

How Can SMEs Beat The Recession?

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Topics

1. Common Areas of Business Weakness
2. Translating Great Ideas into Sustainable Business
3. Scalability Without Headcount
4. Market Conditions – How to Adapt & Survive



Calx Europe Background

- 25 years Hi Tech market experience
- Ex-HP, Metrologie, Computer2000/Tech Data, Genesys
- **Accelerating Sales of Emerging Businesses**
- Mainly North American Hi Tech Companies
- Clients
 - Okcupid.com (US)
 - Bell Micro Europe
 - Adaptive Planning (US)
 - Teleonto (India)
 - Theorem Inc (US)
 - ActionBase (Israel)
 - Promethean (UK)



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Calx Europe 'Soft Landing'

1. Virtual Management

1. Sales Agency

1. Partner/Reference Account Development

1. Talent Acquisition



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Venture Capital Views

Reasons why new businesses fail:

- Wishful thinking
- Underestimating the sales cycle
- Spending money in the wrong areas
- Assumptions

Optimism vs. Objectivity



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Building Repeatable Sales

Proof of Concept leads to Critical Mass

- Profile your 'ideal customer'
- Make sure lots of them exist and are accessible
- Who are your competitors?
- Build your 'Value Proposition' – Why me?
- Find the key people
- Find out how & why they buy
- Create references
- Analyse every win and loss – repeat success, avoid failure

The more contacts you make, the more likely you will succeed



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Value Proposition

Customers buy value

- **Why is your product or service different from others?**
- What difference does your product or service make?
- What extra value does it bring?
- Can you quantify the extra value?
- Have you examples of success?
- What happens if the client does not buy?
- Is there a Compelling Event?

Your biggest competitor is 'No Change'



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Building Repeatable Sales

Networking – Online & Face to Face

- Linked In
 - Spend a little money
 - Connect with 'like-minded people'
 - Join Clubs e.g. IOD
 - Create and answer questions
 - Use Inmails and Introductions sensibly
- Zoominfo – Getting contact details
- Blogs
- Ecademy, Xing, Plaxo, Viadeo, Ning, Passado, Facebook, Inquisix, Jigsaw etc
- Face to Face – IOD, Chamber of Commerce, Entrepreneur Clubs, Shows, Seminars



Scaling Without Headcount

Keep Flexible – Put the Force where it's needed

- It's usual to contract out Payroll, Accounting, IT etc
- What about Marketing and Sales?

Advantages

- Large pool of under-utilised experience
- Easy to access
- Pay as you go - pay on results, don't pay for failure
- Everyone is trying to prove themselves
- Put the power where it's needed (horses for courses)
 - Skill sets – knowledge, phone, face to face, background
 - Experience – market expertise
 - Level of seniority/gravitas
 - Geography, languages
- No long term employee issues, obligations and costs



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'Try before you buy'

Current Market Conditions

Recession looms

- Focus on costs – evaluate on **‘Return on Cost’**
- Focus on value – differentiate and quantify it
- Be realistic – make the tough calls now
 - Review forecasts – budget to survive
 - Adjust costs now, ask the tough questions
 - Pay for results not failure
- Choose customers carefully
 - Keep away from competitors
 - Worth & value of customers
 - Keep reviewing pipeline
 - Review ‘cost of acquisition’ of customers
 - Keep close to all your customers
 - Go the ‘extra yard’ on service
- Conserve cash – wait until 2010 for big investments



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ANY QUESTIONS?

