



**Donald's "Quote of the Month"**

*"In business, everything we say, everything we do and every decision we make communicates who we are, what we value and what we stand for. Are you communicating the right message every single time?"*

Greetings and welcome. This month's Management Newsletter delivers many helpful business insights and our June Trivia Quiz, with semi-valuable prizes. The entire Newsletter will take about 7 minutes to read.

**1. A quick and easy customer "communications reality check":**

(time to read this piece is about 40 seconds)

You communicate with your customers in hundreds of different ways. In fact, everything you say, do or decide tells customers whether you're...

- 1) Caring or uncaring.
- 2) Competent or incompetent.
- 3) Passionate or complacent.
- 4) World-class or 3rd rate.
- 5) Trustworthy or not.
- 6) Deserving of their loyalty...or not.

Here's a simple project that will take one hour. Sit down with a few of your best and brightest people and make a list of all the ways that you communicate with customers. To make your list of "communication points", think about everything that your customers see, hear or interact with in any way when doing business with you. Step by step, think and feel like a customer.

Think about your people, your physical premises, your policies and processes, products or services, packaging, promotion, business cards, signage and advertising. Don't forget how you answer the phone, how you respond when things go wrong, your pricing strategy and your performance guarantee. This is just a brief list of "communication points" to get you started. There will be hundreds more.

Then, for each way that you communicate, honestly check it out against the 6-way test shown above ...and then figure out what needs fixing.

**2. What's working and what's *not* working in your business?**

(time to read this section is about 90 seconds)

While working with a client recently, I came up with an interesting 10 point checklist to find out what was working and what wasn't working in her business. Here's the list. Whether you're a business owner or manager, this list will be helpful in understanding where you should be focusing your attention and resources.

- 1) Do you have the "right stuff"? Are your products or services world class, boringly mediocre, or 3rd rate? Are you extraordinary or ordinary?
- 2) Are you passionately committed to delighting and amazing your carefully targeted customers ...are you trying to please everyone just a little bit...or, have customers become a necessary annoyance that you barely tolerate?
- 3) Marketing: Are you communicating your value story to the right people and are you doing that clearly, convincingly and often enough? Are you focused on being 'famous' to your target customers?

- 4) Pricing: Are you charging enough or have you taken the lazy approach and made it all about price? Getting just 5% more for whatever you sell could improve your bottom line by 40% to 75%. Trust me, it's true.
- 5) Is the business consistently generating an ROI (Return On Investment) of at least 15%? If not, it's a hobby.
- 6) Do you have the information you need to measure performance, make good business decisions quickly and proactively communicate with and serve your customers? There's no excuse for not having this information in today's world....and not having it might be killing you.
- 7) Does everyone on your team know what's expected of them and do they have the knowledge, skills, tools, information and empowerment to deliver? Are they energized, proud and committed? If the answer is "no", either you have the wrong people...or you're not doing your job.
- 8) Do you have a clear Vision of what the business must become to be a profitable and responsible market leader in 3 to 5 years? How must it change; how 'good' must it be; how will it be different ...and do you have the desire and the ability to get it there?
- 9) Will the type of business and the specific market that you're in be a financially and emotionally healthy place to be in 5 to 7 years? If not, what's your exit strategy...and what's next for you?
- 10) Are you building an extraordinary business as part of your extraordinary life...or have you made the business your 'neat fort' where you go to hide from your spouse, your kids and all the other things that you could do, experience and become?

We all need a 'neat fort', a diversion, a place to go and hide from reality for a while. Get a tent and a canoe, a cabin in the woods, a garden plot or a train set in the basement...but don't make the business your 'neat fort'.

So, there you have it...ten quick questions that need honest and thoughtful answers. Ten questions that can help you, as a leader, manager or business owner to focus on what's working and what's not working in your business.

**NOTE:** I was recently interviewed for an upcoming documentary on the important subject of business leadership. To watch a four- minute clip from that interview visit our website at [www.donaldcooper.com](http://www.donaldcooper.com).

### **3. Before you get too fancy...here's the first thing you should do to grow your business:**

(time to read this article is about 30 seconds)

There are lots of fancy and expensive things that you could do to grow your business...and many of them may not work. But here's one thing that's guaranteed to make a big difference in your sales and profitability...stop pissing off your customers.

Which of your products or services are letting people down? Which of your policies are just plain stupidly irritating? Which of your front line staff should be given the boot or given a job in a closet where they'll never interact with another human being? What do you promise that you don't deliver? What half truths, subtle deceptions or just plain lies are you feeding to customers that drive them away and keep them away?

Every business, large or small, should have "piss-off police" who track down all this stuff and get rid of it. This could be the biggest, cheapest and easiest thing you could do to grow your business.

#### 4. Do you need to reposition yourself to be relevant to today's customers...and today's realities?

(time to read this article is about 90 seconds)

Coppertone used to be in the "sun tanning" business...but have now repositioned themselves as being in the "sun protection" business. An important change, given the global concern about skin cancer.

To promote this repositioning, Coppertone has developed an informative, helpful website and do "personal appearances" at key locations to offer free skin analysis using a special UV camera that photographs 2 mm beneath the skin surface to assess possible damage. They also offer a personalized suncare profile.

How might you reposition your business to be more relevant to today's customers...and today's realities? Should oil companies be doing more to help us reduce fuel consumption? Given the price of gasoline these days, would that earn them some "brownie points"?

Should mortgage companies reposition themselves as being in the business of helping people to buy a home wisely and then to own that home mortgage-free as quickly, conveniently and inexpensively as possible? Would that be more of a "customer grabber" than saying, "*We sell mortgages*"?

The simplest way to reposition your business is to redefine yourself, not by what you sell, but by how you help your target customers. As makers of the world's best hockey equipment, we did not say, "*We sell hockey equipment.*" We defined ourselves as being in the business of helping players at all levels of competition to play better, reduce injuries, lengthen careers and save lives.

Once you've redefined yourself by how you and what you sell helps your target customers, ask and creatively answer two powerful questions:

##### 1) What kind of help do they need...

- to know about us and all the value we offer?
- to wisely choose and effectively use what we sell?
- to have confidence in us and in themselves?
- to have a positive, stress-free and uplifting experience with us and what we sell?

##### 2) How can we deliver some of that help...better than our competitors?

So there you have it. A simple, do-able process for repositioning yourself to create and deliver compelling value that will "grab" your target customers, clearly differentiate you from your competitors, make you "famous"...and grow your bottom line.

#### 5. Bits and Pieces:

(time to read this section is about 40 seconds)

**Item #1: Water, water everywhere.** 75% of our planet is cover by water but 97.5% of that is salt water and only 2.5% is fresh water. Most of that fresh water is perpetually frozen in polar ice caps, leaving only 1% of all the water on earth as available fresh water.

**Item #2:** Here's a brief **economic forecast** from one of Canada's big banks.

Over the next few years...

- a) The economies of North America and Europe will grow at about 2% a year.
- b) Russia and Brazil will grow at about 4%-6% a year...and,
- c) China and India will grow at about 8%-10% a year.

**Item #3:** By the age of 30 the average North American has changed jobs 7 times.

**Item #4:** According to **The Family Firm Institute...**

- a) 30% of family businesses make it into the 2nd generation.
- b) 10% make it into the 3rd generation...and,
- c) Only 3% make it to the 4th generation.

The world's record for family business longevity is Kongo Gumi, a Japanese construction company, founded in the year 578, that lasted for 14 generations before being sold in 2006.

**Item #5: Getting more "miles per gallon".** With the price of gasoline on the rise, fuel efficiency is on everyone's mind. A recent survey shows that the average Canadian walks about 900 miles per year. Another study shows that the average Canadian consumes 22 gallons of beer.

Therefore, putting these two surveys together, it is clear that the average Canadian gets close to 41 miles per gallon. Now, that's fuel efficiency.

## **6. Is business still "fun" for you?**

(time to read this article is about 40 seconds)

A good friend of ours in the UK has just advised us that he has sold his business. The reason, he said, was that it just wasn't fun anymore.

Customers who used to be friends had become ruthless predators. Suppliers who used to be friends had become unreliable and deceitful. Staff who had been a pleasure to work with, refused to embrace the changes needed to move the business forward. And the government, who should be encouraging and facilitating business growth, kept throwing more and more obstacles in the way.

So the world loses another bright, caring, diligent entrepreneur who believes that business should be, among other things, FUN. Now 'fun' doesn't mean that we just sit around telling jokes all day. That's not fun...that's stupid.

I think that 'fun' is some feeling of joyfulness; a feeling of some positive connection with the people with whom one is doing business. 'Fun' might be creating a 'win-win' rather than an 'I win...you lose' situation. 'Fun' is not feeling beaten up all the time.

So, let's do a little survey here. Send us a quick email saying that business is still fun for you, or not as much fun...or no fun at all and it's killing you. Whatever your thought is, just send it along and I'll report next month what I discover. If you have thoughts about specifically why it is still fun...or not as much fun these days, we'd love to hear that too. Send your email to [sharen@donaldcooper.com](mailto:sharen@donaldcooper.com).

## **7. Our 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 position in a restaurant is a scullery tech?"*

**The answer is: "A scullery tech is a dishwasher".** By the way, the restaurant that had the sign in their window for the "scullery tech" position, changed it to "Help wanted---dishwasher" and filled the position in just a few days. Just goes to show you...we need to speak a language that people understand.

Congratulations to Barb Hart of Shoppers Drug Mart. She takes home one of our DVD Seminars as her prize.

### **This month's Quiz Question:**

The price of corn hit a record high this week and the cost of meat is sure to follow. Why? Because farm animals eat corn. For example, it takes 2 lbs of grain to produce 1 lb of chicken and 4 lbs of grain to produce 1 lb of pork. This month's Quiz question is **"How many pounds of grain does it take to produce just one pound of beef?"**

**Clue:** Choose from 8 lbs, 12 lbs, 16 lbs or 20 lbs....and be prepared to be amazed.

Send your guess to Sharen Skene, our wonderful Director of Marketing, at [sharen@donaldcooper.com](mailto:sharen@donaldcooper.com). Each correct answer received within 10 days will go into the 'pot' and **one winner will be randomly selected**. The winner will receive his or her choice of any of our excellent DVD Seminars.

### **8. Getting the basics right...a "second look" at Starbucks:**

(time to read this section is about 40 seconds)

In last month's newsletter, I wrote a piece about how Starbucks continues to innovate to delight customers and grow their bottom line.

I talked about the new high-tech espresso machines that they're putting in all of their shops and the premium French-press coffee, made one cup at a time, that they're introducing. And, finally, I spoke about their obsession with every detail that makes an extraordinary customer experience.

Well, I don't go into Starbucks much, because I don't drink coffee. But a few days ago I was in their location on trendy, up-market Bloor St. in Toronto and it was a pig sty. The floor and the tables were filthy, with litter strewn everywhere. The place looked like a dump. If that's typical of their "obsession with every detail"...they're in big trouble.

So, the question for your business is, are you paying attention to getting the basics right? Things like cleanliness, kindness and doing what you say you're going to do, when you say you're going to do it? If not...what needs fixing?

### **9. That's all for this month:**

(time to read this section is about 15 seconds)

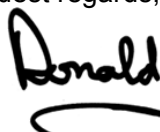
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Kindest regards,



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*Certified Speaking Professional*