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BUSINESS MANAGEMENT NEWSLETTER

June 2009

Donald's Quote of the Month

"If you don't have a clear and defining value message, and then use it consistently to build your Brand, you'll likely get lost in the crowd."

...Donald Cooper

"Greetings" and welcome. This month's great business tips will take about five minutes to read. Time well spent.

1. Do you have a clear 'value' message...and are you using it consistently to grow your business?

(Time to read this section is about 90 seconds)

Whatever business you're in, wherever you compete, your marketplace is crowded with too many competitors and your target customers are confused and cynical. That's just the way it is. To stand out, you need a clear and compelling value positioning statement that communicates what you do in a way that clearly differentiates you from your competitors, creates confidence, makes you "famous" and creates a buying decision.

If the name of your business or your product does that all by itself, like Speedy Muffler King or plant fertilizer Miracle Grow, so much the better. But, if your company or product name is not also a clear Brand promise, you'll want a positioning statement that "grabs" your target customers. Then, you'll want to use that positioning statement in everything you do to reinforce it, promote your value and grow your business.

Wal-Mart recently changed their positioning statement from "Low prices...always low prices!" to "Save money. Live better." This is both simple and brilliant as it reinforces the key benefit that shopping at Wal-Mart will help us to "live better", a concept which appeals to folks in every income bracket. Who doesn't want to live better?

The new positioning statement is on all their stores, in all of their ads, on their business cards and on every page of their website. They're making it work for them everywhere. Let's look at some other businesses that have positioning statements and see how well they're using them.

Enterprise Car Rental has a defining slogan, "**We'll pick you up**" that they've used since day one to differentiate themselves from their competitors. They still use it in their ads...but go to the front page of their website and it's nowhere to be found.

TD Canada Trust, one of Canada's best-run banks, has as their Brand icon a green leather easy chair and a slogan, "**Banking can be this comfortable.**"...but go to their website and, hey, no chair and no slogan. Even worse, go to any of their branches and, once again, no green chair. Their Brand Icon exists only in their ads and nowhere else.



Debt management company, A. Farber & Partners is currently running a radio ad campaign in the Toronto area in which they position themselves with the very clever statement, **“Respectful debt solutions.”** If you’re in financial trouble, wouldn’t you like to be helped by someone who will treat you respectfully? Of course! This is brilliant positioning. But go to their website and if you look really, really hard you’ll find the words, **“Respectful solutions to debt problems.”** hidden way down at the bottom. “Respectful debt solutions” is shorter and punchier and should be featured right at the top of the page. It’s what can make them “famous”.

Even worse, I couldn’t find Mr. Farber mentioned anywhere on the website. In the listing of company Partners, there’s no picture or mention of poor old Mr. Farber. He may be dead, but at least they should say so and tell us what a wonderful caring person he was and how committed the Partners are to his belief in respect and professionalism.

I love the ads for Boundless High School, a wonderful accredited outdoors training facility near Ottawa, Canada. They offer 2-week transformational wilderness experiences for kids in grades 9 to 12 and their slogan, or positioning statement, **“Send us your kid and we’ll send you back a new one.”** is absolutely brilliant. But go to their website, and you won’t find it. What a waste of one of the most incredible slogans ever created.

Now, let’s look at a few companies that “get it”. The Daniels Corporation builds homes in the Toronto area. Their wonderful, heartfelt positioning statement, **“Love where you live™”** is registered to protect it, it appears everywhere their name appears and it makes an emotional connection with potential homebuyers. Smart marketing and Brand building.



Furthermore, they live and communicate the “Love where you live™” theme in everything they do. Here’s a quote from the section of their website, *“We love building homes. All kinds of them, big or small, rent or own.”* The word “love” gets repeated and gets reinforced. Don’t we all want to be in love with where we live? And don’t we want to buy a home that was built with love? Of course we do.

Mr. Handyman, an international franchise, has a clear self-explanatory name and then creates confidence with the simple positioning, **“On time, done right.”** More great marketing! Their ads end with that slogan and every page of their website includes it. But, their trucks show a different positioning statement which is, “Professional, safe, reliable.” In my opinion, they’d be better off to pick one, stick with it and keep plugging it.



So, what about your business? Do you have a clear and compelling positioning statement? If not, should you? If you have one, does it clearly differentiate you, create confidence, “grab” your target customers and build your Brand? Then, do you use it everywhere? Are you focused and consistent in its use...or are you scattered? If so, what will you do to fix it?

2. A little more info on the fall of General Motors...and another lesson for us all:

(Time to read this section is about 60 seconds)

We’ve had lots of feedback from my article in last month’s Newsletter about what went wrong at General Motors...and what we can all learn from this. If you missed it, [click here](#) to access it. It’s a quick 60 second read.

One of the responses from a regular reader includes a few more valuable business lessons for all of us. This reader told me that a few years ago his cousin shut down his GM Dealership, after two generations, and became a Toyota Dealership.



There were many reasons for this decision but, I'm told, that the main reasons were frustration and disrespect. As a longstanding GM Dealer he would wait a minimum of two weeks to get a reply from GM headquarters to any question, regardless of how urgent it was. But as a Toyota Dealer, he gets a weekly phone call from the President of Toyota Canada asking how business is and if there's anything he can do to be helpful.

WOW, how simple is that...responsiveness, proactivity, respect and appreciation? Is that the way it is in your business, or are you suffering from General Motorsitis? Make a list of your 20 most important customers, right now, and call them to ask how you can be more helpful. This may be the most important thing you do today.

Also, if you have key suppliers or service providers, while you're at it, call them and ask how you as a customer, can be more helpful to them. You'll be amazed what you learn.

3. Why do many new businesses get stuck in "start-up" mode...and what to do about it?

(Time to read this article is about 30 seconds)

I was recently asked by a business writer why so many businesses get stuck in "start-up" mode and don't move forward as they should. I see this a lot in my work as a business coach and here are some thoughts that might be helpful.

In my experience, many new ventures get stuck because very few of us are strong in every aspect of management. It's highly unusual that any one entrepreneur has within themselves all or even most of the competencies required to move a business into second or third gear.

If an entrepreneur is strong with the "numbers" side of the business, they may spend an inordinate amount of time getting their numbers, cash flow projections and the Five Year Plan in perfect shape...and not enough time actually making or selling something.

If they're the inventor type, they may fiddle and fiddle to make their "invention" perfect and not get it produced and launched in the market. If they're sales focused, they may go out and get orders for a product or service that isn't yet ready for "prime time".

So, we all tend to hide in our area of comfort instead of creating a balanced business approach that gets every aspect of the business moving forward effectively. This is one reason why so many new businesses don't make it and why so many small businesses remain "small".

The solution? Sometimes it's a partnership of two or more people who bring complimentary skills to the business. But remember, for any partnership to work, you must have a shared vision for the future, shared values and a shared commitment to the business. Otherwise it will never work.

Another option is to form an Advisory Board of experienced mentors who will support, push, guide and encourage you to cover all the bases. Or, your new venture might have deep enough pockets to afford a small management team that brings the required skills to the organization from the beginning. Good luck on that one. Finally, you can outsource as many business functions as possible to trusted and affordable professionals.

So, if you're building a new business and it seems to be stuck in "first gear", identify the problem and take appropriate action before the cash runs out and you're in no gear at all.





4. Why people quit:

(Time to read this section is about 30 seconds)

According to a recent survey conducted by Canadian employee search firm David Aplin Recruiting, there's a major disconnect between why employees quit...and why managers think they quit.

A) Below are the 5 most common reasons, in order of importance, for workers quitting:

1. Lack of trust in senior leaders.
2. Insufficient pay.
3. Unhealthy business culture.
4. Lack of honesty, integrity and ethics.
5. Lack of opportunity for training and development.

B) By contrast, the following are the 5 top reasons managers say they think their employees left:

1. Insufficient pay.
2. Unexpected career opportunity.
3. Decision to change careers.
4. Lack of work-life balance.
5. Lack of opportunity for training and development.

It's interesting that many top managers have no clue that lack of trust and an unethical or emotionally unhealthy business culture are major factors that drive employees away. They'd rather believe that staff are lured away by higher paying competitors. That way they can blame someone else for their problems and not face their own sorry reality.

And here's the kicker... more than two thirds of departing employees said they first voiced their concerns to managers before deciding to leave.

5. Bits and Pieces:

(Time to read this section is about 40 seconds)

Item #1: 93% of business owners do **not** have a succession plan or exit strategy. Unless they plan to live and work forever, this is pretty goofy.

Item #2: How could your business give back? Beauty giant L'Oreal is foregoing gala dinners and parties during its 100th year celebrations. Instead, the company is organizing 100 different charitable projects around the world that give back to the communities in which they do business.

In Montreal, for example, L'Oreal will renovate an auditorium and sponsor after-school theatre classes for at-risk youth. In addition, their 1200 Canadian employees are being encouraged to become Big Brothers or Big Sisters. Very neat.

Item #3: And you thought you had cash flow problems! Payday loan company, MoneyMart has agreed to pay 100 million dollars to settle a class action suit by clients in the Province of Ontario, Canada. Clients claimed that they were being seriously ripped off by astronomical interest rates. Apparently, interest rates at payday loan establishments can run from 390% to 890% per year, on an annualized basis.

MoneyMart CEO Jeff Weiss said in a statement: *"While we admit no wrongdoing ... this settlement will allow us to avoid the continuing substantial litigation expense that would be expected."*



Item #4: Who's winning and who's losing? A client of ours just had a top quality 4-color printing job done in Malaysia for 80% less than it would have cost here in North America. Printing is not a labor-intensive business. It's mostly paper, ink and press time. How can there be an 80% price difference?

Item #5: The "gold myth". With all of the economic uncertainty these days, there's lots of debate about whether one should be heavily invested in gold. Gold has historically been thought of as the world's most effective hedge against inflation...but it's a myth. Just look at the numbers below.

In 1980, the price of gold was \$650 an ounce. If it really was an effective hedge against inflation, gold would be at \$1677 today...but it's not. It's at about \$936, or just slightly over half of where it ought to be.

Item #6: At \$1.50 a bottle, bottled water is 1900 times the price of tap water.

6. Four important business lessons from an \$80 printer:

(Time to read this section is about 30 seconds)

Do you communicate effectively with your customers? My \$80 Lexmark printer does. It's amazing. It tells me in a soothing and assuring digital voice... *"Printing started"*, and then, *"Printing complete."*

Every time I print, it shows me graphically how much black and colored ink I have left so that I can manage my inventory and not run out.

When the ink cartridge gets close to running out, the same soothing voice informs me that *"Black ink is low."* Then, when the ink gets really low, a little message pops up to tell me that. *"Your black cartridge will need replacement soon. Genuine Lexmark supplies are designed and tested to deliver great results every time. To order, click here."*

For just 80 bucks, I have a new friend that prints my documents, talks to me, keeps me informed and looks out for me. That's a WOW. So, here are 3 simple business tips from my printer:

- 1. Talk to your customers.** Communicate valuable information when they need it. Don't let them forget about you or feel taken for granted. Love them, appreciate them and help them make good decisions. Regularly and gently remind them of your value, your caring and your commitment to their success.
- 2. Make it easy for them to buy from you.** Eliminate barriers to buying, irritating policies and confusing or conflicting messages.
- 3. Use emerging technologies** to serve, help and amaze your customers. My \$80 printer literally talks to me. My \$4 toothbrush's bristles change color when it's time to replace it. This is all good for business. What possibilities are out there for you to embrace, that will help you to create true customer "ownership"?

Take just a few minutes to think about these 3 simple tips. For each one, come up with one idea, one action that you'll take to be extraordinary and move your business forward.



Be a "HERO"!

Be a hero! Make something wonderful happen in your company, your Industry Association or your local Chamber of Commerce.

Book or successfully recommend me to deliver a Keynote speech or 1-day management Boot Camp and you will **receive a half day of 1-on-1 business coaching from me, no charge**, as a "thank you".

I've helped 1000s of companies in over 40 industries throughout the world to:

1. create a clear and compelling competitive advantage,
2. market and promote on a tight budget,
3. manage smarter,
4. create a top-performing team,
5. visualize and create an extraordinary and more profitable future...and,
6. create a culture of commitment and to deal effectively with non-performance.

To make something wonderful happen, just contact Sharen Skene in Toronto, Canada at 416-252-3704 or by email at sharen@donaldcooper.com

7. Our quick Quiz of the Month:

(Time to read this section is about 30 seconds)

"Thanks" to all of you who answered our May Quiz, which was, "What company, along with its affiliates, operates the largest commercial truck fleet in the world?"

The answer: The answer that I was looking for was the Coca Cola Company and its affiliated bottlers around the world. But, there seems to be some difference of opinion on this one with many readers coming up with FedEx as the largest. So, **we've accepted both answers** because I don't have time to run around the world and count trucks.

Congratulations to Bob Taylor at Specialty Brick and Fireplace who chose our "How to sell more, manage smarter, grow your bottom line and have a life" DVD Seminars as his prize.

This month's Quiz Question: The longest suspension bridge in the world was the Golden Gate Bridge in San Francisco and then the Verrazano Narrows Bridge in Manhattan. **But what is now the world's longest suspension bridge...and where is it?**

Send your guess to Sharen, our wonderful Director of Marketing, at sharen@donaldcooper.com with the **subject line "June 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.



8. 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' in a cursive, slightly stylized font. A horizontal line is drawn underneath the name.

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](tel:1-416-252-3704) or by email at sharen@donaldcooper.com in Toronto Canada.

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