

As we enter another month of Covid-19, some businesses are gradually hitting the restart button, while others are planning to follow suit as soon as it becomes safe and viable. For those among you who are still in lockdown, we asked two industry experts for their advice on what bodyshops can be doing now to ensure they hit the ground running when restrictions are lifted.

LOCKDOWNLEARNING

How financially safe is your business?

By Tim Kelly | owner | MotorClaimGuru



As an independent business or sole trader the current and future effect of the coronavirus pandemic can be terrifying. With some "help with the now" and "planning for the future", it doesn't have to be that way.

If there is one thing about which I am certain, now is definitely not the time to stop and be doing nothing.

Never again will you have this opportunity to reflect, evaluate and plan for the future of your business. Now is the perfect time to work "on" rather than "in" your business.

How to run a business

The interesting thing about running your own business is that pretty much every one of us starts with no training in how to run a business. How mad is that?

You might be a great panel beater, painter, stripper (no laughing at the back) or VDA or engineer. You have trained for years, you are an expert in your field. So why have we not done the same for running a business?

This is your opportunity to make your business better.

What if you improved just 1% of every aspect of your business daily, where would you be next year? $1.01 \times 365 = 31.18\%$ better. 1% worse? $0.99 \times 365 = 0.03\%$

You cannot afford to stand still and batten down the hatches. If you do, you will end up going backwards not forwards.

Imagine how far in front of your competitors you could be if you start making improvements now.

Where to start?

Marketing – people need to know who you are. Why they should use you is important, but not as important

as how you make them feel. Are you going to take the stress and hassle away? Try using empathetic marketing. The bodyshops and accident management companies which have provided courtesy cars to the NHS free-of-charge have nailed this. Fantastic work in looking at diversification of marketing. For everyone who has had a car provided, guess the first company they will be thinking of when they have an accident?

I would like to take a second at this point to thank anyone working for the NHS or who has helped them with their efforts – you and they are amazing. Thank you.

Retaining the customer – get training on how to overcome the obstacles that lead to you losing the customer. Every customer you retain now is more important than ever.

Profit – the first thing you need to do is charge more. Simple as that. Then you need to look at where you're wasting money. Evaluate your business. Do you know what your break-even point is? Your monthly overheads? Look at your energy providers, service providers.

Have you got a cashflow forecaster? Do you know how much is coming in? How much you need? What you need to do in marketing to grow?

Cashflow is the killer of business. You can do all of the above, but if the cash is not moving in your direction you're dead. I hear comments of "we do not want to upset the insurer as they send us work". But if they are not paying you on time they are not a good partner.

Create a list of your best and worst partners, and get rid of the worst.