

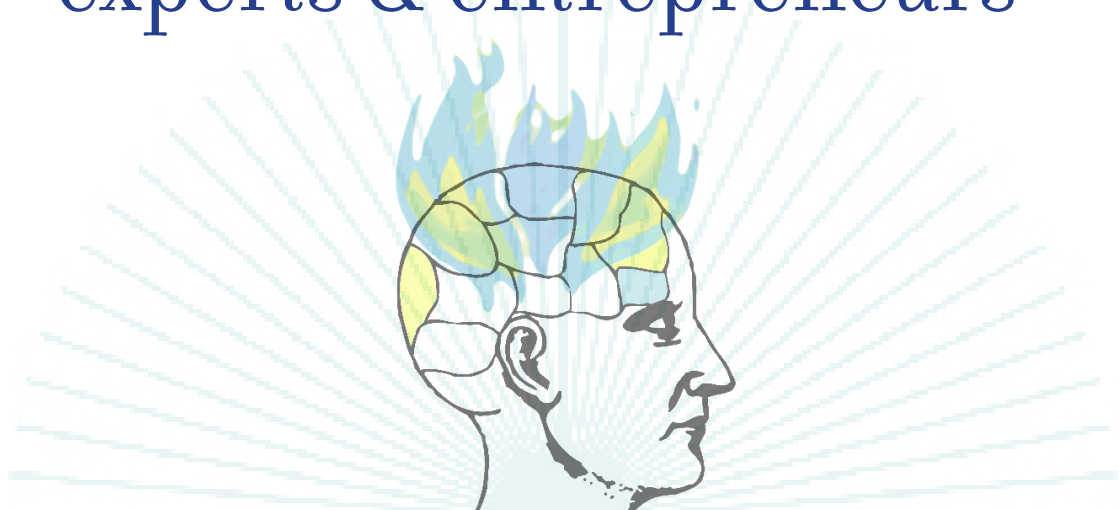
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Australia's online magazine for entrepreneurs and SMEs

Summer 2008-09

# 100 tips & secrets

from SmartCompany  
experts & entrepreneurs



## letter from the editor

**T**he year 2009 promises to be an extremely challenging year. A slowing economy, low consumer business confidence, the weakened Australian dollar and rising prices are just some of the hurdles that entrepreneurs must be ready to face.

But out of adversity will come many opportunities. Flexible and well-managed companies will be able to win market share from struggling competitors, grow their business through acquisition and pick up top-flight staff who were unobtainable just 12 months ago.

In fact, smart entrepreneurs are already planning for the economic recovery – you need to make sure you are one of them.

To help you prepare for 2009, the team at SmartCompany has assembled 101 tips that are essential summer reading.

We've covered everything from managing people and boosting your cashflow through to improving your sales and marketing efforts and honing your tax strategy. There's a section on online tools you can use in your business – best of all, most of them are free – and we look at all the latest trends in web 2.0 and search engine optimisation.

The tips come from a range of entrepreneurs, experts and our own SmartCompany bloggers and writers. We hope they will inspire you to look closely at the strategies you use in your business and think about whether there are changes you can make to take things to the next level.

Let's start our feast of tips with a great piece of advice from Kristina Karlsson, the entrepreneur behind stationary chain Kikki.K: "Tough times don't last, but tough people do."

Here's to a successful 2009!

*James Thomson*  
editor  
SmartCompany

**Click on the links at the end of each tip to go to the original SmartCompany article**



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# managing people

**1 The gentle art of poaching:** If you are making a direct call, approach the person softly. Something along the lines of 'We admire your work and know you've got a good career path where you are, but are you open to other options?'

If you have no idea what their response will be, an even gentler approach may be warranted. Call them and ask them if they know anyone else who is looking: 'We know you're great, do you know of anyone else looking for a job because we highly value your opinion on the sector?' If they are interested, you should be able to hear it in their voice.

*Janette Thorogood*



[How to poach your competitors' best staff](#)

**2 Setting your KPIs in a downturn:** When the company is working harder and not generating increased revenues, or even watching sales fall, specialists say the KPI spotlight typically turns to examining sales effectiveness. They might include progress towards quotas, number of contacts with a prospect, daily sales, and sales trends.

The following questions could prompt KPIs for a sales-constrained company:

- How effectively are we converting leads into sales?
- Is our sales force working effectively in getting the leads that they've got?
- How effective are we being in terms of lead generation?
- How many inquiries do we get when we put up an ad?
- How many leads do we get from that ad?
- What's the yield on our advertising effectiveness?
- What is the dollar value of each lead compared to the dollar value spent on ads?
- How effectively do we convert those leads into a request for quotation?
- And how many of those requests were converted into real sales?

*Leon Gettler*

[KPIs for the downturn](#)

**3 Adapt your reward structures for the downturn:** Good employees are always valuable, but high-performers that can help you grow your business against the broader market trend are like gold – and should be rewarded accordingly.

In these circumstances you need to make hard decisions and perhaps reward critical, high-performing staff more because they are driving the survival of your business. What you might do is pay less at the lower levels but significantly more on a performance-linked basis for those at the higher levels, so you really drive added value to the business.

*Ken Gilbert*

[10 tips to get people management right in a downturn](#)

**4 Flexible staffing arrangements:** Business should consider the viability of shifting the workforce mix towards contractors and part-time or casual staff.

If you're a business that can see trouble ahead, one of your best defences is to have flexible workforce. Casual and contract staff allow you to size up or down depending on the workflow, and I think quite a few companies with risk in the revenue should be thinking about their staff mix right now.

*Martyn Strickland*

[10 tips to get people management right in a downturn](#)

**5 How to give proper feedback:** The following is a model for conducting an effective and productive counselling session. It is important the steps are followed in sequence and all are covered.

- Know your facts. This involves doing some homework before the session to become clear about what the problem is.
- The counselling session. Throughout the session, give lots of messages that you want to work with the person and that you are not blaming them, putting them down or wanting to punish or threaten them in any way. Give feedback, starting with something positive about their work or behaviour and then begin talking about the problem.
- Gain agreement. Ask whether the person agrees that there is a problem. If they do agree, the tone of the discussion changes and you can both effectively work together to arrive at a solution. If the person disagrees, it may be that you need more evidence of the behaviour, or maybe they disagree with what is expected.
- Find the cause or reason for the problem. Always allow for part of the problem to be the way in which you manage or supervise the staff member.
- Find a solution, based on the step above. Look at the reasons for the behaviour to find the best solution.
- Make an action plan. This means, plan who is going to do what, by when, and then set a review date.

*Eve Ash*

[Counselling poor performers](#)

**6 The basics of redundancy:** There are some basic rules that need to be followed. To minimise fallout, the discussion with the employee needs to be handled on a business-like basis. No emotions, no recriminations and no references to performance issues in the past, if they are not relevant.

Departure dates need to be set and packages organised. There is no legal obligation to provide outplacement services or financial counselling, but doing so is regarded as good practice.

Remaining staff need to be informed of the developments. In a smaller company, this can be done by having a meeting, and in larger organisations by email.

The person leaving should be given the opportunity to have a farewell, particularly if they have spent years at the organisation. If nothing else, that provides closure.

*Leon Gettler*

[Redundancy: Do the decent – and legal – thing](#)

**7 Get the restructuring message right:** It's important the message is clear and transparent right across the board. The organisation needs to be specific about the reasons for reducing staff numbers and that has to be prepared. You can't elect to do it on a Wednesday and roll it out on a Friday.

It is more important to talk about restructuring, and not downsizing. Restructuring is now a permanent fixture on the business landscape, for businesses to remain competitive in a global market. Cost cutting should be about rebuilding, refocusing and consolidation.

*Jannine Fraser*

[Redundancy: Do the decent – and legal – thing](#)

**8 Receiving feedback:** Every team member has to be able to receive feedback from other team members. Most avoid it. Often people are annoyed by peers giving them feedback. Many assume only the boss is the one to give feedback. And if a colleague gives feedback it is of no value. Wrong!

You have to be prepared to receive feedback from everyone. It might be your boss, it might be your employees, it might be your fellow team members. You know, everybody has got something to say and you should be prepared to listen to them because you might hear something that you weren't aware of that will actually help you do your job better.

*Eve Ash*

[Receiving feedback](#)

**9 Conducting better performance reviews:** I've been through performance reviews in small, medium and large businesses and have found some key factors to ensure it does not end up a token task:

- Give the staff a chance to mentally prepare and bring some points of discussion to the meeting. But limit the amount of paperwork – it should be enjoyable not just another bit of red tape.
- Keep it brief but effective. Don't make it so short that the staff member feels you don't care, but also get to the point, be open and honest.
- Try to keep everything in threes; three positives, three improvement areas, and three key goals to achieve.
- Let the employee talk. This is their opportunity to really speak, don't begrudge them that.
- Don't make any promises you can't deliver or are unrealistic for yourself or the person being reviewed.
- Keep the salary discussions separate. Focus on listening, learning and improving the person/business, getting caught up in salary discussions will detract from this.

*Michael Phillips*

[June performance review madness](#)

**10 Protecting your IP assets during restructuring:** In some circumstances, you may wish to examine departing employees' emails or computers to ensure nothing has been taken, but you should seek legal advice before doing this. You should also ensure the employee's computer is not put back into circulation or wiped by your IT section, as this could destroy valuable evidence.

The best IP protections are, however, set up well in advance with properly drafted contracts, including post employment restraints of trade, and policies including confidential information and information technology policies.

*Gareth Jolly*

[Redundancy: Do the decent – and legal – thing](#)

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# cashflow

**1 Understand the cashflow implications of growth:** When businesses grow, a lot more cash starts coming in the door, so it's easy for business owners to imagine all their cash flow problems are solved. But meanwhile stocks are running down and debtors are not being chased.

Strong sales this month often means a cash shortage next month. Most SME owners don't expect that.

The answer is to understand the consequences of growth and carefully monitor your business's cash status. It is generally possible to obtain credit from suppliers or banks to deal with cash shortages in these situations, but you can't do it overnight.

*David Knowles*

[Avoid the cash flow crunch](#)



**2 Keep your bankers sweet:** Here are a few tips to help keep your business in good stead with your bank manager:

- Keep in touch regularly. Contact him every three months or so and update him on your progress.
- If something nasty happens then tell your bank manager. Let him know what's happening.
- Meet all your payments as they fall due. Now is not the time to be sloppy. Give your bank repayments a high priority if cash is short. At the end of the day it is your bank that will (change that to "may") help you in a cash crunch.
- Know what's happening in the financial markets. Your bank manager will feel more confident that you know and understand what's happening. You want your bank manager feeling confident that you are in control and will be able to manage in tough times.
- Review your debts/overdraft to see if there are better options where you might save interest or can increase the flexibility of your finances. Having in place flexible arrangements in these times will give you the ability to move quickly. That could be very important in the coming months.

*Gail Geronimos*

[Take your banker to lunch!](#)

**3 Get your cashflow planning in order:** Here are my five tips for putting together a solid cashflow forecast:

- Keep it simple: Focus first on the items that affect your cashflow most heavily, and add extras to the forecast if required.
- Standardise: Ensure procedures for collecting and reporting cashflow data are consistent across all business units.
- Measure your accuracy: Set the level of variance from your cashflow targets you are prepared to accept, and see how close you get each month. Where targets are missed, investigate the reasons and consider if changes are needed for next month's forecast.
- Reward those who help: For all but the smallest businesses, putting together a cashflow forecast requires significant input from staff. Make sure they know they will be rewarded for putting in the effort to provide accurate and timely data.
- Automate and integrate: If possible, set up business reporting and accounting systems so they provide automatic inputs into your cash-flow forecast.

*Jan Barned*

[Get your cashflow back on track](#)

**4 Set your contract terms to encourage quick payment:** The following clauses should be a part of every company's trading terms:

- A clause setting out interest charges in the event they do not pay on time.
- A retention-of-title clause, so that you have the right to enter your customer's premises and take back unpaid goods in the unfortunate event that they go into liquidation. This is often known as a Romalpa clause.
- A clause that makes the customer liable for all collection costs and legal costs (that is, these costs get added to the debt).
- A clause that prevents your customer offsetting another claim against a debt. That is, if the customer owes \$4000 but have a claim for \$2000 worth of defective goods, they must keep these two issues separate and pay the bill.
- A clause that specifies which state or territory disputes will be handled in (crucial for cross-border companies).

*Roger Mendelson*

[Get your cashflow back on track](#)

**5 Offer an incentive for early payment:** A discount for early payment can be a great way to bring in cash. Discounts can be scaled, so the earlier the repayment the bigger the discount, or further discounted over time for selected customers as a reward for prompt payment.

Clients should be told about discounts upfront. People often don't take up discounts even when they know about them, so if you are having trouble it is worth going back and explaining to them what they could be saving if they pay on time. That will often get their attention.

*David Young*

[10 tips to break the cash-flow drought](#)

**6 The art of hassling:** A quick phone call before a bill is due is a good way to get in a bit of early hassling. As soon as a payment is overdue, hit the phones.

Some key hassling tips include:

- Check customers have received invoices and that there are no queries.
- Deal with the same person each time you contact the company.
- Make the largest outstanding debts your priority.
- Send out statements monthly.

*Greg Charlwood*

[Get your cashflow back on track](#)

**7 Get your staff to help you chase cash:** It can often be worthwhile to direct at least a portion of your sales team's commission structure towards ensuring the customers they sell to actually pay.

Small businesses with sales reps often pay commission on the amount of sales, so by swinging it around and paying a commission on sales banked you may find that all of a sudden your sales team is in there helping you collect that money.

Staff should also be encouraged to participate in cash-flow management by keeping accurate and up-to-date cash-flow data and ensuring it is fed into the business's cash management system.

*Jan Barned*

[10 tips to break the cash-flow drought](#)

**8 How to deal with excuses:** The use of excuses by late-paying customers highlights why it is so important to chase debts with a call rather than a letter. If you are on the phone it's interactive and there is a lot less room to wriggle.

The first question you should always ask is: "Is there any reason you have not paid this invoice?" This often gives the late-payer nowhere to go, particularly if they don't have a good reason for not coughing up.

If their problem is genuine, figure out an immediate solution to the product. For example, if they claim not to have received your bill, tell them you'll fax or email one immediately, or, if they are a household, tell them you'll put a copy in the post straight away. But don't just leave it at that. While you've got them on the phone, tell them the amount of the invoice as ask them whether they are able to pay immediately.

It's crucial to try and get a promise out of them.

**Roger Mendelson**

[Get your cashflow back on track](#)

**9 How to track your cashflow:** If you are not tracking your cashflow every week then you may find that you can't pay the wages. It's not just a matter of checking your bank balance. You'll need to see what bills need to be paid in the next four weeks and making sure that your debtors pay their invoices on time. Project your cash flow into the next few months. That way, you can plan for any shortfalls.

As well, check your "average debtor days". This number represents the number of days (on average) before your debtors pay up. If that average starts to get longer then you'll need to tighten your debtor control.

Most companies allow 30 days for payment. So if your average debtor days is 30, then you are doing well. If your average debtor days was 37 last year and it's now 50, then you have problems. Your customers are taking longer to pay. You can't afford to let that slip. Get on to it. You might talk to a debt collection company to get good procedures in place.

If you don't know what your average debtor days is then you'd better find out. Talk to your accountant immediately.

**Gail Geronimos**

[Track your cashflow EVERY week](#)

**10 How to wind up a late-payer's company:** For debtors who are businesses, that owe you more than \$2000 and have no valid reason not for paying, you can issue a "statutory demand" against the company.

The effect of the demand is that your customer has 21 days within which to pay your claim in full, or alternatively enter into an arrangement with you. If it fails to do this you can then proceed directly to a petition to wind up that company.

In most companies the threat of petition to wind up a company will need to be reported to the board, who will usually tell the accounts people to get the bill paid ASAP. It's amazing how quickly a customer will pay up when they are confronted with the prospect of their company being closed down.

**Roger Mendelson**

[Get your cashflow back on track](#)

# wealth/super

**1 Bargains abound:** One of my perspectives is that the best stock [buys at this time] are not necessarily on the Australian market. This bear market is providing a once-in-a-generation opportunity to buy some of the world's great businesses at cheap valuations.

Some investors can invest directly in overseas companies; others should use global equity managers that are not bench-market driven but focus on buying quality companies that are selling for cheaper-than-normal valuations that will grow over time.

*Dominic McCormick*



[Opportunities in a horror bear market](#)

**2 Pre-retirement options:** If you are 55-plus, consider a pre-retirement super pension while simultaneously maximising your salary-sacrificed super contributions: Alongside gearing by self-managed funds, the other red-hot super strategy is taking full advantage of pre-retirement or transition-to-retirement pensions in this way.

This strategy, when correctly exercised, could save eligible members and their super funds tens of thousands of dollars a year in tax – depending on the size of their employment incomes and the size of their super balances used to support the payment of the pension.

But again, take extreme care and get professional advice. This can be a real minefield.

In short, the strategy involves exchanging at least some of your employment income for superannuation pension, and potentially reaping big tax rewards along the way.

*Michael Laurence*

[Six super tips and traps](#)

**3 Take the fee-drag out of performance:** High total fees – including administrative fees and investment management fees – are a tremendous handicap to a fund's real performance.

Most retail funds have financial planning advice built into their fees – whether or not an adviser provides the member with regular advice. I regularly hear anecdotes about how members find on their statements that trail commissions are being paid to strangers to them, namely unused financial planners.

Certainly, many fund members value financial planning advice and have used it to really improve their financial positions. But some retail funds give members the choice of opting out of being charged commissions for advice. It should be a matter of the member agreeing or “opting in” to being charged for advice. If you are not receiving assistance from a financial planner, why pay for it?

*Jason Clarke*

[Australia's best super funds](#)

**4 Focus on things you have control over:** Rather than becoming overly concerned with what is happening day-to-day in the markets, concentrate more on what you can have control over. For instance, reduce your debt (particularly your non-deductible debt), minimise capital gains tax on your investment portfolio by keeping the turnover of your shares to a minimum, and check whether you are paying excessive funds management fees. Further, re-examine your personal budget, looking for ways to save money.

By the time you have finished these practical chores, share prices may well have begun to turn upwards again and any temptation to flee the troubled market may have passed.

*Michael Laurence*

[Beat the market turmoil](#)

**5 Average your way into position:** Although these markets may look very cheap, don't go steaming back into them by immediately investing all of your reserve capital. Keep some of your power dry. There is no rush for investors to pour capital into the market. You have time on their hands.

Take an "averaging" strategy of progressively investing into the market. Markets are doing extreme things. What looks like a bargain now might look like a better bargain tomorrow. Volatility goes through the roof when markets are trying to bottom, but if the market suffers further big falls, an investor following an averaging strategy could simply buy more stock.

*Prasad Patkar*

[Opportunities in a horror bear market](#)

**6 Compare funds for free:** Most fund researchers have services that enable members to compare a short-list of funds for a fee. But here's some insider knowledge; there's a way to obtain access to these comparisons at no charge.

Fund researcher Chant West, for instance, usually charges a \$55 fee for its excellent service called AppleCheck that enables the public to compare in detail the key features of three super funds at a time. However, some super funds make the service available on their websites for no charge. Such funds include Sunsuper, Australian Super and First Sate Super.

*Michael Laurence*

[Australia's best super funds](#)

**7 Put your shares into your DIY super fund:** Depressed share prices mean that the contribution of shares from your own name into your DIY fund will trigger less CGT than otherwise on any past capital growth. You could save a small fortune in tax, particularly if the shares had been held for a long time. (The transaction of contributing your shares to your super fund will crystallise any past capital gains. From a tax perspective, it is equivalent to selling the shares.)

*Alan Freshwater*

[Six clever moves for DIY super](#)

**8 When looking at property, beware the real interest rate:** When interest rates appear to be moving down, lenders tend to fall over themselves to promote their latest offers. But there is a danger here; there can be a big difference between the headline or nominal rate and the actual or real amount paid by borrowers once all the costs are taken into account.

So-called honeymoon rates, in particular, can give an unrealistic impression to borrowers. Once the honeymoon rate ends after six months to three years, most borrowers go straight on to the lender's standard variable rate. And standard variable rates are typically 0.7% higher than most borrowers pay after doing a little haggling and careful product selection.

Intending borrowers should compare real rates when selecting home loans. Real rates comprise cost of interest, loan application fees, ongoing fees, and discharge fees where applicable.

*Harry Senlitonga*

[Smart property strategies](#)

**9 Can your premises be put into your super fund?** Business owners who contribute privately-owned business properties to their DIY super funds can gain a series of tax benefits – including potentially eliminating CGT arising from the transfer of ownership.

Self-employed business owners – excluding those who operate through companies – can claim tax deductions for their personal contributions up to maximum annual caps for concessional contributions of \$50,000 for those under 50 (the maximum for 2007-08), and \$100,000 for those over 50. (In 2007-08, the maximum for non-concessional or undeductible annual contributions is \$150,000. Note that the legislation allows members to bring forward three years' worth of non-concessional contributions to make a total of \$450,000 in contributions in a single year.)

Under superannuation law, business real estate – or “business real property” as it is labelled in the legislation – is one of the few assets that self-managed super funds are permitted to acquire from their members. And business real estate is one of the few assets that funds can lease to related parties, including the members' businesses, without a limit on its value under in-house asset limits applying to DIY funds.

*Gordon Cooper*

[10 best tax strategies for SMEs](#)

**10 Choose the investment property that will stand up long-term:** There is an opportunity for buyers when the market is fairly flat. Take your time and carefully consider your investment. And get the best bang for your buck. Inner-city apartments at the top of the most-favoured buys for investors. The strong yields from such apartments will help carry investors through a weak period for capital gains. A property is not going to add much to your wealth over the next few years. But you are taking a position in the market so that when it moves next, you have a ticket on the ship.

*Michael McNamara*

[Why units are smart buys in a weakening property market](#)

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# tax

**1 A special entrepreneur's tax break:** If you're an entrepreneur and you're likely to have turnover this year of less than \$75,000, make sure you claim the 25% available under the entrepreneurs' tax offset (ETO) on the tax payable on your business income.

This can be a real perk for micro businesses, who will be cash strapped in their initial years as they build a business. Moreover, this will not be means tested for the 2008 financial year.

From 2009 the ETO will be means tested – available only to singles with personal income below \$75,000 or household income below \$120,000 – so if you're eligible, don't delay.

*Mark Morris*

[20 tax tips from the experts](#)



**2 The most tax-effective way to boost super:** As a transitional measure to introduce the new super system, fund members over 50 can make maximum “concessional contributions” (previously known as deductible contributions) of \$100,000 a year until 30 June 2012, compared with an indexed \$50,000 (for 2007-08) by members under 50. (Concessional contributions comprise salary-packaged contributions and tax-deductible contributions by the self-employed and investors.)

Don't throw away this opportunity to contribute in the most tax-effective way, – that's if you have the money to contribute.

Keep in mind that from 2007-08, the self-employed are entitled to a 100% tax deduction for their contributions for the first time. This means that the self-employed no longer have to make bigger super contributions than employees to get the same size deductions.

*Michael Laurence*

[10 best tax strategies for SMEs](#)

**3 Maximise work-related deductions:** Most people know that you can claim deductions for up to \$300 in work-related expenses without having the receipts to prove it, but there are many other juicy deductions available.

CPA Australia suggests looking at the following possible deductions:

- Up to \$150 in eligible laundry claims can be deducted without a receipt, even if you're over the \$300 no-receipt threshold.
- Home workers may be able to claim a deduction for heating, cooling, lighting and depreciating your office equipment or professional library, but you need to keep a diary of the hours worked at home for at least four weeks to substantiate the claim.
- Education expenses for study directly related to your field can be claimed as deductions, but not if the study is to help you obtain new qualifications in a different field.

*James Thomson*

[10 best tax strategies for SMEs](#)

**4 Crystallise those tax losses:** Given the poor performance of the sharemarket in the last 12 months, plenty of people will have incurred a loss on their shares. If you've got a capital gains tax bill it makes sense to crystallise those losses and offset against capital gains for tax purposes.

But if you are thinking of selling an asset at a nominal loss and then buying it back – purely with the intention of minimising capital gains tax – be aware that the taxman is focusing heavily on these transactions, known as wash sales.

*Jon Dobell*

[20 tax tips from the experts](#)

**5 Don't forget the non-work related expenses:** A partial or full deduction can be claimed for a wide variety of non-work related expenses, including:

- Fees paid to a tax agent for the preparation of your tax return.
- Management fees paid to a financial planner, provided the advice relates to income producing assets.
- Bank charges or, in many cases, interest payments on funds borrowed to purchase investment assets.
- Donations to charities or professional association or union membership fees.

*James Thomson*

[10 best tax strategies for SMEs](#)

**6 Take advantage of generous CGT concessions when selling your business:** From the 2007-08 financial year, owners selling their small businesses benefit from a higher minimum asset threshold of \$6 million, up from \$5 million; and are, alternatively, eligible for the CGT concessions if their turnovers are under \$2 million – even if asset values exceed \$6 million by a long shot.

Previously, business turnovers were not taken into account when assessing eligibility for the highly valuable CGT small business concessions.

The combination of the small business CGT concessions together with the standard CGT concessions available to all taxpayers may completely wipeout CGT on the sale of a business – whether held by individuals, trusts, companies or partnerships.

The assets that count towards the small-business assets threshold are the net value of the vendor's business assets along with their personal shares and personal investment properties – together with those of their business partners, spouses, children under 18, and entities under their control. Personal-use assets and superannuation savings are not counted.

*Michael Laurence*

[10 best tax strategies for SMEs](#)

**7 Should you really be operating as a company?** Consider your business structure and ask yourself whether using a company to operate your business is still effective. While operating as a company has commercial benefits – many organisations prefer dealing with companies rather than individuals or trusts – it could be cheaper to operate as an individual.

As the 30% individual marginal tax rate (31.5% including Medicare) now applies to income up to \$80,000 and the top marginal tax rate of 46.5% does not cut in to above \$180,000, the company tax rate of 30% is becoming less attractive.

*Scott McGill*

[20 tax tips from the experts](#)

**8 Beware the cash economy crackdown:** The tax office has more data than it's ever had and its use of sophisticated data-matching, data-mining and other practices like benchmarking means it has a greater ability to detect tax fraud in the cash economy

In addition to benchmarks, the tax office is also using information from Centrelink, the Child Support Agency, state fair trading agencies, insurance providers, shopping centre operators, product suppliers and the community to help identify unreported income.

It is reviewing records of so-called "luxury" goods purchases – like cars and boats – to identify people with lifestyles not readily supported by their reported income.

As part of its strategy to address the cash economy, the tax office is increasing its direct contact with businesses that have high volumes of cash transactions. So if this is you, don't be surprised if you get a letter from the taxman. In 2008-09, the tax office expects to contact around 50,000 taxpayers in this way.

*Terry Hayes*

[Taxman's cash economy review catches the unwary](#)

**9 SME directors and the tax debt trap:** SME owners who may be directors of the family company that runs the business should not need reminding of their duties as directors.

However in tough times some businesses may “sail close to the wind” concerning things like making their tax payments (such as pay-as-you-go, or PAYG, withholding payments) to the tax office on time. It can be tempting to delay a payment when cash flow is tight.

That’s dangerous.

The tax law provides that a director may become personally liable for an amount equivalent to some of the company’s unpaid taxation liabilities. That raises the stakes!

The Tax Commissioner again recently flagged it as an important part of the tax office’s compliance activities.

*Terry Hayes*

[Unpaid tax debts – SME directors under fire](#)

**10 Look at ways to reduce your taxes in the financial year ahead:** Longer-term strategies to think about, if appropriate and effective for your circumstances, may include income-splitting with a lower-earning spouse, and taking a pre-retirement or transition-to-retirement superannuation pension.

Aside from potentially boosting super savings, the tax advantages of the pre-retirement pension strategy include; the taxable portion of the pension is taxed at marginal tax rates with a tax rebate of up to 15% until the member reaches 60 when it becomes tax-free, and the assets of the super fund that are backing the payment of the pension are exempt from income tax and CGT.

Also the salary-sacrificed or deductible (known as concessional) contributions are not subject to income tax but the 15% superannuation contributions tax within the funds.

*Michael Laurence*

[10 best tax strategies for SMEs](#)

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# entrepreneurship

**1 The art of adapting:** Entrepreneurs and business owners must realise that circumstances change, customer needs change. There will be events that nobody has predicted and that's evidenced with the current credit crunch fallout which is having wide reaching effects globally.

You need to be on the lookout for ways to grow your business rather than just organically, and that really does mean that you need strong business relationships and partnerships with those organisations that share the same vision synergistically, and you need to understand very clearly those areas of your business that would benefit by forging strong relationships.

*John Symonds*

[Aussie's strong growth plan](#)



**2 Take some money off the table:** When you really truly believe in the company that you're building why wouldn't you want to put 150% energy and effort and money, because you believe in it? Next time I would make sure that during the growth process I would actually (and this is the advice that I give budding entrepreneurs or people that are running companies out there) make sure that you take some money off the table as your company is being funded, and as you're going through different rounds of funding or selling down some shares.

I know it's one of the most difficult things to do. For the eight years that I was heading Destra up I never sold a Destra share. I was a net buyer of shares because I believed, but in hindsight, and hindsight is a beautiful thing, maybe I should have sold some shares.

*Domenic Carosa*

[Life after Destra, and the digital future](#)

**3 How to hire the right people:** We tend to place a lot of emphasis on recruiting people who have the right value set, who think the right way.

We judge that by asking them about their past history, and what's their approach to things.

And generally the person that's all about 'I' and not about 'me' and 'we' often stands out. Plus, you look at actually what they've achieved. You know, a lot of people have shown that they can achieve results through teams, you know, they've collaborated. In other words, whenever you get people who say, "Well, it's a bit too fuzzy, it's too grey, I don't really like this matrix, I want to own everything I do" that's a bit of a warning sign, because these days everybody should understand no one person can be responsible for success in a company.

You need a matrix, you need to collaborate.

*Andrew Banks*

[Recruiter rides the outsourcing wave](#)

**4 The value of leadership:** Running larger businesses is about working through people. Broader leadership is not so much about financial engineering and technological issues. It is a lot is about leadership, painting a vision, distilling it into a tangible strategic plan that people from different parts of organisation can grab on to.

*Huy Truong*

[Truong's private equity wishlist](#)

**5 Building a culture in an online business:** The culture we created at Realestate.com.au was one of seek forgiveness, don't beg permission. You're in a business, you're in a new environment, the online real estate space is emerging and we have to keep pushing the boundaries to understand what we can be.

Because you are going to keep having competitors come at you, whether it is in the Australian market from a Domain or maybe a free listing player or My Home etcetera. You've got to be able to deal in that environment.

*Simon Baker*

[Simon Baker's back – and he's going global](#)

**6 How much equity does an entrepreneur need?** If they are 22 and single and got nothing to lose, I would grab as much equity as possible and live on as little as possible. Go and live in a boarding house! If you are older and get 20% of the business but put no cash in, that's good. But everyone gets too greedy. The entrepreneur says I want 20%, will put in no cash and you put in \$5 million. Then the investor says for my \$5 million I want 90%.

You need to be strong, bargain hard and settle on a good compromise. I don't want to typecast, but particularly Gen-Y want it all now. They want to start today and exit. But you can't rush too hard and fast at 30.

*Tim Pethick*

[Pethick's next feast](#)

**7 How our clients nearly killed our business:** We did a lot of work with clients who did not share our values and demanded solutions that were not realistic and could not be provided for the price. We spent a lot of time justifying why we should be paid for the work we had done, because the clients did not value our efforts highly enough. We took the jobs because our business was small and new and we thought we needed the work to survive.

We then attended a course called "Love Your Business". We declared that if it did not turn around in six weeks we would close the doors and take real jobs. We took a stand to remove ourselves from these clients and only accept clients who shared our values.

The company shrank from eight to four staff, and suffered large financial losses as it backed out of bad jobs as gracefully as possible. But we stood our ground for values-driven business and quality solutions.

*David Markus*

[How my company survived a near-death experience](#)

**8 Don't be afraid to poach:** Yes, we do poach staff, and make no apologies for that. We brought in a top flight manager from Mattel and he's made a huge addition to our business; he's probably added \$5 million to \$10 million to the bottom line, so it's been very worthwhile.

You are paying an extra \$30,000 to bring that person in, but the \$5 million or \$10 million he brings to the bottom line because of the processes and disciplines he brings to his role and the business environment means it's a small price to pay.

*Tony Oates*

[How to poach your competitors' best staff](#)

**9 Take it slow, get it right:** I think that is with any growing business, the challenge is to have enough resources to do it all. For us the biggest challenge has been that we wanted to do it all at once and we are growing fast and always have been working 24/7. Now we are stopping and looking at more of a strategic way of growing, to make sure we are not focusing on everything at once.

As an entrepreneur that is what you seem to do, you love new ideas which are fantastic, and you don't always have the resources and you can't obviously do it all yourself, so you need to make sure you have enough people and the right people in the right spot.

**Kristina Karlsson**

[Recession-proofing a retail empire](#)

**10 Coping with cancer and growing a business:** The most important thing for me when I was diagnosed was this is simply an inconvenience. I never for one minute allowed myself to think that it was anything other than that. And I think that strength, that mental and emotional strength, just underpinned everything that I did. So there were no tears and crying and stress and angst and concern about could I die, I never even allowed myself to think about that.

The first thing I did was ask what are all the positives about my cancer? And I actually did a PowerPoint presentation to my staff to present the fact to them that I had been diagnosed with cancer and I listed it out, I said well these are all the good things about my cancer and focused on that because I think that can give you strength and give you energy, and all of those strategies worked for me.

**Gillian Franklin**

[How I managed cancer while managing my business](#)

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# marketing

**1 Look for advertising bargains:** Tight times can mean cheaper advertising, if you know where to look. Distressed advertising - ad space that is unused or abandoned by an advertiser at the last minute – can be used to deliver a message at cut-price rates. Ad it Last is a business based on finding and selling distressed advertising to small and medium businesses that operates in Australia and the US.

Distressed ads sell for an average discount of 40% on normal rates, but that could increase if the economy stalls. It requires thinking outside the square a little bit, but distressed advertising is often available up to a week in advance and there are substantial savings to be made.

*Christina Tutone*

[10 tips for marketing in a downturn](#)



**2 Maximise returns on email marketing:** Search engine marketing and social networks may be the hot topics of online marketing, but some of the most effective tools are also the oldest. Email marketing is far from a dead medium, with service providers reporting strong growth from existing and new clients. Here are 10 tips to maximise your returns on email marketing:

- Know your reason for doing it
- Make your proposition compelling
- Get the frequency right.
- Short and sweet beats long and tedious
- Start by recruiting the converted
- Learn about your list
- Find triggers
- Be serious and be committed
- Be professional
- Find the package that is right for you

*Brad Howarth*

[10 ways to maximise returns on email marketing](#)

**3 Tell the customer why they need what you sell:** In tough times you need to make it clear that you understand the priorities of your target customers and that your product or service will help them do it. If you don't give people a lead to your product they won't have time to worry about you. Using a special offer tied to a tight timeline, perhaps a 24 hour period, can be effective in giving people who already feel like they've got plenty on their plate a reason to respond to your message.

*Colin Benjamin*

[10 tips for marketing in a downturn](#)

**4 Make it free and make money:** People are so bombarded with advertising messages. The trick is finding a quirky way to get through the wall. Give consumers things they use in everyday life. Movie tickets, branded bottles of water, sunscreen sachets and chocolate hampers have been recent favourites. Whenever Sydney-based promotions firm Media Tree does freebie handouts in Australian cities, its promotions team is swamped.

*Michelle Tinyou*

[Make it free and make money](#)

**5 Maximising your conversions:** There are two ways you can double the amount of conversions; you can double the amount of traffic to your site, or you can optimise your website to achieve the same result. If you do both, you can retire rich. AB split testing is a method where you create two (or more) versions of a web page and analyse the conversion results to see which one entices your visitors to convert in greater numbers.

You then ditch the lower performing page and keep the good one! If you're really serious about it, you keep testing. Forever. Multivariate testing is similar in concept to AB split testing, but instead of serving up two pages, you serve up just the one page and change and test various page elements to hit upon the best combination.

*Chris Thomas*

[Maximising your conversions](#)

**6 Capture your customer data at every opportunity:** Capture your customer data at every opportunity, online or off. This is still the most common of the lost opportunities – customers or prospects that ride off into the sunset with no means of contacting them for future promotion. This now has to be the most heinous of marketing crimes.

We all know the 80/20 rule of repeat business, so why do we continue to watch future business walk out the door? At your next staff meeting, sit down and brainstorm how to ensure you can entice customers and prospects to happily provide you with their contact details. But get the basics right first – like asking them! But give them at least one very good reason why they should.

*Craig Reardon*

[Online tactics for a soft economy](#)

**7 Use nostalgia marketing:** If you are trying to increase your brand's relevance to a particular target audience, why not take a journey into their past. Explore the icons of popular culture that may have played a pivotal role in their personal evolution – TV shows, fashion trends, personalities, movies, sports stars, crazes, and of course music.

Ask yourself how your brand can somehow attach itself to their past. If used sympathetically, nostalgia can be a powerful way of appealing to the emotions of your target audience and increasing your brand's relevance in their eyes.

*Sean Adams*

[Nostalgia aint what it used to be](#)

**8 Emulate successful companies:** When you're looking for an image for your website or logo, it kind of depends what you're doing but if you're doing a PowerPoint presentation or something like that, what we suggest is always look at some of the best people around you; what they're doing. So, in that case, maybe it's Steve Jobs, or something like that, when you're doing your PowerPoint presentation.

Look at how simple and clean and how little text there is on one of his slides, and try to emulate that if you as a small business have to do a pitch or something like that. Find images that are striking, convey a good message and then talk around them. Stuff like that makes you look like a lot bigger company than you probably are.

*Kelly Thompson*

[iStockphoto keeps customers in focus](#)

**9 Focus on favourite products:** I think women are less inclined to take risks now, so focus on favourite products that people know and go out there and make sure that when she does spend that she is spending it on your brands. And I think that this is a time when you can take market share.

*Gillian Franklin*

[How I managed cancer while managing my business](#)

**10 Survive the retail slump:** The key for specialist retailers is to forget about trying to compete with the big retailers on price, and instead focus on creating a niche. A common trait between successful entrepreneurs is a passion for what they do and passion for the niche customers they are delivering too. If you try and be all things to all people, as a retail you end up being nothing to anyone. Here are some key points to surviving the retail slump:

- Think head down, tail up.
- Keep a hawk eye on costs and encourage a low-cost culture.
- Beware hysterical discounting.
- Retain staff with relevant, practical training.
- Enhance the customer experience instore.
- Understand marketing and selling are two different, critical aspects of retail strategy.
- Keep abreast of merchandising, advertising and promotional best-practice.
- You cannot be all things to all people.
- Commit to continuous product improvement.
- Do everything in your power not to waste your customers' time.
- Don't try and compete on price with the giants, create value in other ways.

*Emily Ross*

[Boost your retail sales](#)

HP recommends Windows Vista® Business.



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# web 2.0

**1 The passion of SME bloggers:** Most of the best blogs come from small and medium businesses because blogging is a “passion medium”.

Entrepreneurs and SMEs are generally a lot more passionate about their business because, well, they often are the business. Plus entrepreneurs are generally quicker to pick up on new ideas and trends, and then put those ideas into practice.

Blogging is a quick and simple way for smaller companies to punch above their weight marketing-wise, and it's cheap, so it's no surprise smaller companies are getting into the blogosphere in increasing numbers.

*Trevor Young*

[Australia's best business blogs](#)



**2 Why you shouldn't stop staff using social networks:** Organisations need a starting point of understanding that often the personal networks of your staff are fundamental to the ability to add value. Research has shown that the best way to predict someone's future performance is the breadth and diversity of their personal network.

Take a law firm; it's not sensible to ban Facebook. You want younger lawyers to have strong networks either now or in the future so they can bring work in. If you ban it you are also sending a message to say we don't trust you.

*Ross Dawson*

[Web 2.0: Our winning ways](#)

**3 How to find workers with LinkedIn:** Typically professional networking such as LinkedIn provide data on a person's skills, previous roles and business contacts – information that is probably more valuable to an employer than a potential recruit's favourite band or movies that you might find on Facebook. I think personally it's the professional networking sites that will provide the opportunity, rather than the social networking space.

But companies need use this new recruitment tool properly. Simply trawling the net for workers won't wash. Potential workers will have questions and concerns that must be addressed. The professional networking sites provide some tremendous opportunities, but you have to make sure that you are managing the experience.

*Sue Healy*

[More businesses using social networking websites for recruitment](#)

**4 The power of Twitter:** Social media site Twitter is a powerful tool to help you engage with people who are talking about your brand.

If someone on Twitter (or other social media site) mentions your brand in a positive or negative light, respond in a way that is helpful, courteous and in some cases to even say “thanks”. Without going into the whole explanation of how Twitter works, thousands of people can be exposed to your brand instantly.

*Chris Thomas*

[Find your social media niche](#)

**5 Engage in social media, or risk your company's reputation:** Consumers have more faith in what other consumers say than what your company says. If you can win over an influential blogger or get your website highlighted on social media websites such as digg.com, your reputation could be improved.

Contribute to online forums and blogs, and directly address negative comments. Most sites allow direct replies to comments and consumers love it when a company replies, as it shows they are being heard. Set up your own company blog, post interesting articles and make your website more interactive.

It took Dell a year to respond to the relentless online criticism, but once it got its head around it, Dell effectively repaired the damage through initiatives such as the online complaint blog, Direct2Dell.com, and ideastorm.com, which invited ideas for products from consumers and requested their feedback on new technologies.

*Jason West*

[Online reputation: 6 steps to manage a crisis](#)

**6 Five tips on content for your blog:** It is one thing to start a blog, but another thing entirely to get the content right.

- Post often, and post well. Give your readers a reason to come back regularly.
- Acknowledge other bloggers and sources of information, as you would hope that they would acknowledge you, and help your readers discover other great sites, blogs and information sources.
- Remember who your audience is – or who you would like it to be – and avoid trying to cover too many unrelated topics. Try to avoid writing about things that are outside of your specialisations just because they are popular topics.
- Don't be afraid of using images, audio and video content to spice things up, and make yourself a resource for people interested in your areas of specialisation.
- Never ever, ever, ever, be anything other than upfront with your readers. Readers can switch off instantly, but their scorn can last a lifetime.

*Brad Howarth*

[Australia's best business blogs](#)

**7 My Facebook recruit:** Normally our modus operandi regarding recruitment is to leverage as much as possible off our network of peers and our employees to find new and highly motivated staff. For weeks we have been running dry on our traditional efforts of getting the "feelers" in the market and looking for referrals to fill the role. This week, however, we cracked that little goldmine called Facebook.

We got all our younger staff members to send a notice out on their Facebook pages to all their "friends". Within 20 minutes I received multiple CVs, with a number of them being fantastic prospects and I subsequently offered the job to one of the "Facebook recruits". This obviously blew my mind and any expectations I had. I'm now Facebook's number-one fan.

*Michael Phillips*

[The new face\(book\) of recruiting](#)

**8 Brand building using online communities:** Building brand credibility has been our biggest challenge. We need to convince people who don't know our brand, who just look at the price and think our products are not as good value or as good quality as some of the other brands. Maintaining that level of service has been a challenge to us... getting people to buy Kogan and accepting it's not risky.

I have spent hours in online community sites, chatting on forums and blogs and establishing a presence that consumers can trust. We've been participating in the industry so people can see we are legitimate.

Another key to building a legitimate brand has been consistently listening to customer feedback and quickly fixing problems. Anything bad that happens in this business spreads really quickly online.

*Ruslan Kogan*

[Battling the big brands with an online strategy](#)

**9 Will web videos help your sales?** In online sales terms, the video freight train is gathering steam and I reckon the best place to be is onboard. With more and more internet users hooked up to broadband, (exemplified by YouTube serving well over 100 million videos per day), and Google embedding video in its new Universal search results, it's going to continue to grow at a silly pace.

Will it help your online sales? I think if it's done right, you can get much more information across in a 30 second video ad than you can with a whole page of text. But like anything, you'll need to weigh up your return on investment. Do this by asking:

What's my current website's conversion rate? What's the likely conversion rate improvement if I use a video ad? How long will it take me to break-even on the video ad cost?

Chris Thomas

[Video on the web. Will it help your online sales?](#)

**10 How to build email subscribers:** Here are some of our best success tips on building your newsletter (or blog) database:

- Have a sign up button or form on every page of your website
- Don't make it too difficult for people to sign-up; people get bored if they have to jump through too many hoops. All we ask for is first name, surname (optional) and email.
- Set up a Facebook fan page for your email and encourage your friends/family and current subscribers to join.
- To attract those ever present Gen-Ys, have a presence on MySpace.
- Link your Facebook, MySpace and LinkedIn pages on your website and newsletter.
- Any time you speak at a public event, mention your newsletter and encourage people to sign up. By public event I mean everything from a keynote presentation in front of 2000 to a networking group of five – just mention it!

Kirsty Dunphey

[25 ways to build subscribers](#)

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# online tools

**1 A cheap online accounting tool:** SAASU is an Australian (tick) web-based system with lots of users (tick). It has a nice interface (tick) and comes pre-configured (tick). It also has some nice features such as auto generating invoices as PDFs and emailing them off (tick). You can use it for free if you're doing under 15 transactions per month, or have the unlimited versions is \$59 a quarter. I went with SAASU as it was an easy choice.

And now I don't have to fart about emailing the MYOB files over to the bookkeeper and holding off invoicing until I get them back.

I also got to configure the chart of accounts so that I could get really useful information out of the system (people who don't customise their chart of accounts drive me mad).

I didn't end up getting a free a solution, but close to it. My banking and accounting now all happens online.

*Brendan Lewis*

[Accounting on a cloud](#)

**2 Responding in the moment:** Twitter's advantage is immediacy. Any time you're going to reach out to people and make them aware of what you can offer them, it's going to be treated with a certain level of skepticism. If you're just throwing banner ads up on a site, people will usually dismiss your message.

But when someone is actively communicating with the world at large...It's a unique opportunity to respond to them in the moment. And with more and more mobiles having internet access, people have used Twitter mobile to follow on the go.

*Kevin Yank*

[How Twitter will change your business](#)

**3 Virtual office needs communication:** The key to a successful virtual work environment is to create open channels of communication. Make sure everyone feels in the loop no matter how far away they are physically, and make sure you hire people who can handle the unique pressures of working on their own.

SitePoint has done a great job of making sure I feel like part of the team, even though I'm not in the office with them every day — from including me in meetings via Skype, to keeping in touch daily with Basecamp instant messenger, and email, to making sure I get a copy of the monthly employee newsletter.

*Josh Catone*

[For a startup, is a virtual office enough?](#)

**4 How to rent web traffic:** Sometimes other websites in your market have developed tools and resources that would be of significant value. It isn't always possible for you to develop your own, and doing so would just be a repeat of what is already out there.

Instead it can be a good idea to just borrow the flagship content and rent it. This way you will at least not be at a disadvantage in getting visitors to your website and keeping them coming back.

Good examples of this are: Renting comparison tools, review tools, online calculators and video content.

*Fred Schebesta*

[Advanced web traffic secrets revealed](#)



**5 Why email is still a crucial sales tool:** Next to word-of-mouth, email marketing provides the best return on investment you can get. A recent US study showed that marketers receive a whopping 4500% return on investment from email marketing. To save you the maths, that's a return of \$45 for every dollar spent. And it can cost as little as nothing to use it. It should be a No. 1 priority for all retailers – even if you don't have a website.

*Craig Reardon*

[Retail pathways to online profit](#)

**6 In praise of Google Calendar:** Since moving my IT infrastructure over to be web based, I have been using Google Calendar as my calendaring system. What I like about Google Calendar is:

- You can own one or more calendars in your account, which you view through a web browser.
- You can natively view other people's calendars or even public calendars in your account.
- You can keep your calendar private or authorise others (or the public) to view or even edit your calendar, making it great for collaborating.
- It can seamlessly sync to other devices, including Outlook, Thunderbird and even my iPhone, making it a 24/7 solution.
- Because it uses web 2.0 technology, the calendar is quick to respond to changes you make.
- It's supported by Google, not a pimply IT geek, which means it doesn't end in tears and you missing appointments.
- It's free.

*Brendan Lewis*

[Calendar boy](#)

**7 Google Docs:** Sometimes though I realised I wanted to communicate something with one of my Flinders Pacific clients, but didn't want to get caught up having to constantly resend a document that was changing.

For instance when I arrange a dinner, I normally get harassed for the minutiae of what's going on, "has so-and so got invited yet?", "what did they say?", "how many are coming now?" etc. Things get worse too, if I create a spreadsheet but leave it on the wrong computer. The solution therefore was Google Docs.

For small lists, I create a spreadsheet, then share it with the client. I can then update it from wherever I am, and the client is satisfied that they can get up-to-date information simply by checking on the internet.

*Brendan Lewis*

[Solutions \(and they're free\)](#)

**8 Open source saves you money:** Businesses switching to open-source can save big money on software that replicates the basic capabilities of off-the-shelf software for no virtually no cost. Instead of purchasing software licenses for applications such as Quicken or Microsoft Office, you can download open-source versions of these applications for free.

Even better than the cost savings is the prospect of avoiding vendor lock-in, which refers to the often substantial costs of switching software vendors when you become unhappy or if problems arise. Open-source products allow users to choose between several different applications and switch as often as necessary.

*Patrick Stafford*

[Open source revolution](#)

**9 Open office:** Open Office is a full blown open source office suite that runs on Linux and Windows. It is now fully compatible with Microsoft Office, that has all the same functionality plus a bit extra. Therefore it's the obvious choice for when I want to whip up a document, spreadsheet, drawing or presentation. A couple of other cool things about Open Office.

- It's free – a saving of \$200 to \$600 per user.
- You can get it in Linux, Windows and Mac flavours, so I can use the same product at home and at the office.
- The user interface now looks a hell of a lot like Microsoft Office (making a really low learning curve).
- Open Office natively stores its document in ODF format, the open standard, rather than Microsoft's proprietary standards. So I am unlikely to get stuck with a document I can't read in a couple of years.
- Open Office can save documents in Microsoft's proprietary formats if you need to (you know .doc, .xls, .ppt). This interoperability is seamless in all but the most complex documents.
- Open Office natively prints to PDF format, so you don't have to purchase PDF generating software. Another cost saving.
- Did I say it's free?

*Brendan Lewis*

[Solutions \(and they're free\)](#)

**10 Crowdsourcing for feedback:** Perhaps the purest model of crowdsourcing is the model that does not provide monetary incentives to community members. This model is particularly prevalent among sites such as Cambrian House and Global:Ideas:Bank, which encourage users to post an idea and then get feedback from the community.

The ideas range from the serious (online medical consultation business) to the ridiculous (would you be prepared to pay for red traffic lights to turn green?) but when the feedback process works well, ideas are quickly and constructively refined, improved and built upon.

It's a particularly good way to test how an idea will be received by actual customers – if the community hates it, you'll know very quickly and can go straight back to the drawing board.

*James Thomson*

[The power of crowdsourcing](#)

# sales

**1 Refresh your sales approach:** If you are feeling in a bit of sales slump, here are some questions to consider that may help you keep your ideas fresh, check for any blind spots and help you create opportunities so you can keep your prospecting and sales efforts on track:

- What are the current boundaries or rules in your business, team or area of expertise?
- What are the rules that can increase the likelihood of success in your business, your team's field of expertise? Rules can be formal (written down) or informal (spoken or implied). How do these rules help you solve problems?
- List three times when you didn't listen to an opportunity and it hurt you, your team/business. What can you learn from this?
- What were the rules you followed that kept you from seeing or taking advantage of those opportunities?
- What changes can you make to your thinking to increase your imagination and flexibility and create more sales opportunities?
- What is impossible to do right now, but if it could be done, would fundamentally change you, your team and your business for the better?

Often times our customers can have the answers to these question also. So if anything, get out there and ask them for feedback about how you can all work together more effectively and creatively get through these challenging times in good shape.

*Sue Barrett*

[Create your own opportunities](#)

**2 Want to bypass the media buyers?** One smart way may be to do it yourself through sponsorships and partnerships. Approach key strategic partners or people that you think may have an interest in reaching your website audience and offer them a paid sponsorship opportunity.

If you allow partners access to your audience and they see value in partnering with your brand, a longer term agreement (say 12 months) is usually best for both parties, as it can take some time to ramp up the value of the advertising and it also offers your partners some form of exclusivity over your audience.

*Monique Talbot*

[Breaking through media buyer walls](#)

**3 It's the client's opinion that counts:** Train sales staff not to let their passion for what they are selling prevent them from listening to and focusing on their clients' needs. We tell our sales staff that they have two ears and one mouth and they should be used in those proportions. You may have an opinion on the product and what it can do, but it is irrelevant – it is the client's opinion that counts.

*Matthew Franceschini*

[10 secrets of successful B2B selling](#)

**4 Pay money to make money:** You need an overall marketing strategy, but that's 20% of the job. Making sales is 80%, and it's much harder. Go look for someone who loves sales and just wants to sell. And pay them lots of money based on how many sales they make. And if they make more than the CEO, that's OK as well. If it's performance based and the company is making money, then what does it matter?

*Gail Geronimos*

[A sale a day keeps the VC away](#)



**5 Make it better, not cheaper:** Our strategy centers on making sure customers keep finding the right shoe in store. We are very conscious of quality, pricing and product improvement. Rather than slashing shoe prices, Wittner's approach is to boost the resources of the buying department, bring in design consultants for the stores and continuously develop advertising, promotion and merchandising for the brand. Instead of how do you get it cheaper, we think, how do get it better.

*David Wittner*

[Boost your retail sales](#)

**6 Up-sell and cross-sell:** Here are some handy hints that will help you up-sell and cross-sell in your business:

- **Product knowledge;** know all your products well.
- **Product associations and combinations;** know how your products integrate with each other and how they form a bigger picture. This goes with this goes with that, etc.
- **New topics;** know how to introduce relevant new topics and products into the conversation.
- **Education;** don't underestimate your value in terms of the education you bring to clients.
- **Pricing structure;** know how your pricing works – the structures, bundling, unbundling, volume pricing, various product pricing combinations, etc.

*Sue Barrett*

[Making the most of up-selling and cross-selling](#)

**7 Hire empathetic sales staff:** We have a tradition in selling... about hiring personality. I don't think personality is a bad thing to look for, but the most important skill set is a natural inquisitiveness. A genuine sense of wanting to understand before you're wanting to be understood, and that is not the way the traditional salesperson has been viewed.

The person who's identified as 'born to sell' tends to be a gregarious and outgoing person who also happens to be blessed with verbal acuity, but that's not really the key skill set anymore. It's a natural sense of empathy and a desire to understand; those were the two keys that I would look for first.

*Tom Snyder*

[On the road to nowhere \(unless we detour\)](#)

**8 Review your product range:** Another area for cost cutting could be your product range. Review your entire range and think about which products actually, work, with particular attention to the margins products attract and the marketing spend each product needs.

Focus particularly on successful products or services and discard less successful ones you may have persevered with during better times. Invite customers into your business to help with the product range review. You'll be able to better tailor your products to their needs and they'll feel like they are appreciated and listened to. It involves them in the ownership of the business and ownership of the product.

*Gregory Will*

[Strategy in a downturn – 10 lessons from the last recession](#)

**9 Try tryvertising:** A couple of months ago I convinced my barber to pick up his chair during a quiet afternoon and take it up to the local pub. The pub was delighted with this little bit of theatre, and with the free haircuts for its customers. The customers thought it was a great lark to get a haircut over a beer with their mates. My barber handed out all his cards that afternoon and has since seen an increase in business as a result of this outreach.

*Cameron Marks*

[How tryvertising can turbo-charge your sales](#)

**10 Persistence and the honourable retreat:** Don't burn those viable and not interested sales prospects as they may become viable and interested in the future. Here are some handy hints to make sure you can go back to these prospects in the future and give yourself a chance of working with them.

Don't take it personally:

If a prospect doesn't commit to seeing you it could be due to one of the following reasons:

- They do not have a need right now.
- They do not fit your target market.
- They do not perceive having a need right now.
- They have other associations or relationships.
- They are not convinced they need to see you.

Don't give up. Whenever you make contact with someone make sure you always leave a favourable impression. Make sure they felt it was worthwhile to speak to you even if they don't fit your target market – you never know who they might know.

*Sue Barrett*

[Persistence and the honourable retreat](#)

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# search engine optimisation



**1 Know the Google algorithm:** While Google might be constantly fiddling around the edges, there are things about the algorithm which tend to remain fairly constant. Over at SeoMoz (effectively the SEO industry's version of SmartCompany), the world's top SEO industry experts were invited to vote on what they believed were the most important factors to influence Google's algorithm. The title tag came in first, followed by body text and headings etc. Certainly, links are also a play a huge factor, and the anchor text of in-bound-links to a site was of "exceptional importance" to all respondents.

*Chris Thomas*

[Explaining Google's algorithm](#)

**2 Use 'Insights For Search':** Google's free service, called Insights For Search allows people to figure out exactly what customers are searching for by using the comparison tool that allows users to compare the effectiveness of two or more terms and could mean businesses no longer need to pay up to use the similar keyword tool

*James Thomson*

[Google's new search tool could save you a bundle](#)

**3 Answer the customer's question instantly with your website:** I still see a lot of websites that don't put a phone number on every page. People have to realise that people are on their site with their finger on the mouse. There is a split second before they return to Google if they don't find what they are looking for.

People scan websites. They don't read in detail, and there is very little loyalty. Don't find what you want? Go to number two on Google. That's why Flash and sites that looked like brochures didn't work. People just want to know – will it answer my question?

*Jason West*

[Websalad's recipe for conversion](#)

**4 Use Google local search:** Google has thrust local search to the forefront of its new universal search results platform by squeezing 10 local results into (what's been coined) a "local box". So how do you give your website a chance at the top 10 with local results? First off, you'll need to create a Google account.

That will allow you to create a free "local business listing" which allows you to enter all the information about your business. You can also move the map marker!

The next tip is to register your business with TrueLocal. Google and NewsCorp have a commercial relationship (hard to believe I know), where TrueLocal results help to power Google's own local business results. It really helps if you're included in both Google and TrueLocal. Finally, optimise your site as best you can.

Spend a few dollars and obtain some strong authority links; get included in the Yahoo directory. I've seen websites gain dramatic ranking improvements at Google once their Yahoo directory listing was approved (with no other changes).

*Chris Thomas*

[Top 10 search-and-sale tools and how to get on top of them](#)

**5 Keep your message at the top of Google:** Eight out of 10 searches go through Google, and 60% of users don't go past the first results page. If your website is being pushed further down the page by a constant barrage of criticism, the only thing consumers will see is negative comments about your company.

Keeping your message at the top of the page effectively dictates the information people read, influences their opinion of your products or services, and can influence their decision to buy.

Constantly adding new information keeps your website fresh and relevant, resulting in higher SEO in search results. Companies that sell services to manage online reputations can assist with this. Organising links from other sites also increases your website's traffic.

*Jason West*

[Online reputation: 6 steps to manage a crisis](#)

**6 Swap databases:** Swap databases with a partner and promote your content in their newsletter. If you are a florist partner with a wedding planning company, for example, you could include a little snippet promoting your article on "How to choose the perfect wedding flowers for your wedding?"

*Fred Schebesta*

[Website traffic problems solved!](#)

**7 Be keyword clever with your title tags:** Google places emphasis on where the keywords are located in your title tags and meta tags, so try and place your keywords as close to the beginning of your title tag and meta content tags as possible. Ideally you should place your brand name at the end of your title tag and let the priority key phrases do the heavy lifting. "Get found first; brand and sell second." If people already knew about you and your products or services they'd go straight to your website!

*Chris Thomas*

[How to write content that search engines will adore](#)

**8 Use Google News to rise up the rankings:** The inclusion of Google News in Google Universal gives your business the chance to achieve page one rankings on Google within hours and days, rather than weeks and months.

Creating newsworthy content and putting it on unique pages increases the chance of making it to page one. Make sure you highlight those sections of your article (using headings and bold and strong fonts) that are most searched for most. Sites that make it to Google News results often get thousands of visitors a day. So use Google News to announce your next product launch.

*Jasmine Batra*

[Inside Google Universal](#)

**9 SEO firms:** Search engine optimisation firms can be good advisers, but check their reputation first, as a few unethical SEO firms have given the industry a black name with their attempts to unfairly manipulate search engine results.

*Lucinda Schmidt*

[The power of Google](#)

**10 Make the most of Google analytics:** Google's Analytics is a brilliant way that you can maximise the revenue your website makes for your business. What is the purpose of your website and how/where does it fit in with the rest of your business objectives? Decide what it is you want to measure; set these as KPIs and keep them to a manageable number (say five to eight). Create realistic targets around your KPIs. Regularly compare results against your targets. Use the results to test and improve your website. Don't let absolute numbers influence everything you do. Focus and respond to trends.

*Chris Thomas*

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