

The Numbers That Really Matter

To run a successful business you need to know everything that's going on in the business – what's working and what isn't. That means knowing your numbers inside out.

**What did you do last
week that has made
your business better
this week?**

YES, NUMBERS REALLY DO MATTER.

Attempting to manage your business without accurate data or an in-depth understanding of the key numbers is like trying to assemble a jigsaw puzzle with a number of the pieces missing.

The picture may start to take shape, but it will be far from complete.



Traditional numbers

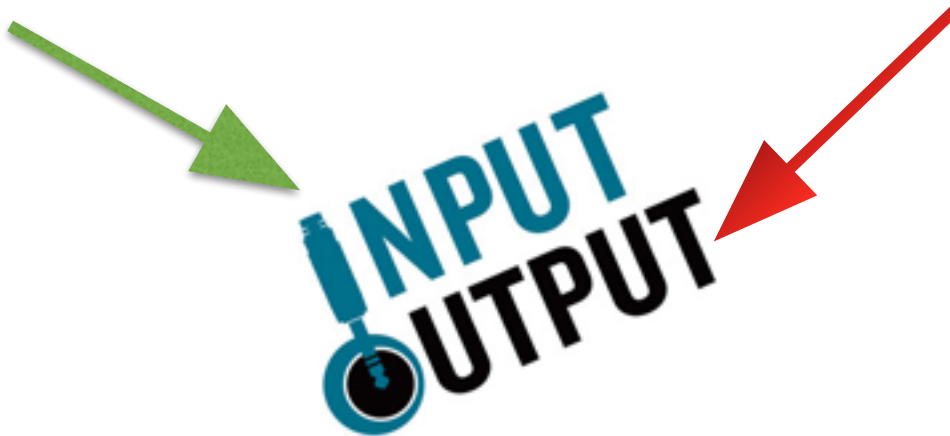
Commonly used traditional numbers are fine and necessary, but they don't help you build your business.



Great marketing, amazing sales techniques and even a phenomenal product **CANNOT** overcome poor business maths

The numbers you should be using!

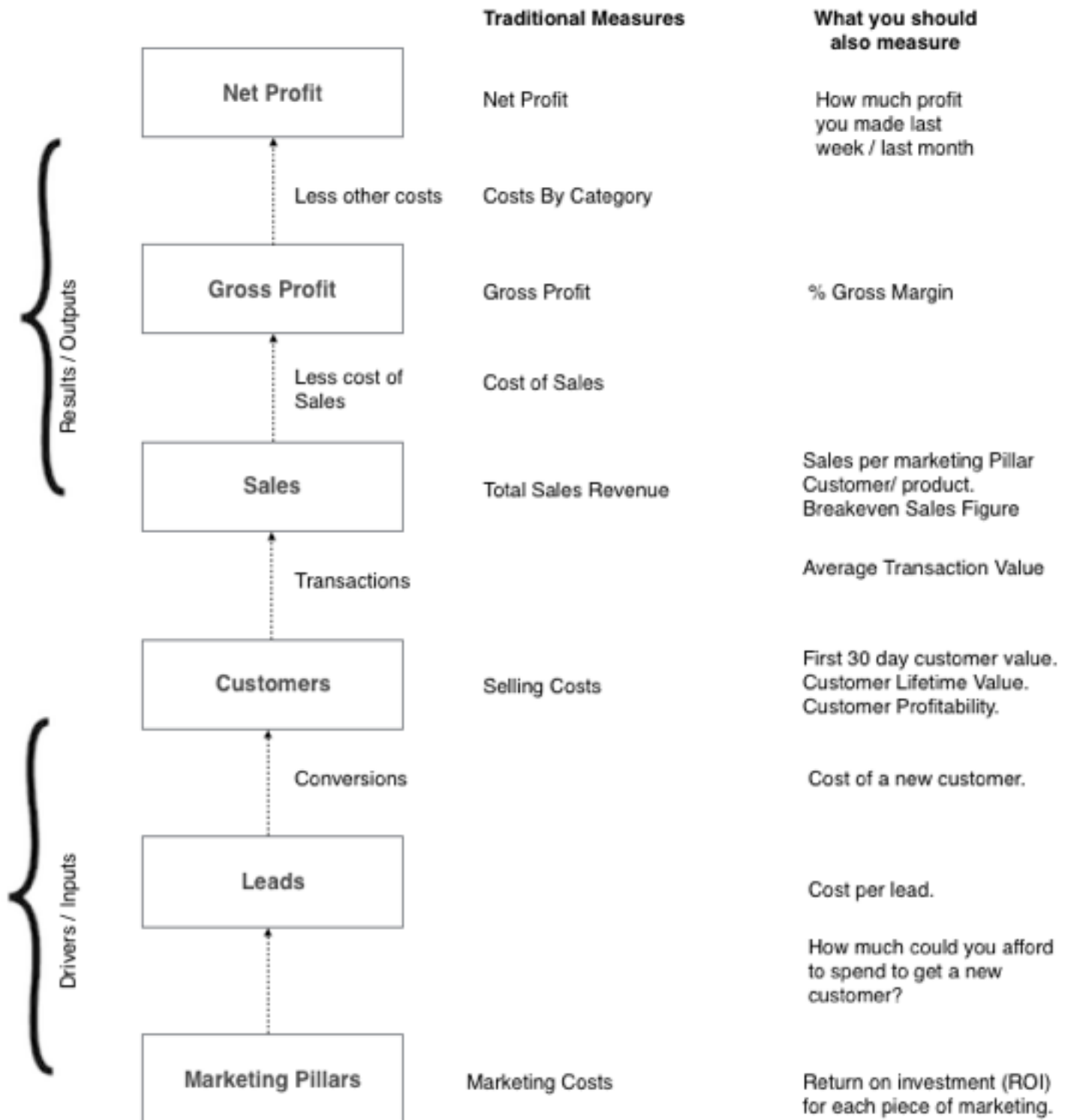
Relate to inputs, not outputs...



....your marketing, selling,
looking after customers

They're the things you can control!

The Numbers that Really Matter In Your Business.



Traditional measures are mostly related to results / Outputs and cost control. You should also measure the numbers that Really matter- these relate mostly to Drivers / Inputs.

So let's make a start on the numbers...

1. Cash flow

Cash is KING because without it you can not do anything!




2. Profit.

The difference between the amount earned and the amount spent in buying, operating, or producing something.




3. Cost of Acquisition

How much does it actually cost to get a lead for your business. Remember that acquiring leads is an auction process



Cost of getting a new lead

How much does it cost you to get a customer.



Cost to get a new customer - and you have to know

How much could you afford to pay to get a new customer?

4. Value of a Customer



There are 3 big things you need to know:-

1. The average Initial Spend.
2. The average Lifetime Value
3. Customer profitability

5. Marketing Return on Investment (ROI)

I know half my advertising dollars are wasted. I just don't know which half.



John Wannamaker

You need to know how much money each piece of marketing returns to you:-

- Tracking Numbers
- Google Analytics
- Other tracking devices in each piece of marketing

Here's a few more Numbers that Really Matter

How much is your time worth?

Gross margins

Average sales transaction value

Breakeven figure

Pricing

True cost of employing someone

Management accounts – where's the money going?

Some numbers that **don't** matter.

Marketing budget

Cost of a marketing piece

Relative cost of posting
direct mail vs. email

GDP



Your actions for the next week

Knowledge is NOT power. Knowledge combined with action and the right attitude (ACTitude) is applied knowledge and is true power. So what are YOU going to DO in the next week that will make your business better?

List 3 Actions that you are going to DO before the next session:-

Have a Great Week

ABOUT johnolivant.com

There are two things EVERY business owner wants. First, they want to generate more leads, attract more clients and make more money so they can eliminate any current financial distress they find themselves in. Second, they want to reach £1 million in annual revenue so they can begin to live the life they have always dreamed of having and so richly deserve.

Our Business building systems have been specifically created to provide all small business owners with the tools, resources and support they need to accomplish both of these goals.

How? First, we help you target your ideal client, understand exactly what they want when they make their decision to buy, and create compelling marketing messages that enable you to out-market and out-sell your competition.

Once we help you to establish a successful and lucrative sales process, we then help you document this process and license it worldwide to others in your market.

To find out more just go to www.johnolivant.com

Or to book a 45 minute business turnaround session where we will find a minimum of £10,000 in additional profit hidden in your business just call on 01482 408585 or drop an email to info@johnolivant.co.uk