

Lee Milteer's Millionaire Smarts® Coaching Program Secrets to a Super Successful Business Plan

Lee Milteer Interviews Robert Skrob

II. Reaching Your Goals in Business

Dear Millionaire Smarts® Members,

Our expert this month Robert Skrob is very well known in the GKIC and association worlds. He has more than twenty years of experience in marketing and business-building. He's currently helping businesses grow by maximizing their current customer value. This is very important, your customer value.

Although he hasn't practiced public accounting since 1995, he maintains his CPA license and fulfills his educational requirements primarily for his mother, who wants to make sure that he keeps his license so he has something to fall back on if this whole entrepreneurial thing doesn't work out.

He's been married to his wife since 1994 and has two children. He enjoys running and smoking cigars, although hopefully not at the same time!

Robert has so generously shared some of the big secrets he shares with his personal clients in this following report. This is for your personal use only please.

Finally Revealed: The Secrets to Reaching Your Goals in Business

By Robert Skrob

Anyone can create a business, but few create businesses that generate millions of dollars to them, personally. I'm not talking about a business that generates \$1 million in annual revenue; I'm talking about creating a business that generates \$1 million—cash—to you, each year.

It takes four things to build a business that gives you \$1 million a year in spendable, personal income. It just so happens that it also takes four things to drive a car. So, it will help me teach you by explaining these four things in the context of driving a car.

THE GAS PEDAL

The speed in your business is determined by the number of new customers you are adding every day, every week, every month, and every year. Your new customer acquisition is the "gas pedal" that determines the speed with which your business accelerates its growth. How adept you are at putting new customers into your business will determine your growth rate. It's just like driving a car: the accelerator pedal determines how fast your car goes. While there are a lot of other factors that determine whether or not you get to your destination, the gas pedal provides the speed for getting there. You must have a system for identifying

potential clients and converting them into customers. Otherwise, it's like going down the highway at 10 mph. You're going to get there, but not very quickly. If you invest in building a customer acquisition system for your business, you will have the opportunity to build a million-dollar business quickly.

THE STEERING WHEEL

The steering wheel is what helps you take your speed and direct it to your destination. The steering wheel in your business is your ability to maximize your customer value by increasing: 1) the average sale you make to your customers; and 2) the frequency with which your customers come back to your business.

A lot of business owners equate marketing with simply generating more new customer traffic into their businesses. It's true that new customer acquisition is your gas pedal, and it determines the speed at which your business propels itself to its destination. However, just like you can't safely steer around a corner if you're flying down the road at 70 or 80 mph, if you aren't steering your business, you are not going to get to your destination. You must also maximize the value of the customers you have by increasing the average purchase that your customers make from you and by increasing the frequency with which they buy from you.

McDonald's is famous for increasing average purchase with its Value Meal. Instead of somebody walking in and just getting a hamburger and a drink, if they order a Value Meal, McDonald's increases the average purchase by forcing customers to buy fries. Now, people walk in and it doesn't even occur to them *not* to buy the fries. After that innovation, McDonald's introduced Super-Sized, adding another \$.79 to the purchase price. That might not sound like a lot, but it added a 20-percent increase to each sale. If you can increase the revenue of each sale by 20 percent, that's a significant increase in profit for your business.

How can you sell more to the customers that you already have coming in? What other products and services can you offer them? Are there up-sales in your business? Are there impulse items, small items that can be easily added to an existing purchase? Are there also big-ticket items that some of your customers can buy? A certain percentage of your customers will buy very expensive, high-end products. Are you offering those to your customers as part of your mix of products and services?

Next is increasing the frequency with which your customers are buying from you. Are you communicating regularly with your customers? Do you have a list of customers that have bought from you in the past, and are you sending them information and following up with them to make sure you stay on their minds?

One of the best tools for communicating with customers is a monthly printed customer newsletter. It doesn't have to be long. It can be four pages—or even fewer. I know some business owners who use one piece of paper, front and back, for their newsletters. These publications include some information from the owner as well as tips, recipes, and other fun items that people like to read. Sending a simple newsletter will keep your business in front of

your customers on a monthly basis, so when a customer needs something in your business category, they'll think of you. And certainly feel free to put in special offers or opportunities that are available only for newsletter customers. You can call your newsletter recipients a special club and give them new offers and opportunities to buy from you that aren't available to the general public. If you need to increase your prices to the public in order to give your returning customers a discount, so be it. If you handle your recurring customers correctly, you'll be able to steer your business in the right direction. Then the new customers you sell will accelerate you to your destination.

THE DASHBOARD

If you're speeding down the road and don't know where you are going, how likely is it that you're going to get to your destination? Consider this scary scenario: Nothing looks familiar, you make a turn, you don't know how fast you're going, you don't know how many miles you've gone, you don't know if you're any closer to your destination, it looks scary outside, it's getting dark, and you don't have any way of telling where you are. You're propelling your car down the road, you're able to steer it well, but you have no idea where you are going or how quickly you're getting to wherever that is. Without a dashboard with its different gauges providing you information on miles driven or the amount of gas you have left, there's little chance you're going to end up where you want to be.

That's why business statistics are so important. They make up the dashboard of your business. You have to capture information about your business, so you are able to track how well you are getting down the road.

I am a CPA, and I was trained in college how to create an income statement and a balance sheet to tell us how much cash is in the bank and whether or not we made a profit last month. At best, those financial statements are looking at the past, by several weeks or even months. That's like driving your car and only looking in the rearview mirror. You can't get to your destination if all you are doing is looking behind you. You need forward statistics telling you in real time how your business is doing. Here are some statistics that business owners building businesses that generate \$1 million in profit to them use to track their progress:

New Customers Acquired: This is your speedometer. Business owners need to track their new customer acquisition all the time. How many customers did you get today, this week, and this month? Compare that to your new customer acquisition goals, so you will know how fast you are traveling down the road. This tells you exactly how quickly you're reaching the goals in your business.

Average Purchase Size: This gives you information about one of your important steering mechanisms. Tracking average customer size for today, for this week, for this month helps you know whether or not your team is doing the up-sales they are supposed to be doing, whether the customers are buying the more expensive products.

Customer Purchase Frequency: This is another important gauge of how well you are steering your business. How often are your customers coming in and buying from you? Tracking this information is like having a “service engine” light on your dashboard. It gives you a warning if a customer hasn’t come back to you in a while, so you can follow up with that customer and find out why. It is important to your business to know if a customer has found a new company to buy from, if he has had a bad experience, or if he has simply lost track of you. If you have a significant number of customers who haven’t purchased in a while, that’s an important warning sign that you are steering off the road. If you heed this warning, you can steer around service issues that you need to fix within your business.

CREATURE COMFORTS

All of us have driven in a car with no air conditioning, not because we wanted to, but because we had to. And wasn’t it miserable? The back of your legs sticking to the seat, your back all sweaty.

Driving a car in the summer with no air conditioning is probably one of the most miserable experiences you can have. Sure, you can open up the windows and get all that hot air blowing around, but it doesn’t make it any more pleasant.

The thing that makes running a business pleasant, just like air conditioning in your car makes driving your car pleasant, is a set of business systems that operate your business without your daily and direct supervision. Business systems that empower employees to run the business without direct and immediate daily supervision allow business owners to enjoy a pleasant lifestyle, so they can leave for a couple of weeks or a couple of months, whenever they want.

Running a business without systems is stressful. Customers keep calling, you try to get work done, you are dealing with vendor problems, and employees are frustrated. It just like driving a car without air conditioning, hot and miserable.

So, running a business is much like driving a car. Once you learn how to do it, it’s a skill you will have forever. And it’s something you can do without really thinking about it. Experienced drivers can be driving for 30 minutes and then all of a sudden realize that they haven’t been thinking anything about driving. They’ve been stopping at lights, they’ve been changing lanes, and at no time have they been thinking about the whole process of driving the car. They are experienced at regulating the speed of the car, they know how to safely steer around other cars on the road, they are watching the gauges and monitoring their speed, and they’ve got the AC on to make sure they are comfortable. They can adjust all of those things at any time without giving it a second thought, and their minds can be on other things.

Experienced business owners who know how to create million-dollar businesses are just like those experienced drivers. They understand how to use the gas pedal of their businesses: the marketing that is necessary to generate new customers. They can increase the new customer flow if they need to accelerate a little bit; they can back off when they are going too fast. But

they keep that flow going because they understand how it works, and they understand what is necessary to do it.

Next, experienced business owners deftly handle the steering wheels of their businesses. They know that watching the average sale and the frequency of sales are critical factors of running a business. When the average customer sale gets off track, they know they need to make some changes. If customers aren't coming back frequently enough, they know they need to correct their steering.

These business owners keep an eye on their dashboards. They have the statistics they need, and they're managing those numbers.

Finally, they have systems in place, so they can run their businesses comfortably. They don't have to be in the middle of daily operations. Instead, they can be off somewhere else, a thousand miles away, and having those businesses run themselves because they know how to put new customers in, they maximize customer value, and they have the statistics they need and the business systems in place to operate their businesses from anywhere. You might say they're on the trip of their lives, enjoying the scenery (and the AC)! .

Robert Skrob can be found at: www.AssociationMarketing.com.

HOMEWORK FROM LEE:

Using the Car analogy and the tools Robert has provided, please do give yourself some permission to have some fun and actually plan a new direction for you and your business.

Your next report will be: What Separates Successful Business Owners from the Rest

Your Mindset and Performance Coach,
Lee Milteer

P.S. How to Access the Millionaire Smarts® Membership Site: Go to www.milteer.com and put in your code for the month, **685330** at the top of the web page on left where it says COACHING SIGN IN. It will take you to the private and password protected Millionaire Smarts® Coaching membership site.

Remember, on the membership site you can download the interview for your portable devices, a transcript of the program, and all four reports. You'll also find Free Bonus reports from me, Dan Kennedy, Phone Sales Doctor Chris Mullins, Newsletter Guru Jim Palmer, health and fitness coach Joe Carabase, Leadership coach Kevin Eikenberry, and Sales Coach Steve Clark. Share these valuable reports with your staff to improve your mindset and profits.

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