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BUSINESS MANAGEMENT NEWSLETTER

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Donald’s Quote of the Month

“We all make mistakes in business...just don’t make the mistake of being mediocre!”

...Donald Cooper

“Greetings” and welcome. This month’s great business tips will take about 7 minutes to read. Time well spent.

1. The biggest mistake you can make in your business is to be mediocre...so what are you famous for?

(Time to read this article is about 60 seconds)

We all make mistakes. My Father used to say that success in business is the result of being right slightly more often than you’re wrong. But the fatal mistake, the one that will put you under, is being mediocre.

Stop playing it safe; stand out. Be “famous” for something. The very successful Yard House restaurants in the USA are famous for offering the world’s largest selection of draft beers. They have over 150 different draft beers listed on their website, including a gluten-free beer for people with wheat allergies. Beer-lovers flock to the Yard House for an extraordinary beer experience.



Now, those of you who know me well know that I don’t drink booze of any kind. Several of my relatives were alcoholics and I pretty much knew by the age of 10 that I should stay away from the stuff. But, as a marketing guy, 150 kinds of draft beer blows me away.

They even offer “beer floats”...beer with vanilla ice cream. Now, that would make many people gag, but the point is that they’re doing some slightly bizarre stuff that makes them stand out and get talked about. Have you given your target customers something to talk about?

It is said that the famous Canadian architect Arthur Erickson never built a building that didn’t leak somewhere...but he was always pushing the envelope, always creating the extraordinary and, in the process, he made a few mistakes. His buildings are spectacular; they uplift, inspire and make



emotional connections with people. If you build ordinary, boring square boxes that look ugly and destroy the soul, they probably won't leak....but they'll damage us in other ways. We lived in an Arthur Erickson-designed condominium building for several years...and it did leak here and there. But every day, it uplifted us and enriched our lives. So, when you go for "extraordinary", you may mess up a bit...but people will still love you for making a difference.

As an award-winning fashion retailer I offered massage chairs for husbands, a pirate ship play area for kids, free diapers for young mothers, free beverages for everybody, an invitation to "Please take as many items in the change room as you wish" and honest savings...no games, no tricks, no lies. We were the only retailers in the world doing any of this stuff at the time, it was a heck of a lot of work to pull it off and from time to time we made a mistake of some kind. But women drove up to three hours to shop in our store, they loved us and our sales were three times the national average.

Is it more work to offer 150 kinds of beer, to design buildings that uplift and inspire, to build a pirate ship play area, or to do what you do at a whole new level of "amazing"? Of course it is. But, is it worth it? You be the judge. All I know is that in this highly competitive world where there are way too many other people selling what you're selling, mediocrity is no longer an option.

So, what would "extraordinary" look like in your business? What has never been done before? What would truly amaze and delight your target customers...and what will you commit to do to become that?

2. Are you playing "fast & loose" with the truth in your business?

(Time to read this article is about 45 seconds)

There's a famous menswear store in downtown Toronto that advertises incredible values. So incredible, in fact, that I had to check it out.

Here's the deal...5 suits for the price of one. Now, I've seen...

- "2 for 1 pizzas",
- "buy one pair of shoes and get a 2nd pair for half price"...and,
- "50% off everything in the store"...

...but, "5 suits for the price of one"...that's a doozie! The salesman proudly showed me their vast selection of "5 for one" suits and explained that if I buy just one of these beautiful suits for \$1400, I'll get 4 more, for free.

Me: *"But, I need only one suit."*

Salesman: *"Oh, then you can buy one for \$340."*

Me: *"What about if I buy 2 suits?"*

Salesman: *"Then, they're only \$320 each...great deal."*

Me, *"But I thought that they're \$1400 suits."*

Salesman, *"They are, if you buy 5 of them."*

Me, *"Oh, I see."*

Well, of course, I didn't "see" at all. There's nothing to "see" here but smoke and mirrors and fuzzy math.



So, how about we all adopt a simple philosophy in our business...

“No games...no tricks...no lies.”

How about we stop playing “fast & loose” with the truth and create an extraordinary business by doing the right thing extraordinarily well? We could each build a better business...and, together, a better world. Or is that just too corny?

3. The amazing marketing value of “lists”.

(Time to read this article is about 60 seconds)

How could you use simple lists to reduce customer’s stress, create confidence and grow your sales?

Years ago, we bought mountain bikes from a Toronto bike and ski shop that I’d done business with for years. It was towards the end of the day and they seemed to want to make the \$2800 sale and get us out the door.

But, as we started our cycling experience, we began to realize that we needed helmets, cycling gloves, special cycling shoes, padded bike shorts, bike locks, bike covers, water bottles, small clip-on communicators so that we could talk to each other, nylon pullovers for bad weather, maps and books about bike routes...and panniers to hold all this stuff.

As we became aware of all the paraphernalia that we needed for a complete cycling experience, we became resentful that our former “bike hero” didn’t even mention any of this stuff. We wished that he had sold us the complete package...but he didn’t.

So, we found a new “bike hero” who had **a list**. They had a complete list of every imaginable piece of equipment, clothing, gadget, accessory and information that cyclists might need to have an amazing experience. In addition, they had lots of info on great cycling trips throughout Europe for which they’ve partnered with a travel agent...and on which they get a little commission for any bookings they generate.

And, on the back of the list they list tips on bike maintenance, bike safety and biking skills.

Because they had a complete list, they made it easy for us to buy...and for them to make the complete sale. They created confidence in their knowledge and professionalism, they sold us \$1800 worth of “stuff” in 20 minutes and I bet that the gross margin was excellent.

In December, when most bike shops are doing zero business, they print their wonderful list on red card stock with a Christmas border around it and send it out to their database with the suggestion that folks check off the bike accessories that they’d like for Christmas and then pass the list on to family and friends as a Christmas wish list. And December has become one of their best sales months.

Here’s another example of the power of lists. A wedding planner friend of mine offers brides-to-be a three-page list of the hundreds of decisions that need to be made and every detail that needs looking after to plan an amazing wedding...all in the order in which they should be addressed.

Some folks would say that she’s helping brides to organize their own wedding, and not hire her. But her experience is that most brides are surprised and overwhelmed by how much there is to do and they immediately realize that they need professional and experienced help...and, when they see how big the job is, they don’t argue about the fees.



Progressive Auto Insurance's market positioning is that they'll save you money. To support that commitment and to keep themselves focused, they provide you with their car insurance quote and a list of what their competitors would charge for the same coverage. That's gutsy...but when you actually deliver what you promise, it's very effective.

Every November a clothing manufacturer that I know sends his customers a marketing and promotional calendar for the following year. This is basically a list of all the dates and occasions around which retailers should be organizing a promotion, advertising or special event. For independent retailers, who have little time to proactively work "ON" their business, this "list" is a huge help. By creating a simple list my friend has elevated himself from salesman to business coach.

Whatever business you're in, your customers are confused, overwhelmed and short of time. How could you proactively use simple lists to create confidence in your professionalism, help your customers to save time, make better decisions and have a complete and extraordinary experience...and grow your bottom line?

4. 15 seconds of shameless promotion:

(Time to read this section is about 15 seconds)

If your company, industry Association or local Chamber of Commerce is currently planning a Conference for this Fall, or early next year, we'll be delighted to chat about how I can be helpful. To quote one recent client:

"Donald has been 'in the trenches'. He speaks so clearly and honestly about what it takes to succeed in business that I immediately hired him to do his one-day "Management Boot Camp" with my team.

He has given us the tools to create even more compelling value, a clear Vision for our future and a process to make it happen. With the help of Donald's unique approach to effective management...and his ongoing follow-up and support, I'm proactively moving our business forward."

For information on my Keynote presentations or transformational 1-day Management Boot Camp, just contact the wonderful Sharen lady at 1-416-252-3704 in Toronto or at sharen@donaldcooper.com.

5. Bits and Pieces...quick thoughts to get you thinking and make you smile:

(Time to read this section is about 60 seconds)

Item #1: Which nations will be world leaders in the future? Take a look at the Japanese school bus on the left. From the outside it looks like a normal bus. But, on the inside, instead of sitting in regular bus seats, students sit at desks and computers in order to get extra computer training on the way to and from school.

That is a commitment to excellence.





Item #2: No more “3 strikes and you’re out”: Customers are becoming more demanding and less forgiving. A recent study by Toronto-based research firm Ipsos Reid reveals that 84% of Canadians would stop buying from a company after just one negative service experience. So, now it’s “one strike and you’re out”.

Item #3: Who’s winning...and who’s losing? The concept of America as the creative advertising leader of the known universe took a severe beating last month following the 2009 Cannes International Advertising Festival. Of the 644 awards given out, only 13% went to American entries.

Item #4: China update: Car sales in China surged by 48 percent last month and China has just surpassed the United States as the world's biggest auto market.

Item #5: Playing catch-up: Microsoft has just announced that it will open 2 retail stores, one in California and one in Arizona. Of course, they’re a little late to the game because Apple has almost 350 stores around the world...and they’re a huge success.

The question here for your business is whether you’re out in front of the pack...or are you always playing catch-up?

6. How can you customize what you do to better serve your customers as individuals?

(Time to read this section is about 90 seconds)

One of the most powerful things we can do to attract and keep customers is to tailor our products or services to them as individuals. We all want to be special and, whatever we’re buying, it’s our time and our money and we’d like it to be done our way.

Harvey’s hamburger chain, a Canadian brand icon, has successfully competed with the international fast food giants by offering to garnish your burger “*your way*”. You get to pick which of the nine garnishes you want. It’s a burger made for you. On their website, you can even vote for your favourite garnish.



Some pizza restaurants offer only their set menu of pizzas. Others make suggestions of popular combos, but still let you design your own, if you wish. I love mine with mushrooms, red onions, sliced tomato, bacon and extra cheese....and I hate it when they won’t let me order pizza “*my way*”.

When a hotel chain builds a file on you and knows your special needs and preferences and then actually uses that information to proactively serve you as an individual, they make it difficult for you to go to a competitor. It also allows them to send you tailored promotions that will be more likely to appeal to you and keep you coming back. Do you know your customers well enough to serve them as individuals, or do you try to sell them on the idea that “one size does fit all”?

Progressive Auto Insurance is currently running ads in which they invite you to tell them how much you want to pay for car insurance and they’ll do their best to design a policy to meet your needs.

Another Insurance company offers “insurance that’s just right for you”. They check 21 personal factors to create customized car insurance and people who switch to them save an average of \$300.

An American bank lets you go online and design your own customized credit card with specific financial terms and a unique graphic image of your choosing.

Faux Shows, a business started by two British radio announcers, creates personalized fake radio shows on DVD featuring bits of news and favourite tunes of a particular person or couple. These fake, personalized “shows”, costing about \$500, have become popular birthday, wedding or anniversary gifts.

It’s interesting that many years ago, when technology first started intruding into our lives, the big concern was that we would lose our individuality. We would all be treated the same. We’d all be a “number”. And, at the beginning, that’s the way it was.

I’m old enough to remember back to when, if you wanted to check on the status of a particular incoming flight, you phoned the airline and a real person on the other end of the line answered and gave you the update. Then, technology intervened and when we phoned the airline, we got an answering machine that played a tape that listed the status of every flight. We had to listen to info on 30 flights that we didn’t give a damn about just to get the info on the one we cared about. And if you missed it, you had to listen to the whole tape again.



But now, technology has developed to the point where it’s digital, personal and interactive. Now, we phone the airline, punch in one specific flight number, and immediately get info on just that flight. Or, we simply go online and look up the status of any specific flight, anywhere in the world, in 30 seconds.

Today’s technology allows you to know, serve and communicate with thousands of customers as individuals. The question is, are you using it to delight your customers, grow your business and improve your bottom line? Or, you could be like Harvey’s hamburgers and just commit to doing things “*your customers’ way*”. There’s no technology involved there...just nine condiments and a simple shift in thinking.

7. What are your biggest management or marketing challenges?

(Time to read this section is about 15 seconds)

What keeps you awake at night? What are your 3 or 4 biggest challenges in growing the business, doing your job better or improving your bottom line? Please take a few seconds to think about this and to share your thoughts with me. Simply [click here](#) and fill in the blanks.

I’ll report the findings while protecting your anonymity in next month’s Newsletter so that we can all see what the top 10 business (or balancing business and life) challenges are for our readers around the world.



8. Our quick quiz of the month:

(Time to read this section is about 30 seconds)

"Thanks" to all of you who answered our July Quiz, which was, "Marriott is one of the world's largest hotel groups, but how many hotels do they actually own?"

The answer: Although the Marriott family of brands appears on over 3000 hotels world-wide, they actually own only 6 hotels around the world. The rest of the properties are owned by investors and may not even be managed by Marriott.

Congratulations to David Fine of Toronto who won. For David's prize he receives one of our DVD Seminars.

This month's Quiz Question: I love geography and I love learning about the areas that I visit in my speaking travels. To be curious is to be alive. For example, the Rio Grande River is well known as defining the border between the State of Texas and the country of Mexico. **But in which state does the Rio Grande actually originate?**

Send your guess to Sharen, our wonderful Director of Marketing, at sharen@donaldcooper.com with the subject line "August 2009 NL Quiz". Each correct answer received will go into the 'pot' and one winner will be randomly selected before our next Newsletter mailing. The winner will receive his or her choice of any of our excellent DVD Seminars.

9. That's it for this month:

Thanks for all of your great feedback and suggestions. We especially love to hear of your successes using our insights. Don't forget to visit our Free Articles section on our website for lots more valuable articles on how to sell more, manage smarter, grow your bottom line...and have a life.

Also, let us know what you'd like to hear more about, or less about. And do send us your stories and examples of great, horrible or just plain bizarre business practices that you find in your travels.

Kindest regards,

A handwritten signature in black ink that reads "Donald". The signature is stylized with a large, sweeping flourish at the end.

Donald Cooper, MBA
Certified Speaking Professional

For more information on how Donald Cooper can help you redefine and reinvent your business to create, deliver and communicate compelling, customer-owning Value, or to book Donald, contact Sharen Skene, Director of Marketing at 1-416-252-3704 or by email at sharen@donaldcooper.com in Toronto Canada.

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