

INSTANT HOLIDAY CAMPS FORMULA

Explosive Profit Growth Transcription

If you want to make more money in your studio, there are four - and only four possible ways to do it. The first way is to cut down on your expenses and overheads. This is fine, it's an effective strategy, but there is only so far you can take it. So therefore, in my opinion, it is the least powerful strategy for generating more cash. It's also not as positive focused as these I am about to run through. The second way is to increase the number of customers you have, so you're bringing more money and business into your studio. The third way is to increase your purchase price, charging more for the services that you provide. And lastly, you can increase the number of purchases from your existing customers. Of these four profit strategies, number two and number four are the ones with the most potential for explosive profit growth. If I get a little excited during this track, please forgive me - I just love talking about this topic. This, and leverage is what I am most passionate about helping you to achieve.

There's a man I really admire called Peter Drucker who is a genius of marketing and management and he says that "Profit comes from repeat business." If you retain nothing else from what you are learning here: please, please let it be this. Repeat business is going to keep you afloat if you muck up your phone number in an advertisement. Repeat business creates raving fans who will promote you and spread the word to all their acquaintance without you lifting a finger or spending a cent. Repeat business is what will take your income to a whole new level. By focusing on providing opportunities for your customers to grow with your business, give them more opportunities to spend money with you and develop their skills and enhance their life you are able to make more sales with fewer expenses. Which means? More profits.

Have you ever taken the time to work out how much it costs to bring in one new customer to your business? Averaging out all the advertising, your online listings, the time you spend speaking to prospective customers? My testing and research came to a figure that lay somewhere between \$40 and \$50 per child who comes into the camp. This will depend on the scale of business you are operating, but if you think about it - you've spent \$50 to get them in the door to your camp, that's about the cost of one day's attendance (let's just say). From that point on, your focus is to keep them interacting with your business for as long as possible. Everytime that child comes back to camp in another holidays, you are in the profit in term of acquirement cost, you're not having to spend another \$50 every camp to find a new child to come and take their place.

It's like investing in the share market, if you buy some shares in the morning, then sell them that afternoon, you're probably not going to make as much money as if you held those shares for 20 years. Each customer is like an investment, you want to recoup as much money off your initial investment as possible.

Let me put it this way. Pretend that you're doing a tug of war and one side is

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doing really well. They keep adding people to the end of the rope and they pull and pull and pull, getting more powerful all the time. But the other side, they have to keep sending people off the rope to go and grab some more people to help out. But when they come back with a new person and they start pulling, all of a sudden they don't really want to play. So they drop the rope and go have a drink. So the captain sends off another person from the back of the line to recruit more people. Meanwhile, that red flag in the middle is moving more and more towards the first team. That red flag is your profits. The more people you bring onto the rope and keep them there, the more that red flag – those profits will flow to you. But if you're like the other team, always distracted with desperately needing to attract more people, you won't be able to concentrate on creating the atmosphere to keep your players fully engaged and motivated. What I love about our business model is that by providing such a fabulous service, where they have an absolute ball, kids want to come back every holidays. If we're doing our job well, that's the result. They love the leaders and the music and the games. They have friends they have made at camp that they love catching up with each holidays. There was a little girl called Emma, she loved our camps so much that she held the record for attending 8 holidays in a row! But some people need a little more of an incentive to come back on a very regular basis. So how can you keep them on the rope?

One way would be to introduce a loyalty program, whereby if they attend camp for lets say 10 days, they get one day free. Notice that they would have to come to two complete camps and then come back for a third to be able to claim this, so they have to work a little to get the freebie. Another idea might be to recognise how many camps children have attended and incorporate some prestige into their attendance. For example, a child who had attended 4 camps in a row might get to wear a special badge that makes her a "Life Member" or such of your camps or something. You could probably make it a little more kid-friendly, calling it the Super Star Badge or similarly special.

Another way of boosting your profits is by selling add on products. One that was extremely successful for me was selling t-shirts. I required all children to be dressed in all black for the Friday showcase, and the t-shirts needed to be plain black fronted. How handy that I had these for sale all week! My logo was on the back in bold print - good advertising while out and about too! The kids LOVED them, and it almost became a bit of a popularity thing to have the camp T-shirt. It cost me \$10 for the t-shirt and printing, and I sold them at \$20 - easy money. The camp leaders were trained to sell the t-shirt, to remind the kids every day to buy their t-shirt, ready for the showcase!

As you might have picked up by now, it is really important that you are aware at all times how effective your decisions are, based on measurement. When I wanted to boost my profit margins, I looked at cost cutting as well as opportunities I was not exploiting to their potential. This is a hidden gold mine you can tap into. Looking at each day's taking during the camp, I realized that Tuesday was the day, which, over several camps was the lowest in terms of attendance. Many children did Wednesday-Friday, or Monday, Wednesday

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Thursday Friday and had a day off on Tuesday. Now instead of thinking of this as just they way it is, that parents just want to give their kids a day off, I saw this was an absolute opportunity to make more profit. I just had to give them a reason why they absolutely would want to be at camp on Tuesdays. SO I created the Tuesday disco party day. I promoted it heavily in emails to parents, in advertised, letting them know and when I spoke to parents, I casually mentioned that when booking in for the week they wouldn't want to miss Disco Tuesday.

At lunchtime on Tuesday, leaders set up the hall while the kids are outside, decorating it like a big party, balloons everywhere and streamers! There were microphones and a big boom box I rented for about \$50 from a local music store. The leaders played fun party music, got the kids up doing karaoke, ran games like limbo and generally had a great time! By the next camp, Tuesdays were as equally strong as all the other days in terms of attendance and kids had another incredibly fun experience that kept them coming back time and time again. Spending about \$80 on music equipment rental, balloons, streamers and some face glitter brought in hundreds of dollars more than without the incentive to attend this disco event. Reframe your thinking to see what you can do to turn a negative into a major positive - and major cash influx.

The other obvious way to maximise your profits it to reduce costs in order to maximize your profits. Look for ways to cut down costs; I've already mentioned a few, like buying in bulk off Ebay, and generating free PR for your business instead of advertising. Try to keep staffing to a minimum, whilst adhering to your state's child to adult ratio for holiday programs. Wages are a massive expense, so watch them carefully. Other things, I have taught you that fancy graphic design is not necessary and a website needs to be functional above all else. The goal is to be generous when required and thrifty always.