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How to Survive in a Tough Economy

Here are five tips to help you stay in the black.



Advertise. Advertise. Advertise. Your first reaction in a slow economy might be to cut back on advertising, but can you really afford to go unnoticed? Don't abandon your marketing efforts. Instead, look for ways to get more bang for your buck. Your printer can offer cost-saving approaches for marketing pieces and direct mail and might match competitors' rates. Radio, print, and TV sales representatives may be more willing to negotiate prices for frequency. Try alternative online marketing channels such as e-mail marketing, blogs, and mobile advertising. Deliver presentations to community business or social groups, or arrange to offer an adult education class at a secondary school or local college for free, or a small fee. Speaking can be a great way to build business recognition, establish credibility, and show your community how much you know.

Review your budget. Keep on top of your expenses. If money is tight, it's time to cut non-essential expenses from your budget in order to ensure you have the funds necessary to pay the utility bills, make smart inventory purchases, or buy that necessary software update. If you need to expand your advertising to woo more customers, look for other areas in which to make budget cuts to free up the necessary funds. If you do have extra capital available, this may be a great time to expand your business and divert extra funds into new endeavors or a new niche to gain a competitive edge. Since other businesses may be offering deeper discounts to increase sales, it may be the right time to make a major expenditure that will help you to pull ahead of your competition in the long run. And make sure your staff with spending authority know the plan and your priorities.

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Think Non-Traditional Marketing Can't Help You?

Think again! It's time to save a slice of the advertising pie for online marketing.



Online marketing channels can be very effective ways to reach and engage customers where they live — online. Use of channels such as e-mail and social forums is increasing each year. These new methods can help you to build a more personal relationship with potential clients, spread news of your products or services more quickly, and provide a great return on advertising dollars.

Start with your website. Think of your website as your 24/7 salesperson. Keep the content fresh and clean. You can highlight new products, special promotions, or maybe even write something about your best customers (with their permission, of course). The more often customers visit your website, the more often you should update it.

Incorporate e-mail marketing. Send monthly or quarterly e-mail newsletters to clients. Write short one-paragraph “teasers” that will drive customers to your website or blog for detailed information. Establish links to your website within the e-mail so clients can reach your site with one click. E-mail marketing providers such as

Constant Contact or iContact allow you to upload addresses, manage your contacts, create e-mail newsletters and cards with easy-to-use templates, and help prevent your e-mail from being labeled as spam. The fee structures vary, but you'll find substantial savings compared to direct mail costs. Keep it short — most people don't have the time or interest to plow through a long newsletter.

Add one or two online social forums to the mix. Share your business expertise with a blog, a relatively inexpensive way to deliver pertinent information to potential customers and increase awareness of your company. Check out blog network providers such as TypePad or Blogger. Internet forums that are related to your industry or are likely to be visited by your target customer are a great place to post samples of your work, provide information and answers to questions, and make yourself known. Create links from your message post back to your website or blog, but be sure to check the rules of each forum. Creating a

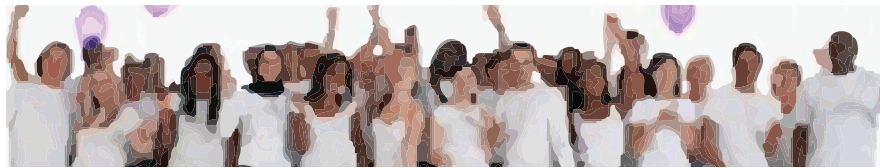
page on MySpace, Facebook, or another social site may be a benefit. Invite friends and associates to view your page, join or begin a group that is relevant to your business, and ask to be invited to join the pages of others to expand your network.

Tell two friends, and so on. At the very least, share your website, blog, or personal pages with friends, family, and business acquaintances. Encourage them to share it with people they know. Post your services on other websites that encourage peer and customer reviews. Ask other businesses to post a link to your website from theirs, and offer the same courtesy.

Integrate your marketing efforts. Build and expand your business by integrating new marketing methods with more traditional methods. With an integrated marketing strategy, you can use direct mail; print, radio, and television advertising; display advertising; and e-mail, forums, and social sites to steer customers towards your website or your phones for more in-depth information about your company.

Company, Retreat!

Waving the white flag can be an energy booster.



While there may never seem to be a good time to “take a break”, maybe it’s time to plan a one- or two-day “surrender” and go on a company retreat. Whether you’re an army of one or fifty, a day or two spent away from the office engaging in something other than business-as-usual can be the perfect respite to get you and your staff rejuvenated and prepared to fight another day.

A company retreat can allow you the time to become more familiar with your employees in a relaxed, informal, fun, or even physically challenging setting. A retreat can serve as an employee reward, boost morale, and ultimately improve overall efficiency. To pick a retreat that will excite everyone, involve employees in the planning stages. Even with a limited budget you can plan a picnic or pool party at a local country club, a theatre or movie excursion and luncheon, a day at the spa, or a mini-golf tournament. Leave the sticky notes, red pen, and highlighter in the office and create an agenda for fun.

When is a retreat not a retreat?

While there’s nothing wrong with combining work and fun, if you plan a work retreat and include team building exercises, motivational speakers, analysis of the year’s achievements, or plans for the upcoming year, communicate that up front to your staff. Don’t try to cram too much business into a short time frame. Have three or fewer achievable goals in mind, provide plenty of time for employee input and discussion, and plan with employees ahead of time to create energizing, fun “down-time” activities that everyone can enjoy.

Save Energy, Save Money

Even though you can write off some or all of your utility expenditures, becoming too complacent and wasteful hurts your bottom line and the environment. Begin today to make your business more energy-efficient.

- Perform an energy audit on your business. Look at your heating and cooling systems, office practices, window seals, water use, the energy efficiency of your equipment, and equipment maintenance. You are sure to discover ways you can improve your energy efficiency.
- Shut off all non-essential office equipment and combine tasks for those machines when possible.
- Replace outdated equipment with newer, energy-efficient models.
- Replace incandescent bulbs with compact fluorescent light bulbs (CFLs). They use 75% less energy and last up to ten times longer.
- Change heating and cooling system air filters every one to three months. Dirty filters slow down air-flow and make your system work harder.
- Combine your delivery trips or errands whenever possible and plan each route to avoid backtracking. One or two longer runs are more cost effective than many short, frequent trips.
- Maintain your vehicle to squeeze the most mileage from a gallon of gas. Change the oil, filters, and spark plugs regularly and perform any other necessary maintenance. Check your tire pressure regularly — poorly inflated tires can cost you 3% in gas mileage.
- Avoid aggressive driving. Speeding, quick acceleration, and hard braking can lower highway gas mileage by as much as 30% and city mileage by 5%.

Keep on top of accounts receivable and payable. Losing track of invoices? Make sure your thirty day terms are not being stretched out to 45 days or longer. Set limits on the amount of credit (if any) you are willing to extend a non-paying or new customer. Pay your bills within the proper time frame to avoid incurring extra charges, but don't pay so early that you limit your cash flow.

Take a look at your bottom line. If your customer base is feeling the pinch and your sales are declining, raising prices can be a difficult step to take. However, if your expenses are skyrocketing, you will need to make changes in your purchases and/or look for ways to pass part of those costs on to your customer. Another tactic may be to market to a more affluent customer base or to focus more efforts on a particular niche of your business that brings you the best return. Consider charging extra for your extras, similar to the way hospitals charge separately for the tissues, water pitcher, etc.

Consider taking out a loan. Whatever you do, avoid racking up high interest credit card debt. If you've got a solid bottom line but are hitting a bit of a dry spell, talk to your local bank or government sponsored loan agency about taking out a business loan. Although it is more difficult to secure a loan in a tough economy and loan applications will be scrutinized more carefully, it may be the right thing for your particular situation. As always, ask your accountant, local government small business agency, or other knowledgeable financial professional for advice and help in putting together, or revising, your business plan.

Search Engine Spiders

Not your ordinary creepy crawler.



Did you know that search engine spiders, programs that fetch web pages and feed them to search engines like Google, can track how often you update your website and may pass over sites with no updates? Some search engines may also downgrade their rankings for stale websites. When Google spiders miss a website, it is often for one of four reasons: there are few natural links from other websites, a site has been launched after a crawl, the site design is ineffective or faulty, or a site was temporarily unavailable during a crawl.

Do you want to improve your website's chances of coming up during a web search? Google recommends that you:

- Provide quality content on your pages to keep people coming back to your site time and again.
- Connect your site through multiple links to other sites on the web. Natural links, links that occur as a result of others finding your content useful and directing their surfers to your site, are best. Ask business partners and friends to provide links to your site on their websites.
- Check your website design and ensure that each page can be reached through at least one text link.
- Keep your website available and updated.

If your site is down for long periods of time, or a search engine received errors as it crawls your site, you're decreasing your chances of coming up in a web search. There are many inexpensive things you can do to make your site more successful. For more information and tips on how to increase your chances of being noticed, visit <http://www.google.com/support/webmasters/bin/answer.py?answer=40349> or go to Google Help and scroll down to "Get help adding Google to your site or intranet."