

10 Principles To Make Your Profits Soar!

Principle Number 1: Write Powerful Ads

The number one way to make your ads more effective is to test different headlines. The headline is 80% of your advertisements' effectiveness. Without an effective headline, I can almost guarantee your ad will under perform.

You need a headline that is tight, straight to the point and addresses the main need of your market. It needs to be personal and literally scream out at your market what they will benefit. Incorporate your Unique Selling Proposition into your headline. Make sure it is clear and succinct.

Font size is important also. If your body copy is in 10-point type, ensure that your headline is at least 24-point type and bold. This will allow it stand out more.

Your body copy needs to be a natural progression from the headline. The first sentence or two is especially important because this is where your prospect will stop reading if they're bored. You can maintain your prospects' interest by asking a question that will encourage their thinking. Another idea is to mention some accurate statistics that may be relevant.

In your body copy, use many subheadings and space out your information. Explain the benefits of doing business with you. In other words, how you help your prospects feel better, look better, be healthier, be happier and more confident. Think of benefits as results. What is the result your prospect will attain after doing business with you?

Also, include a guarantee. This is especially important. There are many prospects in the marketplace that would literally throw their money at you if they felt there was no risk on their part. Don't be afraid to stand by your product or service if you're good at what you do. The marketplace rewards those who render a beneficial service (while at the same time being very cruel to the lazy and unethical).

Principle Number 2: Ask Yourself The Right Marketing Questions

Every 'successful' marketing plan should start off, in my opinion, with the following questions:

What Am I Selling?

- For hairdressers, you are selling confidence, self-esteem, convenience, and pride
- For mechanics, you are selling peace of mind, safety, convenience, and performance
- For florists, you are selling love, connection, and friendship.

Remember, you are always selling results. You are selling how your customer is going to feel after doing business with you.

As a business owner, you can broaden the definition of what you're selling and thus, expand your potential market. As an example, look at a masseuse. On the one hand, a masseuse offers massages for relaxation. However, what would happen if the masseuse expanded her definition to 'a service that helps to appreciate life more.'

Now, with this definition, the masseuse can offer further complementary products. She could create a joint venture with health stores and offer special promotions to her clients. Additionally, she could offer a range of aromatherapy oils and scents, together with self-improvement workshops ranging from motivation to goal setting to relationship counselling. Furthermore, she could create a joint venture with yoga, qigong and tai chi instructors – all in accordance with the new definition.

The list is almost endless. Go ahead and expand the definition of your business. Don't just see yourself in the traditional sense. Offer a broad definition and investigate just how much more you can further develop.

Who Am I Selling To?

Who is your target market? Is your target market young, old, Chinese, African, rich, poor, local or out of town, professional or blue collar? This is very important because each customer can desire different benefits and results.

The more specific and clear you can be on who your market is; the more precise you can be when explaining the benefits they will experience.

If you are unsure who your target market is – ask your customers. Run a survey, and offer them a gift in return as an incentive. Here are some points your questions should touch on:

- Age
- Sex
- Occupation
- Income Range
- Nationality
- Interests
- Address
- Marital Status
- Magazine, newspapers, television shows and other publications they read

The survey arms you with a stack of useful information to answer the next question.

How Will I Communicate My Message?

I can categorically state, that if you are not clear on who your customers are, you will not be able to find them effectively. After all, how will you know how to get into contact with them if you don't know who they are?

Once you have completed the survey, answering this question will be easy. As a start, go to your local newsagency and take a glance at the range of magazines that are on the market. You'll be stunned. There's something for everyone. Also, go to your library. Libraries have tons of information for you to use. Contact direct mail houses and get a copy of their mailing lists. There are lists on any demographic you can imagine.

The topic of which mediums to use in communicating messages will be further explained in the next section.

What Price Am I Selling For?

Is your price too high? Is your price too low? I've seen products that are more expensive out pull similar products that were considerable cheaper on a per unit basis. This is because there is a perceived value of quality. Have you ever heard or seen the price of something, and because it was expensive immediately assumed it was good quality? Of course. I have too.

To run a profitable business you need to sell your product or service at a price that appeals to your target market.

Principle Number 3: Reverse The Risk

This is one concept that most business owners feel very uncomfortable about at first – but it is a principle that could double your business almost immediately.

Reversing the risk is offering your customers a satisfaction guarantee – if they are not completely satisfied they receive their money back, an extended warranty, or a replacement – whatever it is that will help your buyer overcome their initial hesitation.

An incredible amount of business owners are not willing to offer guarantees and stand by their product or service.

If you have a product or service that is of decent quality and renders a worthwhile service to your customers, you should offer a guarantee. If you are unwilling to stand by it, why are you in business?

By offering a guarantee, your proposition becomes so much more powerful and appealing to your customers. The outcome will be customers will feel more comfortable to do business with you – and, as a result, your sales will increase.

A guarantee can be in many forms. Here are some examples:

*I offer a 100% Unconditional Money Back
Guarantee if you're not satisfied*

*Don't pay us a cent. We'll personally deliver your widget.
You try it for a week and if it lives up to your
expectations, send us payment then.*

*When you invest in my manual, I won't cash your
cheque until 31 days after you've received it. If you're
unhappy with it before the 31 days, return it and I'll send
back your uncashed cheque.*

*Try our amazing double your money back guarantee.
Yes, that's right. If you return your widget I'll
give you back your \$100 plus an extra \$100 for the
inconvenience. I couldn't be fairer.*

A few customers will take advantage of your guarantee. That is, returning the product unethically. Don't worry about it though. A lot more customers are going to purchase in the first instance because of the guarantee. More important is your net result - an increase in your profits.

Also, genuine returns can turn into a sales opportunity. You have to understand, if a customer asks for a refund they are not happy. This is a chance for you to fix the problem and offer them a higher level of customer service.

Here is an example. There was a very successful, high-level photocopier salesperson. He had a practice, which may sound manipulative, but was very effective. Whenever he sold a copier to a client, he would purposely orchestrate a problem. Either the copier wouldn't work or there would be a delay with delivery.

When the customer complained, this salesperson used the complaint to solidify the goodwill he had attained. He offered the customer a number of extra service 'perks' as apology. He created the impression of going considerably out of his way to fix the problem. This reflected positively on him and his company.

You see, it's not the complaints that are necessarily bad. It's how you handle them. Remember this always. Take advantage of complaints and you will profit.

Principle Number 4: Incorporate a USP In Your Business

A Unique Selling Proposition (USP) is the one element that sets you apart from your competitors. It's why your customers do business with you... over your competition.

A USP can be on price, convenience, durability, guarantee, quality, exclusivity, range or after sales service. There's an infinite choice of USPs that you can use. Don't be limited to the examples above. The one way to determine the USP for your business is to speak to your customers and ask what's most important to them when purchasing from your company.

Once your customers have provided you with some feedback, use that in your marketing. If an overwhelming percentage of customers need lower prices, and that alone varies the level of businesses they provide, then, if it's viable, lower your prices.

If your customers request a greater variety, give it to them. If they want better quality, give that also. Remember, you're in the business of making money, and that money comes from your customers. If they are not happy, they'll take their business elsewhere.

Principle Number 5: Use Direct Mail

Direct mail is a very powerful medium. Almost every business would benefit from having a direct mail department. With direct marketing, you can target the prospects most likely to purchase from you. It's like playing darts and getting a bullseye, instead of the circles around it!

To focus specifically on the people most likely to buy from you, it's possible to rent mailing lists with your specific target market, rent subscription bases to trade journals, magazines and newsletters and do host/beneficiary relationships.

Direct mail is also cost effective. You can use direct mail to generate leads, follow up on an enquiry, run customer surveys and sell extra goods and services to your existing database.

In return, your customers can order products through the mail from you. Even if you are a traditionally face-to-face type of business e.g. attorneys and restaurants, with a little creativity you can expand into complementary product lines and build a profit centre. Here are some examples:

- A mechanic could diversify into car wash products, performance products for the engine, car accessories or even home study courses in car management.
- A female's clothing boutique can offer shoes, jewellery and fragrances.
- A gymnasium can offer nutritional supplements, vitamins, books and courses.

Again, the list is endless. Think about it yourself. It is possible to sell conceivably anything by mail. With a bit of effort you could build yourself a very profitable area.

In addition, the beauty of direct mail is you can outsource almost all of the work. You can contract a mail order fulfilment house to send out all your mail, process the order and send you payment. All you need to do is supply them with names and product. They do the rest!

Principle Number 6: License Your Most Profitable Ideas

Maybe you've identified a way to sell your product or service in a way that is unique and more effective than your competition.

Maybe you have sales scripts that are far superior to your competitors' that allows you to solicit more cash out of your clients.

Perhaps you use a sales letter that yields a higher response rate than others. On the other hand, you could even have an in house training program that is far superior.

If you have any strategies within your business that are better than your competition, you can make a lot of extra money on the side.

Here's what I recommend. Go to all the businesses in the same industry as yours (except for your immediate competitors) and license your successful concepts to them. Tell them that you have discovered a way which yields \$X amount more than the average, and for a fixed amount each month, you would like to give them the rights to using your idea. You can either charge a fixed fee or request a percentage of the increased sales (whatever you can get!).

Make it clear however that the material is proprietary. Have contracts drawn up which are clear in terms of the licensing and the compensation you should receive.

It takes a little bit of work to set up, but once you have done so, you're able to contact everybody else in the country and simply roll it out.

If you set up 100 licenses paying you \$200 per month, that's an extra \$20,000 per month passive income! Don't kid yourself. It's possible.

Approach a business and explain that an investment of \$2400 a year (or whatever you can negotiate), your ideas will yield an additional \$10,000, \$20,000 or even \$30,000 profit to their bottom line. Wouldn't they be interested in investing \$2,400 to return over \$10,000?

Principle Number 7: Work your Customer List

The most valuable asset you have in your business is your existing database of customers... the people who have purchased from you in the past.

The acquisition cost of a new customer is astounding for some companies. On average, it costs 600% more to sell to a new customer than reselling to an existing one.

If you are not constantly in contact with your customers (at the bare minimum once every three months) then you're costing yourself money.

You should approach your customers with regular offers. Here are some examples of when to contact them:

- Special price discounts
- When you have up and coming promotions
- To endorse another businesses products
- Attain feedback on your business.
- When you have any new products and services
- To say hello
- Ask for referrals.

The list is endless. Keep in close contact with your existing customers. After all, if they purchased from you the first time, they should trust you. Your existing customers are your shortest route to increasing your sales. They are the most likely to give your more business.

Principle Number 8: Position Yourself As An Expert In Your Industry

This idea will lend an excellent amount of credibility to anything you do. If you position yourself as the expert in your industry, people will start to believe more of what you say in your normal marketing endeavours.

How do you go about positioning yourself as an expert?

If you see anything in the media even remotely related to your industry, contact the media outlet and offer to comment. Send in an opposing argument (if you refute what was originally printed). Media love quoting backup sources in their stories.

Send an editorial offering your opinion and solutions to the issue.

Secondly, send out tons of press releases to the media. The more you send out the better chance you have of establishing a relationship. Put on a charity day at your business and tell the papers – they will love you for it. It's newsworthy and they'll print it.

Read everything you can on your industry. Keep your ear to the ground. Subscribe to trade publications and specialty newsletters. Even start your own industry newsletter (which, by the way, you can charge for advertising space in and make it a profit centre).

Write a book or report (or have it ghost written). Offer it to people free. Send it to the media, trade publications and industry newsletters. Approach book stores and offer them to sell the book in their store and keep all the profit – this will help your credibility a great deal.

Give it to other businesses and allow them to sell it at a profit – just make sure in the back of the book you have your contact details so people can obtain more information from you.

You can also offer free seminars in your local area. You can choose to co-op this with other complementary, but non-competing businesses. An example is a real estate agent and a mortgage broker. Teach people how to gain an extra \$10,000 when selling their house and how to obtain the best financing specific to their own personal situation.

Principle Number 9: Read Books On Success And Business

Here is a list of books I recommend for helping you succeed in the financial world and in your life in general.

Tested Advertising Methods by John Caples

Think and Grow Rich by Napoleon Hill

Guerrilla Marketing by Jay Conrad Levinson

Scientific Advertising by Claude Hopkins

First Things First by Dr Stephen Covey

Awaken The Giant Within by Anthony Robbins

How To Be Rich by J.Paul Getty

Software For Your Brain 1 & 2 by Dr Michael Hewitt Gleeson

NewSell by Dr Michael Hewitt Gleeson

Maxi Marketing by Rapp and Collins

Principle Number 10: Start A Marketing Ideas Folder

This is a powerful idea. How would you like to have an endless stream of marketing ideas for your business literally at your fingertips?

Well it's dead easy. Here's what you do. Whenever you receive any marketing material in your letterbox, closely examine it. Ask yourself if it compels you to buy. If it does, work out what it is about the ad that makes you feel this way and determine how to apply it in your business.

Keep all the advertising and marketing you feel is effective in a special folder. Flick through newspapers and magazines for interesting ads. Cut them out and add them to your collection.

Don't let anything pass by your prying eyes. Keep a sharp look out. Before long, you will have collected an assortment of marketing ideas and advertisements to apply to your business. So when you're looking to add something fresh, flick through your folder and I guarantee you will find something that's useful.

Spend Saturdays at your local shopping centre closely examining different propositions and offers. Examine shop fittings, staff uniforms and greetings. Can you apply it in your business? If so what's the best way to do so?

Continue doing this and before long, you will have scores of fresh ideas.

There you have it. These are 10 principles that can help make you thousands to tens of thousands of additional dollars. They are simple ideas... yes they are. But they are so powerful.