



# newsletter

## JUNE 2007

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## IWFCI HEADLINES NEWS

### IWFCI forges ahead with global links



Diana Abruzzi  
Executive Chairman  
IWFCI

Margot Dorman  
CEO - USWCC

IWFCI has achieved some exciting new business and trading links with an important new strategic alliance in the United States and the opening up of new talks with the rapidly expanding United Arab Emirates.

The phenomenal growth of SME's worldwide, coupled with increasing trade liberalization, has made our pursuit of such alliances particularly crucial as we seek to explore new and growing export markets.

Australia's 31,000-strong export enterprise community is seeing more and more micro and small businesses take their place in the global market, with 87% of our exporters having a turnover of less than \$1 million a year.

We know what the global potential is, but the constant challenge is to reach those markets and the people who are influential within them.

To this end, IWFCI has forged ahead with creating worthwhile strategic alliances with other women's organizations within different economies in order to open up those trade opportunities.

Our recently signed MOU with the United States Women's Chamber of Commerce is one such exciting development.

With this alliance, we will be able to encourage a wide variety of joint ventures and open trade routes between our two countries in order to capitalize on the free trade agreements reached in January 2005.

I also recently visited Dubai, the dynamic capital of the UAE. The development taking place there is nothing short of phenomenal and I became acutely aware of the UAE's

rapidly growing demand for consumer goods, manufacturing processes and medical and educational services. There are enormous opportunities for Australian businesses.



Shaikha Lubna Al Qasimi UAE Minister of Economy, Diana Abruzzi & Raja Easa Al Gurg President of the Dubai Business Women's Council

I met with Sheikha Lubna, the first female Government Minister in the UAE. She is also heading the Free Trade Agreements with Australia. Also present at that meeting was Raja Easa Al Gurg, President of the Dubai Businesswomen's Council. We found a mutual desire to assist the growth of SME's in our respective countries and to encourage trade opportunities via links with our organizations. We agreed that an MOU would be sent to me and then on my next trip to Dubai in late July it will be jointly signed. ■

‘ We know what the global potential is, but the constant challenge is to reach those markets and the people who are influential within them ’

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# 4 KEYS TO GROWING YOUR BUSINESS

There are four major steps to selling and marketing successfully as a company grows from a sole trader, through the family business stage to a fully mature prospect for merger, takeover or IPO.



Dr Colin Benjamin

At the company's inception the marketing and selling strategy revolves around the personal story of the founder, networks and personal selling.

Next comes micro and mass marketing communication strategies. Then as the mature private and publicly listed company adopts a formal structure, more sophisticated methods of communication are required, including board reports, investor engagement and regulatory responsibilities.

Ultimately, the smart company reaches a scale and scope that requires sending a message to investors and venture capital providers that communicates its future global potential. So what are the differences between the communication strategies at each of these developmental stages? And what tools should you use when?

## Networking

The most important and often most difficult path to market for the person with an idea for a new product involves building a network of people. These supporters have to help shape the growing business and give honest feedback to the founder.

To get these supporters on board the business owner needs to clearly identify the purpose and direction of the company, communicate its goals and objectives succinctly and enjoy telling everyone why they should join the circle of admirers, advocates and ambassadors.

The tools at this stage include trade shows, exchanging business cards at industry events, setting up alliance partners and associates in word-of-mouth networks.

A crucial communications faux pas often made at this stage is to try and sell to your network.

Instead, identify network partners and include people in the same industry and distribution structure. Target specialist experts that help your customers and include them in the network, offering to support them if they support you. The support includes shared functions, links on websites and cross-referring potential customers.

As the enterprise develops an organisational structure, a concise business and marketing plan and financial stability to justify advertising and communication budgets, it moves beyond personal selling, internet presence and customer orientation to market focus and internal marketing communications.

## Personal selling

This is crucial when the new business wants to build sales. It includes being able to "sell" the benefit proposition to customers, colleagues or commercial suppliers

– all the people who must be convinced that there are real and abiding benefits to be obtained by "buying" into the business. The key to success at this stage lies in the ability to tell a story and the measure of that success is the extent that customers are persuaded to try, buy and become loyal customers.

A lot depends on directly communicating with potential customers through emails, functions, door-to-door selling by reps, blogs ... anything through which you can build your story and sell the benefits.

## Internal and external brand development

Now it is time to communicate the brand. As soon as you have a range of satisfied customers it is time to seek testimonials that are sent to potential customers and displayed through print or online.

Every time there is a successful sale communicate this with three-core messages:

Some form of appreciation to the customer for coming onboard.

A clear and concise communication of why customers are satisfied to all those who have been involved in the production and distribution of the offer.

A message to the market that shows others how they can be involved in the growth of the business.

This combination of communication strategies is the essence of brand development that takes the business from selling to marketing and to brand leadership. By this stage the company should have a very strong web presence, be advertising strongly online, have brochures and have excellent external communications such as newsletters for staff and the network.

## Publicity and promotions

The company is now ready to go public with its story through press releases, CD Roms, videos and emails. And the good news is the public has a vested interest in the business opportunity and is keen to listen.

Entrepreneurs also need to be actively promoting their new product, service or experience. Building brand presence and sales volume relies on free and paid trial promotions that give people the opportunity to try and buy.

## Public relations

Whereas sole traders and home based business units tend to rely on well-written press releases and local media, larger firms take on public relations advisers produce newsletters, develop websites and establish customer relations databases.

PR is also used by IPOs for the launch of a dash for cash and by mature companies for damage control when there has been a breach of ethical or appropriate marketing behaviour. Relationship marketing and corporate culture must be tightly linked to processes of brand development and on-going change management.

## Direct marketing

In the days before the internet, list marketing and letter box drops were often used by growing companies to establish new

# WOMEN GAINING FINANCIAL INDEPENDENCE THROUGH PROPERTY

products and services into local-area markets. Now business owners can reach a global market via Google, eBay and Yahoo Search that creates equivalent niche market objectives for business-to-customer (B-C) direct sales.

At this stage lean on others' reputations. Recruit celebrities and form strategic alliances with large firms.

## Trade marketing

When the company has reached sufficient production capacity to sell to a mass market or seek trade partners, professional managers move towards channel marketing and to build extended value chains that create volume sales.

Industrial marketing and business-to-business marketing relies on creating incentives for third parties to take up the retail effort and build scale and often take up the critical task of export and global trade relationships.

## Advertising search engine optimisation

Buying space for mass media advertising is an inevitable stage of development for firms that have outgrown their local market and need to generate large-scale consumer awareness, but it is always expensive, risky and less focused than any of the other marketing communications discussed above. The main goal is to support the sales objectives that have been set out in a well prepared marketing plan and is measured in reduced costs per sale and increased volume of sales from the targeted market segments.

## Venture capital attraction

By this time the sales and marketing strategies must be so appealing that people want to put money into the business. The most common reasons start-ups and small business units fail to grow beyond sole trader status or lack the resources to expand their business into new markets, comes from an inability to communicate a credible sense of vision, mission and the capacity to manage the growth of the business. Early attention to venture capital attraction requires outstanding financial and accounting communication within the growing company, and professional budget and forecasting communications to bankers, business angels, venture capital sources and ultimately stockbrokers and business analysts.

## Market focused communications

Create market spaces for product. At every stage in the development of the firm there is one substantive imperative: to have sufficient cash flow and capital to maintain both the growth of the business and to pay rewards for time and effort of shareholders and wider stakeholders. The bigger the business, and the wider the range of products, services and experiences that are offered to the market, the greater the need for an effective marketing and selling communications program. ■

It should come as no great revelation that the real estate industry is seeing an upsurge in the number of women buying residential property either as single investors or with a view to retaining their purchase as a later investment when they partner or marry.



By Monique Wakelin, Co-Founder of Wakelin Property Advisory Regular commentator on Melbourne's ABC, 774 property segment and is regularly quoted in national media.

Australian women have long listed their number one priority in life as attaining financial security and they see the first step to achieving that as owning a home.

It also won't surprise you to learn that we had to wait until the 1990's before any definitive studies were carried out by the advertising industry on the impact women have on household financial decision-making.

That report "When I've Made Our Minds Up," which was published in 1993, declared – surprise, surprise – that women's financial needs are different from those of men and are largely unrecognized by providers of financial services and sellers of expensive products and services.

What has now changed – albeit slowly – is a recognition on the part of lending institutions that women are earning higher wages and staying in the full-time workforce longer. Women are also marrying later and delaying the decision to have children. The latest Australian Bureau of Statistics figures show that the average woman now has her first child at 31. Therefore, they now look like a good bet when it comes to borrowing a large sum of money.

The real estate industry tells us that single women will spend between \$200,000 and \$400,000 on a first property. Let us bear in mind that this is usually the largest single outlay that any of us will make on a single purchase. Some women take the very sensible view that even if they do marry after their first property purchase, they can use the build up of equity and the capital gain to help acquire a family home later. Many also recognize the potential to hold that first property as a long term in-

vestment and use rental income to cover the outgoings.

However, the marketers – having recognized this new female buying power – are now pitching for this market. For the novice female property buyer, the entire purchasing process can be sidetracked by emotion and hype. Not to mention the offers to borrow above their limit. Property is, after all, a very emotive commodity since it provides us with shelter and that all important notion of financial security. But, we can have our cake and eat it too. With the

‘ The real estate industry tells us that single women will spend between \$200,000 and \$400,000 on a first property ’

right, independent advice you can be assisted in selecting a property that will not only fill that bill, but also provide the type of ongoing capital growth and equity that will leverage you into other wealth creating investments in the future.

After more than 20 years in the property advisory business, I can only urge prospective buyers to seek that independent advice before plunging into what is a complicated market that is full of twists and turns for the uninitiated. ■

## Internet Commerce

A third of Australian businesses use the internet for placing and/or receiving orders. In 2005/05 income from internet commerce was nearly \$40billion. (Source ABS). Trading online can be a good business strategy – it can save you time and money, help you reach a large target market and reduce your business overheads. If you are thinking of incorporating internet commerce into your business, there are a lot of things to consider such as - your legal obligations, intellectual property, secure transactions and so on. If you want to find out more, about how to take advantage of this potential opportunity for your business, or to check that your online business meets all regulations and requirements and that you are using it to the best advantage, visit <http://www.business.gov.au>

## What Women Say about Work

Security4Women, one of four National Women's Secretariats funded by the Office for Women, has recently released a report that explores the work issues surrounding women. From previous research, S4W identified remuneration, work place conditions and work/life balance as major concerns for women in the workforce. A series of focus groups held last year to explore these issues, identified 6 key findings:

1. Women need to feel valued and recognised for the skills they have
2. Women with disabilities need support and opportunities to excel in the workplace
3. Women need to feel better equipped to negotiate for themselves in the workplace
4. Women need access to mentoring opportunities in the workplace and beyond
5. Women need adequate paid family leave entitlements, quality, affordable child care, and flexible workplaces that cater for balance in work and family responsibilities
6. Women need accessible and affordable educational opportunities

(source: "Talking About Work" Security4Women, Nov 2006)

In response to these findings, a range of potential solutions have been offered by S4W that include developing a Women's Info-link portal, models for workplace training, mentor networks and mentoring programs, best practice advice for family friendly workplaces, and exploring opportunities for increasing educational access and participation rates by women. To find out more about this important work, you can download the report from our website: [iwfci.org](http://iwfci.org) or visit [security4women.com](http://security4women.com)

A related report by the House Standing Committee on Family and Human Services entitled *Balancing Work and Family* has been released that addresses a broad spectrum of issues including women's labour force participation, the tax system, the benefits system, fertility, workplace relations, child care and care of people with disabilities. The report is available at <http://www.aph.gov.au/house/committee/fhs/workandfamily/report.htm>

## New Member Profile



**Suzanne Grosser,**  
with her 18 months puppy. Managing Director of Seagull Gifts.

Suzanne has over twenty years business experience in the up market giftware industry. Started Seagull Gifts in 1989, and took her company from Zero to \$6million per year by 2003. Ph: 0418 536 412



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## Did you know?

Companies with the highest percentage of female executives delivered earnings far in excess of the median for other large firms in their industries. (Harvard Business Review 1998.)

The Victorian Government has a commitment to increasing the representation of women on Government boards and committees. For a Women on Boards help sheet visit [www.women.vic.gov.au](http://www.women.vic.gov.au)

The National Breast Cancer Centre recommends that women of all ages, and regardless of whether they attend for mammographic screening, are aware of how their breasts normally look and feel and report any new or unusual changes promptly to their general practitioner. No one method for women to use when checking their breasts is recommended over another

Ninety percent of new products fail in the marketplace because of too much focus on marketing to new customers as opposed to focusing on resolving flaws or shortfalls in the product. (HBR OnPoint Collection July 2006)

In 2005, only 76 of the Fortune 500 had three or more women on their boards. (Harvard Business Review Dec 2006)

If you ask your male employees to wear a collar and tie or your female employees to wear skirts and dresses you may be discriminating on the basis of sex. To avoid this and achieve the desired dress code, ask your staff to wear standard business attire. (Equal Opportunity Commission Victoria)

According to International Monetary Fund data, China is the world's sixth biggest economy and the second biggest economy in Asia (in US dollar terms).

Self-employment is a reactive rather than proactive decision for both older women and men; however, women were less inclined to actively seek self-employment as their employment option of choice. (E Walker, B Webster, Women in Management Review, 2007)

A major barrier to women's progress in management worldwide continues to be the gender stereotyping of the managerial position. (V Schein, Women in Management Review, 2007)

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