



Are You Letting Revenue Slip Through Your Fingers?

Many small business owners have had the same business model for years, even though their revenues have been declining lately. They sometimes blame it on the bad economy instead of making small changes or better choices.

When I tapped into my marketing database recently, I wasn't surprised to learn that an overwhelming amount of entrepreneurs listed getting clients and generating income as their biggest frustration. A deeper dive into the data and I find that many of the consultants, coaches, and trainers are letting significant amounts of revenue slip through their fingers because of their business model.

Raised or influenced by the trading-hours-for-dollars era, many small business owners start their business with the same outdated business model that crushed a lot of larger organizations. They set up their own small business and try to execute the same "Yes OR No-and-Go" business model. So, either their clients work with them at a really high-priced model or they don't and go away. There are no other choices for the client to work with them leaving the consultant, coach, or trainer cash poor struggling to make ends meet.

The limit to a Yes OR No-and-Go option is that it requires you to do the work and offers no other choices for your client. As the saying goes, "no margin – no mission." There will always be a limit to what you can earn with that model alone because it doesn't provide choices, requires your active participation, and has no leverage.

The reality of it all is that today's consumer is about choices. When you only have one pricing choice in the way your ideal clients can engage with you, you're letting money slip through your fingers.

To create a sustainable business, shift your business model to create more **passive, leveraged** and **recurring** income. The more carefully developed choices, the more likely you will be in business a year from now with the ever-changing marketplace.

To supplement your business model, consider developing:

Passive Income. This is income received on a regular basis requiring little effort on your part to maintain it.

Examples might include licensing a patent or developing intellectual property. It might even include developing an informational product and making it available for sale, requiring a way for your clients to engage with you without you having to physically be there. There's nothing better than waking up in the morning and seeing that someone purchased a product without you having to lift a finger.

Leveraged Income. This includes income from activities that deliver value to a large group of people at the same time. An example might be someone who offers their services through a teleconference where you are working with many individuals at one time who are usually paying a fee. Adding this option to your model creates another choice for the client to work with you.

Recurring Income. This includes income that may entail personal interaction and requires your time and effort but it provides the regular cash flow to you while providing choices to your clients. It may include a monthly retainer or development of a continuity program where an individual receives continuous services or information at regular intervals.

Consider how to apply these strategies to your business. Small changes now in your business model can more easily double your income. When you offer more choices in the way clients can work with you, the greater your reach will be. The greater your reach, the more people you help. The more people you help, the greater the return.

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