The secrets of business success

The important things I've learnt from the last 25 years in business. Thanks to all my colleagues, clients and competitors for the learning points here.

Julia Chanteray

The Secrets of Business Success

I've been running businesses for the last 26 years. And over the last 16 years, I've helped hundreds of different companies to grow, develop and become more successful.

I've talked to hundreds of business owners, read dozens of business books, and written a few thousand blogs on how to run a successful small business.

And I've been there and done it myself, building up businesses, developing new ideas, created teams and come through some pretty spectacular challenges.

In this book, I've distilled down the elements you need for a successful business. If you get these right, you'll be on course to create something amazing.

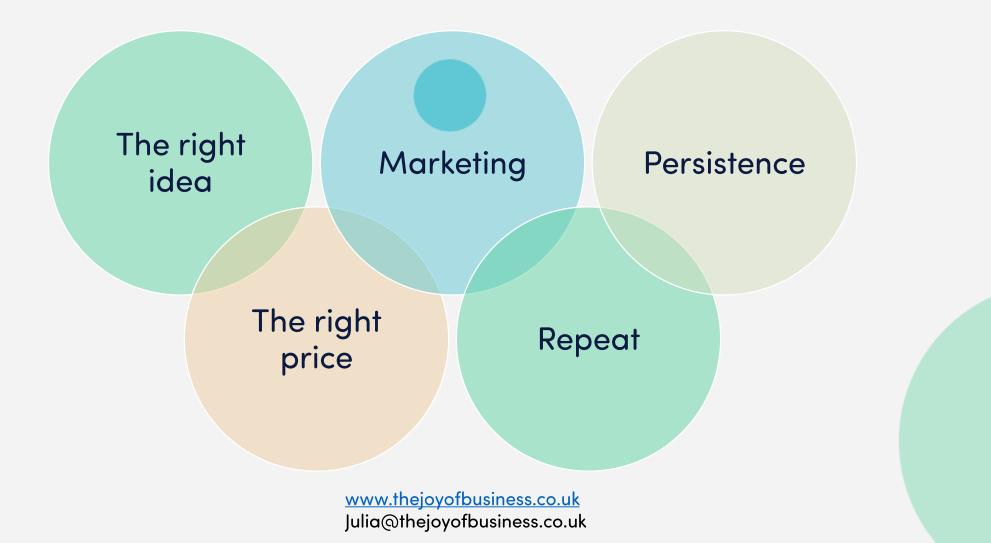
Let's go.



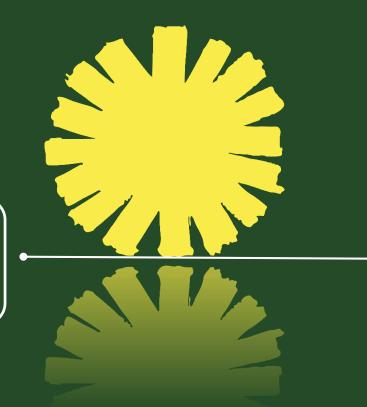


The key elements you need

Secrets to success for any business



Number one – the idea



Julia Chanteray

Secret number one – the idea

The first element you need to get your business right, is the idea for the business itself. You don't want a business which is the same as what everyone else is doing; you don't want to be battling on price or fighting for customers.

You need something original, something that people are going to want to pay good money for, something that's going to be truly remarkable. We'll come back to the idea itself in more detail, but my first secret to share is: **stay away from what everyone else is doing**.

I've been a business advisor for 16 years now. And before that, I spent ten years setting up and running a whole load of different businesses. And one of the big things I've noticed is that the people who are doing something which is similar to everyone else, they struggle. It's hard.

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Photo credit – Mark Ou

The first three secrets Secret number one – the idea

I moved house recently, and while the guys were bringing in my boxes I was chatting to the owner of the firm. Every twenty minutes or so, he would answer his phone and give someone a quote.

He apologised for breaking off our chat, saying that if he didn't get to the potential customer straight away, they would ring the next person. He was just one of a bunch of phone numbers anyone could get on Google, and people would ring around to find the cheapest quote, or who was available to do the work.

He is a lovely guy, but you don't want to be him. You don't want to be competing with other people who can do pretty much the same job, while all your customers are looking for the cheapest.

You want a business where people are only going to come to you.

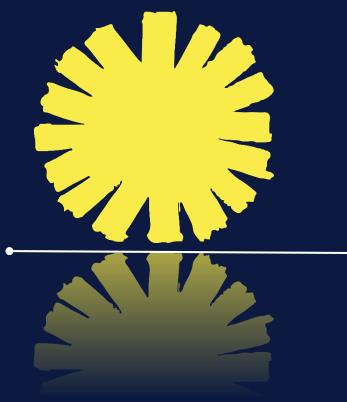
You might be the only person who does that special thing. Or the one with the best reputation. Or the one who's got to the <u>cu</u>stomer first, before they do that ring around.

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Photo credit – Richard Rutter

The second secret It's all about the pricing



Julia Chanteray

Secret number two – pricing

The other thing I do with most of my clients who have already got businesses is **change their pricing**.

This secret is simple – most people are not charging enough. I have had clients who are actually making a loss with every job they do or every item they sell, and they don't realise that their pricing model is wrong.

You need a business which people will pay for. Preferably a business where lots of people will pay handsomely. Of course it's not as simple as that, you can't just charge a million bucks an hour and hope that people will pay it.



Photo credit – PixaBay



Secret number two – pricing

If you put secret number one (a unique or different idea) together with secret number two (pricing that will give you a good return), you will see that these two fit together.

We will all pay more for something which is unique or different.

I'll pay more for a removal firm that I know won't scratch my furniture or break my pictures. I'll pay good money for something I can trust, something that makes my life easier, or gives me a new experience.

You need a business where people aren't too worried about how much it costs, and they're happy to pay because it's worth it.



Secret number two - pricing

Small businesses are not able to compete on price with the big guys. And it's foolish to even try.

I can go into McDonalds and buy a burger for 99p. McDonalds have spent years working on how to make burgers that will still turn a profit even when they sell them for 99p. You can't compete with that — you don't have the buying power, the supply chain, the logistics or the expertise. But maybe you can make a better burger. I like my food and I'd have to be pretty desperately hungry to go into McDonalds and buy a burger.

But last night I had a Troll's Pantry burger which I paid $\pounds 8$ for. And it was worth every penny.



Photo credit – Tom Bullock

Secret number two – pricing

The guys at Trolls Pantry have gone for a pretty far-out menu, with different sauces and variations all the time. Even the name is quite out there — who would want to eat something made by trolls? But they sell a lot of burgers — I once had to queue for 30 minutes for mine.

They are insanely popular where I live, because they're simply excellent, and they're very different to anything you'd get at McDonalds.

Both are selling burgers, and, sure, McDonalds sell a lot more, but your only chance of success when you don't have the resources of McDonalds behind you, is to sell something different for a better price.

And to make sure that it stands out.



Secret number two – pricing

Trolls Pantry have been going since 2012, and started with almost nothing.

In the past few years, there's been a burger revolution in the UK, and now there are "gourmet burgers" almost everywhere. I've tried some of them, and most are not nearly as good.

Troll's Pantry have had to compete with lots of other places offering a high-priced burger, but they've managed this by keeping their product excellent and remaining super enthusiastic about their food. They've maintained a high price throughout, they've never tried to do a cheap and cheerful offer, and certainly not a 99p version.

There are many lessons from their experience, but the big one is: don't try to compete with the big guys on price when you're just a little guy.



Photo credit – Jeremy Keith

Secret number two – pricing

Getting your pricing right is essential if you want to make your business successful. It's the first thing I look at with my coaching clients. Now you can use my techniques yourself with Your Pricing Sweetspot.

Your Pricing Sweetspot is a collection of my thoughts in a book, it gives away my secret weapon in my crusade to help people build their businesses.

The Big Resource Pack gives you everything you need to work out what you should be charging, understand why, and to apply it to your business. It contains everything in the book, plus videos explaining the most important parts, spreadsheets to easily work out your pricing and potential profits, and cheat sheets to help you apply this to your business.

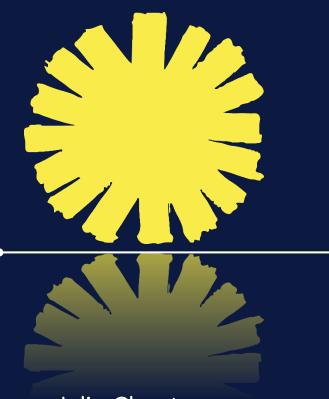
They are all here if you want to find out more about them.

Your Pricing Sweetspot



Secret number three

A whole lot of marketing. And then some more.



Julia Chanteray

Secret number three – repeat your marketing

Secret number three is also ignored by most small businesses when they're just getting going.

The third secret is about doing a lot of marketing.

And then doing it again.

And then doing it some more.

Most businesses are started up by people who know nothing about running one. Those which succeed are the ones who know that they know nothing and set out to learn.

Especially about marketing.

If you've got the best idea in the world, and you've set the right price, but you don't tell anyone about it, you're not going to have any customers. And if you only tell people when you launch, you might have some customers at the beginning, but they'll soon forget about you.



Photo credit – John Lloyd

Secret number three – repeat your marketing

How many times have you had this experience?

Someone asks you where the best burger in town is, or who can do their removal for them? Or any other service or product. And you try to remember the name of the restaurant, or the removal guy, or app, and you just can't. This happens to me all the time, and I have to Google it or look through old emails to try to find the person who did that great logo for one of my clients, or the software I used to fix the GPS on my phone.

But if the people behind that great design or neat software had kept in touch with me, I'd be more likely to remember them, and I'd certainly be able to find them in my list of emails.

So my secret isn't that you have to do great marketing. You know that already, and if you're not sure how, there are some great resources on my blog to help you with that.

It's repeating the marketing that's the key to success.



Secret number three – repeat your marketing

The secret I want to share here is that you need to **be out there all the time**, communicating with customers, potential customers, people who will tell other people to become customers.

To make your business a success, you always need to be getting your message out there.

Even when you're busy looking after all the customers who came to you when you did your first round of marketing. Especially then.

It doesn't have to be expensive marketing. You could just be getting on the phone to people, going for coffee, dropping in, scheduling some social media, blogging, sending emails, tweeting some photos, all of which costs nothing but your time. But it does have to be repeated, over and over again. And repeated in different ways, with different angles and new things for your customers to think about.



Photo credit –Kass3tte

PS – Translation: 'These wall are colourful'

Secret number three – repeat your marketing

Think of your relationship with your potential customers as being like a marriage.

In a good marriage, you talk to your husband/wife all the time. You share things with them, find out about what they want. You see them regularly, and if you're away, you text them to let them know that you're still around and you're thinking of them.

If one of your friends got married and their intention was to only pay attention to their new partner twice a year, on Valentine's Day and their anniversary, you'd know where that marriage was heading. You wouldn't expect the new couple to last long. And the same is true of your relationship with your customers and potential customers.

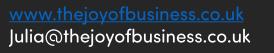
You need to talk to them, let them know that you're still around and that you're not going anywhere, so they remember you and have faith in you.



Photo credit –David Lytle

These are my three secrets of business success, the remarkable idea which makes you different to everyone else, being able to charge the right price, and getting your marketing messages out there again and again.

Let's look in more detail at some of these, starting with why the idea matters.





The secrets behind a good idea

I spend a lot of my time thinking up new business ideas for people to try out.

Whether that's writing up business ideas for people who subscribe to my New Business Ideas Collection, or thinking about how to reposition someone's business to improve it for my business mentoring clients, I'm always thinking about what the best business ideas are.

You can take a trial of the <u>New Business Ideas Collection here</u>, and get inspiration for your next business.



Photo credit - Danel Solabarrieta

The secrets behind a good idea

Here are some of the principles I use to inform that thinking process.

A good business idea is one which:

- Solves a problem or fulfils a need for someone. Your idea has to be one which will take away a headache or hard work for someone, or give them something which they want or need.
- Solves a problem for enough people, including the people you can reach out to. If there are only a few people in the world who have the problem you're thinking about, or you're not able to be in touch with these people, this doesn't give you a big enough target market to sell to.
- People will pay for. There are plenty of problems in the world, and plenty we'd all like to solve. Many of these kinds of problems are because people don't have enough money, unfortunately. You need to be selling something which enough people will pay for. Otherwise, you're not going to have enough money, which is definitely not what we're looking for.

The secrets behind a good idea

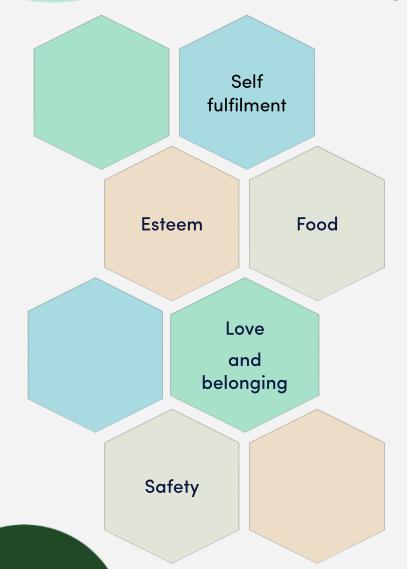
One of the most useful ways of looking at the problems and needs part of this, is to think through Maslow's hierarchy of needs.

Abraham Maslow came up with this back in 1943, and it's still a useful way to think of all the different areas of our lives where we might want to spend some money to help us get these different things.

At the bottom level of hierarchy, we have the most basic human needs: food, shelter, sex, sleep. You might think that anyone with some cash to spend has these things covered already, but it's a useful area to think about because people always want to improve these things.

These are our deepest needs and desires, and we always want something better. Most of the world's disposable income goes on paying for accommodation, and as soon as someone gets a pay rise or a little more money, they'll buy a better house or put in a new kitchen. People will pay a lot of money to look more attractive to potential partners, and there's a lot of money to be made in improving people's sex lives, or the quality of their sleep.

The secrets behind a good idea



The next level is safety. This is safety for ourselves, and for those we love, especially our children. There are many applications in this area, whether that's advice on safety, stopping your possessions getting stolen, bodyguards, or a bracelet to tag your children on the beach.

Moving up the hierarchy, we come to the love and belonging category. Facebook's success is founded on fulfilling needs in this area – by being in touch with our friends and family we feel as though we are part of a community, which makes us feel good. Don't feel you have to create the next Facebook though, there are enough failed copy-cat social networks out there already.

Think about how you can fill that need in a different way, by creating clubs and societies, making people feel that they belong to something bigger than they are. And you can use Facebook as a tool for marketing, and to bring people together.

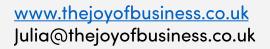
The secrets behind a good idea

We all need esteem, which is the next part of Maslow's hierarchy.

We need other people to think well of us, and we need to think well of ourselves. Products and services for the well-off often fall into this category — by having the best suite in the hotel, exclusive membership of a prestigious club, or entry into a VIP section of a restaurant or night club.

American Express offer a Centurion Card, which you have to pay \$7500 just to join, and apparently there's no spending limit on the card! They offer a range of different services, such as personal shoppers, concierges who will get you tickets to sold-out shows, and lots of freebies. But I bet that most people who get a Centurion Card do it to show that they've made it. But everyone needs the esteem part of Maslow's hierarchy, this isn't just for the wealthy.

What could you provide which gives your customers a little jump to their selfesteem and makes them look good in front of other people?



The secrets behind a good idea

You need to be able to create a picture of your target market and then do a little research to find out how many people are in that market.

And you'll need to think about how many of those people you can actually sell to in practice.

If you're selling something entirely digital, such as a course on how to use colour in website design, you can sell to every web designer in the world.

If you need to send out a physical product in the post, you need to think about who you can get your packages to.

And if you're delivering a service in person, you need to have enough people in your target market in the city you live in, or can travel to.

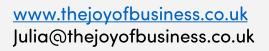


The secrets behind a good idea

Let's look at how I worked this out for one of the business ideas I've included in my **New Business Ideas Collection** package where you can get lots of great ideas for businesses to set up.

I developed the business ideas collection for curated subscription boxes, where people get a regular monthly order of something they need. There are lots of different variants of this model, including high-end chocolates, knickers by post, office-healthy snacks and stationery supplies. It's a lovely way to do business because you sign up repeat customers who buy from you every month, but I'll show you how I worked out the numbers for one version in particular.

For all the curated subscription box ideas, you need to work out exactly who is going to buy from you, and how you're going to meet their needs in a better way than them just going to the shops and buying what you send them by post. I will use the example of people who have a cat with kidney problems, so that they have to have a special diet and medication.



The secrets behind a good idea

I was able to find from Google how many pet owners there are in different countries, and what sort of pets people own.

I thought about someone doing this in France, and found that there are 11 million cat owners in the country. Which is a lot of cats, but we're not just aiming at cat owners, we're aiming at cat owners with a very specific problem. I then looked through some very dull veterinary statistics to find out just how many cats get kidney disease, and found out that this is 18% of cats. So our target market becomes two million cat owners. That's our total addressable market; two million people. I then figured that out of that two million, we'd be lucky to sign up just a small percentage, maybe 0.1% of people. Everyone else will either see our offer to send them the food and medication regularly, and decide to carry on with their own arrangements, or they'll not see the offer. That still leaves us with a decent chunk of people to sell to, as we'd only need 1000 people signed up to make it worthwhile, and if we could sign up all of the 0.1% the business would be very successful.

By doing some simple research (finding those statistics took me about an hour) and making a very prudent assumption about the percentage of people who might sign up, I was able to test this idea and get a real feel for whether it could be a good one.



If this has got your appetite for business ideas going, and you want to find out more about curated subscription boxes, home brew clubs, or how to transform your graphic design business into being a specialist "leave behind" designer, why not take a look at my <u>New Business</u> <u>Ideas Collection</u>.

You can sign up on my website, and get new business ideas sent to you every month.

If you're already up and running with your business, but want some help finding the right business model to make it make money, and how to find that special something to make customers queue up to buy, you'll want to be part of my <u>Remarkable Business programme</u>.

Who are the people who will pay?

Let's talk some more about finding out about your target market.

Focusing on who you want to sell to can often be the way to find your idea. By homing in on a particular group of people you can identify what their problems and needs are, and then work out what to sell them.

The first thing to remember is that your target market is not you, and it's not your family and friends. You can go very wrong with the assumption that you're selling to people who are like you. If you're selling a service, it's likely to be something that you can already do easily.

If you love gardening, you want to sell to people who don't love gardening, probably don't know much about gardening, but do want to have a lovely garden.

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Photo credit – John Loder

Who are the people who will pay?

If you're the sort of person who finds it easy to meet new customers while networking, and you want to offer a service for people to pay you a referral fee for getting new business for them, you're probably going to be selling to people who hate business networking and want to outsource it to you instead.

And you're probably going to sell to people who (at least at the moment) have more money than you do, so don't imagine that your potential customers will look at your pricing in the same way you would.

So you have to think around the issue and get inside the heads of some people who are different to you. They've maybe got more money, less time, or they're already running a busy business. Think about some of the people you've come across in your life, who are definitely different to you. Go out of your way to meet some more of them. Read up about them, Google "demographic trends in marketing" and see what's out there to research.

Think about the problems faced by different businesses at different stages, and think about services you could sell to groups of similar businesses. What are the problems you could sell to accountants, to lawyers, to businesses run by people in their 60's who want to retire but can't because they don't have enough pension saved up?



Who are the people who will pay?

Spend some time playing with this idea of different groups of people.

Maybe go and talk to some of them — you could have a good chat for the price of a coffee with a friendly accountant or plumber to see what their problems and needs are, and then think about how you could find something to help.

And then start to dig in to that group of people. You don't want a business which will be for all accountants everywhere, or everyone who has a long commute. You want a business which works for some of these people, a particular section of them. Maybe you want to sell to accountants who are very ambitious to grow their company, or lawyers who want to spend more time with clients and less time writing up reports.



Who are the people who will pay?

By getting very particular about the sort of people you want to work with, you can get a better grip on their problems and needs.

If you think about the group of people who have a long commute, start cutting that group into sections. Think about just the people who commute by car, and therefore invent the idea of a shared limo service with enough room for your customers to start checking their emails because they don't have to drive themselves anymore; or the idea of a female-only minibus pick-up service for people who start work very early in the morning. Or a new kind of city club, based on the old gentlemen's clubs, so people don't always have to drive home, but have somewhere reasonably priced to stay when they are working late in the city.

And start thinking about who's got the money to pay and how much they might be willing to spend. Quick clue here: of the three ideas I just came up with, the limo service is for people who have a reasonable amount of money to spend, at least as much as they spend on fuel and parking to drive to work; the female-only minibus pick-up is probably for people who have very little money to spend as they're the people who are doing early morning office cleaning; and the city club is either for the people who have a long commute because they've got a fancy house in Surrey, or because they're the upwardly mobile city workers who want to have a fancy house in Surrey.

Who are the people who will pay?

All the successful business ideas I come up with are based on a particular group of people and their needs. I can often imagine those people. I can see the bar and the tiny cube rooms of the city club, and the suits the city workers are wearing right now. You need to get your imagination and your curiosity about the world and all the wonderful different types of people working overtime too. You can have fun with this; you don't have to stick with any one group of people — try on a few different types for size and see how this process works for you.

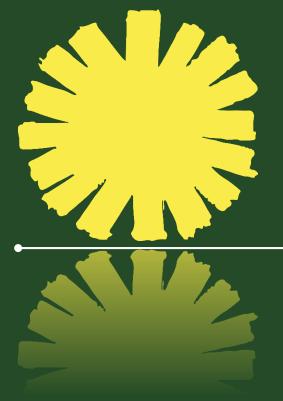


Photo credit – Catherine

What could you sell to these serious knitters?

The fourth secret of business success

This one is probably the most important of them all....



Julia Chanteray

The fourth secret

The biggest and most important of them all

I've talked at length about the idea, the pricing and the need to repeat your marketing as my secrets of business success.

There's one more though. And this one is probably the biggest and most important thing.

If you're got all the other bits of your recipe in place, the great idea for the right group of people who are willing to pay for it, and the marketing machine all working smoothly, you might think that you're got it made. And you will have, in many ways. But you'll be just at the start of your business journey.

The fourth secret is all about persistence.



Photo credit – Erik Drost

The fourth secret

The biggest and most important of them all

Keeping at it is probably the hardest thing to do in business.

Keeping going when the honeymoon period of the first six months is over. Logging on to your computer every day and doing the same (or different) things to keep the marketing messages going out there. Moving on when a client isn't happy or doesn't pay on time. Believing in yourself when someone gives you a hard time online. Dealing with technology that doesn't work as it's supposed to, or staff who don't have the same work ethic as you.

Running a business, just like life itself, is all about keeping going when it's hard.

I see many people who have all the ingredients for success but they just give up. They lose their mojo somewhere along the way and fall out of love with the business. Or they spend months developing a product, but stop short of putting it on sale and getting people to buy it.

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Photo credit – Shever

The fourth secret

The biggest and most important of them all

If I had to build a successful business person from a kit, this is what it would contain:

- Curiosity and a love of learning new things
- The ability to work at something every day
- The ability to finish things off and get stuff done
- Self-belief mixed with the ability to question whether they're doing the right thing
- Organisational ability or a great to-do list
- Resilience in the face of things going wrong
- A little touch of the need to prove yourself

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Photo credit – NASA Commons

Does this sound like you? Or someone you could become? If so, all you need is the idea, the group of people who are happy to pay for you to help them with their need or problem, and some 21st century marketing techniques.

- If you'd like some help with your business, or getting going with your next venture, here's how I can help:
- One to one coaching to really get your business going
- Support from me and a group of other business owners in the <u>Your Remarkable Business Programme</u>
- My book, <u>Your Pricing Sweetspot</u>

Watch out for my regular emails with tips, stories, and lots of great ideas and advice, and stay in touch.

Julia Chanteray

