

Be Fearless in 2013!

Against a market background of being pulled back from the brink of the USA 'fiscal cliff', the UK faces its own challenges, as high street stores are already in a triple-dip recession with a sharp rise in the number of shops going bust at the end of the year. According to one agency (FRP Advisory) the survival rate for businesses going into administration has fallen from 66% to 50%. The tough market conditions in the UK retail sector are also to be found across almost all industry sectors. The Office for Budget Responsibility (OBR) recorded that economic growth fell by 0.1% throughout 2012. Most pundits believe things will only get better very slowly in 2013, and that the rate of growth will increase in 2014. This begs the question, 'what needs to happen to ensure survival of my business?'. If you are not confident you have the means to survive, then the answer may lie in changing your approach to business i.e. maybe it's time to be 'fearless'.

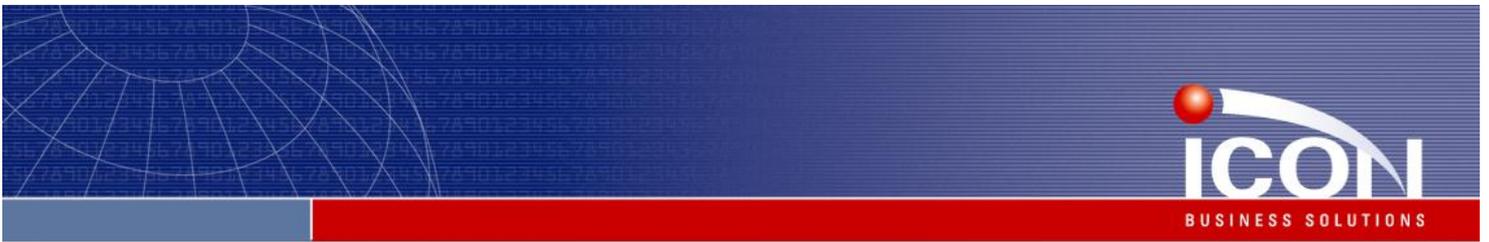
Change is a necessary dynamic in all markets. But procrastination and a prevailing ethos of 'this is the way we do things around here,' may hold your business back. Those that do fully embrace change, with all its facets, stand a chance of building a business that is both robust and financially secure. So what does 'being fearless' mean?

A simple case study will illustrate this point well. A Record Retailer client working with ICON had become blinkered to the opportunities facing them in their market. Their marketing in the Mail Order side of the business had not changed in years and the results were not good enough to keep the company afloat. By completely changing the Marketing Material from a photocopied list to a coffee table style magazine, sales volume increased by 42% within one month. And by changing the discount structure - for volume purchases - from a cash incentive to a Free Product and increasing the level at which the discount applied, the gross profit margin rose by 6% from 37% to 43%, whilst the average order value increased by some 10%, thus improving dispatch and postal efficiency.

Being blinkered in approach may also hold back your team. Time and again we meet business owners who do not allow their teams to flourish, which inevitably holds back their productivity. One I.T. company we helped at ICON had the business owner working over 80 hours per week on a regular basis, with no substantial return on his time investment. He had been insistent on managing each project hands-on. We were able to show him how to use his team (train, monitor and review) so that all of his staff were working towards a common business purpose. The result: productivity improved by 50% as did sales by 63% and profit by a whopping 42%.

Being fearless means being intrepid, bold, daring and maybe even brave. It means evaluating the how, what, where and why you do things in the way that you do. From understanding what gives you a competitive edge to choosing your best distribution channels and customer profile, to the way that you manage your credit control function.

Fearless speech may also be important for business owners. ICON frequently encounter situations in which business owners fail to confront the challenges in their business for fear of unsettling their staff or fellow management team. At ICON, we often find that thoughts and concerns are expressed to ourselves first rather than the person at the centre of the issue. On our part, it is an act of fearless



speech to state that it is not very productive to say this only to us, instead of to the individual concerned.

Being fearless should become your way of life, as should the state of mind to embrace change. Why does Ryanair announce record profits whilst in the same week Comet announced the closure of its operation?

Maybe it's time to find out how some people do it. If you can do it on your own, then fine. If you don't think you know what to do or how to go about it, we would recommend that you seek help, and of course, we would suggest you speak to ICON – well we would wouldn't we! This will help you get back in the driving seat and move the business to where you want it to be.

It may be time to get back in control. Maybe it's time to be fearless.