

**baldry +
sanford**

CHARTERED ACCOUNTANTS

Transformational Growth

Practical strategies to
accelerate growth in 2023 for
your business

baldry + sanford Growth Hub

Tuesday 27 September 2022

Face to face workshop

Facilitated by Clinton Sanford

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Today's agenda

- ▶ Welcome / introduction / updates
- ▶ Three ways to avoid stagnation in growth strategies for 2022 / 2023
- ▶ How customer friction can drive innovation and growth. Where are your opportunities?
- ▶ Accelerating client referrals – simple strategies that work
- ▶ Coffee / networking with peers
- ▶ Is your pricing and business model holding you back from greater profitability?
- ▶ Business Leader group problem solving – address your number one challenge or opportunity
- ▶ Key actions and summary

Introduction & updates

- ▶ In one word how would you describe the **growth in your business** so far in 2022 and why?

Three ways to avoid stagnation in your growth strategies for 2022 / 2023

1. New products Existing markets

Four ways to grow your business

MARKET PENETRATION: Existing Products – Existing Markets

MARKET EXPANSION: Existing Products – New Markets

PRODUCT EXPANSION: New Products – Existing Markets

DIVERSIFICATION: New Products – New Markets

“A Ferrari official told Autoweek that all 999 versions of the 812 Competizione hardtop version are already sold, as are the 599 targas. The official also told us the hardtop starts at USD \$598,567, the Targa at USD\$694,549.”- Autoweek

All would have sold to existing customers.



2. Attract more 'A class' customers

Four ways to attract more quality clients

1. First identify your top 'A class' advocates. Who are they?
2. Do case studies (video and written for digestibility) on them and share with clients
3. Do a webinar / event and invite 'A class' clients to attend and speak about their experience
4. Ask 'A class' customers for a referral

Q: Who has done these? What else could you do?

3. Create urgency through scarcity

Leveraging 'drop' strategies

What is a product drop or flash sale?

Limited release of exclusive product at set time for set duration. The formula to make it work involves:

(Low-ish supply + high demand) x hype = major sales.

Ref: <https://www.shopify.com.au/retail/limited-drops>

Ref: <https://www.shopify.com/enterprise/how-to-create-hype-with-product-drops>



Kith. Established in 2011 and turns over \$100mil + a year is a lifestyle fashion brand that uses collaborations with brands like Adidas, BMW, Marvel, Taylormade and limited release 'drops' to create extreme demand for any release.



#BMW #BMWM #M4

The BMW M4 Competition x KITH. True legends live on.

https://www.youtube.com/watch?v=AZoz3_gFG4A

Network effect drives hype

The network power of collaborations means that when brand X collaborates with brand Y, it also benefits when brand Y collaborates with brand Z.

This helps explain the absurdly expensive (and expansive) ecosystem of James Bond product placement — where mid-level brands like Toyota, Heineken, Dell and Moscot bask in the reflected glory not just of 007, but of luxury marques like Aston Martin, Bollinger, Omega and Leica.



Ref: <https://www.bloomberg.com/opinion/articles/2022-01-23/from-target-to-supreme-branding-s-latest-obsession-is-collaborations>

Three ways to implement in your business

1. Build hype

Have you ever been invited to a wedding? If so, it's likely that you got a save-the-date from the soon-to-be newlyweds. The same line of thinking can be applied to a drop. It should be your goal to create as much excitement as possible surrounding your brand.

2. Leverage scarcity

One great way of using scarcity to your advantage is creating exclusive access opportunities. Limiting certain drops or specific products to members-only events or digital memberships helps build even more excitement and desire, making your brand an entity that people want to be a part of.

3. Deliver quality

While you can build all the hype and anticipation in the world around your brand and its products, if the overall quality of the product does not deliver, consumers will know. The design, quality, and service must exceed the expectations of the consumers who are putting forth time and money to support your brand, otherwise, it's likely you'll lose customers and even followers.

Ref: <https://www.foxells.com/post/the-drop-culture-strategy>

Exercise

- ▶ Discuss with the person next to you how you could leverage DROP strategies and / or the collaboration strategy for building hype into your B2B or B2C businesses to help you grow?

How customer friction can drive innovation and growth. Where are your opportunities?

Evolving to accelerate growth

Funnel-to-Flywheel

Then = Funnel
Customers as an afterthought



Accelerating your flywheel

1. Put the customer first
2. Eliminate friction
3. Delight customers
4. Build word-of-mouth

Ref: <https://blog.hubspot.com/service/funnel-into-flywheel>

Becoming more customer centric



1. Make customers' lives easier, even if they have to work harder

Convenience: Customers want to be able to get the information and service they need on their schedule, not the business'



2. Focus on personalisation

Customer expect high levels of personalisation and a unique experience. It is at the heart of customer centricity



3. Led by customer centric leaders

True customer centricity starts at the top

Becoming more customer centric



4. Innovate and pivot

Agility: Customer centric businesses move at a rapid pace, swiftly changing directions to meet customer needs often even before the customers realise the need for something new.



5. Proactively use data

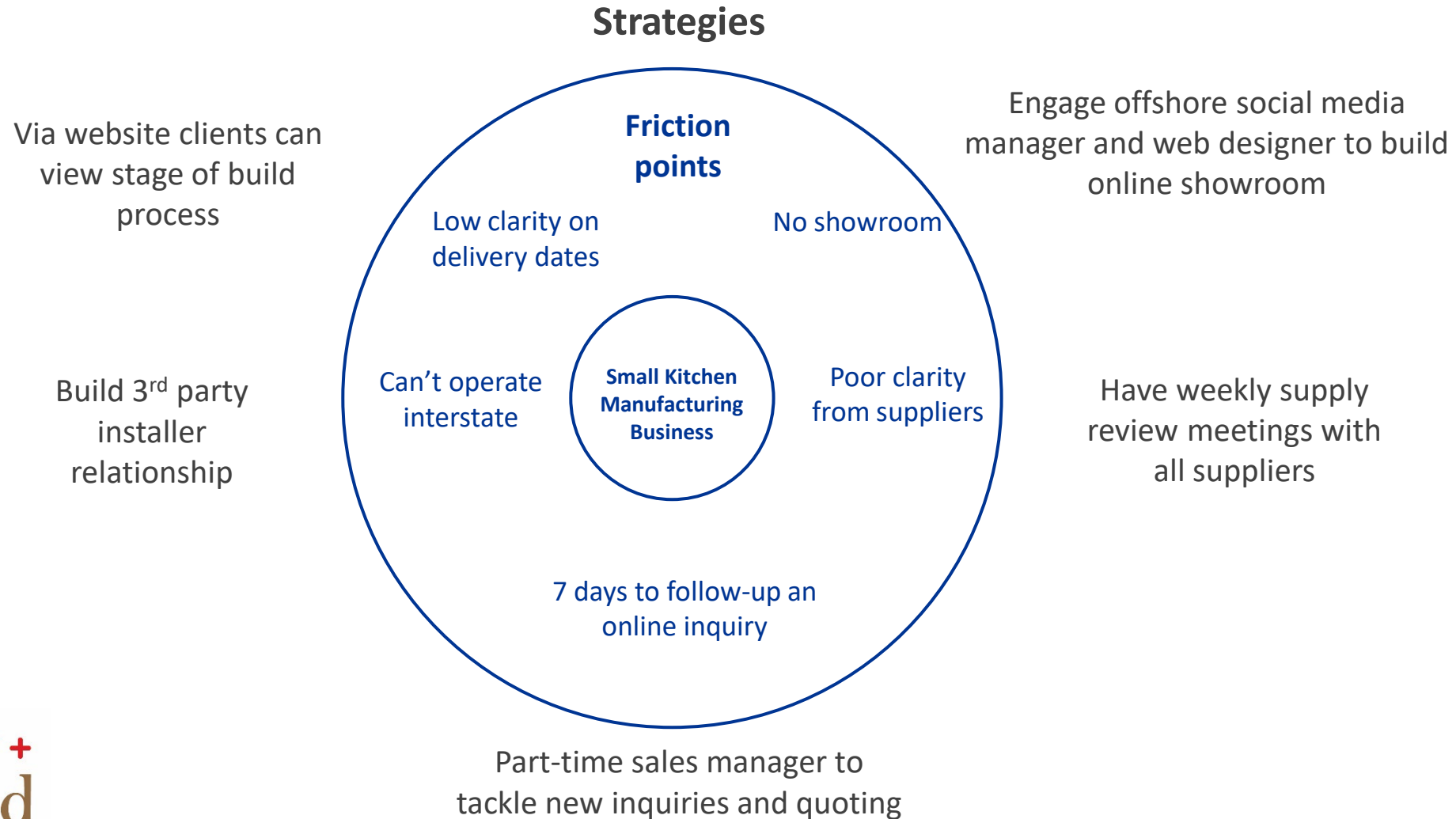
Customer centric businesses use customer data to paint an accurate picture of their customers.



6. Undergo a digital transformation

Businesses must continually undergo digital transformation to create digital solutions for their customers.

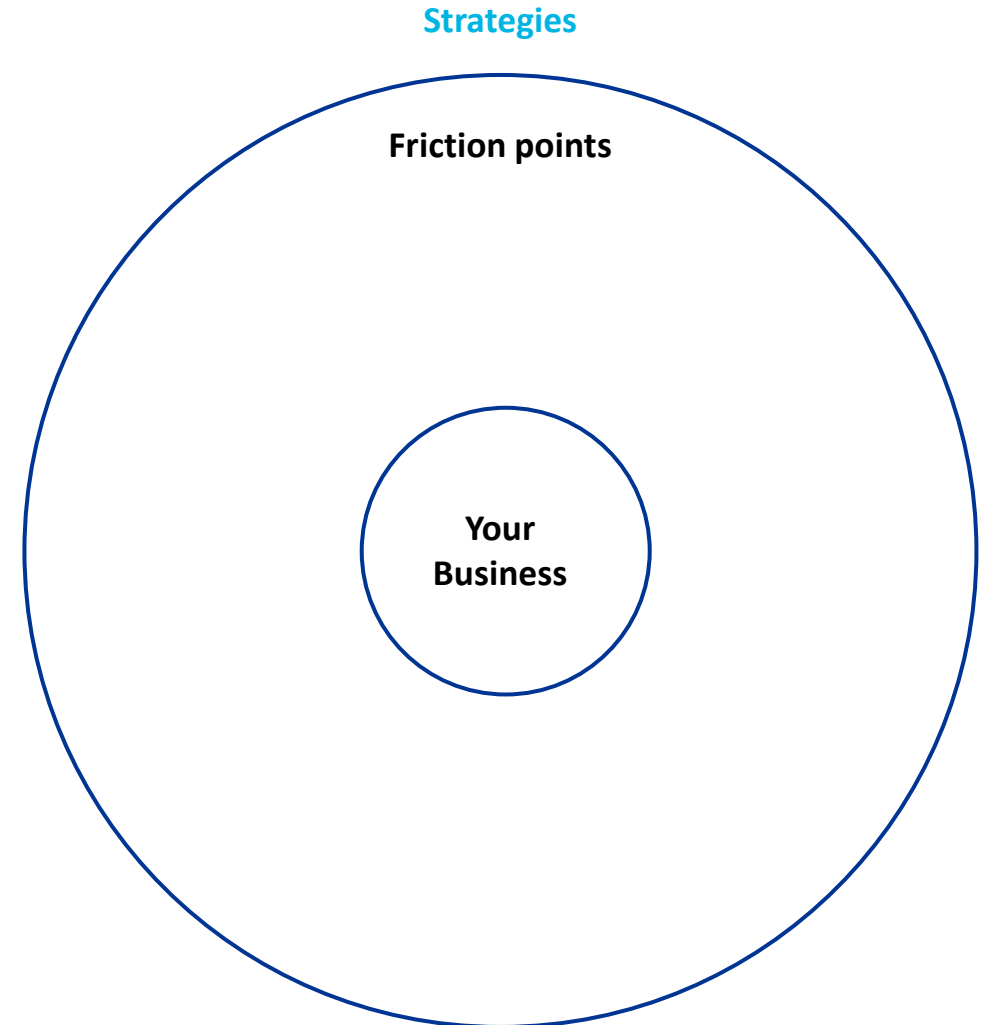
Removing friction in order to grow



Exercise:

Removing friction points to grow

- ▶ In pairs, spend 16 minutes using this tool on each of your businesses (eight minutes each). Challenge each other.
- ▶ We shall then debrief insights.



Accelerating client referrals – simple strategies that work!

84% OF B2B SALES BEGIN WITH A REFERRAL.



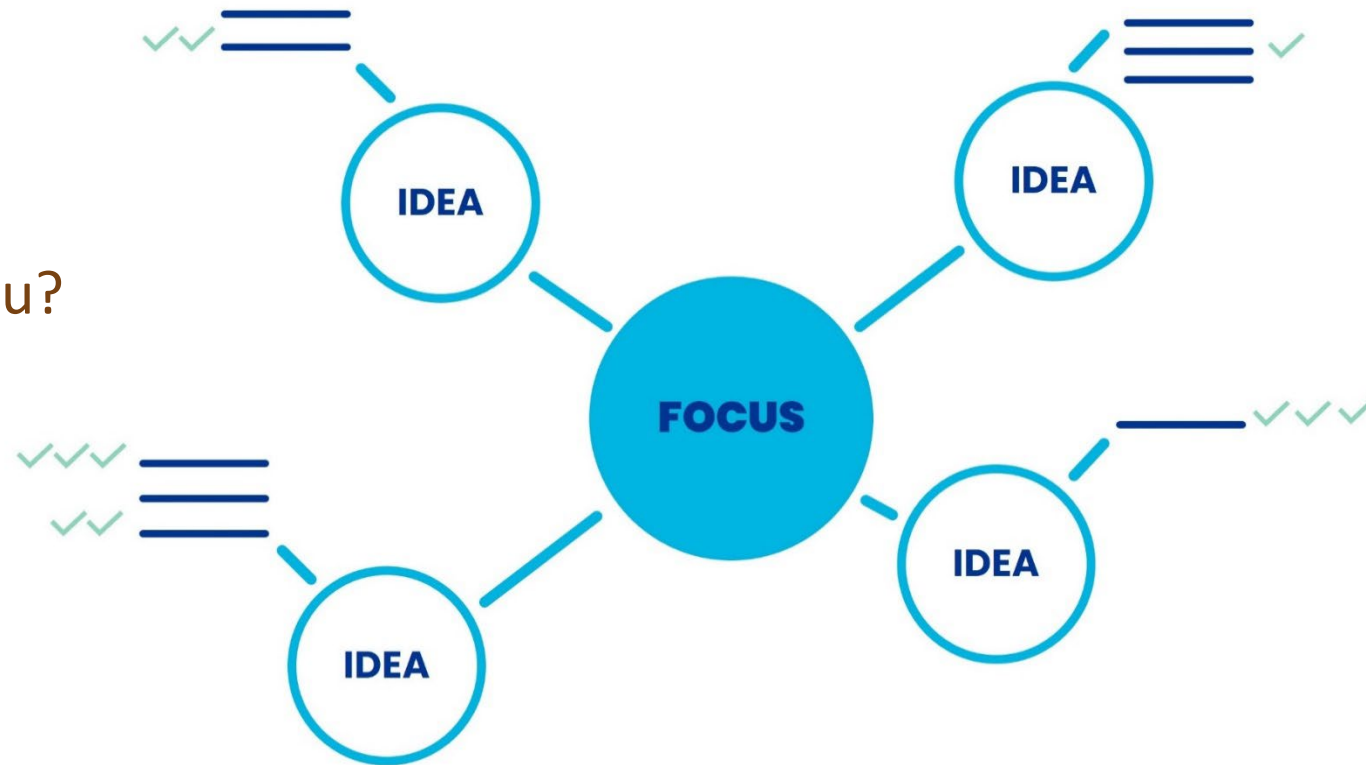
PEOPLE ARE **4X** MORE LIKELY TO BUY A PRODUCT WHEN IT IS REFERRED TO THEM BY A FRIEND



A REFERRED CUSTOMER HAS **16% HIGHER LIFETIME VALUE** THAN CUSTOMERS ACQUIRED THROUGH OTHER METHODS.

Ref: <https://customergauge.com/blog/b2b-referral-marketing>

What referral strategies are working for you?



Coffee Break

Is your pricing and business model holding you back from greater profitability?

Different revenue models

- 1. Transactional**

Provide a service at set price that customers pay for (typical)

- 2. Subscription**

Month-to-month or annual recurring fee a customer pays

- 3. Freemium**

Customers pay nothing in order to trial services at low level

- 4. Advertising**

Revenue generated through allowing advertising to customers

- 5. Commission**

Percentage or set fee provided for facilitating a sale

Five ways to look at your pricing

1. **Cost plus**

Materials + Labour + Overheads + Profit = Price

2. **Competitor pricing**

What are the competitors charging and how (revenue model)?

3. **Demand / value based – what the market will bear?**

What will people pay for your product?

4. **Government regulations**

Does the government set the price?

5. **Marketing / business plan**

Are we targeting margins, growth or both?

Scenario

- ▶ **Growing your profit through pricing**
- ▶ You own a small business with 20 staff (five in the showrooms, 10 in manufacturing and five in management / admin) selling office desks you manufacture locally using imported material. Your desks are high quality but you have not innovated for many years.
- ▶ You have two local showrooms but most sales are online as you have a great website and relationships across fit out providers. Through Covid you reduced your pricing to move stock but have not lifted them again. Lately due to higher cost of importing materials and costs running the showrooms profitability has dropped dramatically.
- ▶ You are concerned about lifting pricing but can't continue to operate the business at profit levels where you are only just breaking even.
- ▶ **What three things would you do to lift profit and growth?**

Solution

► What I would do

1. Close one showroom (or go all virtual) with small viewing area at manufacturing factory.
2. Introduce new stand-up desk technology into designs to sell as a premium product
3. Do a competitor analysis to view how we compare to others re: pricing
4. Go back to suppliers and look for ways to remove cost
5. Look at packages of desks to bundle pricing to increase volume and margin
6. Lift pricing to lock in profit and adapt overheads / expenses accordingly (even if that means scaling back in the short-term)

Group problem solving - addressing your
number one challenge or opportunity

Exercise

- ▶ **What's your key challenge or opportunity identified from today?**
 - Use the handout provided to note down for five minutes your name and your key challenge or opportunity from today re: growth.
 - When I see everyone's done I will give you all time to move around the room to provide advice on that person's handout.
 - Circle the top three ideas.

COACH TIER ?

🏠 Dashboard

📧 Inbox 2

🚀 Getting Started

📁 Plans and Actions

🧠 Online Training

💻 How to Webinars

🔧 Toolbox

🗣️ Resources

🩺 Diagnostics

💬 Discussion Forum

📊 Usage Metrics

Welcome back, Tony.

Dashboard

+ New Goal

🔔 You have 2 unread inbox items

Goals

Track and manage your own goals

Complete Prob Solving Course

18 Jul. 2022

COMPLETED

Roll out new CRM Internally

Due 3 Aug. 2022

IN PROGRESS

Hire Marketing Person

Due 10 Jul. 2022

OVERDUE



High

Engagement



1,744

Growth Points



64%

Getting Started



Emily Mason YOUR COACH




Mindshop

Reach out to me via chat or an action post to assist with implementing your strategies and achieving your goals.

Actions

Most recently modified action posts

[View all →](#)

Action	Due Date	Status
 Coaching Matrix on entire team	22/7/22	DOING
 Your vision for 2023 - planning for the first quarter	22/7/22	TO DO
 Do this course - leadership development	24/7/22	DOING

Training Courses

Online Training Courses in progress

[View all →](#)

Course	Progress	% Complete
Coaching / Developing People	<div style="width: 15%;"></div>	15%
Leadership Development	<div style="width: 40%;"></div>	40%

Discussion Forum

Most recent discussion forum topics

+ New Topic

Favourite Tools

Quick access to your favourite tools

[View Toolbox →](#)

[Coaching Skills Matrix](#)

Varying your approach to effectively coaching and developing your team

Summary from today

- ▶ Three ways to avoid growth stagnation
- ▶ Removing customer friction to drive new growth strategies
- ▶ Referrals and shared great ideas
- ▶ Pricing and revenue models and strategies associated with that
- ▶ Final group problem solving exercise

What is your key insight from the day?

Thank you for attending
Good luck with your growth strategies

Next workshop date Tuesday 6 December 2022