

## **Low Budget Business**

The Kinks, a great British rock band, have a song called “Low Budget”, on which Ray Davies shares with us the trials and tribulations of being low on cash. While it may hurt your social life, being broke can also have a suppressing affect on your ability to grow your business. We certainly sympathize with your social challenges, but Tudog is much better equipped to help you resolve the influences your low budget is having on your business.

First the good news; your success in business is not solely reliant on the amount of money you have or the financial resources you can allocate. The bad news is, that being broke will require you to find alternative, create ways to get your business noticed. More urgently, it will also require that you be very disciplined and focused.

With this in mind, Tudog has seven helpful hints that will allow you to make better use of the limited funds you have. The seven rules for stretching the business dollar are:

### **Rule One: Be Real**

You’re going to waste a lot of money if you’re not being honest with yourself when you establish your business expectations. You need to make certain that you align what you hope to accomplish with what you are able to accomplish. This does not mean you shouldn’t push yourself and make sure that you perform in a way that demonstrates a high degree of ambition. It does mean that you don’t make decisions, like allocating funds to higher cost advertising channels, because you want to rush your success.

### **Rule Two: Allocate Wisely**

One of the downsides to being broke is that you don’t have the same degree of “strategic depth” companies with cash have. This strategic depth allows them to make mistakes and try out various marketing tactics before deciding on which ones to rule with on a wider scale. As a low budget company you’re going to need to pick more wisely, pending more time analyzing opportunities and less time trying them out. Once you select your best options, monitor them closely and be sure to pull the plug on any that are not producing as quickly as possible.

### **Rule Three: Timing is Everything**

We’ve all heard this before. Simple tricks of fate can occur when timing is right...or wrong. You need to make sure that you are engaging in your marketing activities at the right time. For example, if you are selling a product that should be popular with children, launch just before the summer and promote heavily during school vacations. If you are selling to tourists, make sure you’re timing hits the season. If you’re off on your timing, you are going to waste funds...and the one thing being broke means is that you have no funds to waste.

### **Rule Four: Plan Your Costs**

One of the biggest traps for cash strapped companies is getting a handle on their costs. Companies that are unable to control costs are unable to save what is needed for the times it is needed most. One way to anticipate what you will need and when you will need it is through a well conceived and carefully planned strategy that details when and where funds will be needed. By having a plan that details your costs, you will be able to address (or confront) the costs as they arise....because they won't be a surprise.

#### Rule Five: Cash Flow

They call it cash flow, because like blood flows through our veins, cash needs to flow through your company. The math is simple; more needs to come in than goes out. If too much more goes out than comes in, and for too long a period of time, you will crash and burn. The solution is controlling your cash flow...making sure that you are not spending more than you can afford to at any given time.

#### Rule Six: Sell...Sell....Sell

At some point you got to get out there and sell, sell, sell. Increasing your sales solves all your problems because it alleviates the pressure on your cash flow, generates monies that can be reinvested in the business, and ultimately leads to profitability. You don't need a large budget to generate sales. You can hit the ground yourself, and you can also recruit others willing to sell on a commission basis. It is less important what sales tactic you elect to embrace, so long as you are active and selling.

#### Rule Seven: Be Creative

Nothing beats creativity in business. Don't let your lack of cash diminish your imagination or creative prowess. Make sure you look for solutions in places they aren't usually found. By doing so, you'll find many inexpensive ways to gain exposure, attract customers, and even operate your business.

Sure it's more fun to wage the battles of business with a generous reserve of financial resources. It's always nice to have money. These seven hints are for those times you may find yourself a bit shy of the cash you need.