

Karma Manifesto



How to Apply Eastern Growth Philosophy to Your Business

About the Author

Lewis Philips - aka Philip Lewis started writing his first novel in 2008 and since then has continued to add new titles to his online Brand Name Business – Lewis Philips Signature Books. His vision of the future has delivered more than he expected.

Acknowledgments

I would like to thank Radhika and Chandra for their contribution to this book. With her help on the editing and a final polish up, my dream of writing more books has become a reality.

It's with great satisfaction that I thank my wife and family for their help and support on this journey. At times, they found my obsession to write hard to understand. Gradually, they started believing in my dream as new titles were added to Lewis Philips Signature brands – [www.lewisphilips.com]

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Thank you for purchasing my eBook. I trust that you will find within these words, the inspiration and motivation to achieve your personal goals of your life.

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Chapter 1: Business & Karma: A Holistic Approach

If you build that foundation, both the moral and the ethical foundation, as well as the business foundation, and the experience foundation, then the building won't crumble.

Henry Kravis

Eastern wisdom is a body of philosophy, teachings, strategies and tools that have been practiced for virtually thousands of years in Asia by a battery of thought leaders and philosophers such as Gautam Buddha, Confucius and Lao

Tzu. Despite its oriental origins, Eastern Wisdom embodies some universal truths that can be applied to any business situation, anywhere in the world. Indeed, this school of thought blends a slew of strategies, practices, experiences and tools that validate a broad set of humanitarian truths, values and principles that can be applied to businesses, government, diplomatic relations and other professional fields in order to make them more just, ethical and profitable.

At the crux of this karma philosophy is the Newton's third law of motion: every action has an equal and opposite reaction. In pure business terms, this dictum should read:

**What You
Reap is What
You Sow**

‘Karma’ is
a Sanskrit word
that’s emerged
from Hindu
mythology. It
implies fortune
or fate. Karma

can be defined as “The sum of one’s actions in
previous states of existence which is used for
determining his/her present fate.”

You may wonder, what has that got to
do with business? I would say, plenty.

Food for Thought

Ethics or simple honesty is the
building blocks upon which our
whole society is based, and
business is a part of our society,
and it's integral to the practice of
being able to conduct business, that
you have a set of honest standards.
And it's much easier to do business
with someone when you look them
in the eye and say, "This is what
we're going to do," and you
understand what you each mean,
and you can go away and get it
done.

Kerry Stokes

Business is an economic activity, which involves continuous, regular production and distribution of goods and services. Yet the basic philosophy of business is “What you give is what you receive.” If a business involves exchange of goods and services and money between suppliers and buyers; only those businesses who provide good quality products and services can hope to receive a good response from the customers and not the other way round!

“Business is an activity that relies on one word-Hope.” That’s the reason businesses thrive on good vibes

Julian

Holland of the

Daily Mail,

London left

some

chocolates on

her airplane

seat when the

Did You Know?

The Australian's business magazine *The Deal* (May 2009) once ran an article, 'The Marketplace of Inner Happiness' by Ruth Ostrow on 'gurus' and business leaders. The book became an instant hit only because, in it, Ostrow spoke about spiritual wisdom are gaining ground.'

Air India craft she was on got delayed in Rome

for almost an hour. When she returned, she

found not just her chocolates intact but also

the blinds drawn --- so the chocolates won't

melt under Italy's scorching sun!

He was so floored with the service of an

Air India hostess; she gave the old Maharaja

top ranking in her survey of airlines in 1968!

Brands with loyal customers stay on in the market long after others are dead and forgotten. That's not too high a price to pay for gaining a client's life-long loyalty.

How Eastern Wisdom Can Help Enterprises

John S. Song
shares his personal
experience of
starting and
building a
successful company
with \$50,000 in
capital and growing it to \$20,000,000 in
revenue merely by adopting the Eastern

The Asian Advantage

Asian beliefs, philosophies, and practices are influencing everything from the way we treat the ill to how we make cars. Now, west is looking to the East as a model for developing strong business leaders.

philosophy, which speaks of the value of loyalty, trustworthiness and client servicing.

The New Business Philosophy

One of the most important developments of recent times is the realization that every business is a human enterprise. By the same logic, a businessman is a human organism and not just an economic engine, meant to mind money for self and family. Even if he/she has to be "managed" at work, it can't be with the mechanical precision of managing a machine but with human touch and with the application of emotional intelligence.

Maximizing productivity and efficiency of every unit of production is important, but ultimately

a business must create not just financial wealth but also other forms of "value" (say, health, happiness, social justice or conservation) for the society as a whole and in harmony with the laws of Nature. This is essentially going to be the ensuring business paradigm of the future.

Enron's 65-page code of ethics become something of a joke; a collector's item, up for auction on e-Bay because it was so famously ignored!

The first lesson in corporate ethics is to let words flow from the gut and be based on sound organizational values and good business practices. This is even more

important in a cross-cultural environment, where it's even more important to have a common definition/code of ethics.

Management gurus Robert Turknett and Lyn Turknett¹ say that companies with character are a little “like people with character. They get results, but they do it with integrity and a respect for people. They are able to balance accountability and courage with humility and respect.”

However business leaders, while setting the tone for morality, are not the only members of the organization responsible for creating companies with character: “Creating

¹ Three Essentials for Rebuilding Trust: Code, Character and Conversation,” *Good Business* on-line journal, www.southerninstitute.org 1 no. 2 (2002): 1

a true culture of character requires hard work every day of every person in the organization,” they say.

In this context, Lynne Sharp Paine (1994)² presents five hallmarks of an ethical firm:

1. Where the guiding values and commitments of the firm make sense and are clearly communicated to every stakeholder.

2. Where company leaders are personally committed, credible, and willing to take action on the values they espouse.

² Lynne Sharp Paine, “Managing for Organizational Integrity,” *Harvard Business Review* (March-April, 1994): 112

3. Where the espoused values are integrated into the normal channels of decision making and are reflected in the organization's critical activities.

4. Where the company's systems and structures support and reinforce its values.

5. Where managers throughout the organization have the decision-making skills, knowledge, and competencies needed to make ethically sound decisions on a day-to-day basis.

Finally, drawing on the work of Archie Carroll, (1979) John Schermerhorn says an ethical business firm is one where "That is meeting its economic responsibility when it

earns a profit through the provision of goods and services desired by customers.”

Legal responsibility gets fulfilled when an organization operates in compliance with the laws of the land. Finally, an organization meets its ethical responsibility when its actions voluntarily conform not only to legal expectations but also to the broader values and moral expectations of society. The operative phrase here is ‘voluntary,’ i.e., a company does all this and more voluntarily, without feeling the pressure of being caught.

Let’s take the case of ‘sweatshops’ in third world countries.

In the early 1990s Levi Strauss, Reebok, and a few large importers of garments and other goods developed codes of labor practices for their



contractor firms, almost all located overseas. Some other multinationals followed, each with its own emphasis in listing abusive practices that it would not tolerate.

Given the rise of the multinational and the tendency to cut corners in countries where environmental regulations are not stringently observed; uniform business practices have

become a business imperative. Globalization in its true sense is possible, only if it follow the inclusive model, where the interests of all stakeholders, including the local community, are well-protected against any kind of violation. Profits without principles are not sustainable in the long run, particularly in the global context that we now operate in. One pertinent example of this is climatic change the sweeping impact of, which are now being felt by one and all.

When leaders combine the culture of discipline with the ethics of entrepreneurship, they get the magical alchemy of great performance out of their team. Compliance in such cases is a function of communicating

acceptable behavior, setting in place a process that will expose non-compliance and finally acting on such non-compliance.

Thankfully, corporate both big and small, across the world have now begun to make the attempt of 'walking the talk' with handsome results in the bottom-line. Anita Roddick, the founder of Body Shop has a community project at every store where employees do socially responsible work on company time. The Company has a third world trade department that as Anita puts it "goes into areas of the Third World, creating trade in an ethical way paying First World prices, making sure that the environment is

protected and making sure that the social fabric of the environment is protected".

For instance, Body Shop employees are engaged in raising huge amount of funds for the rehabilitation of people displaced by the destruction of rain forests. In Glasgow, arguably, "the worst housing area in the whole of Europe," besides creating more employment opportunities for the local youth, the company ploughs back 25 percent of its profit into community building work. Finally, the company, since it's headed by a woman also keeps a huge women force on its rolls. So are the defining attributes of this paradigm shift in the new business philosophy?

- ✓ Corporate democracy
- ✓ Greater social and gender equity
- ✓ Empowerment for all
- ✓ Social and environmental responsibility
- ✓ Creativity
- ✓ Quality
- ✓ Customer service and
- ✓ Innovation

Value of Life

“The value of life can be measured by how many times your soul has been deeply stirred.”
Soichiro Honda



Idea: Try and rate these attributes in their order of importance and gauge and see how

your priorities differ from others. This could be a good brainstorming exercise for the whole team.

Ethics, Strategy and Values

Soichiro Honda, a Japanese engineer, industrialist, and founder of Honda Motor Co., once declared "The Three Joys" as the motto for his company. These are – the joy of producing, the joy of selling and the joy of buying.

About Ethics

If we were to trace the origin of business ethics, we'd have to start from the period when profit maximization was seen as the only stated purpose of a business. Other non-

economic values being intangible and non-measurable were inconceivable. It was only in late 1980's and 1990's that gradually it began to dawn on corporates that they must plough back some of their profits into the community from where they made their gains.

These days, corporate social responsibility, corporate governance or social responsibility charter are seen as business imperatives. In India Maruti Suzuki, for example, owned the responsibility of maintain a large number of parks and ensuring greenery. Hindustan Unilever (HUL), similarly started the *e-shakti*, a grassroots development initiative for rural women for their general uplift. Besides pushing HUL products, these

net-empowered communities run adult education programmes, extend micro credits and a host of other benefits to the rural consumer.

Globally, Bill Gates of Microsoft and Warren Buffet of Berkshire Hathaway are the best known examples of corporate philanthropy. IBM contributes towards programs for environmental protection. Among its six corporate goals, Vodafone lists “to be a responsible business.” Vodafone has eight Corporate Social Responsibility (CSR) strategies. One of these is responsible marketing: an example would be the company's decision not to send bulk unsolicited (i.e. un-requested) emails or SMS

messages to its customers, they have to opt-in (choose) to receive communications. The company's values are directed towards four pillars of support:

Customers

- Marketing products and services responsibly
- Communicating openly and honestly
- Protecting customers

People

- Recruiting and retaining the best people
- Investing in improving skills

- Involving and motivating employees.

Results

- Setting clear goals
- Focusing on achieving goals
- Rewarding staff for achievements.

The world around the company

- Investing in local and national charities via The Vodafone UK Foundation
- Monitoring and actively reducing the impact of the business on the environment e.g. recycling mobile

phones, reducing waste, energy
reduction activities

- Listening to any concerns
local communities, pressure groups,
customers and other interested parties
may have about the company's impacts,
and working to address these concerns.

- Vodafone's staff is
empowered and ethical. They share
these passions. This helps them make
better decisions when reacting to
changes.

Meanwhile, one of Sweden's largest
providers of telecommunication and data
services, Ericsson encourages each one of

their 104,525 unique employees to develop and build their life and careers within our global organization. The Ericsson Code of Business Conduct sets the standard for the way they do business. The code promotes:

- Honest and ethical conduct, including ethical handling of actual or apparent conflicts of interest between personal and professional interests
- Full, fair, accurate, timely and understandable disclosure in reports and documents that they file with or submit to government agencies and in other public communications

- Protection of confidential and proprietary information about Ericsson, their employees, contractors, customers, partners and vendors

The Meaning of Guanxi

For the Chinese, *guanxi* means that nothing is more important than the interpersonal relationships between friends and family members. In the Chinese community, life and getting things done is all about connections. The closeness of any particular relationship will determine to what lengths a person must help someone else. Even a friend of a friend is entitled to some help but the use of *guanxi* does not preclude an exchange of money or some other kind of payment.

- Following governmental directives, laws, rules and regulations
- Prompt internal reporting of any violations of the code.

The general impression about Chinese businesses is that they rank low on Amnesty's Transparency index. With globalization, that's fast changing. Today, thousands of Chinese students are pursuing an MBA course from the Center for International Business Ethics (CIBE) in Beijing, only because they are frustrated with the high level of corruption they witness around them. And the outcome is there for everyone to see. China's tiger economy is one of the fastest in the world today.

Chapter 2: People Skills: Develop Your Strategy for Customer Satisfaction and Sustain It

To my customer.

I may not have the answer, but I'll find it.

I may not have the time, but I'll make it.

UNKNOWN

IN Chinatown
everyone smiles,
know why?

Simple: It costs
nothing but brings rich
results!



A company's biggest assets are its customers. Without them, they would not be in business, or would they?

In addition, satisfied customers bring other customers. In sales, you go in warm, not cold, yet, most sales people don't ask for referrals. That's suicidal. Do ask satisfied customers to recommend you to friends and associates.

Understand Your Customer

The first step to finding your customers is to understand the type of customer your business would need. The more time and focus you put into this effort, before you launch your business, the easier it will be to find your target customer.

Separate
your potential
customers into
marketing segments,
according to the
particular
challenges they face
and the solutions
available to
them. This is
important if you
want to offer them real solutions and not just well-
designed products and services that look good from far
but are far from good.

**Your Customer Must Be your
First Priority**

A customer is the most important visitor on our premises; he is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it.

He is not an outsider in our business. He is part of it. We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so.

Mahatma Gandhi

When you go wrong, stand up and
apologize and replace the faulty good or make

amends for deficient service. Your ultimate objective must be to create an emotional surplus in your customer, whenever he thinks of your brand. You must build trust and credibility for your brand.

One born-winner among corporate leaders was Kenny Yap, popularly known as “Kenny the Fish,” the executive chairman and managing



director of Qian Hu Corporation Limited, the only integrated ornamental fish service provider listed on the main board of the Singapore Exchange. Under Yap’s able leadership, Qian Hu pioneered the

transformation of traditional breeding, farming and export of ornamental fish into a technology-driven, knowledge-based industry.

A graduate from Ohio State University (USA) with a 1st Class Honours degree in Business Administration, survived setbacks and overcame problems, Yap managed to established distribution networks for Qian Hu in Malaysia, Thailand, Indonesia and China, and exports to more than 60 countries worldwide.

As a canny businessman, who is extremely passionate about his work and business philosophy, Yap has no doubt played an instrumental role in establishing Singapore

as the largest exporter of ornamental fish in the world in less than 12 years of his steering the company out of the initial choppy waters. The inspiring story of boy who converted his fascination for fish into a life-long passion drives home the message that there is hope even for the smallest fish in the largest pond. ““We knew that we were small fish. Small fish have to swim together to survive. Without my four brothers and two cousins, I don’t think there would be a Kenny Yap,” he writes in his e-book, *The Rise of An Asian Entrepreneur*.

Today, Qian Hu accounts for more than four per cent of the global fish market. He has a string of awards to his name and has been

featured in magazines and business books, across the world.

At business conferences, Yap speaks direct from his heart in a voice and manner that strikes a chord with his listeners and peers.

Yap knows all those he needs to know in the fish business. He uses simple yet powerful imagery to drive his points across. He often brings his own brand of “fishy” logic to survive tough business situation and turn the tide in favor of his company. This was one reason Yap’s business was able to survive the challenges of the changing times; it did not get eliminated, taken over by competitors, or sink

into oblivion, despite tough competition from the “big fish.”

Surprisingly, among most Asian businesses thrive on the family-run model; Yap’s business style did not favor nepotism. His vision of the company was directly linked to the family values, but it did not supersede key business issues or overshadow the performance of the entire group. So, as the business grew, it began to show great resilience.

Today, Qian Hu is considered tradition-respecting and trustworthy; forward-looking and progressive. Despite too much government interference in Singapore, Yap did

a great job in keeping the spirit of entrepreneurship kicking amidst his staff. The Qian Hu business model succeeded because it demonstrated quick reaction time and is managed by a closely-knit clan. Key business decisions are taken in unison whether they are against or for projects. There are fewer decision-making gates and constituencies to deal with and more often, the survival of the company depends on the survival of the business which results in sharp and decisive action in the face of threats that could be potentially fatal for the business.

Being a family-owned business, Qian Hu of course had the advantage of freedom to look at the long term prospects and make long

shot strategies, perhaps knowing that their generations would be happier to bite the fruit when they are ripe.

This is exactly what Yap did. There was a lot of discipline, hard work, conviction, drive and inspiration that went into making Qian Hu a most profitable fish trader in the world.

Your Customer Is Your God

A business that cannot attract customers or a business that loses its customers because it cannot retain them; can't remain in business for too long.

There are many ways to create an attractive business, including

✓ Solving real customer problems, providing a high quality product that not just meets but exceeds their expectations.

✓ Value adding to what competition is offering, i.e., differentiating your product from the run-of-the-mill

✓ Providing customer service on a 24/7 platform: Prompt, personalized service is most important for the survival of a business.

✓ Offering attractive deals, buy-one-get-one kind of offers, sales promotions, incentives, freebies,

discounts, coupons, gifts, sweepstakes, contests, bonuses, etc. to keep them coming back to you for more and more

Remember that your regular customer base is critical to your business' survival and growth. You must do everything to retain their trust in you and your brand. You can do this on a tight budget, as well. Try one of the following ideas:

- ✓ Talk regularly to your customers to find out more about their problems, issues and concerns and how you can solve those with your products and services

- ✓ Be specific, honest and clear about what you can offer

- ✓ Keep in touch - send email updates or start a monthly newsletter on what's hot and what's not at your store

- ✓ get to know your competitors and what they are offering

Think creatively about your selling techniques. For example, you could:

- ✓ Encourage people to 'buy now' by offering lower prices for immediate/bulk purchases or bookings

- ✓ Use coupons or e-vouchers that are easy and cheap to design and distribute

- ✓ Offer plenty of gifts, free trials and tasters

- ✓ Reward your customers often and frequently with loyalty schemes, gift vouchers, birthday and anniversary greetings and offers etc.

Find new customers

You should always be thinking about how to attract new customers. You need to:

- ✓ Let potential new customers know who you are and what you offer

✓ Aim to provide an exceptional experience on the first sale at every consumer touch point

✓ Offer options and solutions to increase convenience, as in offering door-step delivery, 24-hour customer helpline, one free after-sale service etc.

✓ Position yourself as a leader in your category- give customers a genuine reason to buy from you

✓ Try to price your products or services according to their quality, i.e., differentiate on the basis of the 'value' you offer to your customer.

Exercise Time: Total Recall

When was the last time you were
completely floored by customer service?

How many years ago was that?

What was the store/brand?

What exactly did the executive do to woo you?

What was your insight from this experience?

Chapter 3: People Management & Empowering Your People

Deloitte's John Hagel wrote in *Forbes* recently, "The biggest challenge for businesses today is learning to think about their employees the way they think about their customers."

How you treat your employees says volumes about the kind of employer you are. Progressive employers realize that their employees are their biggest asset. Their performance and attitude can make or mar their business. The most difficult part of any

manager's job is people management. He or she is required to lead, motivate, train, inspire, and encourage. On the flip side, the manager is also responsible for hiring, firing, disciplining, training and appraising their performance. These functions may appear to be at odds but a successful manager knows how to balance the two aspects in order to create positive vibes at the work place.

There is no point keeping disengaged employees tied to the job. They will not be able to look after your customers and contribute their best to your company.

At Zappos, an online shoe retailer, new recruits receive four weeks of mandatory

customer loyalty training - answering phones in the call center – but when it's finished, they are offered \$2,000 to leave the company - no questions asked. This “quit now” bonus, which started at \$100, is designed to ensure that the company is left only with most productive, most engaged employees; who are there for the right reasons. And guess what? About 97% of Zappos recruits decline the offer.

Holistic approach to management

There is so much buzz over holistic health. We are asked to strike a fine balance between mind, body and spirit. The Eastern philosophers in particular do not see any dichotomy between body and mind.

How would this concept of holistic management work in context to people management?

I would say it's integral to holistic management. Instead of seeing employees as factors of production, who have been contracted to put in a fixed number of hours, it's time we looked at them as valuable, indispensable resources without which a company can't be its productive best.

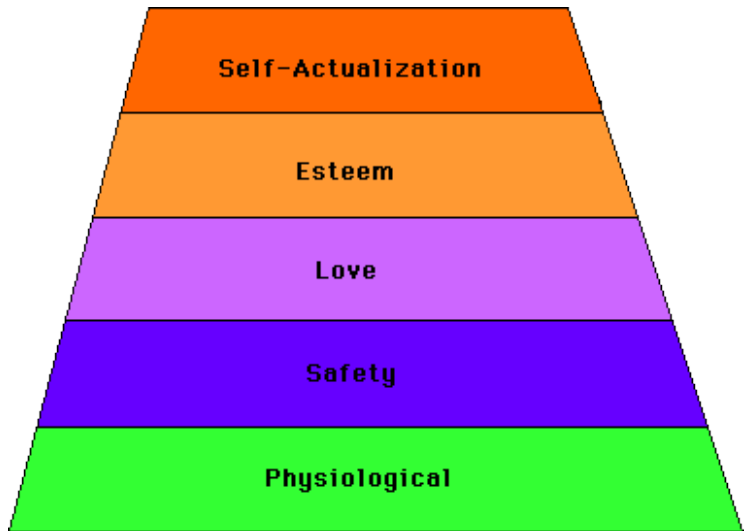
For starters, what motivates them to work may well give us a clue into what engaged them at the workplace.

A few years ago, *Time* magazine did a survey on the poser 'What is the most important thing you value in a job?' The

question was posted on Sina.com, China's most popular Internet site. Twenty three per cent respondents said it was interest in their jobs; 13 per cent said it was the salary; 4 per cent said it was job security and only 3 per cent said it was power!

Maslow's hierarchy of needs

Abraham Maslow (1954; 1969) was the first to suggest that there is a fundamental ordering of human motivational structuring; that man's needs arrange themselves in a hierarchy, which ascends from the most basic biological requirements (say for food and sex) to the quest for higher needs such as self-actualization and fulfillment.



According to Maslow's formulation, the unmet needs on the lowest level of this hierarchy are ordinarily the one that commands the individual's primary attention and effort. Once these needs are reasonably met, his behavior begins to get dominated by other, higher-level needs.

When all our basic needs are satisfied, we move to the tip of the pyramid, seeking to satisfy the self-actualization needs. “I’ve had many CEOs at my workshops, who grovel for that little pat on their backs,” Motivational guru, Shiv Khera says at his seminar *Blueprint for Success*.

If you begin to understand this basic psychology you can manage your employees and satisfy their hierarchy of needs more effectively.

The Westside Story

Some years ago, the management of Ford Motors wanted to find out what combination of factors motivated their employees. They handed a list of ten factors to

the executives and their managers, asking each group to rank the factors on a sliding scale, starting from the best to the least important motivator.

The results were startling: The managers' understanding of what motivated their staff was completely different from the employees' version!

In the employees' need hierarchy, appreciation, which is often dismissed as a feel-good, 'hygiene' factor by HR managers, won hands down, while 'good wages' figured somewhere in the middle and discipline (understandably) at the very bottom!

The managers in contrast, rated high wages as the No.1 priority of their staff, followed by job security and promotions.

Discovering Your Real Value

Do you know what your life's goals are? Or what motivates and directs your work? Dr. Edgar Schein³ wrote a career assessment book called *Career Anchors: Discovering Your Real Values*, in which he maintained that each one of us has ONE dominant “anchor” that drives our work output.

Experience also tells us that not everyone nurtures the same ambitions in work. Some people are quite happy and content to

³ Schein, Edgar H., *Career Anchors: Discovering Your Real Values*, San Diego: Pfeiffer & Company, University Associates, Inc., 1990

hold quiet, uneventful jobs, while others thrive on constant adrenalin rush and change.

Dr. Schein describes eight main career anchors and the kind of work that would suit person who have these as a dominant career anchor:

- Technical/Functional Competence
- General Management Competence
- Autonomy/Independence
- Security/Stability
- Entrepreneurial Creativity
- Service/Dedication to a Cause
- Pure Challenge
- Lifestyle

Technical/Functional: Enjoy using core skills; skills that don't have to be

technical in nature and do not need much expansion. Can be an HR executive or a secretary.

General Managerial Competence: View specialization as limiting; primarily want to manage or supervise people; enjoy motivating, training and directing other people in their work; enjoy authority and responsibility. They typically thrive in three areas of competence – analytical, interpersonal and emotional.

Autonomy/Independence: Need and want control over work and want to be recognized for their achievements; can't follow other people's rules or procedures; need to do things their own way; independent consulting

and contract work would be a good fit for these people.

Security/Stability: Seek safety and security. Motivated by calm atmosphere and consistency of work assignments; don't like to take chances, poor risk-takers; stable companies are best bets; strive for predictability, safety, structure; unused talents may be channeled outside the office.

Entrepreneurial Creativity: Like the challenge of starting new projects or businesses, have lots of interests and energy, and often have multiple projects going at once; often pursuing dreams from an early age.

Service/Dedication to a Cause:
Motivated by core values rather than the work

itself; strong desire to make the world a better place.

Pure Challenge: Strongest desire is overcoming obstacles; conquering, problem-solving; competition; winning; constant self-testing; single-minded individuals.

Lifestyle: Have a high need to balance work with the rest of their life; enjoy work, but realize that work is just one of many parts of life that are important; subscribe to philosophy of “work to live,” rather than “live to work.”

Holistic management does not mean intruding into the personal lives of employees. It doesn't mean

A Relationship of Mutuality

We've got thousands of investors counting on us.
And we're a team of thousands of employees all counting on each other.
That's fun.

making employees feel uncomfortable. All that it implies is motivating employees to give their best; delivering services beyond their contracted hours.

Moral Management

Moral managers use ethics to project themselves as authentic leaders. They walk the talk, and are a beacon of light to their subordinates. They are not judged by words or

intent but by
their actions.

An ethical
manager who
forbids others
to accept
corporate gifts,
but does so
himself will
sooner or later
lose all
credibility

TIPS

- Don't ask your employees to do something you wouldn't yourself do.
- Maintain your work ethic.
- Treat your employees as you would like to be treated.
- Be a good listener.
- Set your employees up for success.
- Communicate expectations clearly.
- Treat your employees with dignity and respect.
- Be fair.
- Allow employees to carry out ideas that will benefit the whole team.

among his supporters. Second, moral
managers need to talk about ethical values
from the top, not in a sermonizing way, but in

a way that explains the values that guide important decisions and actions.

Third, using rewards and discipline effectively may be the most powerful way to send signals about desirable and undesirable conduct. That means rewarding those who accomplish their goals by behaving in ways that are consistent with the organization goals and values and withholding these benefits when they break these rules.

Ethical leaders inspire pride, commitment, satisfaction, comfort and fun in their employees and keep them motivated. It may be more important now than ever in a climate where workers are working

independently, off site and with little supervision. Values are what holds them together.

Starting Off On the Right Foot

For starters, here is what you can do:

- ✓ The first thing to remember when relating to your employees is that respect is a two-way street

- ✓ Ask anyone what he or she expects from the boss and the answer is almost always “be fair”

- ✓ The best wages and benefits packages possible are great motivators.

✓ Trust your people enough to be honest about the financial status of the business and where the business is heading.

✓ The overall principle of employee/boss relationships is simple. Treat your employees the way you want to be treated.

To sum up...

Know what your employees want. If you don't know what they need or want, ask them.

Generally, employees want:

✓ **Freedom:** Let them work the way they work best

✓ **Targets:** Give them a goal to shoot for

✓ **Mission:** Show them why they should care about the company;

✓ **Expectations:** Establish consistent standards they can follow

✓ **Input:** Make it easy for them to offer suggestions

✓ **Connection:** Build sustainable, long-term, lasting relationships

✓ **Consistency:** Treat your employees fairly; and

✓ **Future:** Take time to
develop, groom and train them

**Chapter 4: About Trust: Trust takes years
to win and hours to lose**

T

rust is one of those things that is earned and not freely given. Gaining a consumer's trust is something that comes with years of consistent, caring service.

For businesses, trust takes time, often years or decades to

establish. For

starters, the

fastest way to kill

trust is to leak a

customer's

sensitive personal

data to other

merchants. When this happens, a business

can lose its brand equity overnight, one that it

took years to build.

**Trust is the necessary
precursor for:**

- Relying upon another person
- Co-operating with and experiencing teamwork within a group
- Taking thoughtful risks
- Experiencing believable communication

You may not agree but to my mind the present recessionary trend and the global stock meltdown is also, in a measure, due to trust deficit in our midst. Credit, the lifeblood of the global economy has completely evaporated. Even banks and financial institutes have refused to lend to each other because they fear they will run into a debt trap.

Trust is also essential for building a strong foundation of relationship with employees, suppliers, customers, and the communities in which businesses operate in.

Think of the New York doughnut shop owner who decided, years ago to let customers pick their own change from coins he left out on the

counter. He was able to serve them faster, yes, but along with that, he also won their trust and loyalty.

Netflix ([NFLX](#)) trusts its employees to take whatever vacation they feel they need. Rock band Radiohead released its last album online, trusting fans to decide how much to pay and generated more revenue than all its previous releases.

The University of Michigan Health System encourages doctors to apologize when they make mistakes, trusting patients to forgive them—and possibly (although not always) avoid legal liability. The outcome is that litigations against the hospital staff have

dwindled and other healthcare service providers have begun to ape the same approach.

Think about what you stand to gain, if you had customers' trust:

- ✓ You would gain more customers
- ✓ Repeat orders
- ✓ Make more money
- ✓ Earn more respect in the community you service

Most important of all, you'd be able to provide a service that no one can easily forget.

You would be able to give something of value to your customers. The satisfaction that

you would be able to derive from your work would automatically flow from the satisfaction that you give to others through your products and services.

Trust is the cement that we seek in all our relationships --- in business, with a spouse; from children, friends, and colleagues; from those who serve us in office or at home; even from pet animals! A dog is the best loved in the animal world only because it is so trustworthy!

A horse or a donkey may be more efficient or laborious. But when it comes to trust, no one can beat a dog, which is

probably why, there are more dog lovers than donkey lovers in this world...

Trust can overrule cynicism

Have you heard people say "it doesn't work that way in the real world..." "It's a dog eat dog world out there.....nobody trusts anybody, anymore..."

Yet, when they go out to buy a mobile phone, a wrist watch, or a TV set, they always go to their most trusted dealer – why? Because of trust. When it comes to buying, you want your “own” dealer, even if his store may not be housed in a swanky, uptown, air-conditioned mall...

Likewise, when you want to get your car serviced, you will go to the auto dealer you bought it from, not because the first two services are free, but, because it's your brand new car and you don't want any bumbling mechanic fiddling with it! You trust the dealer.

All this implies that having a top name in the business does not suffice. Winning brands build trusting relationships. They back-up their best marketing plans with the best service and climb to the top rung in the industry.

Trust is about past service

You have to have memories of a good association with a dealer; you would go back to him/her for a new purchase.

In addition, you'd trust the dealer if ...

- ✓ He/she never made false promises
- ✓ Late deliveries
- ✓ Short sold you
- ✓ Stood you up, especially during a time of emergency
- ✓ Made a bad delivery

You would also remember him more, if he/she...

- ✓ Is pleasant and polite to you

- ✓ Empathized with your need
- ✓ Respected your time line and attended to you promptly
- ✓ Made sincere efforts to give you maximum delight from a product...

In other words, trust is a natural outcome, when a buyer does not simply supply a product/service; but also delivers a pleasant experience...

Trust flows from testimonials

Someone has to vouch that you are good at what you do. It's like a reference check. When you go out to get a job or a spouse, the prospect may check with your present

employer, friends or neighbors that you are what you claim to be.

Customer acquisition is no different, especially for a small scale entrepreneur. Because, you cannot spend too heavily on a television or a print ad, testimonials and word of mouth are the best way to establish your credentials. What is being said about your service in blogs and social networking sites, could mean far more than a 2x3 cc ad in the best circulating newspaper.

**When there is trust; people don't
mind paying a premium**

The good news is that you can charge a premium for trust. This means that trust can

be a fantastic investment into your business.

With trust, you can plan higher margins.

Trust is what builds brands.

When Tata Motors promised to make \$2500 car (Tata Nano), the important factor was not the Tata supply chain, but the Tata name. Tata may outsource every nut and bolt in the final assembly line and probably would, but it's the final Tata stamp on Nano that matters.

Trust call for a lot of handwork

The best short term results do not come from micro-measuring the month's sales, from focusing on the transaction, or from closing a few mega deals. That comes from managing

trust in the long term. This kind of trust obviously cannot be built in a day or two. Most service professionals share a trait: they over-rate content mastery and under-rate personal connection. That's a big mistake.

No trust without risk

One provocative question that Charle H. Green, a noted trust advisor puts to his clients is: Have you ever recommended a competitor to one of your better clients?

He calls it the acid test of trust in selling.

If your answer to the above question is “yes”— you can put your customer's short-term interests ahead of your own.

People mistakenly think that since it's a business relationship, why bring emotions into it. Trust overcomes barriers in business relationships.

Trust is about honesty

Finally and above all, trust is about being gut honest in your work. When you are honest, the customer will notice and reward you with trust.

The customer is the most intelligent entity in any buyer-seller relationship. He knows when the emperor is not wearing any clothes...

Log on to Trust Quotient self-assessment quiz

(<http://trustedadvisor.com/trustquotient/>). In just five minutes you will know your trust quotient (TQ). The quiz, based on the work of Charles H. Green, who defines TQ as:

Where:

TQ = Trust Quotient (trustworthiness)

C = Credibility

R = Reliability

I = Intimacy

S = Self-orientation

With this quiz you can do your own assessment of your credibility, reliability, intimacy, and self-orientation.

The Tata Case Study

Since its founding 142 years ago, the Indian based Tata Group has become one of the world's largest conglomerates – or 'family' as its own executives prefer to call it. It is now a \$70.8bn commercial enterprise which employs 350,000 people in 80 countries across a wide array of business sectors including cars, steel, hotels, IT and tea.

Owner of Jaguar Land Rover and the Anglo-Dutch steel company, Corus, currently the Group is run by the fifth generation and still respected for its adherence to strong values and ethical principles.

In 2009, the social expenditure of the Tata Group was over \$159 million. It provides a text book example to other companies on how to run sustainable, responsible businesses.

The Toyota Case Study

Toyota is an interesting example of an Asian company that has run into recent problems – arguably because it lost touch with its traditional strengths. Founded in 1933, Toyota became the world's largest car maker by sales in 2008, overtaking General Motors in the process and building a 12% share of the global car market. It has long been regarded as one of the world's most admired companies

and has built a reputation for engineering excellence based on a philosophy known as the Toyota Way. At the heart of this is a long-term approach to problem solving even at the expense of short-term goals.

Through its development of such concepts as lean manufacturing and just-in-time inventory management, Toyota has had a profound influence on manufacturing throughout the world. With the Prius, it also created the first hybrid car, setting standards for others to follow.

However, more recently, its reputation has been tarnished by the recall of eight million cars due to mechanical failures which

US regulators believe have been responsible
for over 50 deaths.

Chapter 5: Networking: Empowering Business With New Technology and Networks

*Information technology and business are becoming
inextricably interwoven. I don't think anybody can talk
meaningfully about one without the talking about the
other.*

Bill Gates

Whether you are running a shoe-strap operation or a huge enterprise with global delivery centers, have effective telecommunications is vital to your success. Fortunately, today there are a number of technological tools available

to create a climate of openness, trust and transparency between various stakeholders.

Today few big businesses can afford not to have a web presence to advertise and engage with their target customers. Most customers are so well-networked, they check out products, prices and availability online before buying. The UK's largest supermarket, Tesco, is also the country's largest online retailer, and the largest store in the US, Wal-Mart boasts of one of the highest traffic and transactions online; while the world's largest book retailer, Amazon still survives by its web model.

Online auction houses, such as eBay has created a marketplace where none existed before. Experts call it the "long tail" phenomenon, according to which the

Networking has at least 4 main benefits:

- It will help increase your sales, through referrals.
- It will help you learn things that you need to know to manage and grow your business.
- It will help you find people that you can buy goods and services from.
- It can help stimulate your creativity about new things or approaches for your business.

internet not just lowers the cost of keeping inventory and storage, it also allows companies to keep in stock items that are not

so easily available offline and reach out to a wider berth of customers.

From the consumer perspective, internet shopping saves cost (with the elimination of the intermediaries), time and fuel (on commuting) where purchase and delivery, as well as information are more quickly accessible than before.

Intranet Sites

Setting up an internet site is one of the best ways for small businesses to keep all their workers in the loop. Setting up a "what's new" section on the website is the perfect way to brag about new business wins, post job opportunities and gather the input of

employees through periodic surveys.

Microsoft's Sharepoint services is extremely useful for setting up intranet for specific projects. Project managers can use these specialized websites to share documents and information, and thereby, run their projects smoothly and effectively.

Instant Messaging

Instant messaging is a valuable tool for businesses and in many ways far superior to phone or email service. Microsoft Office Communicator is one of the most widely used instant messaging programs, along with Yahoo, Google and other messenger services.

Email

Email continues to be one of the most widely used forms of business communication. As the internet and digital economy continue to shift, vendors and service providers will continually try to find unique ways to provide low-cost services to small businesses. One quick example is the numerous websites offering free development and hosting services. One approach is "wysiwyg" (what-you-see-is-what-you-get) that allows users to customize their website to a particular use. These mechanisms are tailor-made to simulate real marketplace. A fast developing theme among businesses operating in the digital economy is the use of ASPs (application service providers).

They allow you to purchase off-the-shelf operating applications to manage finances, human resource or inventory processing at a much lower cost than what it would cost to host the data at your own server.

Cloud computing is another concept gaining popularity that can be used to share resources and expenses in the digital economy. Asia offers significant opportunities for companies interested in cloud computing.

Tips for Strengthening Your Online Presence

✓ Display your URL (or website address) on all of your organization's correspondence. That

includes business cards, stationery, posters, flyers, e-mail headers, or footers and any other advertisement activity.

✓ You have to do your research. No matter what location you're in, most likely your local government has some sort of economic development office as well as a Chamber of Commerce. Both are great resources to ask about events, promotions, and other activities that will allow you to get your name out.

✓ Work on all of your vendor and partner relationships. The best

marketing technique still remains word-of-mouth. And who is better at telling potential customers about your organization than those who already do business with you.

Time to Redefine

Thanks to the modern-day technological tools, companies can redefine who they are, what they offer, and how they offer it. In a manner, the current technology shifts are tools of creation. You can use them to create new products, a new suite of services, nay, an entire new market—something we couldn't do so easily in the past.

**Here are some ways to make the
most of the technological tools that are
presently available:**

For starters, study your products, services, or industry and see how today's new technologies can help you redefine and refine those things. For example, in the early 2000, most people thought Apple was going out of business. That's when the company used technology to redefine themselves around music. Later they used technology to redefine again with the iPhone, which lead a telecommunications revolution. Now they're doing it again with the iPad by creating a new class of personal computer. They've not only

redefined themselves, they've also redefined their industry.

Ask yourself:

- ✓ What is growing and what is shrinking?
- ✓ Where is the direction of change located?
- ✓ What is the impact of new technology on my business?
- ✓ Based on where things are going, is there a way to create new opportunities?

FAQs on Networking Concepts

Everything that you wanted to know but didn't know whom to ask about the digital economy:

What is Wireless/Computer Networking?

Networking is the practice of linking two or more computing devices together for the purpose of sharing data. Networks are built with a mix of computer hardware and computer software.

What is an intranet?

Intranet is the generic term for a collection of private computer networks within an organization. An intranet uses network technologies as a tool to facilitate communication between people or work groups to improve the data sharing capability and overall knowledge base of an organization's employees.

What is URL?

URL stands for Uniform Resource Locator. A URL is a formatted text string used by Web browsers, email clients and other software to identify a *network resource* on the Internet. Network resources are files that can be plain Web pages, other text documents, graphics, or programs.

What is WWW?

The term *WWW* refers to the *World Wide Web* or simply the Web. The World Wide Web consists of all the public Web sites connected to the Internet worldwide, including the client devices (such as computers and cell phones)

that access Web content. The WWW is just one of many applications of the Internet and computer networks.

What does the term client-server refers to?

The term client-server refers to a popular model for computer networking that utilizes client and server devices each designed for specific purposes. The client-server model can be used on the Internet as well as local area networks (LANs). Examples of client-server systems on the Internet include Web browsers and Web servers, FTP clients and servers, and DNS.

Embrace the future today

Using technology such as apps, smart phones, and smart pads to shape and redefine your company needs to be one of your company's strategic imperatives. With the cost of hardware continuing to decrease and with bandwidth and processing power continuing to increase, it's easy to predict that cloud computing, apps, smart phones, and smart pads will gain even more popularity. As an executive, that can mean one of two things for you:

- It can be a major headache, or
- It can be a major opportunity.

The difference is in how you look at the shifts and how you embrace the future.

Ultimately, staying ahead and forging new ground during a technology-driven transformation is imperative for growth and survival. It's all about looking at where the market is going rather than where it is today. It's about looking at where your customer is evolving, not where they used to be.

When you change your mindset, ask some key questions, and then take action on what the answers reveal, you can use today's technology paradigm shifts to redefine your company, improve operations, create new revenue streams, and experience higher profits than ever before.

Chapter 6: Increase: Your knowledge of Your Target Market

No matter how you advertise, there are going to be a section of your customers who will not be prospects for what you're selling. That implies wastage or in marketing lingo, spillage.

That's where targeting comes in. You need to make sure that your message is precisely targeted only to those who constitute your qualified prospects.

You need to know exactly who is buying what from you and for what reason. You can

know the answer to that question only by talking to those people.

Your marketing plan should be created with one purpose and one goal in mind...to bring clients to your doorstep – not just any clients, but clients that will develop a long term relationship with you and your business. Clients that will keep coming back for more at the same or greater frequency. Clients who will recommend you to their friends and neighbours; clients who will happily play the role of your brand ambassadors.

How to Choose Specific Demographics to Target

Figure out not only who has a need for your product or service, but also who is most likely to buy it. Think about the following factors:

- ✓ Age
- ✓ Location
- ✓ Gender
- ✓ Income level
- ✓ Education level
- ✓ Marital or family status
- ✓ Occupation
- ✓ Ethnic background

In the nutshell, your target market is the section of the customers you are directing your marketing efforts to. This is the group that you want to sell your products or services to. They have an interest in what you have to offer. Your target market can be broken down into segments based on demographic variables (age, occupation, gender etc), psychographics

(buying
behavior),
income levels etc.

Psychographic

Market Analysis

Equally
important is the
psychographic
profile of your
consumer. What
makes him tick?
This information
can rarely be
found in a book,
so large
companies

Mistakes to Avoid

- Don't assume that everyone is a buyer of your product/service.
- Don't be unclear about the characteristics that define who your target customers are.
- Don't assume you must have a "huge" target market - a well-defined target market that your company can serve is far better.
- Don't jump to conclusions about why your target market needs you - instead explain how you meet their needs.
- Don't underestimate the value of focus - sell a specific product/service to a specific group.
- Don't try to attack too many markets at once - particularly if you are a

conduct primary research to understand the motivations and behaviors of their target market. Use focus-group research and quantitative studies to gain insight into your target audiences.

In addition, you can subscribe to or purchase data from syndicated research companies that deal with specific consumer groups or industry verticals.

Target Market Example

Once the target market for a product or service has been determined, promotional efforts must reflect that market. For example, Tide is a major laundry detergent, and Tide's owner, Procter and Gamble invests heavily in

market research to identify its target market and understand their specific needs. Proctor and Gamble's research yields useful information that's used to create specific marketing initiatives and making it a strong brand that it is today in the Indian market.

A Case Study

Pepsi-Cola company used market analysis to broaden the audience for Mountain Dew. Mountain Dew's extreme-sports image and heritage as a hillbilly brand made its penetration into the urban youth market low.

Experts developed a campaign featuring hip-hop artist Busta Rhymes engaged in a variety of extreme-sports antics and role-

playing characterizations that became an instant hit and sales increased in response in inner-city markets.

The Pitfalls of Being Unfocused

Narrowing your focus to one specific demographic or slice of the marketplace will give potential customers a reason to notice your brand. You will stand taller than competition.

"If you're not differentiating yourself in the marketplace, what happens is the consumer looks at price as being the motivator," writes Susan Friedmann, author of the books *Riches in Niches* and *The Complete*

Idiot's Guide to Target Marketing. "And they look at the cheapest."

If you don't know specifically which customers you are speaking to, you are actually speaking to no one, says Tammy Lenski, a business mediation expert who has advised clients about successful business through target marketing.

"The big danger is that without a target market, it's like standing in a park shouting in the wind," she says. "When you have a target market, it's like standing in a park and talking to a specific group of people."

Invest in Market Research

John Jantsch, creator of the *Duct Tape Marketing System* and *Duct Tape Marketing Consulting Network*, which trains and licenses small business marketing consultants, recommends a simple formula to identify who makes an ideal client: he ranks customers by profitability.

"In that step alone, they start identifying work they have taken or would take that they shouldn't be taking," Jantsch says. Then he looks for clients that are already referring more business your way.

"They're referring business to you because they're having a great experience," he

says. "They're happy, they're beyond satisfied and that's why they're referring business."

Focus on areas in which you have a strong interest, or by locking your goods and services into markets that you know a good deal about. Look for need gaps where you can push in your company's services.

Focus on the benefits

All said and done, you must know your customer as the back of your hand. Meeting this customer's articulated and unarticulated needs is crucial for making sales, allowing cash to flow, and profits to result.

You can do this by asking simple questions about your products and services:

- ✓ How much can it save your customer?
- ✓ How much can it earn for your customer?
- ✓ What intangible benefits might customers realize, and is it possible to quantify these benefits?

What is your customer really buying?

People purchase products and services to realize one or more of the following benefits:

1. **To save:**
 - Money
 - Time
 - Effort
 - Resources

2. **To increase:**

- Income
- Investments
- Future
- Personal relationships

3. **To reduce:**

- Expenses
- Taxes
- Liabilities
- Trouble

4. **To improve:**

- Productivity

- Abilities
- Confidence
- Appearance
- Peace of mind

The more details you have on your target customers, the better you will be able to serve him/her. Target marketing allows you to reach, create awareness in, and ultimately influence, that group of people most likely to select your products and services as a solution to their needs, while using fewer resources and generating handsome returns.

Chapter 7: The Impact; Start a Website; Expand Online

“Every year the marketing landscape changes, every year the customers become more demanding, every year they’re wanting more things. You have to always be sprinting to stay ahead of the competition.”

Jacob Hawkins, Overstock.com

Whatever the line of

business, product or service you are in; you can expand

your reach manifold simply by having a web

How to Put It Together

“You need an information-rich web site and a web site that responds to [customer] needs, whatever they are.”

Joan Holman, Legacy Achievement Foundation

presence. The web is also the most cost-effective platform for doing business and staying competitive in a recession-ridden world.

What Is Needed

“It used to be that if you wanted sophisticated marketing tools, you had to be rich. That’s not the case on the Internet. Anyone can compete, just at different levels.”

Chris Baggott, Compendium
Blogware

However it would be a big mistake to

assume that

all you need to

hawk your

products/servi

ces online is a

website. Along

with it, you

What Is Needed

“It used to be that if you wanted sophisticated marketing tools, you had to be rich. That’s not the case on the Internet. Anyone can compete, just at different levels.”

Chris Baggott, Compendium
Blogware

would also need to understand a bit about

technology, know about HTML coding, learn

the various online marketing techniques etc.

It’s not rocket science and anyone with a

rudimentary knowledge in HTML can build

and maintain his own website and start doing

brisk business from home. All you have to do

is follow these simple tips:

- ✓ Create a good looking website that invites the customer to browse at the first glance. The market buzzword for this is 'stickiness' of a website.
- ✓ The content should inform not intimidate the visitor who is looking for relevant information. It should be engaging and friendly.
- ✓ See that your website is search engine optimized (SEO) and gets registered on all popular search engines, such as Google, Askjeeves.com, yahoo.com, Altavista.com etc.

- ✓ Take care that the keywords that you use exactly match the description of your products and service.
- ✓ Promote your site through word of mouth, through social networking platforms such as Facebook, Twitter and Orkut.
- ✓ Popularize your web business thorough other online modes – link exchange with other websites, emails, newsletters, direct mailers, chats and SMSs etc.
- ✓ Maintain online help centers for users where they can get their doubts cleared and queries answered.

- ✓ The customer care executives who deal with your customers must at all cost be polite and patient while interacting with them and respond to them promptly.

For Starters

These

The 3-Point Mantra

Increasing your website ROI begins with never forgetting three simple words of action; attract, persuade, and connect.

Gregg Murray, Author of Website Blueprint

days, it's remarkably easy to set up your own website. All you need to get set, is a computer and an internet connection and you can download templates and create your own website. Trillian.com is a good place to start with free software download. File the content on your computer and in a jiffy you'll have a

web platform ready to connect you to your global customer.

Taking It to the Next Level?

Once launched, start promoting your website. If your current product is already a market leader your future product launches will also gain brand creditability. Work hard towards creating brand recognition within your target market utilizing link exchange and active networking with sub domains.

Affiliate Program

Affiliate programs, also called associate programs, are arrangements in which an online merchant (website) pays affiliate websites a commission to send them traffic.

These affiliate websites post links to the merchant site and are paid as per a pre-

Engage Your Customers

The internet has turned what used to be a controlled, one-way message into real-time dialogue with the masses.
- Danielle Sacks, Fast Company Writer

negotiated agreement. This agreement is usually based on the number of people the affiliate sends to the merchant's site, or the number of people they send who buy something or perform some other action on the site.

Some arrangements pay according to the number of people who visit the page displaying their merchant site's banner advertisement. An important point to note

here is that if a link on an affiliate site brings the merchant site traffic or sales, then the merchant site has to pay the affiliate site a set commission. Recruiting affiliates is not only an excellent way to sell products online, but it can also be a low-cost and effective marketing strategy. It's the most effective and efficient way to get word out about your site, products and services.

Affiliate Network

Affiliate networks or affiliate brokers act as mediators between affiliates and merchant websites with affiliate programs. They track all activity, facilitate payments, and help affiliates set up the necessary links on their websites.

Additionally, affiliate networks help recruit affiliates by including an online merchant's affiliate program in their directory. Different affiliate networks offer different features, and almost all have a help-center and an FAQ section where affiliates and merchants can view reports on their traffic.

In the nutshell, affiliate programs help you use an army of online merchants who can send traffic to your domain. They help in generating traffic and building brand recognition.

URL of websites

Next important thing to consider is domain registration or obtaining an address,

or a URL for your website. This is your brand name. It must not be too complicated for customers to remember. Strive for a distinctive name that's not too complicated.

Design

The most effective e-commerce websites are those that are easy to navigate. The users must not feel any difficulty while searching for something on your online store. Consider the look first. It must be businesslike and not too garish or loud.

Many hosting services provide free templates, but in business it is always better to consult a professional, even though it may cost a little extra, initially.

Updating the Content

Outdated
content is of no
use to your

The Key to Your Business

In today's business environment, a
company's website is the key to
their entire business.
- Marcus Sheridan, Author of The
Sales Lion

customers. A website that has not been updated in years is worse than having no website. Consider a mobile handset retailer, who trades in hundreds of branded and assembled products. If it does not keep itself updated on the latest available models and technology in the market, it will very soon lose all its customers. It would be extremely difficult to sustain such a business. Such a business must be able to provide customers with all information about the products they

are about to purchase, clear their doubts, answer their queries, troubleshoot etc and in short, help them make an informed choice.

The customer these days is faced with a glut of products and features. It's very difficult for them to make a wise choice. It's the retailer's duty to help them make an informed purchase.

Support Them to the End

Large retailers and consultants would do better by providing live support on a 24/7 platform. Customers feel more confident dealing with such sites. If possible, set up auto responder mails. This would be another clever way of staying in touch you're your

customers. You can take slightly longer (two to three business days) to answer the questions over emails. Just knowing that they can reach out to you for support is important for your customers.

Seek Feedback

You might have created a website with an attractive look, provided all the information and a 24/7 support team, but your job is not all done. Now you must seek feedback from your customers on how to constantly improve and refine your service. Study rival sites that are doing brisk business. It would give you ideas to try out on your site. Refer to “How to create a website in 5 days”. This is the book

available at

www.lewisphilipssignaturebooks.com. This

resource gives complete guidance on the subject and could be extremely useful for a net-entrepreneur.

Heard of QR Coding?

QR coding allows you to create a two-dimensional code, similar to bar codes used when purchasing products that can be scanned at supermarket checkouts. This technology is fast becoming part of new-age marketing.

QR coding was first developed in Japan in the early 90's by auto manufacturers to track parts and assembly and have now

become popular with corporate businesses in linking their online web sites, business contact details and their latest promotions through smart phone technology.

Using this technology is very simple. Downloaded the App (i-nigma) which is one of the many available and you will give instant access to any business large or small that wants their business details opened, and also saved for recall, at a later time.

Statistics reveal a major trend in the use of this form of promotion (QR code uptake has increased by 4589% from 2010- 2011). Some ideas on how businesses can take advantage of QR coding is incorporating 'gift

giving' as part of your business loyalty program, as companies branding promotional products such as calendars, stubby coolers, pens, key rings etc., do. For the largest selection to choose from in Australia and maybe the world, visit;

[www.tannercouch.com]

[www.businesspromotionalproducts.com]

For personal service and added bonuses' contact – the Author
phill@calendars.net.au

Put risk management in place to protect against hackers who may have criminal intent in stealing your data, obtaining passwords and other confidential information.

Just as you use anti- virus software to protect your personal computers, use similar software for your smart phone to guard your privacy. Businesses must follow some rules when applying QR codes to new-age marketing.

Rules #1 Make sure your URL link works and corresponds to the marketing sales pitch offered.

Rule #2 KISS - Keep It Simple Stupid!
Simply use short URLs.

Rule # 3 Give value when scanned -
offer a reward for visiting and saving your company details such as, receive a free download of relevant industry-based

information, or enter to win a prize or receive a gift.

One web site worth mentioning when it comes to downloading QR codes for free is www.qrstuff.com.

If you require more complex codes, they may cost more but this is a good place to start or request a brochure on QR coding - lewisphilips0123@gmail.com.

Ever Tried Loyalty Cards?

You think loyalty cards are only used by supermarkets, right?

Wrong. In Australia, the retail market is dominated by two large corporations -

Woolworth and Coles that account for almost eighty cents in the dollar spent through their brand names and subsidiary outlets, for liquor, fuel, and hardware to name just a few. Those companies promote their loyalty cards extensively through mass advertising. (If Woolworths and Coles had the same dominance in the marketplace as in America, anti-trust laws would be enforced, and they would be broken up long ago, but that's another story.)

The question is how can small to medium enterprises (SMEs) compete with these big retailers, offer similar benefits to their customers, while also protect their margins?

The answer is, they must find big daddy retailers Achilles heel and exploit it.

This begs the question - how can SMEs offer their own loyalty card?

It's really very simple. Coffee shops do it all over the world. So do bakery shops. The former offer a free cup of coffee and the latter an extra loaf of bread, on every tenth transaction, i.e., after their coupon card is



stamped ten times.

You could also learn to segment and selectively target your customers with senior cards. We have a huge and growing population of retirees, who have spent a lifetime working to provide for their families, but now pensioners who struggle to keep a roof over their head, and food on the table. Tap into this demography, give them discounts and grow your business. Advertise the scheme on your shop front window - Senior Card Holders Welcome - 5% concession - Thursday only, or any number of days you choose to run the scheme on. These types of promotion are easy to set up for any business and will go a long way in converting customers to loyal clients.

Think about linking your Business Facebook's profile page through QR coding by adding your two-dimensional code on your business card and shop window. When saved on your client's smart phone they will have all your details on hand.

Consider the options available – purchase on line anywhere anytime, from takeaways to computers or almost anything, so long as they have saved your business details, web site or Facebook links.

Please note that you as an SME have over corporate giants is agility. You can take and execute decisions quickly to streamline your operations through clever marketing.

They would always need the CEO to sign off
any decision that impact's
shareholder's funds.

They are like bulk carriers; it
takes time for a ship to change
direction, but small businesses are like jet
boats that can change course quickly, easily
and out maneuver a slow and cumbersome ship.
That's their Achilles heel - target it and grow
from this major weakness.

Chapter 8: Manage Your Time and Grow

Rich

The more business a man has to do, the more he is able to accomplish, for he learns to economize his time.

Sir Matthew Hale

Time is our most precious, yet most wasted resource. We often tend to squander it, waste it, kill it, and spend it rather than invest it. Although time is money, money once lost can be earned back, but time once lost would not return.

A recent article in *Wall Street Journal* mentioned that CEOs spend an average of 18 hours per week in meetings, including three hours on calls and five hours in business

meals – and

have little

time for

thinking,

planning or

working alone.

The question

is: How can

you be

The Most Precious Resource

“The supply of time is a daily miracle. You wake up in the morning and lo! Your purse is magnificently filled with 24 hours of the unmanufactured tissue of the universe of life. It is yours! The most precious of your possessions.”

Arnold Bennet

the visionary leader or a problem solver for your company if you don't have the time to strategize and spearhead your team? Are you meeting to have meetings? That's a total waste of time.

By doing tasks
that you can
delegate to
someone else;
by calling
meetings that

The Use of Planning

“He who every morning plans the transaction of the day and follows out the plan, carries a thread that will guide him through the labyrinth of the most busy life.”

Victor Hugo

are utterly non-productive and by allowing yourself to get caught up in the most mundane activities, you are losing valuable work hours.

Visionary leaders know how to manage their time by stretching their day and squeezing maximum out of every waking minute of their lives!

World leaders and politicians sleep for less than six hours a day but they manage to take a power nap and are most productive during their waking hours. If they can do it, so can you. Here are a few tips to help you along:

- ✓ Develop a general work schedule in which you lay out the important elements of your workload. These are the ‘sharks’ of your business that have to be killed (attended to) first before you train your guns on little fishes in the pond (smaller tasks)
- ✓ Build flexibility into your schedule

- ✓ Prioritize your activities by identifying crucial deadlines, routine maintenance items, and fun/relaxation time.
- ✓ Assess your options for achieving your priorities
- ✓ Contract out tasks for which you lack the expertise to complete

**In addition,
practice the
following
techniques to
become the
master of your
own time:**

Multi-tasking

“Managing multiple projects is like being the parent of a large family that you have to feed. Each aspect of your job can be like another child that needs nurturing. You can’t neglect any one of the ‘children’ and expect to have a healthy family.”

Peter Turla

Carry a schedule and record all your thoughts, conversations and activities in a journal. This personal planner will help you take stock of your activities, the way you are utilizing your time and plan changes, accordingly. You will understand how much you can get done during the course of a day and where all your precious moments are going.

A glance at this journal will reveal how much of your time is actually being spent on improving the company's bottom line and how much is going waste in daydreaming, gossiping or armchair thinking. With the help of this journal you would be able to take an accurate stock of all your unproductive thoughts, conversations and actions.

Must Have a To-Do List

That's extremely important. These should be dynamic documents that can be changed with the unfolding events of the day, starting from the most urgent and pressing matters to the most trivial.

Schedule appointments with yourself. Put aside chunks of time for top-priority work, going down the list in descending order. Have the discipline to maintain and follow your journal.

Plan to spend at least 50 percent of your time strategizing your blueprint for success. Have definite goals that you can apply your skills and efforts to realize.

Meanwhile, also schedule time for interruptions. Plan time to be pulled away from whatever you may happen to be doing. Take the first 30 minutes of every day to plan your day. Don't start your day until you complete your time plan.

Take five minutes before every call and task to decide what specific outcome you desire from that call, task or activity. This will help you decide how to start and plan your talk. It will also slow you down. Lastly, take five minutes off after each call and activity to determine whether you're managed to realize the outcome you desired? If not, what exactly went wrong? How can you correct it at the next attempt?

Put up a "Do not disturb" sign when you totally engrossed in some important work and would not like to be distracted till the work is done.

Practic
e not
answering
the phone
just because
it's ringing

No Excuses

Don't say you don't have enough time. You have exactly the same number of hours per day that were given to Helen Keller, Pasteur, Michelangelo, Mother Teresa, Leonardo da Vinci, Thomas Jefferson, and Albert Einstein.

H. Jackson Brown

and e-mails just because they
show up in your mail box.
Disconnect instant messaging. Conserve your
resources. This will give you a better sense of
time, more energy and clarity of thought.

Schedule a time to answer email and
return phone calls. Reserves chat sessions on
Facebook and Twitter for free time (if you have

any) and don't let them dominate all your business activities.

Remember that it's impossible to get everything done in a single day. Chances are that only 20 percent of what you had planned gets accomplished in a day. Do not fret. If you've planned right, this 20% will represent the most efficient use of your limited time and resources. You will be your productive best during this 20%. The rest of the 80% would cease to matter. Good luck!

Chapter 9: Grow Your Business; Stay Competitive by Outsourcing

The other part of outsourcing is this: it simply says where the work can be done outside better than it can be done inside, we should do it.

Alphonso Jackson

Outourcing is farming out any task, operation, job or process that could be performed by employees within an organization, but is instead contracted to a third party for a significant period of time.

In addition, the functions that are performed by the third party can be performed on-site or off-site. Outsourcing is generally

performed
when
resources for
completing a
task or a job
within a
business are
either
insufficient,
cannot be

The 70:70:70 Rule

The world's most revered chief executive Jack Welch has introduced a new rule. It is called the 70:70:70 rule. Apparently, it has also been e-mailed to GE employees across the world. Welch has decided that 70% of GE's work will be outsourced. Out of this, 70% will be done from offshore development centers. And out of this, about 70% will have to be done here in India. This ultimately boils down to about 30% of GE's work being outsourced to India.

completed on time, or the organization lacks technical knowhow for those functions.

For example outsourcing probably can trace its roots to large manufacturing companies, which hired outside companies to produce specialized components that they

needed for their products. Automakers, for instance, hired companies to make components for air conditioning units, sound systems, sunroofs, etc.

Businesses often need expertise or skills that they don't have within their organization. For meeting these needs, they turn to a third party vendor to solve their problems.

Outsourcing means just what the word implies - going "out" to find the "source" of what you need. These days many businesses outsource for what they need to serve their customers, both internal and external, such as payroll management (for internal customers) or customer contact centers or order

processing centers (for external customers).

Functions like book keeping and legal processing are also often outsourced to vendors specializing in these functions.

Outsourcing offers many advantages

- ✓ For instance, outsourcing allows companies to seek out and hire the best experts for specialized work.
- ✓ Using outsourcing also helps companies keep more cash on hand, freeing resources for other purposes, such as capital improvements.
- ✓ It's also often cheaper in terms of salaries and benefits and reduces risks and costs.

It not only saves time and money (sometimes as high as 30%-40%, when the work is outsourced to a developing economy) but also gives opportunity to tap top

talent in the field and move the internal staff to higher value functions. This provides a gateway for many underemployed staff to ascend to more responsible roles.

Outside or Inside?

The other part of outsourcing is this: it simply says where the work can be done outside better than it can be done inside, we should do it.

[Alphonso Jackson](#)

Reasons for Outsourcing

Consider a company that has a project completed in say six months. Consider it doesn't have enough staff to complete this job in the given time frame. Also let us suppose it doesn't have sufficient funds to hire new employees on a fixed budget.

In such a situation the company, if it's smart, may eventually decide to divide the project into two parts. It makes a list of companies that have the expertise to do the job of a similar or better quality. The work done by different companies is then clubbed to finish the project.

Another reason to outsource a job might be technology. Consider web designers who are experts in designing web templates. Let us suppose a company has to get a website designed using a given database. If the company doesn't have knowledge about database technology, the options left to it are limited. It will have to hire external experts,

buy the needed software for testing the actions to be performed on the database and is ready to get set and go into the market!

Remember

If you deprive yourself of outsourcing and your competitors do not, you're putting yourself out of business.

[Lee Kuan Yew](#)

Large
companies

are leading the outsourcing trend, but smaller and medium size businesses are also beginning to see the benefits. For instance let's consider a transportation company. Let us suppose that it wins a massive contract for which it needs to press into service 100 trucks. This company has a fleet of only 40 trucks, so there is a shortage of 60.

Placing an order for the purchase of the balance 60 is unthinkable not just for cost reasons but also because there is not enough time to go through the lengthy tendering process to pick the best deal.

So what does this company do? It manages to make the delivery on time by leasing out trucks from another transportation company – i.e. outsourcing the task – and shares the profit with this company.

Elementary, isn't it?

Outsourcing On the Internet

Outsourcing has always existed; it's just that the internet and the advanced tele-communication tools have made it more popular model of doing business.

Small Business and Consumer Outsourcing

“Consumers are increasing outsourcing a growing list of personal tasks ranging from math tutors for their children, to designers for wedding video graphics, to having local specialists put up and take down their holiday decorations, and — in what’s commonly called medical tourism — having both elective and life-saving procedures performed at fully-accredited hospitals in countries like India, Mexico and Singapore.”

Michael Corbett

There are a number of marketplaces (or websites) that specialize in the job of introducing buyers of a service with the

providers. E-
Lance.com,
guru.com and
odesk.com
provides a
platform for
design and
copywriting

Outsourcing America

Outsourcing forces Americans to "compete head-to-head with foreign workers" by "undermining U.S. workers primary competitive advantage over foreign workers: their physical presence in the United States" and "by providing those overseas workers with the same technologies."

Ron and Anil Hira, *Outsourcing America*

services. The cost is competitive as several providers bid for the job that you post on these sites. This is indeed going to be the way we are going to work in the future.

A Few Disadvantages

On the flipside, there could be a few downsides to the outsourcing model that must

be factored in into your plan. For instance, despite the provider rating on the site based on which you choose them, there can be no guarantee that your job would get delivered on time.

There could also be significant time-zone related, communication gaps and cultural minefields to negotiate. The work output may also not turn out to be of the quality promised. Your job can get sub-contracted, thus further falling in quality.

Price could also be an area of concern. However as a thumb rule outsourcing overseas to a developing economy always turns out to be less expensive because of the

currency exchange rate differences. This is one reason why so much work and capital is flying offshore to countries like India, China and Philippines.

Labor cost in these countries is much lower than in developed economies.

In addition, most of these countries now offer a business-friendly regulatory environment, lower

corporate taxes, tax shelters and financial incentives for foreign business to invest in

Outsourcing in Asia-Pacific

“From transaction processing through the most sophisticated analytics and research, global corporations are increasingly turning to Asia to find the talent they need to succeed, making Asia the centerpiece of a global business restructuring as profound as any in our history.

Malaysia has the opportunity to uniquely position itself as a destination of choice for outsourcing separate from China and India. Meeting standards and gaining professional certification will be important for providers to ensure consistent high-quality results.”

Michael Corbett

their countries. They also open up their markets for selling products in those countries.

Security and leakage of sensitive data could be a big concern for some companies, but these days there are contracts in place to check such malpractices. Before you choose a vendor however, you must complete due diligence and check out their antecedents.

There is an element of risk-taking in outsourcing, but most of the time, it's well worth the effort, time and investment made. On your part, take care to do business with vendors with an established track record of integrity and honesty.

If you are outsourcing your help/contact center, make sure the offsite staff is knowledgeable about your product, can handle queries and time pressures, and is polite, audible and legible, so that he/she does not end up driving your customers away from your business.

Provide on-site training if need be for a seamless transition and efficient service. You want them to build not destroy your brand, so make them familiar with all functional and creative attributes of your brand, first.

Finally,
outsourcing is a
marriage that
takes a lot of
effort and
understanding
before it can
mature into a
strong, cemented
relationship.

Trust,
communication
and monitoring

are very crucial in building this relationship.

Weigh all the pros and cons and you'll find a
balance that suits your organization.

Fast Facts

- The typical manufacturing company gets 70 to 80 percent of its finished product through its 'supply chain.'
- Outsourcing spending in all business activities has continued to climb at 10 to 20% for the last decade – in good economic times and bad.
- More than 150,000 professional are involved in the \$6 trillion global outsourcing industry.
- The number of outsourcing professionals within any company can range from tens to hundreds.
- More outsourcing professionals are seen on the provider side than on the customer side.
- The relative size of the organization usually correlates to the number of outsourcing professionals that they have.

Chapter 10: Marketing: Test it

“Google loves brands – build one.”

Dave Naylor

If creating a website is step no# 1, then promoting it is step no# 2.

Take advantage of free and cheap opportunities to promote your site. E-mail is just one of those.

E-mail stands for electronic mail. E-mail is the method of exchanging digital messages from an author to one or more recipients. The invention of e-mail has changed the way of communication. Now-a-days e-mail is widely

used for announcing and advertising a service or business.

E-mail marketing usually involves sending ads, requesting business, or solicits sales or donations. This can be done with cold lists or current customer database. It can be used for:

- ✓ Sending email messages with the purpose of enhancing relationship with an existing merchant or customer for gaining repeat business.
- ✓ Sending email messages with the purpose of acquiring new customers or convincing current customers to make more frequent purchases

- ✓ Slipping in cleverly-worded advertisements to email messages to announce new deals, offers and products

All of these are the electronic equivalent to dispatching direct mailers to customers, writing and sending out periodic newsletters with updates and product information or paying for advertisement space in a print newspaper, magazine, or launching a campaign on TV or radio.

How to Build Loyalty Through Email Database

In 1976, Bob Devaney and his father

bought “Drycleaning by Dorothy” – a dry cleaning shop in Boston. Slowly, over the years, they expanded and opened two other outlets and started doing brisk business. Bob knew that all his clients were convenient shoppers. They got their clothes dry cleaned at Drycleaning because the shop stood on their way to office. Bob wanted to fight this mindset and make his customers truly loyal to his service. In 2001, he found a way. He started an email newsletter.

He put sign-up sheets on the store counters and asked people to provide their email address in return for a \$5 discount. This cost nothing, so many clients furnished their email IDs and Bob had a database that

he could use very cheaply and effectively to stay in touch with his clients, offer them discounts, announce new schemes and generally keep them in the loop.

Bob started emailing: “Pants laundered for \$2 when received with three shirts” or “Give 2 shirts and 3rd shirt laundered for free.”

Bob made sure that each mail he send out asked people to forward it to their friends and family. Very soon, he started building his business through client references.

With a \$50 investment per month spent for maintaining the email newsletter,

Bob eventually managed to expand his business manifold, build and maintain new customers.

What Marketing Is

- Putting the customer first
- A business ethos
- A planning process
- Core to sustained business success
- Allocating resources to achieve your goals

For small and medium-scale businesses, marketing is a constant effort of

What Marketing Isn't

- Simply advertising / promotion
- Just a department
- An optional extra

identifying low cost, high impact opportunities to build awareness and credibility for the brand. Most of the time, these opportunities emerge from the strangest of places.

Marketing also begins with the customer – your brand ambassadors who spread publicity through word of mouth.

They will
promote your
products only if
your products
or services
solve their real
needs and

Understanding Your Customers and Market

Ensuring a thorough knowledge of the consumer is vital for successful marketing planning. Typical customer demographics

- Customer profile
- Market size
- Market geography

desires, whether articulated or unarticulated.

Create your marketing strategy

Decide how to market your product or
service to potential customers

Write a marketing plan

This involves identify your objectives
and writing a plan that will help you market

those ideas and generate sales. Your plan must create a budget for the following:

Direct marketing

Communicating direct with your target customers through mass mailers, email campaigns and cold calls.

Trade shows

and

exhibitions

Using
specialist event
companies,
attending trade
events abroad

Understanding your Competitors

- Who are your competitors?
- What are they likely to be doing?
- Strengths
- Weaknesses
- Reputation and brand equity
- How are they using the marketing mix?
- Infrastructure and supply chain

Market

research and

market

reports

In order
to spread more
awareness
about your

Avoid These Pitfalls

- Making assumptions about what customers want.
- Ignoring the competition.
- Trying to compete on price alone.
- Relying on too few customers.
- Trying to grow too quickly.
- Becoming complacent about what you offer and failing to innovate.

marketplace and your customers.

Telemarketing

This should be done carefully without
pestering your customer at all odd times.

Image and positioning

Marketing helps position you in your current and future marketplace and gives you a specific brand identity. This is what branding is all about – acquiring a positive image for a product or a service in the customer’s mind. Marketing is a process that helps create a special happy feeling for your company, products and services, as Apple products do.

Focus on the Market

- Analyze the different needs of different groups of customers.
- Focus on a market niche where you can be the best.
- Aim to put most of your efforts into the 20 per cent of customers who provide 80 per cent of profits.

Everything that you do – the way you answer a phone call, your office, your mission

statement,
your sales
force, your
packaging
material, logo
are essential
parts of your
marketing mix
and speak
volumes about
your standing.

Search Marketing

“Search marketing, and most internet marketing in fact, can be very threatening because there are no rules. There’s no safe haven. To do it right, you need to be willing to be wrong. But search marketing done right is all about being wrong. Experimentation is the only way. No one really knows whether that page will rank #1 in Google; no one really knows which paid search copy will get the highest click rate. Even experts can’t tell you which content will attract the most links. You just have to try it and see.”

Mike Moran, IBM

Ask potential customers about what they see missing in your services or products and this will give them an opportunity to talk about your brand and help in its positioning.

Research every marketing and advertising angle of your rival and try to better those ideas in reach and appeal. Poorly designed materials can create a very poor image and stop you in your tracks before you can even get started.

Ideas for Building Customer Loyalty

- ✓ Search for other products and services you can offer customers.
- ✓ Reward customers according to their buying habits, not randomly.
- ✓ Send a statement to a customer who doesn't owe you money, to show they're missed.

- ✓ Resend your promotion to your best customers three or four weeks apart. You'll do 60%-75% as well as you did on the first.
- ✓ State a guarantee in the strongest possible terms and state it often.
- ✓ Cultivate customers with special savings, bonuses or premiums.
- ✓ Express appreciation to your customers for their past loyalty! Enclose a Special Gift with Your Thank you message.
- ✓ Increase customer loyalty with private advanced notice of sales.
- ✓ Include a newsletter as a statement stuffer.
- ✓ Make customers a partner in your business by asking for their opinion.

- ✓ Send renewable gifts like candy to fill up your logo etched candy jar.
- ✓ Educate your customers on what makes you different from your competitors.
- ✓ Call good customers within four to six weeks of their last purchase.
- ✓ Keep your promises and you'll keep a customer for life.
- ✓ Invite good customers to private preview showings.
- ✓ What gets measured gets action. What isn't measured gets ignored.
- ✓ Have the courage to choose between short term sales and the lifetime value of a client.
- ✓ Don't invest heavily to attract a customer, and then fail to match the effort in

following through to build a long term relationship.

- ✓ Send your client a newspaper clipping you know would be of interest.
- ✓ If your customers need help, they want it to be available, attentive and knowledgeable.
- ✓ Customers are seeking an organized system for meeting their needs.
- ✓ Customers are looking for comfort. Stand out by providing rest areas, snacks and children's play areas.
- ✓ Make sure your customers are winners in the shopping game. Give them a bargain.
- ✓ Remember your previous transaction with each individual customer.

- ✓ Make it easy for your clients to tell you about his or her needs.
- ✓ Create add-on opportunities to build relationships, creating additional services to benefit customers.
- ✓ How have you made your customer or client feel special today?
- ✓ Ask your customer for other ways you can be of service.
- ✓ Interview customers to find out what they value.
- ✓ Create a membership club to reward preferred customers.
- ✓ Do you know the last time each customer patronized your store or service?
- ✓ Don't confuse necessity for loyalty.

- ✓ Use database marketing as your engine for an on-going customer relationship.
- ✓ Encourage repeat business by relating previous purchases to the benefits derived.
- ✓ How often do your customers shop with you during any given month?
- ✓ Choose uncertain customers who resemble your best customers.
- ✓ Don't assume customers want a long term relationship with you, cultivate it instead.
- ✓ Have you taken advantage of the lifetime value of a customer today?
- ✓ Adopt a new homeowners program to attract new residents to your product or service.

- ✓ It costs 5 times more to reach a new customer than to sell an existing customer.
- ✓ Use a control group to measure the effectiveness of your direct marketing.
- ✓ Send an anniversary card to clients on their special day
- ✓ Use enhancement data to attach lifestyle and psychographic elements to your customer list for a deeper analysis.
- ✓ Acquiring new customers is more expensive than keeping them.
- ✓ The more targeted your advertising message, the better the results.
- ✓ Loyalty is a customer's willingness to build a relationship with your company.

- ✓ Customer loyalty is not the same as customer satisfaction alone.
- ✓ Are your front-end people inspiring customers to do business with you? How do you know?
- ✓ Acknowledge and reinforce service excellence.
- ✓ Discounting does not insure customer loyalty. It just trains them to wait for the next coupon.
- ✓ Dissatisfied customers cause disastrous results through negative word of mouth advertising.
 - ✓ Long term incremental improvements produce consistent quality customers appreciate.

- ✓ Celebrate your company's anniversary by throwing a party and rewarding your most important asset: your clients.
- ✓ Employees' attitudes are contagious and rub off on customers.
- ✓ Maintain employee enthusiasm by teaching the lifetime value of a customer.
- ✓ Offer special handling for VIP customers.
- ✓ Keep in constant contact with customers via mail, e-mail and telephone.
- ✓ The more personal your advertising messages the better the results.
- ✓ Nurture an organizational culture of sincere caring for employees and customers.
- ✓ Targeting a specific niche will make you rich.

- ✓ Do what your competition won't do to stand apart.
- ✓ Remember, you're not in the _____ business; you're in the **marketing business.**
- ✓ Consult with your customers about their needs, don't just sell.
- ✓ Tell customers you value their relationship by calling them "preferred customers."
- ✓ Business that gets rewarded is repeated.
- ✓ Smile at customers when you're talking on the phone.
- ✓ Test locally, expand globally.
- ✓ Find ways to stop saying "NO" to customers.
- ✓ Ask employees for their input, you might be surprised.

- ✓ Reward employees for good behavior and excellent ideas.
- ✓ Treat your customers as "shopping authorities."
- ✓ Have you told your customers lately about ALL your products and services?
- ✓ Take advantage of local media for free publicity.
- ✓ Cross promote with nearby non-competitive business in your area or sphere of influence.
- ✓ Survey current customers and uncover what makes you shine.
- ✓ Make data capture of customer information your #1 task.

- ✓ Free is still the most important word in advertising. Use it wisely.
- ✓ Take ownership of your expertise and riches will follow.

Bonus Chapter 1: How to Harness the Power of Facebook

H

arnessing Facebook to grow your business would be the smartest thing to do in the networked world.

Facebook offers several advantages to small and large enterprises. The biggest is the exposure that it provides to your brand at a fraction of the cost of traditional mass media channels.

Facts & Figures

- One in every 13 people on earth is on Facebook
- 35+ demographic represents more than 30% of the entire user base
- 71.2 % of all USA internet users are on Facebook
- In 20 minutes 1,000,000 links are shared on Facebook
- In 20 minutes 1,484,000 event invites are posted
- In 20 minutes 1,323,000 photos are tagged
- In 20 minutes 1,851,000 status updates are entered
- In 20 minutes 1.972 million friend requests are accepted
- In 20 minutes 2,716,000 photos are uploaded
- In 20 minutes 2,716,000 messages are sent

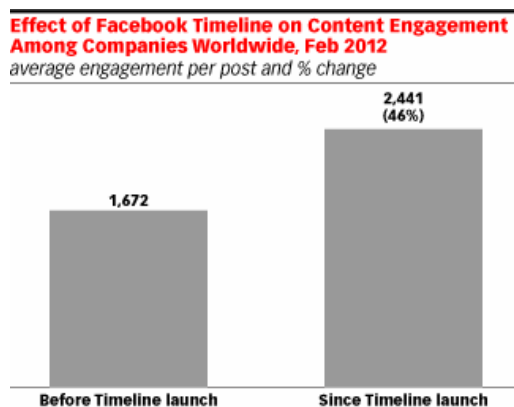
Consumers are increasingly using social media to win deals, access information about their favorite brands, check new product offerings, review services, seek expert advice, register complaints, download ringtones and wallpapers, book orders, post feedback, access freebies, get discounts and swap deals with other customers. Most such conversations are taking place in the FMCG, telecom, banking, financial services and insurance and travel & entertainment space.

Brand managers, in turn, are responding to this trend by integrating social media into all their market communications. Consumers engage with a brand online if they are assured of a reward in exchange for their

time and loyalty. They want to feel special and expect to be acknowledged by the brand as a loyal customer. Sometimes, consumers engage with brands online also because their peer group is watching and they want to be considered as cool because they're associated with a certain brand.

Have You Tried Facebook's Timeline Feature?

Social media measurement company Simply Measured recently studied 15 brand pages that were early adopters of



Note: n=15 early adopters of Facebook Timeline; includes "likes" and comments per post

Source: Simply Measured, March 27, 2012

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www.eMarketer.com

Facebook's Timeline format and found that average engagement on brand posts (i.e., comments and "likes") rose 46% in the three weeks after the brands migrated from 'normal' pages to Timeline format. Prior to the Timeline introduction, the 15 brand pages saw an average of 1,672 points of engagement per post, rising to 2,441 after switching to Timeline.

Generating Real Time Data and Statistics

You can use your Facebook pages to track user data and gain more insight into your customers, their lives, and other activities that have never before available to any business without a major million dollar campaign.

Tips & Warnings

- Keep personal comments to you off of the Facebook wall from anyone who might know you on an intimate level as it can be detrimental to the professionalism of your business.
- Offer discounts or savings to individuals who are friends with you on Facebook, perhaps using a discount code or promotional key for customers to redeem who befriend you on Facebook.

Targeted Ad Campaigns

Facebook's ad campaigns offer business the ability to create targeted campaigns. You, as a

business owner can use this information to direct your campaigns to men, women, certain age groups, specific locations and more. Facebook also offers business the ability to

track a
campaign's
specific
performance
and
determine its
effectiveness.

The Sheer Reach

Facebook boasts 500 million active users worldwide. According to Facebook, these people spend over 700 million minutes per month on the network. With so many eyeballs in one place, it's no surprise that an increasing number of small businesses are trying to tap into this pool of people.

Social Media for Business Purposes

Undoubtedly using social media for business purposes is absolutely essential for survival in today's competitive business environment.

For those that can't or won't utilize these tools effectively, it might be a harder market to survive in.

Building Your Presence

Once you've created your Page, the next step is to make sure it represents your products and mission.

Cover photo: This is the first thing people will see when they visit your Page. Choose a unique photo and change it as often as you like

Profile photo: This represents your Page on other parts of Facebook, like in news feed. Use your logo or another image that's associated with you

About: Write a short statement that clearly describes what your business is, and include helpful links and contact information

Views and apps: Photos, likes and apps are at the top of your Page. Change the order so people see what matters to you first

Posts: Add updates, photos, videos and links about your business so people always see fresh content on your page.

Bonus Chapter #2: How to Harness E-Bay

Ebay is the world's leading online marketplace for discounted merchandise

ranging from garage sale items, to fine collectibles and all manner of new products.

All products are hawked by individuals and small businesses that operate eBay stores and they rake in big bucks from these sales.

Getting started on eBay is indeed a child's play. Just about anyone can sign up, and put a few loose items up for sale. However, taking a "cyber-garage sale" into the next level of business can be a bit tricky so start learning

the ropes of the trade.

Successful eBay sellers know their business inside out. They know what items they have in stock, what vendors they have bought from and at what cost and they keep in contact with their customers to remain in business.

Forbidden Categories

- Alcohol – this category is prohibited. But, some of the accepted ones includes the alcohol- related collectibles.
- Tobacco. However, other tobacco- related items as well as collectibles are accepted.
- Nazi paraphernalia
- Drugs as well as drug paraphernalia
- Firearms and ammunition.
- Bootleg recordings
- Used underwear as well as dirty and used clothing
- Human organs, parts as well as its remains
- Sweepstakes tickets, lottery tickets, or any other items for gambling purposes.
- Ivory products

Like any business, selling on eBay is also a game of numbers. Buying items at the right price and selling them with the proper markup are absolutely essential to ensuring consistent profits.

Registering on eBay

Once you have confidence that starting an eBay store is for you, and you've laid out a logical and sensible business plan, you need to get registered as an eBay seller. To do so, visit eBay and click on the "Sell" tab at the top of the homepage. Follow the step-by-step instructions to register as an eBay community member. You'll be asked to provide your basic contact information, as well as banking information, such as credit card and checking account numbers.

A very silly mistake and one that almost everyone makes is the lack of inventory management. You need to keep track of each

individual item you have, how much you paid for it, and who purchased it. This is the thumb rule of any retail store and the rules are no different for online businesses. If you don't know your inventory and liabilities, you won't be able to grow your fledging business. You can create a simple pencil and paper inventory or record the data in a spreadsheet. Nothing is more painful than trying to clean up and reconcile old inventory that wasn't maintained well.

Next, repeat business is the key. You manage to grow your business not just through new customers but also by increase the frequency of purchase by the old set of customers.

Also keep track of your payment and shipping processes. Mark orders as pending, paid, shipped, canceled, etc...

There are a number of Point-of-Sale (POS) software programs available for managing inventory, orders, customers, promotions etc...

Take advice from experienced players on what software to invest in, as a start-up. You obviously need a tool that is both inexpensive and easy to use.

One tool that I can recommend is *Omniiture*. It is a free site tracking service offered with the purchase of an eBay store. Use it as it will greatly improve your site traffic, knowledge and allow you to determine what your shoppers are looking for,

when are they shopping on your store, and where your shopper traffic is coming from. Study every feature of Omniture as it will help you vastly in your business.

The second tool I would recommend is eBay's Key Word Selector tool. It is a search optimization tool that allows you to type in a key word, such as *lingerie*, and see how many times that word was used in searches by potential customers. It never ceases to amaze me that the words I think are searched for are not the same words people type in to the search box. You will find everything about this tool on inventoryoverture.com

Another helpful site is: janelleelms.com.

Janelle is a keynote speaker, author, educator, and consultant for eBay. She is also a first-rate net-entrepreneur. She is a power seller, who has become very successful in her business, and probably has tried several things that didn't work, until she stumbled on those that did!

The video clips from eBay site can all be found at one place in the eBay University in the seller help tools section - ebayuniversity.com. Navigate this section carefully and don't forget to bookmark it!