



OPTIMAL
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Grow Your Profits & Build Your Wealth

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March 2021

Planning for a Pandemic

There is an old saying, 'The most fertile source of insight is hindsight'. That being the case, what can business owners learn from the COVID-19 pandemic?

American business magnate, investor, and philanthropist, Warren Buffet said, "Only when the tide goes out do you discover who's been swimming naked." In boom times, flawed business models and poor business practices go unnoticed but when the tide turns these issues surface. The pandemic arrived with very little warning, but a lot of businesses have perished and there is more to come as the income support, rent deferrals and loan repayment lifelines all expire shortly.



The pandemic changed the way we live, work and play. Apart from being a massive health and humanitarian crisis, the pandemic sent hundreds of thousands of businesses into hibernation and in the process, created some incredible challenges. The economy shut down, supply chains were interrupted, and we witnessed panic buying. As businesses emerge and start to adapt to the new 'normal', some of the temporary habits developed during the survival phase have become a permanent part of the landscape. Social distancing and staff working remotely have become mainstream and virtual meetings have replaced face to face meetings. Consumers have embraced online shopping and research out of the US suggests that more than half (58%) of the population don't plan to go back to using cash after the pandemic ends, choosing instead to transition to a cash-free lifestyle.

Revival Phase

Business owners were initially in 'survival' mode and the Government support certainly saved many businesses. The Federal Treasurer Josh Frydenberg admitted that some businesses won't survive the COVID-19 pandemic. He said, "There will be businesses that will fold, there is no doubt about that, and we can't save every business and we can't save every job." Obviously, some small business sectors are in a particularly precarious position including those in travel, hospitality, and event management.

In February, Victorians were put into a five day 'circuit breaker' lockdown with stage four restrictions in place across the entire state. Business owners were given just 12 hours' notice of the lockdown that coincided with peak season for florists and restaurants, given it was on the eve of Valentine's Day and Lunar New Year celebrations. It was a financial disaster for these types of businesses who were fully stocked or had ordered supplies that couldn't be cancelled. The fact is, there could be more pandemics, and this certainly won't be the only economic recession business owners have to deal with in this country. As such, every business needs to have a contingency plan.



As the Government rolls out the vaccine, we have moved into the 'revival'

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The greatest compliment we receive from our clients is the referral of their friends, family and business colleagues. Thank you for your support and trust.

Planning for a Pandemic *(Continued)*

phase that requires business owners to think through the strategies to operate in the new environment. Consumer behaviour has changed, and the digital domination requires business owners to invest even more resources in their online presence.

Your Digital Presence

With retail stores closed and people in lockdown, COVID-19 forced a massive shift in consumer behaviour to online shopping. We always suspected this shift was going to happen, however, the pandemic accelerated the move. According to Australia Post's 2020 eCommerce Industry Report, in April 2020, 5.2 million Australians shopped online, and the Australian Bureau of Statistics estimates those sales were worth \$2.7 billion which is around 11.1% of all physical retail sales. This is a 56% increase compared to the 7.1% of retail sales back in March 2019.



Even as social-distancing rules ease, this trend will continue to rise. Many brick-and-mortar shops are at risk with reduced foot traffic as consumers enjoy the ease and convenience of online shopping. This massive shift to online sales will be one of the many legacies of COVID-19 and while the driving force behind the growth of online sales was necessity not consumer preference, the consumer 'tribe' have spoken and buying online is the new 'normal'. Businesses who aren't geared up for this change in consumer behaviour will pay the price.

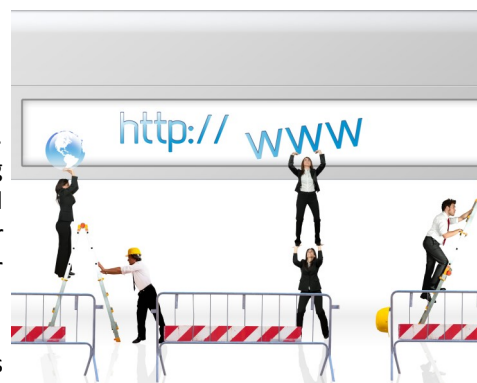
Most businesses have some sort of digital presence with a website, however, their online sales are still only a small percentage of their total sales. The good news is, the internet is a level playing field so small business can compete with big business. In fact, some big businesses may become casualties of the pandemic which will open up opportunities to increase your market share. To capitalise, you need to be marketing right now and the focus needs to be on your digital presence.

In the last decade, the internet and social media have rewritten almost everything we knew about sales and marketing so right now is the perfect time to update your website and ramp up your social media activity. What channels work best in your industry? What are your competitors doing in that space? If we slip back into another lockdown don't sit idle, get online and do some serious research. Monitor what your competitors are doing and remember, your website will never be 'finished' it will always be a work in progress.

Your Website - Build it and They will Come...

In today's internet fuelled world, your website is the heart of your marketing. It is usually the first touch point with a prospective new customer and during the self-isolation period, people were glued to their phones, computers, and iPads. With the pandemic-driven seismic shift to online sales there's never been a more important time to have a website that sells your products or services.

Of course, there are websites that work, that is, they deliver new business



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Planning for a Pandemic *(Continued)*

every day of the week. On the other hand, there are non-performing websites that are best described as 'electronic brochures'. These websites simply list the who, what and where of the business and they don't generate leads or sales. Unfortunately, we often find business owners who have spent a bucketload of money to build a 'pretty' website that looks good but contains very little relevant content. Without original content that is relevant and interesting to your ideal type of customer you are really relying on hope to attract prospects. By contrast, producing and promoting content that targets a specific type of customer is a strategy that works.



Your website must spell out the benefits you offer prospective customers not just the features of your product or services. Focus on educating your audience and provide value. Let your content do the talking and demonstrate your expertise so visitors want to reach out and want to contact you. Obviously not everyone is ready to buy, so entice visitors to take action and as a minimum, subscribe to your mailing list.

Visitors to your website will pass judgment on your business in seconds and if your website is old and tired or doesn't deliver a positive customer experience it's time for a makeover or a new website. Take a step back and assess your current website – is it delivering new customers, clients, or patients? Is it easy to navigate? Does it differentiate you from your competitors? Does it provide everything your customers need including e-commerce facilities? Does it resonate with your ideal type of customer and is it memorable? Does it look modern, fresh, and appealing?

Compare your site with your competitors. What features on their sites give them the edge over your site? Are you missing calls to action, videos, a live chat feature, lead magnets, an online booking facility or an e-commerce store? Make sure your brand and the images on your website appeal to your target demographic.

Sadly, many business owners don't understand the importance of SEO (search engine optimisation). Kevin Costner famously said, "Build it and they will come" in the classic 1989 U.S. film, "Field of Dreams". Unfortunately, this theory doesn't apply to websites. To appear on page one of a search on Google is a science and it does not happen without a lot of things in place. In fact, if you aren't showing up on page 1 of a Google search, your website pages, blog, articles, and videos are almost invisible because ninety percent of people don't go past the results on page one when doing a Google search. The top 3 positions on Google account for over 60 percent of all clicks on page 1 (Position 1 = 33%, Position 2 = 18%, Position 3 = 12%) so spend some time every week to monitor your keyword rankings and try different tactics to move up the rankings. It can be a slow process but as long as you are moving up the page rankings, you are making progress. Focus on key words and phrases in your industry and tailor your content to the needs of your ideal customer and niche markets.



While this certainly creates an opportunity, do not get complacent because your competitors are probably putting their underperforming website under the magnifying glass as well. Online sales are the future and make sure your online presence delivers an innovative customer experience.

Coronavirus Vaccine Rollout - What Business Owners Need to Know

Here's What Business Owners Need to Know About Australia's Rollout of the Coronavirus Vaccine

With the rollout of Australia's coronavirus vaccine scheduled to commence in early March there are some key things that every small business owner needs to know.



The medical regulator has approved both the Pfizer vaccine and the Oxford University - AstraZeneca coronavirus vaccine and the order of the vaccine rollout will see quarantine and border workers, frontline health care workers, aged care workers and disability care staff at the front of the queue. Next in the queue are workers in health care, meat processing and the public services including police, army, fire, and emergency services. The elderly (aged 70 to 79), Aboriginal and Torres Strait Islander people aged 55 and above, and younger adults with underlying medical conditions will also be prioritised to receive the jab.

The next phase includes mainly adults aged 50 to 69 plus 'other critical and high-risk workers' but there are no details about these specific industries. The final rollout of the vaccine will be to the general adult population and lastly teenagers 16 and under. At this stage there is no definitive dates as to when these phases will start and finish, but the process will take months.

Can You Insist Staff Take the Vaccine?

The Government expect a small percentage of the population to resist inoculation and given the importance of the coronavirus vaccine to public health and economic recovery, they are launching a massive three phase advertising campaign to educate the public and remove any fears or concerns.

The Federal Government have said the coronavirus vaccine will not be compulsory, however, some industries will require workers to get vaccinated. Legal experts suggest some employers have the right

to introduce a vaccine policy in their business, particularly if there is a significant risk to workplace health and safety. Obviously high-risk Industries including hospitals, meat processing, aged care facilities and organisations that work with children are expected to push for vaccination. For other industries, it is somewhat of a grey area and it will depend on the industry conditions and balancing the employer's duty of care to others with the employee's reason for rejecting the vaccine.

The Fairwork Ombudsman states that there are *limited circumstances* where an employer may require their employees to be vaccinated against coronavirus. Employers that have an enterprise (or registered) agreement or employment contract in place requiring vaccinations (which would need to be updated to specifically include coronavirus vaccinations) would still not be enforceable if the terms of the contract do not comply with anti-discrimination legislation. As there is currently no specific legislation or public health order enabling employers to require their employees to be vaccinated against coronavirus employers would need to consider whether it is lawful and reasonable to give their employees a direction to be vaccinated.

The Cost of the Vaccine

The Federal Government have stated the COVID-19 vaccine will be free for all Australian permanent residents and temporary visa-holders. As such, there will be no cost to business owners.



What Drives Your Business Growth and Profits?

Every business owner wants to grow their business and their profits. While there's no secret formula or recipe, the fact is, business growth and improved profitability are outcomes achieved as a result of processes including marketing, your expertise, customer service and your team's performance.

Let's examine some of the key drivers of growth and profitability.

1. **Planning** – where do you see your business going in the future? What level of profit and growth are you targeting for next year? The definition of insanity in business is doing things the same way and expecting different results. Without a plan to achieve your targets you are just hoping all the moving parts of your business sync together. Unfortunately, hope is not a strategy that delivers growth.

What is your vision for the business and how do you plan to get there? Without a roadmap all roads lead to nowhere. Having a business plan including financial forecasts is really the start of the process because it should identify what resources you need, the equipment and finance requirements. Will you launch new products and services? To achieve the forecast growth, what level of staff will you need?

Another part of the planning process should be a SWOT Analysis to ascertain your business Strengths, Weaknesses, Opportunities and Threats. Nobody saw COVID-19 coming but pandemics and snap lockdowns are part of the landscape and you need a contingency plan to deal with such events. As they say, Failing to Prepare is Preparing to Fail.

2. **Technology** has been a game changer in many industries and the rate of change continues to accelerate. Before the pandemic arrived a lot of business owners were contemplating some sort of digital transformation to keep up with their competitors and deliver a better customer experience. When COVID-19 arrived, remote working became an urgent priority to keep staff working. Businesses had to invest in technology to help staff transition from office-based to home-based employment and technology that was once considered a luxury became a necessity.

There's been a massive shift in our daily business habits with face to face meetings replaced by video calls on platforms like Zoom, Google Meet, and Microsoft Teams. Going forward, these platforms may well become the default communication method for both internal and external meetings. Travel time has been slashed as a result and this looks like being a significant legacy of COVID.

Think about what technology you need to speed up your processes, improve productivity, reduce costs and produce better products and services. The right software can save time, help manage your inventory, reduce waste and generate repeat business with service reminders. It can also automate your marketing efforts. Most importantly, the right software lets you keep your finger on the pulse of the business and monitor all the key financial data.

3. **Marketing** – We suspected that the business model that relies almost exclusively on distribution of products through retail brick-and-mortar sites was under threat. With buildings and shopping centres closed through the lockdown, consumers quickly adapted and shifted their spending online. With consumers confined to their homes, e-commerce sales exploded and this massive shift to online sales is here to stay. To make the most of this shift in



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What Drives Your Business Growth and Profits? *(Continued)*



consumer behaviour it's time to review your website and make sure you have an e-commerce store to satisfy customer demand. Increasing traffic to your site may be as simple as utilising the blog section of your website effectively. Chances are there is already a blog or news section on your website but nobody is posting anything, or only rarely. If you struggle for what to write in your blog section, head to a question and answer site such as Whirlpool or Quora and find questions related to your industry, product or service and use that question as the title of your blog post and answer the question. Visitors to your site appreciate this content and it will increase your SEO.

Engaging with your customers in this way and via social media channels is no longer optional with your prospects and customers living online. It's fair to say, for the majority of businesses, your marketing could be the difference between Doom, Gloom and Boom.

4. **Team** – In Michael Gerber's book, *The EMyth Revisited*, a key message for business owners was the need to 'work on the business, not just in the business'. This message should resonate with every entrepreneur and you need to create a business that works independent of you. The purpose of your life is not to serve your business, it's for the business to serve your life.

Sounds good in theory and the key is finding the right people to run the operational side of the business to free you up. Experienced and trained people who can follow your systems and procedures allow you to delegate tasks that you don't have to do. Rather than manning the sales desk, phones or warehouse you can spend time on the key business drivers like marketing. Wages are often the biggest expense in a business for a reason and their performance can have a massive impact on your growth and profitability. Leadership usually includes managing the team and innovating - that means providing the right tools so the team can perform their tasks efficiently.



Running a business remains a constant work in progress. To drive better financial outcomes you need to explore ways to continuously improve your business systems and processes. This necessitates planning, the implementation of technology and the adoption of digital marketing techniques. You also need the support of your staff and small improvements can have a compounding effect.

Ultimately the value of a business is linked to factors like revenue, profits and growth rate. It makes a lot of sense to focus on these areas and if you want to discuss the key profit and growth drivers in your business we invite you to contact us today.

Ways to Grow Your Business - Your Ideal Type of Customer

Everyone wants to grow their business but sadly there's no simple formula that guarantees growth. In fact, no amount of enthusiasm, passion, hard work or talent can guarantee business growth.

Attracting new customers is a great way to grow your business but you really want more of your *ideal* type of customer. These customers might buy from you regularly, spend more money than your average customer and give you plenty of referrals. They might also pay their invoices on time!

To get results from your advertising and other marketing strategies it's important to be clear on what type of customer you want to attract. Identify the characteristics of your best customers - their age, gender, income, location, or occupation. For business customers, consider their industry type, approximate revenue, location, and number of staff.

Be sure to ask your team's opinions too and get them to break down the purchase history of these customers to identify how often they buy; their average spend and what products they prefer. If you know the habits of your ideal customers, you can tailor your marketing to win more of them. It's a bit like fishing, if you know what type of fish you want to catch you use specific bait and tackle.



To win more new customers consider the following strategies:

Increasing the Number of Customers (of the type you want)

- ✓ **Target Marketing** - You don't necessarily want to market to everyone, so you need to focus your attention on winning your ideal type of customer. This could mean targeting a certain gender, age group, income level or people in a geographic location. The next question is, where do they 'hang out'? It could be online and more specifically it could be on Facebook. The good news is Facebook lets you target groups with ads based on specific criteria so you can really hone in on your ideal customers with targeted ads.



- ✓ **Riches in Niches** - For some businesses it makes sense to focus on niche markets. You could have expertise in a particular type of service or you may specialise in an industry. Either way, there are 'riches in niches' and you need to become a 'visible expert' which could mean speaking at industry conferences, writing articles in trade magazines or writing a series of blogs on your area of expertise.
- ✓ **Develop a Point of Difference** - If you don't have a point of difference in your business, you're probably only competing on price which is a recipe for disaster. What makes your business stand out in the crowd? Do you have a unique selling point (USP) that differentiates your business from your competitors? If nothing comes to mind it is time to think of ways you can differentiate your brand and communicate this to your target market. It could be the simplicity of your product, your guarantee or even your rewards program.



- ✓ **Research your Market** - You need to understand your customer's needs and preferences so you can market to their needs. Know your customer's key frustrations and focus your marketing on the benefits you offer. Avoid just selling the product features and focus on the benefits your customer will derive from using the product.

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Ways to Grow Your Business - Your Ideal Type of Customer *(Continued)*

- ✓ **Review your Website** - Your website is your marketing heart and given the majority of people start their search online, it needs to be working 24/7 365 days of the year to promote your products and services.

All too often we find websites are just 'electronic billboards' that list the who, what and where of the business. Think about what you want the visitors to your website to do and make sure you guide them to take the next step with calls to action like - call us now, book a free meeting, call for a free quote or get a free product sample. Your website should generate leads which may require other features like social proof and testimonials, videos, a blog, e-books, and whitepapers.



- ✓ **Search Engine Optimisation (SEO)** - there is no point having a great website if it is invisible to the search engines like Google. If you run a plumbing or electrical business where do you appear on a search for plumbers in your suburb? Search engine optimisation is a science, but you also need to build inbound links to your website, label images on your website with key words and create unique and relevant content that resonates with your target market. Your website should 'talk' to these prospects and tell them how you can help them solve their problems or fill their needs.
- ✓ **Video** is now an essential part of your marketing arsenal and YouTube is now the second largest search engine. Videos can bring more traffic to your website; reinforce your expertise and they may also give you a point of difference compared to your competitors. You don't need expensive video cameras or big budgets to produce effective videos.



- ✓ **Social Media** is the digital 'word of mouth' and if your target market is people under 50 you simply cannot afford to dismiss channels like Instagram, Facebook, and Twitter etc. If you're targeting 18–45-year-old customers, social media might be one of your most valuable marketing channels.
- ✓ **Build a List** – Statistics show that 80% of sales are made after the fifth contact with a potential customer. For that reason, you need to keep building your list of prospects. One of the most important things your website should do is entice prospects to exchange their name and email address for a piece of your content. It could be an e-book, whitepaper, newsletter, checklist, or video but this allows you to build a pipeline of prospects and keep marketing to them. Remember, not everyone who lands on your website is ready to buy so building a list and adding them to future marketing campaigns is a key strategy to winning more new customers.



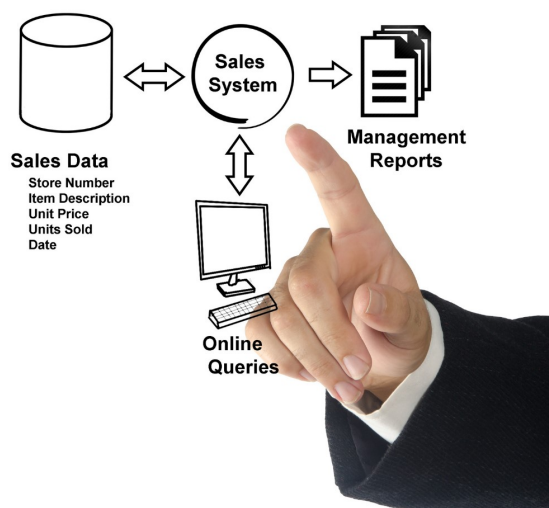
- ✓ **Develop a Sales System** - A systemised approach to selling based on an effective sales method is a must-have for increasing your customer database. To encourage your

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Ways to Grow Your Business - Your Ideal Type of Customer (Continued)

prospects to make a purchase you should automate and systematise the process, so your customers get a consistent and positive experience.

Sales Information System



guarantee, text that explains 'what's in it for me?' for the reader and excellent graphic design and layout.



- ✓ **Create Sales Forecasts** - Projecting future sales is also part of increasing sales. It's much easier to get to your destination if you know where you are going. Establish a goal or target so you can monitor your own performance. It could also mean identifying how many new customers you need to win each week or month. If you don't measure you can't manage.



Finally, think about other ways to promote your business. There are so many options but start by focusing on where your ideal customers gather together. Join networks, update your LinkedIn profile, send out press releases regarding your new products or services, run webinars or seminars and don't forget to encourage referrals. Think about creating reciprocal referral agreements with a non-competitive business who share the same type of target market. Hairdressers, nail technicians and beauty therapists are great examples.



- ✓ **Guarantee & Offers** - Think about offering a truly competitive and meaningful guarantee or create irresistible offers that prospects simply can't refuse. Add more value than your competitors, use direct mail including the 6 essential ingredients that make it work – a compelling headline, an offer, call to action,

This is just one way to grow your business and if you try implementing some of these ideas in the next few months, make sure you go back and measure the results.

Circuit Breaker Action Business Support Package

The Victorian business community has been greatly impacted by the COVID-19 pandemic and with the recent circuit breaker lockdown further impacting Victoria, the State Government recently announced a further \$143 million package to support impacted businesses.

The four parts of the package include:-

Business Costs Assistance Program - this extension is a one-off grant of \$2000 for eligible employers to assist with costs incurred as a direct result of the circuit breaker action. Although the program aims to assist eligible businesses that incurred costs through the circuit breaker action announced on the 12th February, we note that to be eligible, the business must be in an eligible industry sector. This is determined using the applicant's ABN registration information and the ANZSIC class code linked to their ABN registration. Applicants need to therefore ensure that this correctly reflects their primary business activity and is on this code matches the eligible [ANZSIC code listing](#) on the government website.

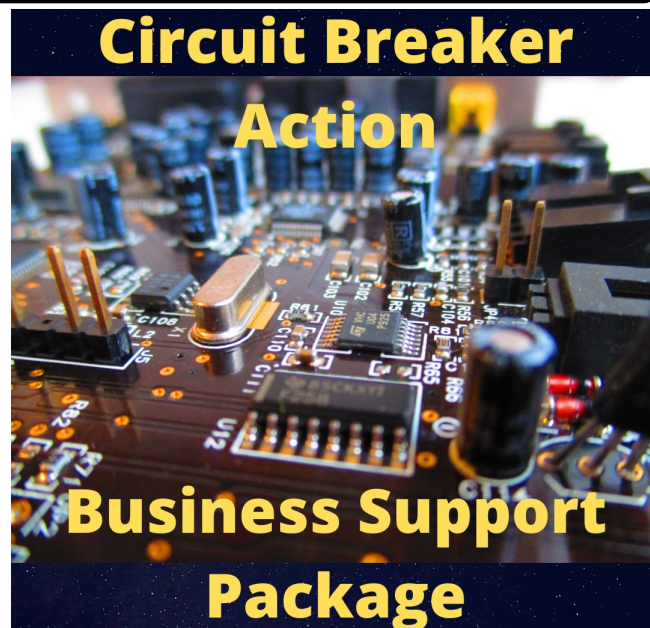
Other eligibility criteria includes:-

- Businesses located in Victoria and registered as operating in the eligible industry sector (as described above)
- Have incurred costs as a direct result of the circuit breaker action
- Have an annual Victorian payroll of up to \$3 million in 2019-20 on an ungrouped basis
- Be registered for GST
- Hold an ABN currently and held that ABN on 12th February 2021
- Businesses that previously received assistance via the previous three rounds of the Business Support Fund, payroll tax rebate/waiver or other Covid-19 support programs may apply (but still need to meet the industry sector conditions)

NOTE:- Applications for the Business Costs Assistance Program close midnight **Tuesday 16th March 2021**.

Licensed Hospitality Venue Fund - Circuit Breaker Action Payment - a further \$3000 one-off payment for eligible businesses who previously received a grant via the Licensed Hospitality Venue Fund (no need to apply for this, the Government will contact previous recipients).

Victorian Accommodation Support Program which is an expansion of the Regional Tourism and Accommodation



Support Program - to support accommodation providers whose bookings were cancelled due to the circuit breaker action.

This \$16.2 million Program provides a grant of one or two tiers where tourism accommodation providers can demonstrate cancellation of bookings between Friday 12th February and Wednesday 17th February 2021.

- Tier 1: Funding of \$2250 (ex GST) per Accommodation Premises experiencing 10 or fewer cancelled nights.
- Tier 2: Funding of \$4500 (ex GST) per Accommodation Premises with 11 or more cancelled nights.

This program is not open at this time but if you think you are eligible you can [register your interest](#) now.

Travel Voucher Schemes expanding the existing Regional Travel Voucher Scheme with an additional 10,000 vouchers for regional travel and adding a further 40,000 vouchers for travel within Melbourne

The details of these initiatives are available using this link:-

<https://www.business.vic.gov.au/support-for-your-business/grants-and-assistance/circuit-breaker-action-business-support-package>

As always, if you need any assistance with these or other grants, don't hesitate to contact us.

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