



## Ten point plan for recession survival

### 1. Mind your cashflow

Understand exactly what your finances are telling you.

Issue invoices promptly and chase up debtors; don't buy more stock than you need; negotiate longer credit terms with suppliers; shorter ones for customers; fill up gaps in your forward order book; and keep in touch with your bank.

### 2. Cut your costs

Look for savings in every part of your business.

Making your business greener isn't just about saving the planet, it's also about saving you money.

Do you turn equipment off at night? Is every business journey necessary? Are you taking full advantage of your tax allowances?

### 3. Credit check new customers

It may take only one major customer to go bust to jeopardise your business.

Protect yourself by conducting rigorous credit checks on new customers and agreeing clear credit terms up front.

### 4. Focus on retaining customers

When finances are uncertain, consumers cut their discretionary spending, so do all you can to keep your customers coming through your doors.

Loyalty schemes, small discounts and regular communications are just three ways of letting your customers know you value them.

### 5. Provide outstanding customer service

Consumers appreciate businesses that give them more for their money, especially when times are tough.

Efficient service, fast delivery, flexible payment terms, and so on, can persuade people to spend with you rather than a competitor.

## **6. Increase your marketing**

When competing for a smaller pot of money, it becomes more important than ever to tell people why they should come to you.

You don't have to break the bank, but be sure to shout about your business.

## **7. Concentrate on products and services that sell**

Don't put your efforts into trying to sell things that are untried or that few people will buy; stick to profitable favourites.

Don't be tempted to slash prices either – if demand for your offer is not price sensitive, you will be giving your profits away.

## **8. Train your staff**

Your staff are one of your greatest assets and could be the key to retaining customers and keeping your business running.

Training is important to their personal development and the productivity of your business, so don't be tempted to scrap your training plan.

## **9. Streamline your operation**

Consider moving to smaller premises, or subletting your existing space. Sell off excess equipment and look at staffing – are your people concentrated in the right areas? Will flexible working be more cost efficient?

If considering redundancies, remember that it's bad for morale and replacements may be hard to find when business picks up.

## **10. Sell online**

An online sales or marketing channel will expose you to a larger marketplace for minimal cost.

Plan and resource online selling properly, including providing payment security, attracting visitors and meeting orders swiftly.

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## **Business Link in the East of England**

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