

23 Cash Flow Secrets For Entrepreneurs

1 Put Your Prices Up

Every business can raise their prices by 3-8% without customers noticing or caring. The only person concerned about this is you, the owner, so do it today.

2 Improve Your Sales Conversion

Most companies get lots of leads in but don't realize that improving their closing rate of prospects to paying customers is the easiest, cheapest and fastest way to grow cashflow.

3 Reduce Inventory

Look at what inventory you carry and how much you move each week. Often just in time inventory systems get bloated and over stocked so look to run the bare minimum without disrupting delivery to customers.

4 Let Clients Pay Quarterly or Annually in Advance

Clients that have weekly and monthly transactions may provide much needed cash by paying for more in advance. For a small reduction in price, your clients will likely pre-pay for 3 months, 6 months or even a year of services in advance. Ask them.

5 Test and Measure All Your Numbers

What you measure improves. So ensure that all of your sales numbers, service numbers, financial reporting and analysis is being done and discussed for weak spots and opportunities regularly.

6 Liquidate Old Inventory

Really looking at your inventory will uncover outdated products, old lines or items collecting dust that can be liquidated for extra cash. These items may not fetch a full price but even thirty cents on the dollar it releases trapped cash.

7 Increase Client Deposits

Are clients allowing you to finance sales? Often the cost of producing or fulfilling clients' orders can be more than the deposit taken and so sales are robbing you of cash. Increase the deposits and get cash upfront.

8 Closed Door Sales Events

Sales events for your existing client base can often drive a flurry of activity and sales. Dress it up with a closed door VIP event and let the exclusiveness of your event make it an opportunity not to be missed.

9 Change Your Terms – 30 to 7

Net 30 payment terms often become 40, 45 or even 60 days before payment. So reduce your payment terms to 7 days and if people stretch them it is always within 30 days. If your client are concerned, make an exception for them to 15 days.

11 Ship Direct from Suppliers

Reduce your inventory costs, your warehousing labor and your time to deliver all by organizing a shipping system direct from your suppliers to your customers.

13 Factor Your Receivables

Factoring your receivables is simply the sale of those receivables in exchange for cash today. If your customer simply don't pay on time then sell those receivables to a third party so you have fast cash to keep growing. (Ensure your pricing accounts for the discounted sale amount you'll receive using a factoring service).

15 Sell Other People's Products

Whether you sell other companies products as an add on sale to your own or as a stand alone offer, these sales are often just a commission or fee without any additional work.

10 Make Effective Collection Calls

Most people don't know how to collect money. Your calls should be organized with details, get a specific date of payment and a pick up or delivery plan. Master these calls and always have cash when you need it.

12 Get Referrals

New customers referred to you become customers with less effort, don't require as long a selling cycle and often buy more right from the start. Develop an effective and active referrals system.

14 Add On Sales

Retailers often call them Impulse purchases at the cash register. All companies have the ability to add on extra sales value to each of their orders in the form of supplies, refill, delivery, complimentary products, etc. Just think, "Would you like fries with that?"

16 Extend Supplier Credit

Often your best suppliers can be your best source of cash flow support. Asking suppliers to extend your payment terms, to map them to your sales seasons and to defer payments at time can all be ways to ensure supplier improve your cash flow.

17 **Generate PR for Your Business**

A great story, a contribution to community or an exciting event can all be reasons to cover your company in traditional and social media. People buy from companies that stand out and do good deeds. Give people a reason to buy from you besides your price.

19 **Package Offers**

Move slow moving inventory with your best selling product, add in an extra unit with each sale, bundle four when you buy three. Make packages that move more product with each transaction.

21 **Sales Incentives for Everyone**

Providing some form of sales incentive, sales contest and sales competition for short periods (1 week, 30 days, 2 months) often gets a team's sales fire burning strong. They can push deals faster, bigger and with more enthusiasm in short bursts.

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18 **Add Warranty and Service Contracts**

The adding of warranty options and future service contracts as part of an initial purchase are critical ways to increase the sale value and to increase cashflow because these extras tend to have great margins.

20 **Sell Off Assets**

Taking a hard look at the assets of your business can open up opportunities to sell under utilized assets, places to lease instead of own and chances to simply liquidate unnecessary equipment and materials.

22 **Ask Your Customers**

Ask them, what could we offer to have you do more business with us? What else do you want to see us carry? Who else do you use and why? Good questions to customers will open up conversation AND opportunities for more sales and cash flow.

BONUS!

Plan Future Purchases and Appointments

Too often we move from individual sales transaction to the next one. Instead plan all of the purchases and needs of your clients for the next year or at least the next quarter. Tighten up sales gaps from every 6 weeks to 5 weeks and realize an 11% improvement in your sales.