

# The only seven ways to grow your business

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**It doesn't matter what business you are in or where you are located, fundamentally there are just seven ways to increase the profitability of your business.**

That's right – just seven.

Which is a relief, really, when you think about it. If there's only seven ways to grow your business then there's only really seven things that you need to focus on in your business to have it grow and put more cash into your back pocket. Not twenty, not two hundred... thankfully!

And if you focus on and improve each of the seven ways (even if it's just a tiny improvement for each) then you'll start to see DRAMATIC improvements in your business.

Let's start by exploring the seven ways to grow your business:

1. Attract new potential customers (lead generation)
2. Turn more of those potential customers into customers (sales conversion)
3. Keep more of those customers from defecting to your competition (retention rate)
4. Get those customers to do business with you more often (transaction frequency)
5. Encourage them to spend more money with you each time they buy ('average sale' or 'transaction value')
6. Reduce the Cost of Goods Sold (profit improvement)
7. Reduce the Expenses (profit improvement)

Which of these areas do you focus on the most in your business?

If you're like most people, you spend most of your time focusing on point number 1 – attracting new potential customers or generating leads.

And while you focus all your attention on this area, you can end up neglecting other areas which are potentially even more profitable for their business.

Moreover, while you focus all your time on attracting new leads, you're actually missing 'big picture' sales and profit opportunities that often take far less effort but can have a much bigger impact.

That's because small, incremental increases across several of the seven ways listed above actually lead to a disproportionately large increase in total revenue and/or profit.

The business growth formula looks something like this:

Leads generated X Conversion rate X Retention rate = Total customers

Total customers X Transaction frequency X Transaction value = Total sales

Total sales minus Cost of goods minus Expenses = Profit