



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

*"If the place that you order pizza delivery from over the telephone knows more about you, your buying habits and your preferences than you know about your customers, you don't know enough about your customers."*

"Greetings". October has been a particularly busy month, including my 3rd trip to Australia this year. So, this month I'm bringing you a mélange of quirky facts and interesting business insights that I've picked up in my October travels. The whole thing will take about six minutes to read.

### **1. Your customers are not all like...so don't treat them all alike!**

(time to read this section is about 30 seconds)

About 240 days a year I start my day at a hotel breakfast buffet somewhere in the world and they're all pretty much the same...except for the British who add some mystery mushrooms and a few anemic, slightly grilled tomatoes.

For the first time in 17 years of travel, I found a breakfast buffet in Sydney, Australia with a small but important difference. Somebody in that hotel figured out that some folks want their bacon crisp and some like it soft and greasy. So, they went to a little extra trouble to offer bacon cooked two ways...and I've never seen that before.

Do you know what your customers really want...and are you committed to going to a little extra trouble to give them what they want, how they want it...or are you treating them all alike?

### **2. Here are some compelling population projections that will change every business...and our entire way of life!**

(time to read this section is under a minute)

Countries need a growing population for 3 reasons...

1. To have internal customers for the products and services they produce.
2. To have productive workers to create and produce those products and services...and,
3. To have income producing, productive workers who pay the taxes required to fund government programs, including the support of the retired and elderly portion of the population.

But the population of the world's leading economies is shrinking at an alarming rate. Of the 20 nations with the lowest birthrate in the world, 18 are in Europe (the other 2 are Armenia and Japan). People are aging and dying and they're not being replaced by new births. In Russia, for example, the death rate is 70% higher than the birth rate.

Clearly, a couple needs to have two children just to replace themselves, but the average birthrate in the western world is about 1.3 children per couple, and falling. For example, the lowest European birth rate is in Spain where couples are averaging 1.07 children each. This, in a country where only one generation ago, families had 8 children, or more.

By the year 2050, if Europe wants to maintain its current ratio of 4.8 productive workers for every retired person, it will have to "import" 1.4 billion immigrants from Arab, African or Asian countries, the only areas with growing populations. Just think of the huge social and economic upheaval that would bring.

The facts are similar for the United States, Canada, Australia and New Zealand where birth rates are below replacement levels and the aging and retired population continues to become a larger and larger percentage of the total population. And, just as GM, Ford and Chrysler find themselves in a position where their declining workforce can no longer support all the retired employees on pension, entire nations are headed for the same economic crises.

Most western women stopped being "baby factories" years ago and, for many reasons. That's a good thing, but, as you can plainly see, the medium- and long-term implications of this are absolutely *extraordinary*.

### **3. A "team" business card might be a solution to your problem:**

(time to read this piece is about 10 seconds)

A very clever retailer with whom I worked recently handles the "business cards for sales staff" challenge in a most interesting way. He uses a "team" approach in which he prints business cards that list the names of all of his sales staff on the one card.

What does this accomplish? When a customer phones in for information, or to place an order, if the person they were working with in-store is not there, they can ask for someone else by name, rather than hanging up and maybe never calling back. The card creates a "team philosophy" where everyone supports each other and the business...and it has worked wonderfully.

I pointed out to him that this means that the cards must be reprinted every time any team member leaves, but he told me quite proudly that he treats his staff so well that they almost never leave.

Whether you're a retailer, or not, have a team or group that could work more effectively with "team biz cards"?

### **4. And you thought your business taxes were high?**

(time to read this piece is about 10 seconds)

According to the World Bank, if businesses in the African country of Sierra Leone actually paid all of the taxes they're supposed to, the taxes would come to about 160% of their pretax bottom line. Feel better now?

### **5. The best countries to do business in over the next 5 years:**

(time to read this piece is about 10 seconds)

According to The Economist Magazine, one of the world's best business mags, the 4 best countries to do business in over the next 5 years will be Denmark, Finland, Singapore and Canada. The USA has fallen from #4 to #9.

Other surveys, perhaps using slightly different criteria, rate New Zealand in the top 3.

## 6. The high cost of corruption:

(time to read this piece is about 30 seconds)

Earlier this month an international organization called **Transparency International** published its Corruption Perceptions Index, ranking 180 countries around the world according to their level of corruption.

The level of corruption in a society is a measure of the leakage from that country's economy. In other words, if you've invested in a corrupt country, a portion of the profits that should be going to you is being siphoned off to someone else.

If you're investing internationally you need to consider this issue. The **Corruption Index** is available at [www.transparency.org](http://www.transparency.org).

By the way, Denmark, the #1 country to do business in according to The Economist Magazine survey mentioned in the previous section is also the least corrupt country according to Transparency International's survey. Coincidence?...I think not.

## 7. Finally, a powerful confession from an advertising CEO:

(time to read this piece is about 20 seconds)

In a recent article in Advertising Age magazine, ad agency CEO, Doug Zanger made 2 clear and important observations...

1. Over his long career, ads with a **simple message based on the truth** have worked the best.
2. The most valuable "truths" come **from front-line employees** who know what customers are really thinking and feeling.

How could these two simple insights help you to create ads that will 'grab' your target customers more effectively?

## 8. Our "Quiz of the Month":

(time to read this section is about 30 seconds)

"Thanks" to all of you who tried to answer our September Quiz Question, which was, "**The world's #1 per capita consumer of chicken is India...what is country #2?**"

This must have been a tough one, because nobody got it right. **The correct answer is...**Barbados, West Indies.

### This month's Quiz Question:

The cost of a 30-second TV advertising spot can be astronomical. The 2007 Fall TV season's most expensive 30-second spot in North America is \$419,000. **Name the show that's charging this amount.**

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 Video Seminars worth \$60 to \$80.

## **9. Another simple but brilliant business thought from a retail pro:**

(time to read this piece is about 30 seconds)

The same retail pro who I mentioned above in item #3 shared another great business idea with me earlier this month. He has put each of his sales people in charge of merchandising, housekeeping, stock replenishment and staff product knowledge training for one specific area of his store.

The result has been a much higher level of staff interest and commitment...and much improved store performance. The staff are more engaged, their jobs are more interesting, they undertake their additional responsibilities during slow periods, rather than standing around...and each one of them is worth more, so they're all paid more.

Net result...sales and profits are up, staff turnover is way down, they feel that they have a retail career rather than a retail sales job...and, because the staff have taken "ownership" of running the store wonderfully, the boss now has much more time off to have a life.

Whether you're a retailer or not, how could you give your team additional responsibility, more initiative and more money to grow your business and their lives?

## **10. e.l.f. turns cosmetics industry on its ear:**

(time to read this piece is about 60 seconds)

Take a high-margin product like cosmetics, and cut prices by at least half. Now, add online accessibility with customization, community and values that really connect with people. Throw in a pinch of demystifying expert advice, and you've got e.l.f., short for "eyes, lips, face."

Launched by New York-based JA Cosmetics roughly three years ago, e.l.f. appears to be turning the cosmetics industry on its ear. All cosmetics sell for just \$1.00 and customers can create personalized profiles that generate product recommendations and customized looks.

A "beauty secrets" section is filled with tips and expert advice, and a blog section fosters community and discussion. The site also supports the Humane Society of the United States and People for the Ethical Treatment of Animals (PETA), promising not to use animal testing on any products or ingredients.

e.l.f. currently ships only to US and Canadian addresses, but versions of the site have recently been launched for both the UK and Australia. The company's products are also available in US stores, including Target and a variety of drugstores and convenience chains.

In an industry prone to high prices, unforgiving return policies, a reputation for ethically questionable testing practices, and a marketing machine that has relentlessly emphasized prestige and brand exclusivity, e.l.f. is like a breath of fresh air. It also makes you wonder when the rest of the industry will wake up and realize that their customers have entered the 21st century.

Online community, customization, strong values and, most of all, the clear-cut bargain pricing with everything for a dollar is a compelling value story.

You're probably not in the cosmetic industry and you probably can't sell your products or services for a buck...but the real question for you is, "Who will reinvent your industry and your market? Who will turn what you do on its ear? Will it be you...will it be a current competitor...or will it be someone completely new to your industry who has no unlearning to do?" Something to think about.

## 11. Are you giving your staff the time they need to do the job you've given them?

(time to read this piece is about 30 seconds)

Even though building a powerful Brand is a long-term commitment, the average tenure of a Chief Marketing Officer in the automotive industry is just 2 years. With this kind of turnover, you get short-term, flavour-of-the-month marketing, not real Brand building.

Are you giving your staff the time and the tools they need to do the job you've given them? Conversely, when they aren't performing within a reasonable length of time, do you deal with the situation...or do you continue to tolerate poor performance?

## 12. Niche marketing update:

(time to read this piece is about 30 seconds)

A new wine brand from Israel, **The Grapes of Galilee**, is being targeted at the American Christian market. The \$14 wines are marketed as being made from grapes grown in the area where Jesus walked, and irrigated by water from the Jordan River, where he was baptized.

The wine, with labels featuring images of Jesus being baptized and walking on water, is being advertised in magazines such as Catholic Digest, God's Word Today and Today's Parish Minister.

This is a wonderful example of the simple power of marketing to a well-defined and clearly understood niche market.

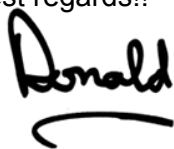
## 13. That's all for this month!

**"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 info on how to sell more, manage smarter and make more money in your business.

Finally, if you know of others, anywhere in the world, who will find value in this E-Newsletter, we'll appreciate your sending this along to them and inviting them to sign up at [www.donaldcooper.com](http://www.donaldcooper.com).

Kindest regards!!



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