

## **Increase Cash Flow by keeping variable and fixed expenses the same but increasing the number of new client and patient transactions**

In a previous article I talked about the seven ways to increase your income, or for that matter, your cashflow. In that article I talked about how most business owners cut expenses to increase profits (which translates to income and cashflow) and most of the time they choose to cut their marketing budget. I stressed that this was the wrong thing to do but rather look for other ways to get a higher return on your marketing dollars.

A second way to increase your income is by maintaining the same fixed and variable expenses and increasing the number of new client transactions.

This is the obvious solution. You need to figure out, some way to not spend a dollar more but get more clients/patients through your doors that exchange money with you. Most business owners rely heavily on referral business which may seem like free business, no marketing costs spent. This is not true, to get referral business you had to bring the client who referred them into your business, unless you think your business grew simply by your sphere of influence spreading the word.

In reality, I have seen service providers stay busy, consistently on just referred business. When I see this, I automatically know that something is very wrong with their business model. I may hear; "I have all the work I can handle, and it all comes from referrals." Red flags go up immediately.

To address the first part, "I have all the business I can handle...", first. What are you talking about. Are you the type of person who refuses to delegate because nobody in the world is reliable enough and can do as good a job as you? Get over yourself. If this is your mentality then you do NOT own a business, you are self-employed. Down the road nobody will be in the market to buy your business because it cannot run efficiently without your presence. Sure, you may find some sucker to buy your business, but for way less than you would deserve if it were a true business. Businesses are reliant without the owner. Period. End of story.

If you are too busy to take on more business, then hire someone and train them properly. Yes, you may be training your future competition but as I have said repeatedly, you believe that because you don't know what business you are in. If you are in the flooring business, hire and train someone so that you can grow your business, you may be training that person to compete with you. However, they have no idea that you are really in the relationship business, and they will struggle to find work unless they make the other mistake that causes you to "have all the work I can handle and it all comes from referrals."

I will give you a minute to figure out the other problem with this statement. Go on, take a guess...

This guy is NOT charging enough for his services. If you have more work than you can handle, raise your damn prices, and hire help. If you refuse to hire help at least please, for the love of God, raise your fees. There is a delicate balance, you want to raise prices, slowly but surely, until you are just a bit hungry to bring in more business.

We will address prices in another article tied to this topic. Going back to referrals, most businesses cannot survive strictly on referred business, you have about a 14% attrition rate each year and you always should be trying to bring in new clients/patients, even after you implement my everyday marketing and relationship marketing plan. You can never have enough clients or patients; you can always grow into them.

To bring more people through your doors who complete a transaction with you without increasing any expenses means you must become more effective in your marketing. Remember marketing encompasses advertising and sales too. You need to close more people on your services from the pool of prospects you have, or increase the prospects, preferable both.

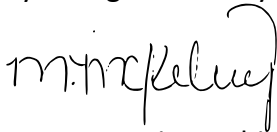
Sadly, most small business owners I meet are very skilled at their chosen profession but hopelessly pathetic at marketing. They continue to try to emulate the big corporations. Whenever I see an advertisement by a real estate agent or insurance agents that simply says; "I am number one in the area, call me" I gag. Because...WHO CARES!

If you haven't been with me for long, read enough of my articles, my book, or my training, you may not realize that the most effective marketing you can do, marketing that keeps a reliable cash flow coming through your door, happens to be the most inexpensive marketing of them all...relationship marketing. In other words, communicate with your past and current clients/patients relentlessly, persistently, and consistently and watch your income rise to heights you never dreamed of. Yep, call them, text them, mail them, visit them periodically and not only will your retention rates rise, and you will see more repeat business but your referrals will explode.

But don't stop there, do the same, with everyone you engage with in conversation. In other words, think of your primary duty in your business going forward as building a massive list, communicating with the contacts on that list and build relationships.

Until next time...Here's to your wealth!

By: Morgan McKelvy

A handwritten signature in black ink that reads "m.mckelvy". The signature is written in a cursive, lowercase style.

Morganmariecoaching.com

IG: @Coach\_MorganMarie

FB: Coach Morgan Marie

YouTube: Coach Morgan Marie

