

# Get Cash Into Your Business

## Coaching Questions

### **What are some different ways that your business could generate some cash in the short term?**

- If you don't get cash in the short term, your business may not be around to wait for the cash in the long term.
- Think outside of the box, are there different ways to make money within your business? Especially with all of the technology changes, there are always new widgets or ways to collaborate with other companies that to make additional income. Such as;
  - Affiliate programs. Are there specific products that you'd like to sell, but you don't think that you have the time or money to do yourself? Find a company (especially online) that sells this product or service, and become a reseller. You make a percentage of the sales that you drive to them, everything is streamlined online, and you don't have to hold inventory or worry about the delivery. If it is not through a website, then you need to set up an arrangement as a referral agent.
  - Advertising. This only pays when you have a lot of people who are coming to your website, that you talk to, or some other way of communicating to a large audience. This can make you money, but there is a lot of time that would have to be spent to find the advertisers. Again, online is easier as there are tools, including Google AdWords, that automatically set advertisers up with advertising space.
  - Memberships. Is there any way that a target market may give you an annual fee? This is good in many different industries, and many do not traditionally offer memberships. Hair salons, nail salons, movie rentals, car washes, or movie theatres could all offer memberships or upfront payments. Consider whether this is an option for you. If your current target market will not pay for this type of service, is there another one that will? This is a good way to differentiate between markets, for instance a business may buy a directory of names and will pay for it once. A library or business centre will buy the membership.

- Sponsorships. If you are going after a target market that other businesses also target, you could have them sponsor what you are doing in order to have access to the same market. Or you could have them buy your product as a value add for their market.

## What are some different ideas for long term cash flow?

- Long term cash flows are where you should have the most upside. The major driver for an entrepreneur to start a business is that they are building equity.
- For upside, plan revenue streams that are residual or tied to a % of sales of other companies. Both are cumulative in their growth and are preferred by investors or potential buyers.
  - Residual income is something that has a reoccurring fee. This can be a monthly fee that is ongoing. Examples of companies that have done this is Google and telecommunication companies. Even Microsoft has made an offering that is a monthly service fee rather than buying their software in a single lump sum.
  - % of sales ties you to your customers' performance. PayPal is a great example of this, where they charge a variable cost on a per transaction basis. As customers begin using PayPal and growing themselves, PayPal's business grows exponentially.
- Have a lot of ideas, and as the business environment evolves, you will find that one of them will end up being much more lucrative than the others and worth your time and monetary investment to move forward.

## Are there upsell opportunities?

- It is easier to get more business from you existing customers than to get new customers. Assess whether or not there are additional products or services that your existing customers require.
- Your employees need to be trained to upsell and look for these gaps for your customers. Incenting them to upsell is important.