

Video Lecture 11 *(with slides)*

Why Do Businesses Fail?



Fitness in Business

LECTURE

11

Hello, and welcome to Video 11

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Okay, so why do businesses fail? This is quite a simple, straightforward presentation.

Any reasons why your business is not making money or you are not getting the market return that you want or you are not converting your sales leads is going to be **your fault**. It's going to be down to you.

If you don't have good client retention, if your clients are not wanting to come back and train with you, **that's you**. Whatever reason they may give, you can always refer that back to your failings. But if it's **you** that's failing, that means there are actions and steps that you can take.

If you've got 600 phone numbers with the names and email addresses of people and you're calling them, you may find that with the first 400 to 500, you get no responses or the responses are negative - they're not interested. And you could be quite disheartened by that.

Or you could start to think:

“I've now got those out the way - that means I've got 200 or even 100, which I could access - so I'm getting closer to them.”

If you get through all of those calls and you haven't made one sale, there's either something wrong with your script and the way that you are converting or there was something wrong with your marketing – you attracted the wrong people.

There's always something you could do. If a client says,

“I can't train anymore, I haven't got the time”
or
“I've had a change of circumstances”.

They don't see you as a priority. That's your fault. You've got to position yourself as a priority, as a necessity for that client. And those are just some of the things where we could talk about where we could take ownership over whether or not our business is successful.

Incompetence is certainly an issue as to why business fail. And that could come from a lack of motivation and intelligence and energy. All of these we can get if we're spending too much time on aspects that don't give us the traction and conversion that we want, rather than actually speaking to people and getting information.

Any experienced professional will know that qualifications just give you knowledge but the application, the actual doing and being successful needs to come from networking, talking and continuing to do research.

How are you managing your energy from your motivation, how are you actually managing yourself? What are you spending your time doing that's giving you a return? If you have a little experience, a little knowledge of your product together with basic business skills, these are some of the things that can develop all the information that we can communicate to future clients.

This develops from experience: talking to other people, applying different ideologies to what we do.

- Get a balanced experience in all necessary areas
- Get experience with the actual product or service itself.
- Give attention to detail,
- Obviously don't practise deviance or fraud in what you're doing.

Think about some of the examples of big businesses that have failed or lost money, some through no fault of their own. If you have a particular risk or issue, what are you going to do about it? We've had national and international pandemics that have affected businesses and businesses have to adapt. They have to know how they're going to adapt, what immediate response they're going to have, as well as a three to five year to a ten year response regarding issues that are out of their control.

We need to keep abreast of changes in trends. Populations change and we have increased birth rates, which then will progress to a new target market in future decades. If that target market's attitudes have changed and you've not kept abreast of that, that's when you won't be making sales anymore. Also, we should keep abreast of our finances: money going in, money going out, keeping a good spread.

Some of the basic concepts that we've talked about have actually been the failings of big business. So it's something to consider when we're looking at our own.

