u> sabotage themselves at every turn. To stop this, Visualise yourself wallowing in the amount of money you want to earn next year . (At least one third more than this year) Use 1000 affirmations stating your name and that you NOW EARN £XYZ. (I use an abacus to keep count but matches or cocktail sticks will do) This may sound crazy but I've earned a third more every year for the past five years because of this!
Hot Tip #43	Build a sales machine. I need one new sale every month to hit my £ target and to achieve this I write four proposals to get that one sale. To get the four proposals I make 10 visits to new clients. To get those 10 visits I make 80 contacts/leads. Every month religiously I make those 80 contacts and on average every month get my one sale! On average how many contacts (adverts , leaflets, letters, phone calls Etc.) Do you have to make a sale ? Double your efforts in a recession!
Hot Tip #44	I get better results if I hit 333 letterboxes three times than if I hit 1000 letter boxes once! And it usually takes 8 insertions of an advert for it to pay for itself.
Hot Tip #45	When taking EVERY cost into consideration it costs me £1250 to find a new host for my seminars. How much does a new customer cost you?
Hot Tip #46	Satisfied customers in 1999 are useless - the words are now DELIGHTED CUSTOMERS They will tell up to 14 people how good you are...
Hot Tip #47	Only one person in twenty five complains. The other 24 simply shop elsewhere . So if you have a complaint, listen closely to them because there are another 24 out there bad mouthing you to upwards of 14 people each ! (336 people total)
Hot Tip #48	It takes only 4 minutes for people to make their minds up about you so those first few minutes are vital. Is your reception area clean and tidy? How do you answer the phone? Is your letter warm and friendly? See Hot tips #36-41
Hot Tip #49	I get 38% more responses if the letters ' heading is in inverted commas. (Don't ask me why it's just the way it is).
Hot Tip #50	76% of sales in a supermarket are impact purchases. Get a professional to lay your shop out. We did this with one client and <i>his turnover went up by a third!</i>
Hot Tip #51	A letter I wrote for my business got only four sales but one that cost me £300 written by an outside professional got me 60 sales - and I teach this stuff !!! I

	cannot always see things from my customers point of view but an outsider often can.
Hot Tip #52	Four times more people respond if you have a handwritten PS at the bottom of a letter.
Hot Tip #53	Power your sales presentation/adverts/letters Etc. by WIFT not by WIFM WIFT stands for What 's In it For Them WIFM What's In it For Me.
Hot Tip #54	Do not name the business after yourself. This is just an ego trip - mainly men . Name the business after what you do. E.g. If you're a window cleaner, name it Windows 95 (just joking) or a plumber, Masterplumb or similar. This helps with your merchandising but it serves two other purposes. It helps separate you from the business and it gives you a negotiating advantage with your suppliers when they don't know you're the boss.
Hot Tip #55	Become an entrepreneur. Entrepreneurs work ON the business not IN the business . Entrepreneurs don't "do work" they build businesses.
Hot Tip #56	Most business people are too busy doing work to earn any serious money. Stop doing work and start building a business.
Hot Tip #57	A mature business is one that works when the owner doesn't have to. They have an organisation chart and operating manuals so each employee gives consistent results.
Hot Tip #58	A Franchise is a bullet proof small business. Build your own prototype Franchise by working ON the business not IN the business.
Hot Tip #59	Keep your business legal. If you have to do something illegal to make money you are NOT running your business right!
Hot Tip #60	In the last recession the Tax man and VAT man closed more businesses than all the banks put together. Their punitive penalties are more than anyone can pay back so don't owe these guys.

Hot Tip #61	Asking for help is your first sign of maturity. And there is a lot of help out there and most of it is FREE!
Hot Tip #62	If you touch someone lightly on the arm and say "Will you do me a favour ..?" Many people find it impossible to resist...

Hot Tip #63	Don't do Hot tip #62 in a Gents toilet.
Hot Tip #64	Get yourself a Business Mentor - or Business Advisor. Someone who has "walked the walk "not "talked the talk!"
Hot Tip #65	If you don't know where you're going you are never going to get there. Set some GOALS for your life and business. Set SMART goals: Specific with numbers and dates. Measurable so you can determine progress. Action - book the ticket. Realism is one third better/more every year and Time to start and a time to finish.
Hot Tip #66	If you do not give attention to your customers they will go to someone who will give them attention. The same applies to your partner and family so set some family/partner goals too! YOU HAVE BEEN WARNED!
Hot Tip #67	To solve ANY problem turn the problem into a picture because your brain works on pictures: In the centre of an A4 sheet write the problem briefly, using capital letters. Draw 10 spokes from the hub of the problem. At the end of each spoke write short answers/components that spring to mind. Say out loud "OK brain give me the answer in 3 days time" You will be AMAZED at the results ! Prayer works better too using this tool beforehand!
Hot Tip #68	Pray for potatoes but pick up a hoe!
Hot Tip #69	Profit IS NOT your wages OR what you have left over at the end of the week . Profit is the figure that goes ON TOP of your price AFTER your wages and total expenses have been worked into the price.
Hot Tip #70	To double your profit simply reduce your costs, increase your price and increase your sales <u>all by only 5%</u> . Work this out for yourself. The figures fly straight to the bottom line and have a multiplying effect on each other.
Hot Tip #71	The Japanese use Kaizen. What this means is every time they do anything they review how well it went and decide how to do it better next time. Using Kaizen they make 400 improvements in their factories every single day. At the end of the day get an A4 sheet and draw a line down the centre . The left half head is "Helpful "and the right "Unhelpful." Write the things that got you nearer your goals and the things that kept you away. When doing my TO DO list the next morning I avoid the Unhelpful and continue doing the Helpful.- I also get feedback from customers by asking: "What's the <i>one thing</i> I can do better next time?"

Hot Tip #72	First the thought ,then the action, in time the habit. My life is full of habits both helpful and unhelpful. If you need to change, why not develop a new habit ? Here's how: Take the new action for only 21 days and you can do it forever - one day at a time! Eg stop smoking ,start an exercise programme, study Etc. Change any negative behaviour or start any positive behaviour this way.
Hot Tip #73	10% of your effort will get you 90% of the results. If you're a perfectionist you're in big trouble because it will take 90% of your efforts to get you the top 10% of results.
Hot Tip #74	What will <i>delight</i> your customers in the following areas: Delivery, Service, image, emergencies, Quality, Pricing, Research and Development. - YOU should not answer these questions - ask your customers!
Hot Tip #75	Customer perception is the key to successful business. Sometimes called MindSet. It is not what is going on, it's what they BELIEVE is going on that affects their behaviour. These customers come back through thick and thin or avoid you like the plague because of something YOU or your staff said or did last time you met.
Hot Tip #76	Psychographics is the science of why people buy. Get on a sales course that teaches this.
Hot Tip #77	Customers are not always right but it's our job to let them feel they are always right.
Hot Tip #78	A recent survey found 64% of customers now shop elsewhere as a result of rudeness or perceived indifference from staff. Only 19% left for a " <i>much</i> cheaper" price.
Hot Tip #79	The same survey found it costs six times more (in time and money) to find a new customer than to keep an old one.
Hot Tip #80	Of 25 unhappy customers only ONE will complain, the rest just shop elsewhere.
Hot Tip #81	Contact your old customers to see why they are not doing business with you anymore. You have one mouth and two ears - use them in that proportion when talking with your customers.
Hot Tip #82	Simply treat the customer as the most important person on earth.

Hot Tip #83	Treat your staff how you want them to treat your best customer.
Hot Tip #84	What do you want from your business? Rewards, Achievement? Responsibility? Prospects? Growth? Interesting work? Good relationships? Appreciation? Security? Status? <i>That's a coincidence <u>so do your staff!</u></i>
Hot Tip #85	KITA is the easiest way to get staff to move (Kick In The Ass) but are they motivated? It's only when THEY want to move you can say they are motivated . Then they need no outside stimulation ! Can you build their job in such a way as it contains most of the motivators in Hot tip #84?
Hot Tip #86	Catch your staff doing it right, not doing it wrong all the time.
Hot Tip #87	A great motivator is a pat on the back - if it's not overdone.
Hot Tip #88	The best motivator is simply to train your staff - to do anything!
Hot Tip #89	When we do something and we are rewarded we tend to repeat the act. The reward tends to act as a reinforcement. Rewards can be money, attention service assistance, recognition, interest, favours and so on... When you catch a member of your staff doing it right try to use a Reinforcer to get them to keep doing it.
Hot Tip #90	As a leader you must achieve a task; through a team; made up of individuals. <i>Don't do it yourself.</i>

Hot Tip #91	If you employ any staff - go on a leadership course.
Hot Tip #92	What is your break even figure? Do your current sales cover this? If not, what are you going to do? Reduce costs immediately! Put in a short term plan of action. Tell the bank what action you are taking.
Hot Tip #93	When dealing with the bank, tell them the good news, tell them the bad news but NEVER surprise them.
Hot Tip #94	Some businesses don't like Banks because Banks will want their money back.

Hot Tip #95	Partnerships don't usually work. Set it up as a Limited Company or if you must have a partnership at least get a legal partnership agreement.
Hot Tip #96	91% of businesses pay an outstanding invoice on receipt of a lawyer's letter.
Hot Tip #97	Avoid going to court. Only the lawyer wins. Better to attend a negotiating course and then see your adversary face to face.
Hot Tip #98	Develop a niche market - become a well known expert at something and charge top price in your mini monopoly.
Hot Tip #99	12 Top words in business: Now, New, Breakthrough, Secrets, Only, Facts, Love, Hate, Bargain, Truth, and the top two? FREE and YOU!
Hot Tip #100	There are no general rules in business.
Hot Tip #101	<p>From our experience over 20 years the businesses that have worked well:</p> <ul style="list-style-type: none"> - Have a clear vision of the future business. - Have goals and a business plan. - Are customer focused. - Owner is both a leader and a team player. - Have a learning culture. - Have tolerance for failure. - Have enough humility to ask for help. - Have an organisation chart and a structure. - Have operating procedures and manuals. - Know that small detail can have a massive impact on results.

Visit us online for more free resources at www.tomedge.co.uk.

Copyright 2023 - Tom Edge. All Rights Reserved.