

I wrote this report for businesses that are having cash flow problems for one reason or another. I am not here to judge you, so take this advice in the spirit in which it is offered: To help you survive and prosper.

Since I don't know your background, your financial situation, or your work habits, I cannot predict or guarantee the results you will get from these or any ideas. I do know that success at anything takes time, effort and resources. The more of these you can invest any business endeavor, the more successful you are likely to be.

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Use of any of the information contained herein is strictly and solely your responsibility. Any money that you choose to invest to implement the methods described herein shall be spent at your sole risk. All business decisions involve some degree of risk. Therefore, use common sense and do not spend any money in connection with this or any business activity that you cannot afford to lose. Any perceived slight of a specific person or organization is strictly unintentional. **As you read the following information, I urge you to keep an open mind. The continued viability of your business may hinge on your ability to use one or more of my ideas successfully.**

Nick Nichols, Business Survival and Prosperity Advisor, December 2020

What this Special Report Contains:

1. The Advance Purchasing Strategy
2. The Plausibility Technique
3. The Release Technique
4. The Special Certificate Strategy
5. The Non-Profit/Affinity Sale
6. The Marginal Bump Strategy
7. The Special Membership Program
8. The Status Adjustment Technique
9. The React Strategy
10. The Aerobic Marketing Strategy

#1: The Advance Purchasing Strategy

Recently, a client needed to raise some cash quickly for an opportunity that came his way. He had not planned on it, so he did not have quite enough money to make it work. I analyzed his business and developed a plan to get him a substantial lump-sum payment immediately.

The client had a large account that paid annually for their service. The invoice date was four months away. I crafted a special letter for the client to send to his large account.

First, the letter reiterated all the wonderful things the client had been doing for his customer during the past few years. It reminded the customer of how the client had not raised prices in three years yet was giving them more for their money each year.

Next, the letter went on to comment about the rising costs of doing business. It explained that despite all the client's efforts to control costs, he would be forced to raise his prices for the next invoice period. In the letter, the client explained how it pained him to increase prices, but that he had no choice.

Then, the letter offered a solution to the customer's "problem" (potential increased cost.) It offered a way to give the customer the same level of service they had received in the past, for the same price they were currently paying.

The letter proposed that if the customer would prepay their contract in full now, the client could purchase all their materials and supplies for the year at a discount and pass the savings along to them in the form of constant pricing.

Along with the letter were two invoices, one for the current price if they paid now, and one for the new price (10% higher) if they waited until the regular invoice date. Did it work?

Within ten days the client had a check for a little more than \$50,000!

Naturally, he didn't use all the money for the new deal. He did purchase all their materials and supplies at a discount, just as he had promised. And he held enough money in reserve to cover fulfillment of the service part of their contract. He used his profit to invest in the other deal.

Even if your situation is different, you can raise a sizable lump sum of cash quickly. Write a sincere letter to several of your customers or clients. First, describe the value they have been getting from you. Then explain a “problem” you have that potentially affects them: your inventory is too high, your rent is going up, your labor costs have increased, etc. Then show your customers how helping you with your problem will benefit them in some meaningful way. Put a brief time limit on your offer. If you are sincere, you'll be surprised at the results a letter like this can bring.

A variant on this strategy is to offer your customers an unexpected savings off your regular prices if they prepay. In some cases, it may be better to take less profit in the long run in exchange for working capital now. This strategy works wonders for service businesses, and you'll be surprised at how many people will jump on your bargain bandwagon.

I also developed a simple plan for companies with hard dollars invested in inventory or cost of goods sold. I advise these clients to print their own “money.”

If you adhere to federal, state, and local laws, there is no reason you can't have your own “currency” made up for use at your own business.

Here is the secret: Make up some “bills,” then sell them to your customers or prospects for less than face amount. Stipulate on the “bill” that it can be used just like cash toward any purchase at your business, starting at a date 30 or 60 days in the future and ending one year later. I recommend stating that no change or credit be returned for a purchase of less than the face amount. In other words, use it all or lose it. In addition to getting you some fast cash up front, my research has also found this strategy can be highly profitable for you.

Let's say you make up some \$10 “bills” that you sell for \$8 or 20% savings for your customers. Ten dollars is just an example. Depending on your business, you could use \$20, \$50, \$100, or any amount that makes sense. When you sell your \$10 bills for \$8, you fully intend to honor

them for \$10, right? But, things being as they are, if you give people a full year to redeem your paper, some bills will get lost, some will get destroyed in the washing machine, people will move away, and so forth. Therefore, some of your bills will never be used. And guess what? Instead of a 20% discount, you'll make \$8 of pure profit! This phenomenon is known as "breakage." Sometimes breakage can run as high as 25%!

This is a form of bartering. Some companies have separate divisions just to create and implement barter transactions. Done correctly, bartering can be a huge new profit center for you.

Your trading doesn't necessarily have to be just two-way. It's entirely possible to set up triangular or quadrangular relationships for things you have and need.

Yes, it takes more time to set up a barter deal, but trading can open doors for your goods and services that might otherwise remain closed.

There are companies that facilitate barter transactions, but they charge a hefty commission to each side, plus an annual membership fee. Before using one of these companies, try to get the names of several of their customers to call for references.

2. The Plausibility Technique

Retailers, wholesalers, distributors and consumer goods manufacturers can use this technique to generate a lot of activity, and a lot of cash. You simply write a letter to your customers telling them about a special sale that is by invitation only. This event must truly offer some extraordinary bargains and it must be exclusive.

Before you dismiss this incredibly powerful strategy because you've heard about it before, consider that this technique is very seldom used correctly! For example, I recently got invited to a special sale at a furniture chain store I had patronized six months earlier.

First, the “invitation” was not personalized and was sent by bulk mail.

Second, when I arrived at the store, there was no place to park and no one was directing traffic. I had to park next door at a closed fast-food place and literally had to climb over a small fence to get to the store.

Third, there was no one at the door checking invitations. Anyone could have walked in.

Fourth, although most items had prices on them, there was no way to tell if they were really “specially priced.” It seemed to me that the store's everyday pricing was in effect.

Finally, the place was in chaos! They didn't have enough sales people and most customers were just milling around with disgusted looks on their faces. Needless to say, I left. And guess what? I will never shop there again!

This furniture company wasted a fantastic opportunity. You can capitalize on the blunders of others and reap huge rewards, once you know the right way to have a special sale. Here are seven steps you should follow:

First, write a personalized letter that gives a plausible reason why you are having the special sale. One of the best ways to get people to respond is to tell the truth! If things have been a little slow, let them know. If you really did over buy, let them know. Don't be afraid to go into a

little detail about your dilemma. Explain that you're willing to cut your profit substantially for your best customers if they will help you out.

Second, send your invitation by first class mail using a commemorative stamp instead of a postage meter. Individually address each envelope instead of using mailing labels. Yes, this takes more effort, but your open rate will be dramatically higher. By the way, postal mail is the forgotten medium of the digital age. Done correctly, postal mail offers will outperform email offers every time.

Third, be prepared! Hire uniformed security guards to check invitations and don't admit any party without one. This will reaffirm the exclusivity of your event to invited guests. Be sure to thank everyone for coming. Keep the invitations so you know who showed up. Send a thank-you note to all attendees and include a new offer!

If you have your sale on a Saturday morning, passers-by will notice the activity at your location and want to see what it's all about. Tell “uninvited” guests to come back in the afternoon. Have an incentive for them to return, like a 10%-off coupon good that day only. People who are turned away from your sale will doubtless think “Hey, this company appears to have some great deals...I'd better come back and get in on the action.”

Fourth, be prepared! Have someone direct traffic. If you will need more parking, make arrangements with a neighbor. Better yet, bring in a valet service. They will usually work just for tips and you can offer “free” valet parking.

Fifth, be prepared! Have prices clearly marked, something like, “Retail Price: \$399, My Usual Price: \$299, Special Sale Price: \$199.” Let people know exactly how much they'll be saving if they buy today. If you are doing a percent-off sale, do not just “discount the dogs,” make everything 25% or 30% off.

Sixth, be prepared! Have enough sales people on hand. If necessary, turn your secretaries, bookkeeper, warehouse people, etc., into sales people.

Seventh, make your event memorable. The twists on this strategy are limited only by your imagination. Dress your staff in formal wear. Hire a catering service to serve coffee and tea on silver platters and fine china. Arrange for a limousine service to shuttle well-dressed friends and family members in and out of your location during the sale. Hire attractive models to “mingle” with your guests. Hire a photographer to take pictures. Hire a local celebrity or athlete to pose with guests who buy a certain amount. Send those customers framed prints of the photos and use them for post-sale publicity.

A variation on this is to approach a complementary but non-competing business and offer their customers special savings on your products or services. You'll agree to pay all the expenses and offer the business a percentage of the sales generated by your sale. Since you're doing all the work, they have nothing to lose and everything to gain from an arrangement like this.

If your sale to their customers is successful, why not switch roles? You do a promotion to your customers for them!

If you're in the service business, you can put your service on sale! If you have employees, you're paying them anyway, right? You still must pay for your equipment whether you use it or not. Why not have a half-price weekend? Offer your existing customers 50% off some service you offer but they don't use. If you don't have anything to offer, find something! Isn't there something you could provide your existing customers that you don't offer now?

Suppose Monday morning is your slowest time. Again, you're paying your overhead anyway so why not offset it? Why not have a “Monday Madness” promotion where your service is 25-30% off before noon?

What if you sell industrial products? Again, be creative. Find a complementary but non-competing business that sells to the same people you do. Make a consignment deal with them. Tell them you'll let them sell your goods for cost plus whatever profit they can make. They give you your cost upon sale and they make the profit. You get cash, and some new customers you can resell, and they get revenue they otherwise would not get.

3. The Release Tactic

You can generate immediate publicity for your business-and immediate cash as well-by creating and distributing media (press) releases. A well-executed media release can get you thousands of dollars of advertising for pennies. A media release can prompt a story about your business in your local paper that you couldn't buy at any price.

My research has found that most people aren't aware that almost all feature stories published in magazines and newspapers were generated by media releases. This is because many publications don't have the budget to keep feature writers on staff. Overworked and underpaid staff writers don't have the time or energy to seek out as many stories as they need to fill up the pages. They rely heavily on media releases for story ideas.

This presents a terrific opportunity for you and your business, if you know how to take advantage of it. Unfortunately, most media releases are just plain boring. They contain self-serving company statistics or blatant promotional information that savvy editors will laughingly delete or toss into the circular file.

The secret is to make your media release newsworthy. That is, give the right editor or reporter at the right publication a story that is right for that editor or reporter's readers. All profitable publications have target markets. Even daily newspapers have sections that are aimed at different market segments.

As part of your marketing strategy, it's essential that you become familiar with all the print and electronic media in your city, county, region of your state, your state as a whole, your region of the country and the country as a whole.

You can start locally on a small scale to develop your media maximization skills, but you must start, and you must start now.

The key is to cultivate the media, so they recognize you as a professional with something important to convey to their audience.

The first thing you should do is to compile a list of all the print publications and radio and television stations in your trade zone. Just do a Google search. Your library may have access to Data Axle – formerly Reference USA – that you can use to search for media outlets in your area.

Next, get the name of the editor, reporter or producer who covers your industry. This will vary depending on your business. Sometimes there won't be a person for your area or one person will cover multiple industries or topics. If this is the case, ask the managing editor or business manager who is the best person to send your releases to.

Next, you'll need to know the story deadlines for each medium on your list. This will apply to newspapers and especially to magazines. Some magazines have a three-month lead-time that you'll need to know about.

Next, read the sections in your local newspapers that apply to your industry. Go to the library and look at back issues of any magazines that might carry a story about you or your company. Monitor your local television stations' consumer reports. Notice what kinds of topics they cover. Find out if any local radio stations have programs that are related to your industry and listen to those programs. The key is to find out which media might be receptive to a press release about your business.

Now comes the challenging part. You must come up with a newsworthy topic for your media release. Newsworthy means something that is new, different, better, stronger, faster, improved, or controversial. Survey results or polls can be newsworthy. Newsworthy is not an announcement that: you're open for business; you hired someone; you moved to a new location; you expanded; you're having a sale; or another self-serving topic.

Newsworthy is information that solves a problem or makes life better for the medium's readers, viewers or listeners.

Writing a media release is like writing an ad except that you shouldn't attempt to sell anything directly. Your release should have a compelling headline and supporting sub-headline. You should state the benefits of reading the release and what's in it for the medium's readers. You should mention how your product or service solves one or more problems the medium's

audience has. You should make some kind of special offer to the medium's audience. And you should mention how to get more information about your product, service or company.

Most professional news editors use a pyramid approach to writing stories. That is, they start with the most compelling or interesting component first, and then they expand on it and other less essential elements of the story as they go down the page. This is exactly how you should write your media releases. You must get to the point quickly, in the first sentence. Then you must support your point with relevant, interesting and accurate statements. Use no hype, exaggeration or superlatives in your copy. As Sergeant Joe Friday used to say, "Just the facts!"

It's best to keep your media releases to one page. Busy editors don't have time to read dissertations. If they want more information, they will contact you. That's right, it's the old "don't call us, we'll call you" scenario. You shouldn't call editors to see if they received your release or if they're planning to do anything with it. This will only annoy them.

A media release should be designed as a "teaser" that will motivate interested media people to contact you for more information. Therefore, don't tell the whole story in your release. Give just enough information to generate curiosity, along with a compelling offer - free if possible - that will benefit the medium's target audience.

Before you send your media release, you should prepare a list of questions that you think an interviewer may ask you. You should complete this questionnaire before you send out your releases. You should rehearse your answers and have them handy by the phone in case you get a call.

When you get a call, be sure to keep notes on who called and what medium they represent. If you get coverage, be sure to send the editor a thank-you note, which also offers you as their "resident expert" if they ever need an opinion or viewpoint on your industry.

5. The Non-Profit/Affinity Sale

My research has found that this overlooked strategy can reap huge rewards for virtually any consumer products or service business.

Start by selecting a well-known, highly visible charity in your area. Disabled or homeless children's charities work well for this strategy.

Next, call the charity and tell them you'd like to make a huge donation. Ask to speak with the person in charge of fund raising. You should get right through. Tell the contact you want to help the charity because you heard about the wonderful work they did for the "Jones" family. The contact will usually be very receptive to hear more.

Tell them you'd like to have a special sale and donate a portion of the profits (not sales) to their organization. Ask them if they have a mailing list (they should.) Offer to pay for a mailing to their list that tells about the sale. Tell them they'll have final approval on the letter. If you can, get their list in electronic database format so you can personalize the letters using mail-merge. You may have to agree not to use their list for other purposes. If that's the case, keep your promise!

If they won't give you their list, offer to pay for mailing labels that you print and give to the charity to affix to the letters. Be sure to add a couple of labels that contain the some "dummy" names with the valid addresses of you and one or two trusted employees so you will be certain they charity "dropped" the mail.

Write a carefully crafted letter explaining your story and why you're having the sale. If the charity has a newsletter, write a promotional piece to announce your sale in the newsletter. Time your sale for a few days after the newsletter is received. Finally, send a press release to all the local media. Your release should emphasize the donation, not the sale. Send the release to arrive with enough time to do a story on you.

I developed a twist on this tactic, called the "affinity sale." Were you once a Girl Scout or Boy Scout? Do you like to read books or magazines at the library? When you were in high school, did you belong to any fellowship clubs? Do you belong to the local YMCA?

If any of these or similar situations apply to you, you can write a letter to the head of your local group and tell them you'd like to give them a free whatever-it-is- you-sell. Tell them you admire their dedication to their group and thank them for the time they devote to it.

Then tell them you'd like to help their group. If you can recall some personal experience where affiliation with their group (or a similar group) helped you, tell them that because of this, you would like to “give a little something back.”

Now propose some special deal to members of their group and their families during the following month. Ask them to spread the word because you would like to donate, say, 10% of your profits from all sales for the entire month to their group. Suggest a few ways they might be able to spend your donation then ask them to accept your thank-you offer with your compliments. Add a P.S. that says there are no strings attached to your proposal. It's just a meaningful way of saying “thanks.” If you were the head of your local Boy Scout Council, wouldn't you jump at an offer like this? Again, write a press release and send it!

This strategy can work for many types of businesses. All you need to do is open your mind and think about the possibilities.

One final thought on charity promotions. Some folks might think this is an unethical way to get business. I remind those people about similar promotions for events that take place every two years. They're called the Summer and Winter Olympics. Besides, these days, it's becoming more and more difficult for many charities and other worthy causes to raise money. Is it unethical to increase the value in people's lives by offering them a great deal while enhancing the coffers of a worthwhile charity at the same time? I think not.

5. The Special Certificate Strategy

Depending on your type of business and the time of year, selling “special certificates” can be an instant cash generator. This technique involves more than the standard “gift certificates available” effort many businesses attempt to use.

Here's how this strategy can net you some instant cash. Suppose it's January and you're a CPA. You can do a postal mail or email letter to your clients offering \$50 gift certificates they could give to someone toward tax preparation or some other service (or use themselves.) You could suggest they give one to their parents or grandparents for Mother's or Father's Day. Your certificates can make an unusual and valuable college graduation gift, to start a new career on the right financial track. Your certificates could be used for a half-hour consultation on any subject. You could offer your clients a free \$25 gift certificate for every \$50 certificate they buy.

Let's say you bill at \$100 per hour and you're working at 70% capacity most of the time. That means you have (at least) 12 non-revenue hours a week to fill. If a client buys two \$50 certificates and gets two \$25 certificates as a bonus, then uses them to buy an hour and a half of your time, you just made \$67 an hour! Isn't that better than reading accounting journals? Plus, if you do an excellent job, your client will come back for more at your regular rates! Any personal service business can use this strategy.

Suppose you sell hard goods. Gift certificates can work for you, too. Get a copy of Chase's Calendar of Events (an essential marketing tool for every business!) Every week and month is “National Something Week or Month.” Pick a theme or event and come up with a tie-in for offering your gift certificates.

Make sure your mailing piece or ad is positioned correctly to get maximum results. Make sure you give a free certificate with every paid one. Make sure they have an expiration date. Just like printing your own money, a percentage of gift certificates will never be used, creating additional profit. Again, the intent is not to cheat people by hoping they won't use your certificates. On the contrary, if you give people an excellent value, you'll profit more if they do use them, because you'll get repeat business and referrals.

A variation on this strategy is to set up an arrangement with a complementary but non-competing business to buy their gift certificates for a substantial discount, then sell them for more than you paid. You can also trade your products or services for discounted certificates, and you can even trade your gift certificates for gift certificates, especially if the other company's product or service is more "liquid" than yours.

Another form of promotional certificate is called a rebate. Chrysler Corporation turned the corner using rebates. If cash flow is your challenge, you can, too.

Let's say you sell large electrical transformers to big industrial companies. If your normal profit margin is 30%, you could offer rebates of 10-15% and still make a small profit on the deal.

You may look at this as just discounting, but it's the form, not the substance, that matters in this case. My research has shown that psychologically, people get more excited about receiving a rebate check after the fact than they do about getting a discount up front. If rebates didn't work, vehicle manufacturers and other highly competitive industries wouldn't continue to offer them. Just because it's never been done in your industry (yet), doesn't mean you can't do it!

You could format your offer to send the rebate in 30-60 days, giving you the use of the money during that time.

You could offer to double the rebate if it is used to buy something else from you.

If you deliver the rebate check in person, you'll have a golden opportunity to make another sale. Could you say no to someone who just handed you a check?

6. The Marginal Bump Strategy

One of the success metrics I have developed is called the “probable purchase potential,” or “P3,” of your customers or clients.

Let's say you're a restaurateur and your average check is \$25. If you do your job, you can expect your customers to dine with you, say, twelve times a year. Let's also say the average person stays in your trade zone for three years. So, the P3 of each person who walks in your door is $\$25 \times 12 \times 3$, or \$900.

Let's say your marginal cost to serve a \$25 meal is \$10. That is, if you're already open, your staff is already on the clock, your chef has already prepped the kitchen, and you've already incurred all your fixed expenses, how much does it really cost you to serve an additional (or marginal) customer? In this example, we'll set your marginal cost at \$10 or 40%.

That means, once you're open, the incremental cost of serving any customer a \$25 meal is \$10.

Your P3 is \$900. The marginal cost of serving that \$900 in meals is \$360 (40% of \$900). Therefore, your marginal profit on that \$900 is \$900 minus \$360, or \$540 (60% of \$900).

So, how much would you invest today to get a marginal profit of \$540 over the next three years? Would you invest 10% of \$540? 20%? Let's say you'd invest 10% or \$54 today to make \$540 over the next three years. That means you can afford to invest \$54 today to attract one customer with a P3 of \$900. Because your marginal cost is 40%, you can afford to invest \$135 in meals to attract one customer. That's because \$135 in meals at retail only costs you \$54 to deliver. ($\$54 \times .40 = \135).

Now, if your average check is \$25, that means you can afford to give away five \$25 meals or so to net just one \$900 P3 customer. If this is fuzzy to you please reread the last section.

So, when you are deciding on your offer, start with the probable purchase potential (P3) of your average customer or client. Compute your marginal cost of fulfillment, your marginal profit, your investment percentage, and you will know how much you can afford to “give away” to attract

new business. Now come up with an offer that will get people to act. Do you have an item or service with a high profit margin? Make that your “special bonus” of the week or month. Offer to sell that item to your customers at huge savings, but only if they buy something else for some minimum amount.

How do you generate quick cash with this strategy? Let's continue with our restaurant example. You offer your customers a bottle of desirable wine that normally sells for \$50 (and costs you \$15) for \$25, if they spend at least \$75 on the rest of their meal. If your average ticket for two is \$50 (excluding drinks) and your marginal profit is 40%, you'll make an extra \$20 in profit on every couple with this tactic. Do that ten times a day, five days a week and you'll make an extra \$1000 in profit a week!

I call this the “marginal bump” strategy. Any business that has more than one class of products or services can use this technique to rapidly increase sales. The key is to bundle desirable, high-margin items with a threshold number of lower-cost items. Customers will “bump up” their purchases impulsively to get the desired item at perceived savings.

7. The Special Membership Program

You may already be a member of Sam's Club, Costco, or a similar program where you pay an annual fee to join. There is absolutely no reason why you cannot do the same.

You offer memberships in a "Preferred Buyers Club" for, say, \$50 per year. This entitles members to save an additional percentage – say 10% – off your every-day prices.

It is preferable to use 10% savings – rather than 10% discount – when promoting this – or any – price reduction strategy. It's a matter of perception. The word "discount" is so overused it hardly has meaning anymore. However, everyone loves to save money. "Saving" implies thrift and wealth building. When people "save" money on a purchase it's like money in their bank.

Let's say a member buys \$1000 worth of products from you in the next 12 months. \$1000 less 10% is \$900 plus the \$50 membership fee equals \$950 net. This is only five percent less revenue for you than full price. The reason this works is: there's a good chance your customers will buy more from you because of the 10% savings, so you'll make a smaller percentage profit, but a larger dollar profit.

Here's the cash flow benefit to you: you get newfound revenue up front without having to fulfill anything up front. Done the right way, this can be an instant cash generator.

To get people to join, offer a 60 or 90-day money-back guarantee on the membership fee. And, of course, make the savings effective immediately so they can buy right away.

8. The Status Adjustment Technique

I have identified several companies that successfully use distributorships or reseller status programs to increase their up-front sales. Depending on the type of business you have, this is a fantastic way to get some initial cash and develop some recurring business.

People love to get things at “wholesale” prices, so let them! Simply change their “status” from retail customer to reseller or distributor. Charge them, say, \$100 to become a reseller.

Give your resellers some samples, order forms, catalogs, etc., to get them started. Allow them to buy in small quantities at, say, 10% savings. Increase the savings the more they buy. If they want to resell for you, fine. If they want to use your products themselves, fine. Either way, you will create a new class of customers just by charging them up front for being a distributor! You'll get some instant, up-front cash with a small fulfillment obligation.

I have developed a great way to help resellers sell more for you and buy more from you: give them marketing ideas that involve your products.

Solicit success stories from customers that show how they creatively used your product. Get photos if you can and publish the stories in a newsletter or in your reseller catalog or on your Web site. Reward any contributors with a prize. Or better still; hold a contest for the most creative idea using your product. Offer a meaningful grand prize-like a cruise. You might even be able to barter the prize.

9. The React Strategy

It's a proven fact that it's seven times easier to resell a current or past customer that it is to sell to (acquire) a new customer. Yet, time after time, I'm amazed at how many businesses seem to neglect their current or past customers by not continuing to offer them additional value.

Sure, every business needs new customers to grow and prosper, but every business should treat their existing customers – past and present – like royalty by making them occasional exclusive offers.

By this I mean, make them offers that are truly special and not just a rehash of a recent offer. For example, at the time of this writing, Kohl's department store and Jos. A. Bank men's store have frequent sales and continually offer coupons and discounts using “contrived scarcity.” Contrived scarcity is a claim that the offer is limited in scope, when, in fact, it is not. In the cases of Kohl's and Jos. A. Bank, all I have to do is wait a week for the next special offer. This provides no incentive for me to shop NOW.

When it comes to reactivating past customers, you MUST create a compelling reason for people to give you another try. Sadly, most reactivation offers I've seen are inner-focused – meaning, they are mostly about the business instead of the inactive customer. Or they are, well, lame, in that they don't use the classic and proven A.I.D.A. formula:

- Get **A**TTENTION with a compelling headline or opening equivalent;
- Hold that attention with words that are **I**NTERESTING to the reader;
- Create **D**ESIRE in the reader to solve the problem using your solution;
- Stimulate and motivate the reader to **A**CT now or in the immediate future.

You can tell if your reactivation sales copy is lame if it:

- Doesn't have a compelling headline or opening equivalent that addresses a specific problem the customer has that you solve clearly and directly.
- Opens with something like, “It's been a while since we've seen you, and we miss you.” Really? People can easily detect insincerity so avoid saying something like this.

- Doesn't state a valid reason why you are contacting them. See the “#2: The Plausibility Technique.”
- Has a weak or non-existent call-to-action, such as:
 - “Call us to discuss...” or “We look forward to seeing you again.”
- Tries to sell more than one solution or offers a bonus that is vague or undefined.

Yawn. Delete. Circular file. Instead, use a compelling statement or offer that creates a sense of urgency, is genuinely time-sensitive, and is different from your normal offers that are available to everyone. And spell out the offer and how it will solve an important, right-now problem. As Vito Corleone said, “Make 'em and offer they can't refuse.”

- DO NOT sign your letter from your “staff” or “your friends at.” How impersonal! Use a specific name – like the owner or manager.
- ALWAYS use a “P.S.” because studies have shown that people often read the “P.S.” first. If possible, your “P.S.” should restate your offer in a separate way.
- You can also add a “P.P.S.” that suggests that the reader can share your offer with a friend or family member by a certain date.
- You can also add a “P.P.P.S.” that says something like, “If there was something we did – or didn't do – anything at all – that made you unhappy, we want to know about it. If so, please contact me directly and I will do whatever it takes to make it right.”
 - Knowing why people were not happy with you can be invaluable to bring people back and to prevent a recurrence.

If your reactivation campaigns haven't reaped the results you wanted, it's because you didn't use the A.I.D.A. formula!

10. The Aerobic Marketing Strategy

I call this strategy “aerobic” marketing because it shows you how to work your “back end.”

As you're probably aware, it takes a lot of time, energy, and to get new customers. In fact, most businesspeople spend the bulk of their efforts trying to attract new customers. While all businesses need new customers, many companies make one sale and move on to the next new customer. They don't realize that their existing base of satisfied customers or clients is a gold mine.

Which costs more, getting a new customer or client, or selling something else to an existing customer or client? The answer should be obvious by now. Yet most businesses seriously neglect their existing customers or clients and do themselves and their patrons a disservice.

No matter what business or profession you're in, your customers or clients buy other products and services that you don't sell. Remember the Probable Purchase Potential (P3) from Strategy #6? You can dramatically increase the P3 of your customers by offering them something else that will add value to their lives. This can be a product or service related to what you do or something completely different. This is a secret of sustained business profitability.

Depending on your primary business, there are probably many other products or services you could offer your customers directly or arrange to be offered to your customers by a third party. The possibilities are endless, yet many business people refuse to look at the big picture! They insist on remaining stuck in the trap of conventional thinking.

Fortunately, you have this strategy to free yourself from the trap. Working your back end is simply offering your existing customers or clients a product or service that they need or want as an add-on, upgrade, or separate purchase that you arrange. A good back-end program can double or triple the P3 of your customers.

Use the following worksheet to develop some back-end product/service ideas. Products that are directly related to my present primary product or service:

Products that are indirectly related to my present primary product or service:

Products that are not related to my present primary product or service but might be suitable to my customers or clients:

Services that are directly related to my present primary product or service:

Services that are indirectly related to my present primary product or service:

Services that are not related to my present primary product or service but might be suitable to my customers or clients:

Here is what I think is the best back-end business...

The best back-end business you can get involved with is one that offers an ongoing service that people really need that can be delivered by someone else.

By ongoing, I mean a service that is delivered on a “till further notice” (TFN) basis. This means that your customers provide a credit card or checking account that is automatically charged every month for the service unless canceled.

This TFN method of delivery means that you won't have to keep on actively selling your customers to get them to buy again. This is extremely important to you from a time management and residual income perspective. Sell once, get paid every month. This is the best of all worlds!

Your service should be something that people really need. Ideally, this should relate to something they're already buying or would like to buy. This is important because if they are already using or would like to use on a regular basis what you offer, you are halfway to making

a sale! You won't have to explain much about what your service does, and you won't have to convince your prospects that they need what you have. They already know they need it.

All you will have to do is give them a compelling reason to change their behavior! I call this the “blatant benefit.” I use the word “blatant” because the benefit should jump right out. One of the best blatant benefits is money – saving it or making it. When you can offer people real savings on something they are already buying or intend to buy, the selling process is simple. When you can offer people a way to make extra money, too, it's less of a selling process and more of a sharing process.

What can you offer that has a money-saving-money-making Blatant Benefit?

Whatever product or service you choose to market, make sure it is not a fad item – like many diet products – or something that is an “impulse buy” – like exercise equipment or jewelry. Make sure your product or service has a strong economic motivator for people to try it and buy more.

Make sure there is a valid reason – other than emotional appeal – for people to continue buying. People may buy on emotion, but they justify their purchases with logic. The best products and services for you to sell have genuine value to the user. This means that once the emotion evaporates – as it usually does – the product or service **MUST** provide ongoing usefulness to the user. If not, people will stop buying when the emotion wears off.

I hope my Instant Cash Injection tips have helped you open your mind about the hidden and under-used assets you have sitting in your business that are just waiting to be exploited. If you want my help in implementing any of the strategies above, or if you'd like even more ideas on how to increase your cash flow starting today, simply **click on the link below to schedule a one-hour Profitable Marketing Road Map consultation with me.**

Go to [PMRM.net](https://www.pmr.net) and
click on the big round button.

