

MAKE EVERY DAY YOUR PAY DAY

SMALL BUSINESS MANAGEMENT ADVICE

There was a time when small business retailers could rely on selling their business for a handsome increase on the price they paid thereby providing a good pay day, when businesses sold for a good multiple of net earnings.

No more. Today, the best way to extract value from our businesses is to **make every day your pay day**, to not rely on your pay day being the day you sell the business.

The challenge is **how do you do this?**

Retailers need to look at their businesses differently. This starts with the mindset of every day being your pay day. Each decision needs to be considered in this context.

Focusing on profit today will give you a better result today and make your business more valuable tomorrow.

Here are some suggestions for making every day your pay day:

1. Run with the **leanest roster possible**. Just about every retail business we review has capacity to lower labour costs.
2. Have your **best people** working the floor, helping customers spend more.
3. Have **stunning displays** that attract people from outside the shop.
4. Have **compelling displays in-store** that encourage people to browse beyond their destination purchase.
5. Always have **impulse offers** at high traffic locations.
6. **Charge more** every time you can. Loyalty programs such as discount vouchers, bundling into hampers, multi buys such as 2 for 3 and other opportunities enable you to do this by blocking price comparison.
7. **Buy as best you can**.
8. Grab **settlement discounts** every time you are able.
9. **Promote** outside your store using online and social media opportunities.
10. **Leverage adjacency information**. Chase a deeper basket – people purchasing more each visit.

Be responsible for the profitability of your business. Don't blame your suppliers, your landlord, your employees or some other external factor ... it all comes down to you - the decisions you make and the actions you take.

If you **relentlessly pursue profit** with a clear focus you are likely to see profit grow. That's better than waiting to make money when you sell because that's less likely to happen in this market.

Doing all this relies on your measuring the performance of your business. The Tower software helps with this. It is easy.