

GROW YOUR BUSINESS

CIR+S



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Moves and Changes

Welcome to the October issue of Grow your Business, a monthly newsletter for the Centre for Industry Research + Strategy. We have operated this management consultancy practice under CIR+S since January of 1997 and from December 1st, we will be changing to the **XeneX Group**.

Within the Group, there will be **XeneX Consulting**, the management consulting practice providing practical experience and consulting advice to business leaders who are seeking to grow their companies to the next level. Our specialist team of consultants provide decades of applied experience in senior management roles across a number of industries in Australia.

XeneX Consulting has a competitive and professional method of **Small Scale Capital-Raising**, which can provide profitable and high-growth businesses with access to between \$200,000 and \$5,000,000 in equity funding, for a minority percentage of their business. There are specific eligibility requirements and there is a rigid structure and process we must comply with under the Class Order of the Company's Act, which we apply.

The second business unit is the **Migration Support Services**, which prepares and lodges business proposals for **State Sponsorship** for all State Governments, on behalf of registered migration agents. This service provides proposals for applicants seeking Subclass 132, 160-165, 892 and 845 sponsorships. We have been preparing these proposals since 1999 and have a 100% success record in that time.

The third division is the **SMI** business, which provides a proven range of courses and systems, aimed at business leaders and senior managers who are seeking to achieve their full potential. SMI products have been developed and enhanced since 1961 and are still the biggest-selling professional development and personal development courses in history.

XeneX welcomes our newest Senior Consultant, Mr **Lew Deegan**, who has joined us from Sydney. Lew has owned and operated a specialist advertising agency in Sydney and has steered his own company through a substantial growth program to be operating his business in the \$10,000,000 to \$20,000,000 space. He is ideally suited to working with business leaders who have businesses in this space, or aspire to grow to this level.

For **Migration Consultants**, we have some exciting **end-of-year specials** to help you to remain competitive in the global market, without compromising the quality (100% success record speaks for itself) and speed (we still offer a 3-day turn-around from acceptance). Please see our Migration Matters column in this issue for details.

From time-to-time, we are asked by our migration agency clients if we can locate good quality small businesses for their applicants. Although we are not business brokers, we do have relationships with several brokers around Australia and can provide business opportunities if required.

We do not assess these business opportunities unless instructed (there is an additional fee for this due diligence service) but can (from time-to-time, offer business opportunities for Migration Agencies to pass on. We have featured one of these opportunities in this newsletter and we pose the question "Would you like to see more of these on a regular basis?"

For any further information on the above or any other content in this newsletter, please phone Daniel on (08) 9325 5888.

Turn Your Website into a Profit-Spinner

Setting up and maintaining a website isn't cheap. If your company has a website that's even slightly above the brochureware level it's probably costing you a fair sum of money each month. The good news is that a website can earn income to offset its costs, and can even become a profit spinner for your business in its own right.

There are a number of ways your website can make money, some more suitable than others depending on your particular situation. For instance, unless you have millions of 'hits' each week it's hard to justify charging high rates for providing advertising or sponsorships on your site, but if you experiment with the variety of income earners that are possible you'll find you're able to cover some, if not all, of your costs.

Sell products on your website

This is the 'clicks and mortar' side of the business. Just as you'd sell products to resellers or direct to customers from your premises, you can retail them on the Internet - to customers as far away as the other side of the globe. Almost anything can be sold from a website if it's handled correctly. Do a search for companies in your own line of business and check how they have gone about doing it.

Set up a 'members-only' area of your site

Do you have valuable information or other content that could be placed in a separate section of your website and accessed only by those who've paid for a password? Many content based websites operate this way, and some are profitable from sales in this channel alone.

Sell advertising space on your site

You've seen them on most websites - a panel or banner of advertising from another company, sometimes in a 'popup' form. Hopefully your site visitors will be tempted to click through and maybe even buy the product - that's money for their business. Meanwhile, you charge them for advertising on your site. Even though you might not have huge numbers of visitors it may still be worthwhile approaching your suppliers and other businesses you have commercial dealings with to see if they'd purchase a modest amount of advertising space on your website.

Sell website sponsorships

This is not advertising, strictly speaking, although money does change hands for displays of other company's products or logos on a business' website. If you sell books via a website, for example, featuring a different book by a particular publisher on the same page each week can make money for you.

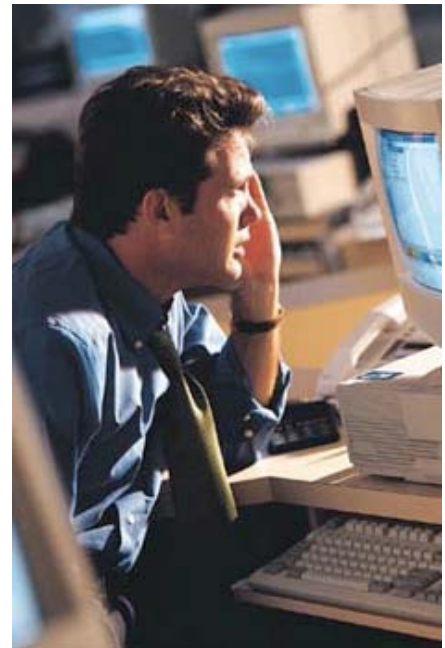
Charge a referral fee or commission

There are many variants of this channel, mostly depending on how electronically sophisticated your website is. The essence is that visitors to your site see something that interests them and they click on a link that takes them to another site to purchase that item. You receive a commission on the sale. In some cases you also receive a small amount simply for directing a visitor to the site.

Sell in partnership with another business

If you set up your site to acquire visitors' names and email addresses - perhaps by offering a free newsletter for example - you'll soon build up a substantial list of customers whose interests relate to the types of products you deal in. This is valuable commercial information - these are really lists of potential customers for a range of products from other businesses you could partner with as well as your own.

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For example, if you have a substantial database qualified by an expressed interest in pets, you can receive income through a 'partnership' with a pet food firm paying you to send information out about their products to your client list.

These are the six basic ways of using a website to create an income stream. There are others, but most businesses can use most or all of the above ways to generate revenue from their website. Do some serious 'surfing' through other websites that you regularly visit and see what they're doing to make money. If you aren't capitalising on visitors to your site perhaps you're missing out on a profitable income source.

Find your Niche and Market to it!

There are many definitions of a 'niche' market but essentially they're a subset, a smaller segment, of your existing target market. This is very important because it means they may already be aware of you and are already prospects for your company's offerings.

Members of your targeted niche will share a similar set of characteristics. You can exploit that by satisfying those common needs and catering to their particular interests, and they can be extremely profitable if you provide them with just what they want.

It all begins with knowing the details of your wider audience. Who are they? What are their interests? What do they purchase? What do they read? What TV shows do they watch? Your niches are the separate subsets of this total market – these can be broken down by such demographic factors as age, geographic location and income as well as by more subjective categories such as personal taste and preference in entertainment.

Just identifying a niche segment isn't sufficient to guarantee marketing success. It must enable you to achieve enough sales and profitability to make it worth your while setting up a specific campaign. Some of the basic requirements of a good niche group to target are:

- It can be measured quantitatively,
- It is large enough to generate a profitable sales volume
- It is accessible to your company's distribution channels
- It will respond to an affordable marketing spend
- Repurchase intentions can be forecast

As an example, assume your company manufactures sporting equipment. A typical niche within your larger audience would be males 18-25 who play a competitive sport on weekends. Once you've identified the niche and which of your products to sell into it (deodorants and products for the treatment of sore muscles are two product categories that would sell well to this niche), find suitable channels of communication to get your product in front of them.

You could market yourself at their sporting fields through sponsorships or advertising in event programmes for instance.

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Here are three ways to capitalise on the opportunities that niche markets represent:

1. Provide something that meets their specific needs

Members of niche markets see themselves as being relatively unique. The benefits you promise them from whatever you're selling must have some sort of special appeal to them. Most niches respond to offers of something that's new or really exciting. You might need to buy in a new product or to modify an existing one to cater to them.

2. Communicate in their language

Every niche has its own language whether its computer jargon with IT enthusiasts or the latest 'in' phrase among the teenage market; you need to learn it so they'll understand you when you're talking to them. Communicate with them from the position of someone who knows them and understands their particular needs. Communication extends to the visuals you use in your advertising as well – match the images in promotional materials to reflect the appropriate age group, clothing styles and so forth of your niche market group.

3. Investigate and test before committing

Niches are really a new market area that you need to understand before charging into. See what your competitors are doing in their marketing but try to find a unique point of differentiation that will enable you to stand out from the others selling to this group.

Then, before making a large financial commitment for stock or advertising, use focus groups or group discussions to give the products and materials a test drive so as to gauge what the likely wider market response will be.



Protect your Business from Sexual Harassment Allegations

Sexual harassment is a challenging and increasingly costly area for employers and the best way to prevent your company - and yourself - from allegations of sexual harassment is to actively take steps to prevent it from happening in your workplace in the first place.

One of the biggest problems is that most allegations of sexual harassment come down to a 'he said, she said' dispute in court. Juries seem to have more sympathy for the accuser in such cases and even if the employer isn't personally guilty of harassment it's possible that the business can become a defendant because the jury perceives it has some sort of responsibility for what's taken place.

This doesn't mean that an employer has to demand there be no physical contact between the company's employees; it would be impossible to police such a demand and equally impossible to prevent it from happening. So, what are the limits for all parties?

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The first and most important instance of sexual harassment to avoid is when an employee feels they must submit to an employer's or supervisor's sexual advances to retain their job or to gain a promotion. This carries with it a double edged penalty where the employer is guilty not only of sexual harassment but also of unlawful sexual discrimination against a person qualified for that position.

It's not just demands for sexual favours

An important point to make is that sexual harassment regulations cover a lot more than the demands for sexual favours. For example, courts have held that photographs of naked women on a workshop wall can harass female employees, as can a female employee phoning a male employee several times a day. It's neither the actions nor the mindset of the instigator that are in question - it's the perception of the recipient of the actions that matters most.

And even if the recipient says nothing at the time, it's unwise to assume that they don't feel harassed. Many cases are only brought months or years after the alleged incident when the complainant leaves the company where the harassment took place. This is why having strong anti-harassment policies in place and conducting appropriate training is an essential part of removing the danger of harassment allegations from your company.

If you become aware that one of your employees is making a nuisance of themselves to another employee, even if it's taking place outside office hours, you have a responsibility to intervene. First, discuss the matter with the target of the suspected harassment to establish their attitude. If they really are offended and feel harassed then raise the issue with the instigator of the nuisance and insist that their unwanted actions cease. You should document the whole process for any possible later developments.

While you, as an employer, have no way of judging what any particular employee may consider intimidating or harassing behaviour it is up to you to respond to any complaints you receive. If you see something happening that could be considered as harassment then take immediate action to prevent its recurrence.

Prepare a workplace policy

Work with your legal advisors to prepare a workplace policy that outlines the definitions of sexual harassment and puts your employees on notice that such behaviour won't be tolerated.

Conduct training sessions for all employees that communicate the details of the policy and give everyone ample time to ask questions if clarification is needed. Such training is mandatory in some jurisdictions.

You and your senior managers also need to be aware of anything happening in the business that could later be used as the basis for sexual harassment allegations. Part of this process will be to set up a confidential reporting system where employees who feel a situation is developing with a co-worker, or even an outside party such as a supplier or customer, can make a complaint.

Never assume that a sexual harassment problem will sort itself out or gradually disappear. It's far more likely to simmer away and eventually become a much bigger problem than if action is taken early in its development.

Although there may be some uncertainty about whether an employee's particular behaviour really does constitute harassment, you need to assume that the very receipt of a complaint is sufficient indication that the target employee believes it is and that is your trigger for action.

Keep Up with New Products

New products are being developed all the time and being aware of what is coming onto the market can be a positive competitive advantage. There are a number of ways you can keep abreast of product developments and new products on offer.

The latest trends are on show

If you make a point of going to trade shows, and of reading the articles about the shows you can't attend, you'll quickly find out the latest trends in your industry. Whether it's the technology of solar swimming pool heaters or the latest fashions in children's clothing, it's on show at a trade event somewhere before it's released to consumers. And if it's newsworthy, it gets written up in the trade magazines that cover the world's major industry shows.

At these events you'll also get to meet the manufacturers and local distributors who often cooperate in putting their products in front of prospective resellers. Networking is big at trade shows and when something's new it's going to be talked about by everyone at the affiliated gatherings. It's where you spot what's new and who's got it, and can start the negotiating process to obtain supplies for yourself.

Trade magazines that report on the shows are also good sources of information about trends and product developments. All you have to do to keep up to date is subscribe - no airfares or accommodation to worry about. If editors of trade publications get excited about new products, they're definitely worth investigating.

Often affiliated with industry trade shows are the industry organisations whose income depends on keeping their members up to date and competitive. Through these organisations you can meet others in your industry from both your domestic and overseas markets, and share information that can be useful about everything from sourcing products to selecting software for your business.

Government can help

Government bodies too can be helpful. Most countries have export oriented public or semi-public organisations that have the task of marketing their own country's products to buyers in other regions. They often have trade missions in other countries where they showcase their domestic manufactures or produce.

Begin your search for knowledge by subscribing to the most popular industry trade magazines from your own country and from overseas. Some may be available at your local public library, but it's not a wise idea to depend on them being there just when you might need them, so pay for your subscriptions and deduct the cost from your income when tax time comes around.

Use a search engine like Google to do a thorough search on the Internet, by your industry, by the product types you're interested in, and any other relevant aspects. This is the cheapest information you'll get and it won't take long to build up a picture of what's happening in the marketplace.

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See how it's sold and marketed

When you do find a product you're interested in, see who's selling it and check out their website to see how they're marketing it. You may find a package solution that includes not just a new product but also ideas on how to market it. You'll also have a guide as to pricing it.

Contact the selling organisation and ask who their source of supply is. Get in touch with them and see if there's a distributor in your area. If not, you might want to take on the distributorship yourself if the price is right. Otherwise you can arrange a supply of the product directly with the manufacturer in most cases as it won't infringe on the rights of any existing distributor.

Obtain samples of the product and be sure it's right for your market. Do some limited market research with discussion groups to judge the level of consumer interest. When you're ready to go ahead, place your order; preferably this can be done with more than one supplier to be certain of future supplies, although if a product is really new and there's no local distributor you may have to take a gamble here.

Immigration Matters

END OF YEAR SPECIALS

As an introduction to XeneX Group and the XeneX Migration Support Services, we are offering a very competitive rate for State Sponsorship business proposals, to all States in Australia. Each applicant must make application through an authorised migration agent and all proposals are subject to our acceptance. These prices include:

- + We provide a checklist and questionnaire for each subclass and each State
- + We provide the application forms for each State
- + We provide the Statement of Assets & Liabilities format and can calculate the FX conversion.
- + We can find an appropriate business for the Applicant (subject to their own due diligence)
- + We still provide a 3-day completion service from acceptance.
- + We provide you with PDF copies of the submission, as well as one hard-copy (without appendices).
- + We can liaise with you on post-lodgement issues and we also respond to any requests you may receive from the relevant States.
- + Our Subclass 160, 163, 164 are \$1,500 each
- + Our Subclass 165 and 892/845 are just \$1,200 each.
- + Our Subclass 132 are just \$2,000.

We will include lodgement, the letters of application, the statement of compliance and our post-lodgement support with every proposal until December 31st. This is a **\$500 saving** for every application.

All of our specialists are degree-qualified (business, commerce, law, etc) and all have access to the resources of our management consultancy practice, which has been in operation since 1988. Our access to industry research and our contacts with business brokers all help us to provide the very best options for your clients.

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Do you want to see business opportunities for Migrant Clients?

The editor is looking at ways of adding value to this newsletter for all of our registered migration agency clients. One of the proposals was for a monthly list of business opportunities, if some particularly good opportunities present themselves. The first of these is an **Ice Cream Kiosk** in the busy Whitfords Shopping Centre in Perth.

The current owner is a young man who purchased the franchise three months ago and has no previous business experience, nor has he had any experience in this particular industry even as an employee. Unfortunately the business was just too great for him and he realised that it was out of his depth. As a result he has chosen to sell the business as a going concern. The business is a franchise, therefore the franchisor will have to train and be satisfied with the new owner.

This makes an ideal opportunity for a husband and wife team or even a business migrant to purchase a business with full support supplied by the franchisor. The business meets all business visa criteria's.

The shop is located well with brand new fixtures and fittings. As the business is new, there are no annual turnover figures available. However it is expected to achieve between \$360,000-\$400,000 pa turnover. With the lead up to Christmas and summer around the corner this is an excellent time to invest into a business of this nature. For details, please contact us and we will put you in touch with the broker. XeneX makes no assurances or warranties to this business opportunity and offers it and information only.



Regular Pieces

How to make the most of your newsletter

Be sure to read each article with the mindset 'How could this apply to our business.' Thinking of it that way will guarantee that you get value. Better yet, take notes as you read and commit to having the ideas implemented by the time the next edition arrives. Also, make copies for each team member.

To really make sure something positive happens, work with your business management specialist at CIR+S to talk your team through the ideas and how to set a schedule for getting them implemented. We're here to help you get started.

Memorable Quotation

"The best we can do is size up the chances, calculate the risks involved, estimate our ability to deal with them, and then make our plans with confidence."

– Henry Ford

An Important Message

While every effort has been made to provide valuable, useful information in this publication, the Centre and any related suppliers or associated companies accept no responsibility or any form of liability from reliance upon or use of its contents. Any suggestions should be considered carefully within your own particular circumstances, as they are intended as general information only.



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