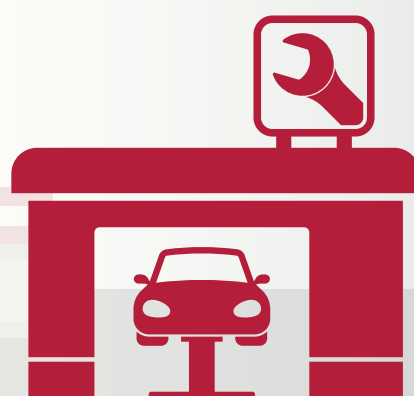


Suggestions to Improve Profit engines

Let's lift the hood on your business and look at the profit engine. It runs on cash, so the more you generate and the more economically you use it, the further your profit engine can take you.

Regular services

As a business owner, you need to service your profit engine regularly to make sure it's firing on all cylinders. Set profit improvement goals and start measuring profit.

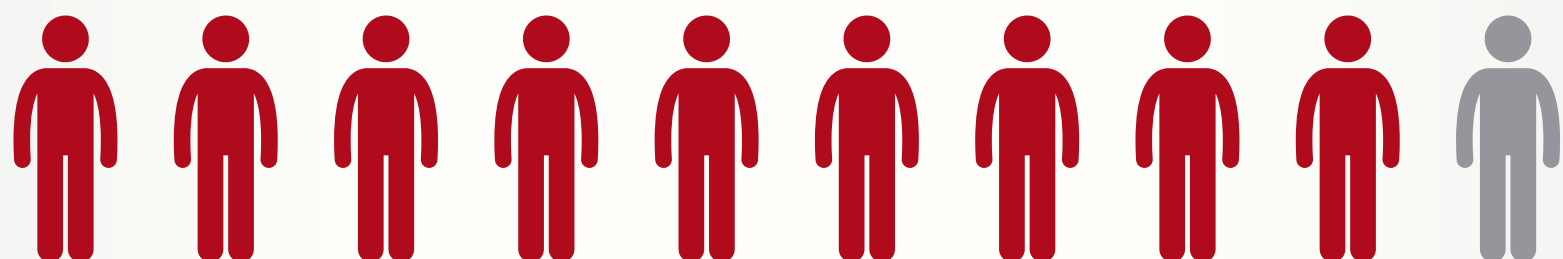


#1: Increase fuel capacity



More sales leads means more cash to fuel your profit engine:

- Define target markets
- Increase positive word of mouth through social media marketing or public relations
- Incentivise referrals from customers with discount offers and free gifts.
- Attend trade shows and industry events
- Promote your expertise by becoming a speaker, giving workshops or offering to be a 'talking head' for the media



9 out of 10 – Consumers who “completely” or “somewhat” trust peer recommendation (the most trusted advertising channel)¹.

#2: Add nitrous



N₂O = higher sales conversions. Some high performance engines use nitrous oxide to boost power. Use better sales tactics to convert more leads into customers and get your very own dose of nitrous!

- Incentivize sales conversions by offering frontline staff sales bonuses
- Make it easier to buy from you by identifying customer road blocks
- Offer free samples to potentially important customers
- Develop sales scripts to improve customer interactions
- Identify and target decision makers in customer groups



More cylinders = more transactions per customer. If you're not getting enough bang for your buck, consider upgrading to a throaty V8 profit engine by increasing the average number of transactions per customer:

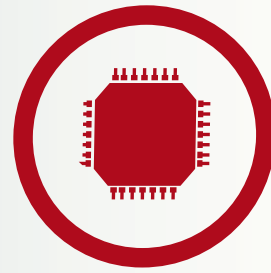
- Keep a customer database so you can make unique offers based on buying history
- Start a VIP loyalty programme targeting the top 20% with special offers
- Lock in future purchases by booking the next appointment when customers pay
- Identify purchasing habits so you can counter situations in which customers go to a competitor

Lean machines

Engines with lean burn modes burn 100% of the fuel mixture for maximum efficiency. Find your business's lean burn mode by comprehensively analysing your costs and processes to eliminate. You could have too much cash tied up or be wasting money by having to repeat jobs.



#4: Tune the chip



Modern engines use 'chips' to control engine timing and other elements to get the most out of every strike of a spark plug. Do the same for your business by programming your sales environment for a higher average sales value per transaction:

- Train and incentivise staff to up-sell at the point of sale
- Co-ordinate advertising around premium products
- Reconfigure the shop floor to promote higher-margin products
- Reconfigure your website to make related product recommendations at the checkout
- Target larger businesses with budget to spend



X3

The average client acquisition cost has tripled in 15 years⁵.

#5: Check the fuel and oil



Regularly check the cost of what you're putting into your engine to make sure costs are optimised. If you're using premium gas and oil to keep your business motoring, make sure you're getting a decent return on investment (ROI) from your sales costs.

Talk to your CIBC advisor today about other ways.

¹The Nielsen Company, 'Online Global Consumer Study', 2009.
²SEO Gadget, The SEO Gadget Guide to Conversion Rate Optimization, 2012.
³Experian marketing services, holiday trends Dec 9-15 2012.
⁴Social media chimps, as quoted on SCORE, March 2013.
⁵Jon Rognerud, as quoted on SCORE, March 2013.

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