

# **Improving Cash Flow While Scaling Your 7-Figure Business**

Optimize Your Assets and Strategy



By: Dan Lu

Hey Business Owner,

Thanks for grabbing this guide. It's really going to help you get some ideas for how to scale your business and improve your cashflow through a variety of strategies.

I know you're busy so I'm going to try to keep it fairly short.

My name is **Dan Lu** and I'm a business growth strategist.

I'm here to help you optimize your marketing, your processes, and your strategy so you can hit your business and revenue targets.

Now, this guide is for businesses that are already doing close to or beyond the \$1 Million in annual revenue mark.

As you likely know, growing your business comes with challenges. At each stage, you're presented with new stuff to address and work on each and every day.

You continue to accumulate more tasks that take up more of your time, your energy, and your focus.

Areas that you never had to think about before are going to come up and need to be addressed if you want to make sure your business operates smoothly as you continue growing.

This includes building your team, refining your processes, company culture, optimizing your marketing, updating your space or equipment, customer service, improving infrastructure, and last but not least...

## **Your Cashflow.**

As a business grows, operating costs tend to grow at a faster rate and profit margins tend to diminish.

Why?

Because you have to update or keep adding in additional components to your business that you never had to before when you were operating at a lower revenue range.

Whether that's hiring more personnel or acquiring a larger space to fulfill your products/services, there are things that most business owners don't (and couldn't) account for in the early stages.

One of the biggest areas of constant concern is **cashflow**.

And that's the area that I am focused on helping you with today.

While other areas are important, cashflow is one of the most stressful and worrying areas for business owners.

In this guide, you'll get ideas and strategies for *optimizing* what your business is costing you and what it's making you.

As an advisor, my job is to help you find opportunities that you can't see on your own, develop strategies, and ensure that you execute to get your desired results.

After all, you're busy in your day-to-day operations and it's very hard to see the big picture and see these opportunities when you're in the daily grind running your company.

First, I'll talk about a few ways to save money or reduce expenses. Then, I'll dive into growth strategies.

That way, you're addressing cashflow from *both* ends of the equation versus just one like other consultants may advise you to do.

Growth is more of my area of expertise and where we'll focus on. More specifically, growth with **high leverage** and *low* cost.

After all, there's only so much of your expenses that you can reduce—there's a limit. On the other hand, growth opportunities are virtually ***unlimited*** and a better area to focus your time and energy on.

Let's dive into your costs first...

## Reducing Your Expenses

### Lowering Customer Acquisition Cost

Depending on your method(s) for acquiring customers, this may be a large percentage of your revenue.

Looking into alternative sources for leads/customers may be a great place to start so you can lower your cost per new customer.

This could also be done through better marketing/advertising strategies that are more effective in bringing you new business.

### Reduce Credit Card/Transaction Fees

If you're processing high volumes through a merchant account and you've been with them for some time, see if you can re-negotiate a lower rate for being a long-time client and because of the volume you consistently process with them.

Companies aren't going to come out and tell you that you can lower your rates so you have to be proactive here.

Even a "small" reduction in percentage will have a huge impact when you're running a lot of transactions or high-dollar transactions.

If your merchant isn't willing to lower their rates, then you can look into another merchant as there are plenty out there that would gladly accept your business—especially with your high sales volume.

### **Reducing/Eliminating Products/Services that Produce a Small Percentage of Revenue**

If you have a suite of products and/or services, you have to look at your numbers and find out what's selling and what's not.

What makes up the majority of your sales and has better margins? Which products/services are costing you time and money that isn't giving you the best return?

You have to be objective here and be willing to let go of certain products/services that aren't producing the best yield for your business. Perhaps you can reintroduce them later on when timing is better and you have the resources to handle it.

But if cashflow is tight, you have to put your time and energy into the “winners” because that'll produce better returns for your business.

### **Alternatives for Equipment/Inventory/Space**

Look into your highest and/or recurring expenses and evaluate if you can reduce the cost.

Perhaps you can re-negotiate pricing with vendors or look into other lower-cost options that will still allow you to operate comfortably moving forward.

You'll have to decide what's important to spend money on right now and where to cut back.

Don't look at this as moving backward.

It's like taking a step back in order to take *two* steps forward. It'll likely be a temporary adjustment and ideally, your business will be better off for it in the long run.

Again, when it comes to reducing expenses, there's only so much you can cut out. And as you continue to grow, they'll continue to rise no matter what.

Therefore, we have to put more attention into ways to grow *profitably* and sustainably as you scale your business.

## Growth Strategies

Before we dive into growth strategies, we have to first talk about the 3 **fundamental** ways to grow *any* business. Every entrepreneur and owner needs to know this in my opinion.

1. Acquire more clients (most common but also most *difficult*)
2. Increase your average order value/sales per transaction
3. Increase the frequency of transactions for each customer

When you know these 3 main approaches, that alone can help you come up with new ideas for growth.

Let's now dive into the strategies...

### Compressing Your Sales Cycle

When you shorten your sales cycle, you'll be able to generate revenue and cashflow quicker. To do this, you have to look into where you can better optimize and ideally, systemize your processes.

For example, if you can eliminate the need for a person to physically call people to book sales calls with an *automated* process, then you wouldn't need to pay for the time spent doing that task. Instead, that person could be focused on other important ***revenue-generating*** activities.

## **Restructure Your Offer**

Look into what you're offering and ask yourself if there is a way to increase your prices by increasing the *value* of your offers.

Of course, increasing price is the simplest and easiest way to grow a business if everything else stays the same.

But if you can package or bundle products/services together that is a better value for your customer and also a better for you, than this is definitely an option to consider (win-win scenario).

This could help you reduce time and/or cost of fulfillment which will lower your expenses.

As an example, if you package together multiple services that you can fulfill at the same time instead of separate occasions, this would reduce travel costs, potentially time if it involves setting and breaking down equipment, save on gas, etc.

## **Renting/Leasing Underused Assets**

Have assets in your business that you aren't using that others can utilize for their business?

Whether it's equipment or space that's being underutilized, another business will likely find value in it.

If they're looking to reduce their costs and want to avoid purchasing it themselves, they'll pay you for it. Especially if it's only something they need for the short-term.

That way, you'll recoup your investment of the purchase and it can be an additional revenue stream for your business.

## Leverage Your Processes and License to Others

Do you have an efficient or streamlined process in your business that others in your industry would find valuable?

You might be wondering if this will hurt your business because your competitors now have your “secret sauce” to your success.

Rather than look at your competitors as people you’re fighting against for clients, look at them as opportunities for **beneficial** relationships.

A couple of notes about this...

First, you can focus on other businesses similar to yours that are *outside* of your operating area if you’re a local business.

Second, the amount you can potentially make could exceed what you’re currently generating from operating your current business.

Especially because licensing has a **high-profit margin** and is more scalable.

## Create Digital Products

Can you package your knowledge, skills, or expertise into a digital product such as an ebook, course, or program?

Digital products can add a lucrative additional stream of revenue to your business depending on how valuable what you know is to the marketplace.

## Consulting

Similar to digital products, consulting is leveraging your expertise and turning it into revenue for your business.

Even if you’ve only been in business for a few years, you have experience and insight that an up-and-coming business owner who’s not too far behind would find valuable and be willing to pay for.



## Create a High-Level Offer

Depending on what industry you're in, you may be able to create an option for people who want a more exclusive, intensive, and/or personalized experience.

This means creating a higher ticket offer or package that helps people on a deeper level with more support, more one-on-one interaction, access to other resources, etc.

This option would appeal to a *small* percentage of your clients but because it's higher priced, it'll have better margins than what you're likely currently offering and can significantly improve your cashflow.

## What's the right path for your business?

As you can see there are *many* different options and opportunities to choose from to improve your cashflow as you continue growing your business over the next several months and years.

There are a lot more and I could go on and on but I don't want to overload you with too much—you've got enough on your plate.

So how do you know what to do next? Which step should you take?

Should you refine your current offer? Build more products/services? Do you look into consulting or creating a higher ticket offer?

Understand that everything we do in business (and in life) has an **opportunity cost** associated with it.

If you spend time and/or money in one area to complete a certain task, you're potentially missing out on returns that you could have reaped from doing something else.

So you could be sacrificing great for *good*. You could be missing out on high-yield returns for *mediocre* results. Maybe getting short-term wins but then missing opportunities for long-term gain.

Here's my approach: Optimize what you're currently doing now and then focus on high-yield and *leveraged* strategies so you'll get *optimal* results for your time, energy, and effort moving forward.

If you don't optimize what you're currently doing and you have issues in your process or strategy, they'll only *amplify* and get worse as you scale. Therefore, making it harder to be efficient and profitable.

**My goal is to help you save money, make more money, and reduce the effort it takes for you to do so.**

But without knowing your business, your goals, your strengths, your weaknesses, etc., it'd be extremely difficult for me to help you decide your next move.

So here's what I'd like you to do next...

If you're someone who is looking for more **clarity** and **focus** in your business so you can *efficiently* move towards your targets, I invite you to [book a complimentary strategy call](#).

Simply click the button on the next page, watch the *short* video I've put together for more content on growing your business, then you'll see a box appear below it where you can apply for a free **1 hour call**.

During that call, I'll learn more about your business, your goals, your challenges, and then help you develop a *simple* game plan to move you closer towards your objectives.

Perhaps you're on the right track already and just need to do more of what you're currently doing.

Maybe you want to better leverage your time and energy. Or maybe you're looking for untapped or hidden growth opportunities.

Either way, I can help you with that.

If that sounds good to you, [click the button below](#).

Thank you for reading this guide. I hope it gave you some new ideas and *clarity* on growing your business moving forward.

Talk soon,

Dan Lu



[CLICK HERE TO APPLY FOR YOUR STRATEGY CALL](#)