



New Year's Resolution? Try Revelation!

Many people are in the habit of making New Year's resolutions. Probably the most common personal resolution is to lose weight. It doesn't take a lot of self analysis—you just look in the mirror and you know you've been enjoying the good life too much.

Business resolutions are a little different. It's not always obvious as to what needs to be addressed. I might suggest that you spend the next couple of days figuring out what is "broken" and needs fixing. Since we just finished another year, it would be a good time to see where you are at, and where you are going.

Sales volume: Did it go up, go down, or stay the same? Unlike a basketball or baseball game, these are not isolated events—winning one, losing another. How you did last year probably shows a trend, and hopefully it is going in the right direction.

There are four key factors as to why your business would go up, down, or stay the same.

1. *Is your neighborhood getting more affluent or less affluent?* That's critical in the picture framing business because there is a clear connection between income and people who frame pictures. A neighborhood with a lot of empty storefronts is not a good place for a picture frame shop. My guess is that the picture framer would be the first to go. If your better customers are moving out, it's a sure sign that there's a problem. Unfortunately, there is not much you can do but watch your lease and possibly move your store to a better neighborhood close by.

2. *How is the economy?* If you think your store hasn't done well because of the economy, you're either doing business in

South Korea or in a town that has some isolated economy problems. Today's economy is in great shape.

3. *Competition.* Maybe there are a few more frame shops than there used to be. The best thing you can do is to be better than anyone else at everything. This is the heart of capitalism; only the strong survive. Which leads me to my next point which most likely leads you to growth or shrinkage...

4. *How are you performing?* This area is going to have the greatest effect on your sales than all others combined. It is where your biggest revelation is going to come from. Do you have good employees? Are you a good store owner? Are the orders well designed from a good selection of moulding, completed on time, with excellent quality control from a trained individual? I have found that most small business people are delusional—they think they give good product and service. I've never met anyone who doesn't think their service is good or think their product is mediocre. It's ironic that if you ask customers, they'll tell you they are not satisfied with most retailers; and if you ask retailers, they'll tell you that most customers are pleased with their service. How many of your customers complain or reject a framed piece? Take that number, and multiply it by twenty to get a general idea of how many unhappy customers you may have. Your competition probably knows more reasons why you've lost business than you do.

Shoot for perfection; settle for excellence!

P.S. You'll notice my list doesn't include pricing as an issue. Look for that next month. ■