

JUST BRIEFLY



BUSINESS PLANNING STEVEN STARK

There is an overused phrase that says “if you fail to plan, you plan to fail”. Although there is an inherent truth in that phrase, business planning does not need to be an exhausting process or a massive document. Keep it simple.

Start with identifying your critical success factors. Consider how you will capitalise on those critical success factors and also how you will protect them and put this into your plan. Consider how these may change over time.

The next step is to conduct a SWOT analysis. That is, identify your strengths, weaknesses, opportunities and threats. Writing these down and putting them in a table will ensure they are at the forefront of your mind and planning.

Now apply some creative thinking. Think the way an entrepreneur thinks. Many businesses are now growing again. These are mostly businesses that realised they had to make changes to survive, have made those changes and are now benefiting from them.

Finish the planning process with an assessment of the risks facing your business. These are both internal and external. Once the plan is prepared share it with your staff and refer to it frequently. About the author

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THE VALUE OF MARGIN SANDY GEYER

Competitive pricing and discounted pricing assists businesses to secure new clients but providing value retains clients and a value based relationship benefits both parties far more in the long term.

Margin strengthens businesses and allows for a value based offering as it caters for the time, resources, training and financial capacity a business needs to service its clients proficiently.

Good business needs to be a win win situation and agreeing to discount demands can invariably result in cash flow issues, resentment between parties, bad service and loss of business for the supplier. Having a sound understanding of the costs associated with our business structure and pricing ourselves accordingly places us in a strong position to outperform our competition consistently on value. The responsibility to strengthen business in the Waikato lies on both sides of the business transaction and we need to understand that excessive discounts can create a knock on and devaluing effect on our suppliers as well as our clients and ourselves. Value is a perception, remembered long after the price is forgotten and we get to drive that perception with the quality of service we allow for in our pricing structures. ■



THE IMPORTANCE OF MARKETING STRATEGY WAYNE ATTWELL

Declining sales and increased competition are common issues facing businesses. There are more products, suppliers and choices in every market today than at any other time in history, and it isn't getting any easier.

Yet despite this, some companies manage to thrive and grow while others shrivel. What sets them apart?

Many struggling companies do in fact commit funds to marketing and advertising programmes, yet the anticipated benefits seem to elude them. In many cases their marketing strategy is weak or non-existent, rendering their honest efforts ineffective. In the main, successful companies are those with well researched and thoughtfully planned marketing strategies, upon which they base their advertising and promotional programmes.

The key elements of an effective marketing strategy are; identify an appropriate market segment to operate in; gain clear insights through research into how your customers make buying decisions; develop a market position and offering that differentiates you from your competitors; and learn how to present your unique and special story.

The cost of marketing is the same whether you do it well or badly, but with a good strategy your efforts have the best possibility of success. Remember, strategy is the most important marketing investment you can make. ■