

### LAUNCHPAD

#### Facebook for Business - Reaching out with ease

You may already be running a Facebook business page and if not, chances are you're thinking about it. Having a Facebook page for your business is a great way to maintain rapport with your clients, build a bigger audience and help raise awareness for your brand, product or service.

Recently however, Facebook changed the rules surrounding business pages. This means that your organic reach won't go as far as it once did, for a number of reasons. There are now so many businesses with Facebook pages that the amount of people posting at any time can be enormous. This affects whether your post will specifically appear in the newsfeed of followers. You now have to work a little harder to have your posts seen by more people.



#### So what is organic reach?

This is the total number of people who see your post through unpaid distribution, generally those who have chosen to follow or like your business page. But if they're not online at the time of your post, it may be missed altogether.

Here are some strategies to increase your organic reach on Facebook.

#### Be open

There is no better way to build trust with your audience than to be open. By making your brand and team relatable by posting real photos, updates and information about what goes on in the company (within reason) you can truly gain trust with readers. This nurtures brand loyalty and familiarity, encouraging post likes and comments which promote your post and display it more frequently in Facebook feeds. Create an element of transparency by posting work outings, team events, birthday shouts or awards won. (A good photo would be a group of people out to a restaurant dinner or on a team building activity)

#### Be available

Let your fans know you're there for them. By encouraging interaction and responding to this, you are providing access to your brand. Think about different ways your fans can interact with you whether this is through forums, or other social media platforms such as Twitter and Instagram. Perhaps look at running competitions - even if it's for a bottle of wine or a movie voucher. Each of these ideas will help you expand your organic reach and potentially gain a wider following. Everyone likes to win stuff! Don't be daunted by the idea of other forms of social media either. It's actually quite simple. Most programmes now are linked together in a way that allows you to simply tick a box to send the information update across various platforms. The initial setup only takes a few minutes and once you've done this, these updates can be sent directly from your website or blog. The added benefit is a larger organic reach and higher rankings in search engines.

#### Be positive

This one almost speaks for itself. Before posting anything, think about your social media marketing voice. What kind of character or persona are you trying to portray? What's the tone you intend to use? Be mindful of the language, whether it be playful, savvy or a tad more formal and ensure you always post with a purpose. Is your post to inform, entertain or sell?

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### Working at peak in the home office

The washing pile is getting higher, the dishwasher light is flashing and the cat is crying for another bowl of milk. Thoughts flick through your mind about the feasibility of doing some of the jobs now, leaving them until later or when exactly you might decide to knock off for the day. These, along with a long line of others, are just some of the temptations that lure you to procrastinate when working from home.

Whether you work from home full or part time, there are some basic steps you can take to avoid these common pitfalls and ensure you keep your motivation and discipline on track.

#### Make a plan

If you were heading into an office environment each day, it's most likely you'd make a list of the tasks that need to be achieved. The same rule should apply when you're working from home. Do it the night before or even the morning of, but either way, establish some structure and stick to it. Ticking the items off will give you a sense of accomplishment and provide some direction and goals to ensure you stay on track.

#### Dress code

It would be oh so easy to slink from the bedroom to the home office space in your pyjamas. But this is not a good idea on so many levels. You may have surprise visitors or be called to an appointment unexpectedly and it pays to be prepared. More importantly though, dressing appropriately can be motivating and will assist in putting you in the right frame of mind for the day ahead. You will be less likely to lie on the couch in your pencil skirt or suit pants.

#### Think about your team

Be it your business partner, colleagues or boss - think about the people you should be respecting and, potentially, would be letting down by being lazy.

#### Eliminate Distraction

If social media sites are a concern, there are programs that can be easily installed on your computer to avoid such distractions. Turn off your cell phone if it means that text messages won't deter you from the job at hand, and only check your phone when it's break time. These rules would apply at work, so should also apply at home. Avoid particular rooms in the house that may entice you to start on a cleaning frenzy or a spot of DIY.

Be aware of your weaknesses and show some discipline. Lay down the law with friends and family and ensure they understand that you're working, not having a day off. Getting into good habits from the beginning will lay the groundwork and help to prevent any procrastination pitfalls.

### FYI

Our cover story on Facebook talks about different types of 'reach', metrics that may influence your business success:

**Organic reach:** the number of people who can see your posts through unpaid distribution on social media such as Facebook.

**Paid reach:** the number of people who can see your post as a result of ads on social media.

**Targeted reach:** the people who are most likely to spend money with businesses like yours.

**Viral reach:** the number of people who have seen your post because a friend has liked, shared, or commented on your post.



## ENGINE ROOM



### Bolster your bottom line

For new businesses in that critical early period, cashflow is a vital part of staying afloat to establish and grow the business. Established businesses also know the importance of cashflow to help you keep everything running while you grow the business. If you can't reach your targets for income, reining in your costs can help give you a little extra head room to manage cashflow while you're planning your next move.

Cost control can contribute to business success or failure but it can be hard to get a handle on it as your business costs can work on a number of levels. It can be a challenge to pinpoint hidden costs or where your established ways of doing things cost you more money than they should.

It's more than just keeping an eye on outgoings (though that's important). It's about looking at each aspect of your business and all your business systems (or the gaps where there should be business systems) to see if poor practice is driving costs up unnecessarily.

It can be helpful to break it down a little. You can look at it in terms of cost centres such as power or office supplies. Or you can look at what those costs do for your business. It can help to analyse costs in terms of cost of sale and overheads (see the article on this page).

Every dollar you can pull back from your costs can go straight onto your bottom line. Talk to us if you'd like to review your costs and your systems to keep costs under control. Whether your sales are booming or busting, you want to make sure that while you're focused on revenue, your costs aren't ballooning and you're still delivering on your bottom line.

### Cost of Sale & Overheads

Cost of sale and overheads affect your profit. Understanding how they inter-relate and keeping track of them can really have an impact on your business success.

#### Cost of Sale

Cost of sale (also known as Cost of Goods Sold or CoGS) is how much it costs you to make a sale.

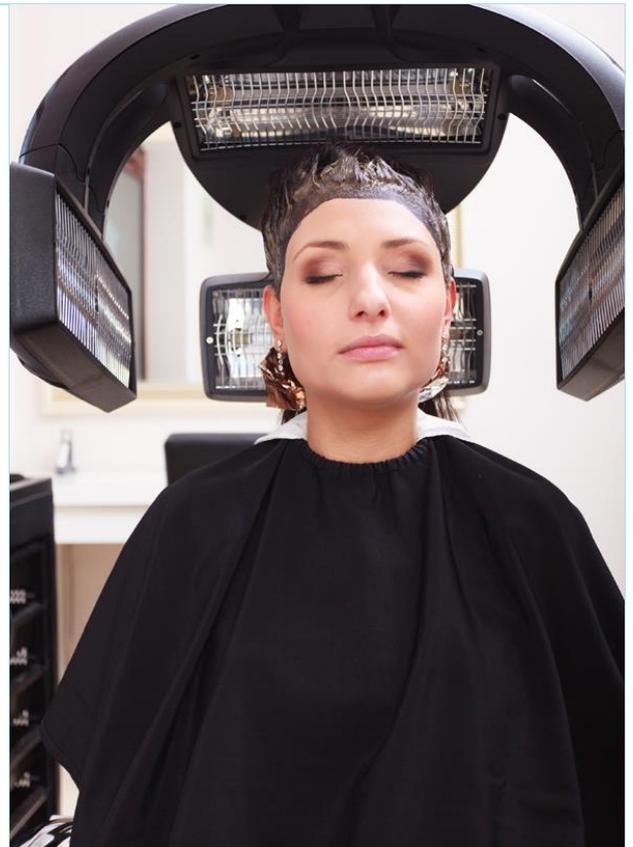
In a business which sells products, CoGS is based on the price paid for the product, plus any costs necessary to put the merchandise into inventory and make it ready for sale, including shipping and handling. You can even break it down to calculate the cost of sale of individual units.

The basic formula is  $CoS = \text{Opening Inventory} + \text{Purchases} + \text{Carriage In} - \text{Closing Inventory}$ .

It varies, depending on what kind of business you have. Manufacturers determine the cost of sale as the sum of the direct costs of material and labour incurred in producing a product. A business that provides services would calculate cost of sales by looking at the amount of money that goes into providing a service. In this kind of business it's important to have a system to track the time the team spend directly involved with delivering the service.

#### Overheads

Overheads are general business expenses. They can't be tracked directly to sales. Overheads are what it costs you to open your doors every morning.



## Cost of Sale & Overheads cont...

### Seeing profit

When you're looking at your profit and loss statement, it can be a challenge to see how all the factors inter-relate.

When you look at income from sales, you won't be able to see what your profit is until you've factored in costs. After you've made deductions for items such as customer discounts and returns, and taken away the cost of sales you can see your gross profit. When you look at gross profit, then deduct all your overheads, you'll see your net profit and get a better idea of how your business is really doing.

Your net profit is the proverbial bottom line. It's important to also remember that tax is based on your net profit – the profit you keep will be your net profit after tax.

The important thing to understand is that every dollar you can save from your cost of sale increases your gross profit. Every dollar you save from your overheads increases your net profit. If you can't shave anything off your costs, you might need to think about whether you can increase your prices. Increasing prices without sacrificing sales is the ultimate aim, however adding value to your products should always be considered to maintain or increase sales.

### Netiquette – More do's and don'ts for Facebook

Devise a strategy for your Facebook page and keep it up. When you sit down and devise a plan you can also establish what your social media marketing voice might sound like. It can be consistent with your marketing in other media or be more tailored to a particular group. If you're concerned that keeping up a Facebook page on a regular basis is not feasible, elect someone from within your team to help out. Most employees see social media as 'fun' and are, more often than not, willing to participate.

The other option is of course paid advertising. This is where your targeted reach comes in, but that's a whole other strategy, which we will touch on in the next issue of Business Forward.

When you have your Facebook page up and running, keep thinking about your overall strategy. Here are some more things to consider when it comes to posting.

#### DO

##### Keep an eye on competitors

When you have a business page, Facebook allows you to follow other business pages and gauge how well they're doing in comparison. Keep an eye on what works for your competitors and what doesn't. Are they receiving comments and interaction from clients? Are they running competitions and promotions that you might also be able to run? Keep in mind that if you do run a competition on Facebook, there are rules and guidelines that must be adhered to.

##### Be timely

Try and establish what times of the day your followers are looking at Facebook, and target your posts to these times.



#### DON'T

##### Write a novel

Don't write screeds of information in a post. If you need to, simply write it elsewhere such as a blog or your website and attach a link.

Facebook can be a wonderful marketing tool when used correctly. At this stage, there doesn't seem to be a downside to using it for your business, but if you're going to have a Facebook page, have a strategy first and always keep in mind some of the basic do's and don'ts.

### An Important Message

While every effort has been made to provide valuable, useful information in this publication, this firm 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.

 **JOYCE BROOKS** and Associates Limited  
Telephone: 07 838 2228  
P O Box 607 • Waikato Mail Centre • Hamilton 3240  
5 Hardley Street, Whitiara, Hamilton 3200