

SAMPLE

BUSINESS

TRUTHS

96 PROVEN WAYS TO BUILD LOYALTY,
GROW PROFITS, AND SUCCEED
AT EVERYTHING IN BETWEEN

**ANDREW BROWN &
ROBERT GOLD**

FOREWORD BY **CHRIS CARDER**

INSPIRED
BY CANADA'S #1
BUSINESS PODCAST -
THE BUSINESSCAST



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FOREWORD BY CHRIS CARDER

*Chris Carder, along with David Dougherty and Gary Fung, co-founded
Toronto-based innovation firm and incubator Kinetic Cafe*

Business Truths...

As leaders and entrepreneurs, our journey to find business truths spurs innovation. It's what helps us to uncover exciting, game-changing ways for tackling real-world problems.

At the same time, business truths provide inspiration. They awake in us deep passions that propel us and our teams, with varying skills and perspectives, to come together to achieve fantastic accomplishments; things that even surprise ourselves.

Finally, business truths are enlightening. They help us to focus our energies and resources on those things that have the greatest impact – even when those truths are at odds with what we may have originally envisioned or wanted.

Business truths are the source of tremendous power.

But as much as they are powerful, business truths are even more elusive. The speed at which change sneaks up on our every day work lives makes it difficult to pin them down. Technologies, demographics, economies and social values are forever shifting. Trends come and go, opportunities emerge and quickly evaporate.

But rather than dissuade us, this reality further fuels our thirst for

business truths. And as an active proponent of businesses in Canada, I find that encouraging.

Having built and grown one of Canada's most successful digital marketing companies and co-founded Kinetic Café – an innovation firm and thriving incubator – I've felt the power of business truths. As a result, I've shared with clients the business truths that opened their eyes to possibilities and catapulted them years ahead of their competitors. I have felt the very personal pain caused by those business truths that compelled me to disband exceptional teams. I've also celebrated with founders, senior management, and investors when business truths led to outstanding returns.

That's why I jumped at the chance to introduce "Business Truths: 96 Proven Ways to Build Loyalty, Grow Profits, and Succeed at Everything In Between".

Business truths are at the heart of every BusinessCast podcast episode – the source of the content for "Business Truths". As co-hosts of the BusinessCast, Canada's most successful business podcast, Robert Gold and Andrew Brown are unflinching about revealing business truths, distilling them, and bringing them to business leaders in a fun and captivating way. They have given rise to a new kind of business journalism, one that ignores the hype of the day. Their business telling cuts through all of the noise that is common in today's fast-paced, increasingly complex and multi-channelled world.

At the end of the day, the "Business Truths" that Robert and Andrew highlight will get us through the tough times and propel us forward. They allow us to build and sustain one of the world's most exciting and prosperous economies. By capturing the insights and lessons from

many of the greatest business minds in the world today, Robert and Andrew empower every entrepreneur and business leader to be more successful. That is a business truth that is worth sharing.

Chris Carder

Co-Founder, Kinetic Cafe Inc.

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YOUR SAMPLE OF BUSINESS TRUTHS

Welcome to your sample from *Business Truths: 96 Proven Ways to Build Loyalty, Grow Profits, and Succeed at Everything in Between*.

Business Truths draws upon one of North America's most trusted and popular podcasts (the BusinessCast) for business owners and leaders.

In it, co-hosts Robert Gold and Andrew Brown distill hundreds of *BusinessCast* interviews with many of the world's most respected business leaders and intrepid entrepreneurs.

As a result, *Business Truths* is a collection of 96 practical actions – and 20 powerful stories – that can help all businesses be more successful.

Topics covered in *Business Truths* include: Sales, Marketing, Finance, Human Resources, I.T., and Operations.

Your free sample consists of three chapters: one taken from *Business Truths* and two bonus chapters.

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BUILDING A SUCCESSFUL REWARDS PROGRAM

Featuring David Klein, Vice-President of Marketing, Aeroplan

According to David Klein, Vice-President of Marketing at Canada's largest rewards program, Aeroplan, nine out of ten Canadians participate in customer rewards programs. It's that kind of ready adoption that is causing businesses of all shapes and sizes to examine how they can leverage similar rewards programs to strengthen relationships with customers.

Focus on Creating Positive Experiences Rather than Rewards

Few businesses, even those that have been operating for several years, have an impressive number of contacts in their database when compared to Aeroplan's 4.6 million active reward plan members. But, while Aeroplan's air travel driven program was the first of its kind in Canada, Klein maintains that Aeroplan's success is actually built on loyalty: "It's not about the flight", he says. "Rather, when you dig a little deeper you find it's about the experience the person has while they're traveling, and it's about their experience as a program member. That's at the heart of Aeroplan."

Hitting the Ground Running

For the many companies considering how to leverage reward/loyalty programs, Klein suggests they begin by defining what they want

from the program. This helps them to choose between an association with an existing program, creating their own program or entering an association with a selling mechanism such as Groupon. For example, if you have yet to develop a deep knowledge of your customers (i.e. customers' purchase behaviours, preferences, characteristics of key segments or personas) and are concerned about the costs of effectively reaching your customers, consider piggy-backing on existing programs to save costs on research and promotion.

Staying Relevant to Cut through the Clutter

One of the ongoing challenges facing business who are dipping their toes into reward/loyalty program is being able to stay relevant while determining the right frequency of communication with members. This is made more complicated because many rewards program bombard members with frequent promotions and discount announcements with the goal of encouraging an immediate purchase transaction across multiple channels (e.g. email, direct mail, Twitter, Facebook, etc.). This makes it very difficult for any message to effectively “break through the clutter”. However, frequency never trumps relevancy when it comes to customer communications. Klein suggests that successful and long-lasting customer relationships are rarely built solely on transactions, but on understanding customers' short- and long-term aspirational desires.

Keeping a Clear Head

The average Canadian belongs to more than ten rewards programs, yet they only consistently use two or three. To increase the likelihood that your business' program will be used, keep the following in mind:

- Customers offer varying degrees of value to your company and some

customers are actually unprofitable. That means that your customers will need to be treated differently and that could be based on their buying patterns.

- Always keep sight of the fact that there is a person at the end of every transaction. For Klein, that means “delighting them with something unexpected is a very powerful tool.”
- Successful programs recognize that relationships with customers will continue to evolve beyond offering rewards. Rather, the focus will be on the experience of being a loyalty/rewards program member. As a result, mobile wallets, location-based marketing, gamification, and social media tools will factor into the ongoing efforts to build a better understanding of, and engagement with, members.

BUSINESS TRUTHS ABOUT BUILDING A SUCCESSFUL REWARDS PROGRAM

- Before launching your own program, test the waters by partnering with, or piggy-backing off, rewards programs that are seen as credible with your target audiences.
- Start by defining your program’s end goal – e.g. meaningful measures of customer loyalty – rather than solely in terms of a rewards schedule, product promotions, or communications messages.
- Assign responsibility and a budget to a person or team that will own the development and testing of the rewards program.
- Building customer loyalty means recognizing the value that existing customers bring to a company. As a result, put into place measures that allow you to determine your company’s success at retaining existing customers.

- Because different customers/clients provide different levels of value to your company, ensure the program you build, or leverage, can accommodate this kind of variation.



Original BusinessCast Episode: Episode: <http://bit.ly/BCAeroplan>

15.46 minutes





GETTING YOUR EMAIL MARKETING RIGHT

Featuring Aubrey Stork, AubreyStork.com

Email remains one of the most commonly used and preferred forms of electronic communications. That being said, its relative ease of deployment causes companies of all shapes and sizes to use it in ways that are ineffective or counter-productive – or even worse, damaging.

The good news is that when proven best practices are used, email can be a powerful tool to help businesses strengthen relationships with customers and increase revenues.

As the founder of an email marketing agency, Aubrey Stork has helped many of Canada's largest and most digitally-savvy companies achieve the best results from their email campaigns. Stork draws on a large body of research to provide some key principles that can help any business improve their email marketing success.

Email Cannot Be Your Only Marketing Tool

Email alone is not a marketing strategy – rather, effective marketing means using multiple sources of information to understand and demonstrate value with target audiences. That means beginning by getting a sense of the audience you are targeting – e.g. their needs, their habits, their preferences, their goals, etc. Doing so will reveal that email can be effective but, it is a distribution channel that is not embraced by all audiences equally, nor is it appropriate for all messages.

Considering the rough “profiles” or audience segments as a starting point, determine how and when to leverage email as a tool to gather

additional information, engage audience members and share/promote insights and offers.

Keep in mind that relying solely on email – or any marketing tool for that matter – as the only means to establish and sustain relationships with customers is destined to failure.

Your Audience Expects Relevance

People are busy, and they will only read email if it is relevant to their personal or business lives in some way. Content and timing are both qualities that determine relevance. For example, one consumer audience may appreciate investment or tax advice, but sharing such insights and related offers in August may not be embraced.

Increase Success by Testing

One of the greatest advantages of email is that it allows for cost-effectively testing elements so that you can hone any campaign's performance. Stork emphasizes, "As a result, you can experiment with different layouts, subject lines, messages, frequencies, timing, pricings, and product/service offerings". "Split testing", a proven technique from the direct marketing industry, can be used to identify the effectiveness of an email

marketing campaign. For example, take a sample of your database and try a handful of different subject lines – a key element of any email marketing campaign – and within a few hours you can determine which message performs best and should be rolled out to the rest of your database.

Personalize Email

Your target audiences will no longer tolerate general or impersonal messages. Digital marketing has raised the bar for every company so that such email marketing is instantly seen as irritating and offensive.

These types of emails also send a very negative message to existing and would-be customers about your company and brand: “You don’t really value me”. What company wants to inadvertently send that message?

At a minimum, according to Stork, “Rather than sending the same message to everyone, target your message based on an individual’s profile, and address them by name.”

Measure Success

While email newsletters have evolved, they remain a mainstay for many companies. Stork recommends monitoring three metrics so that you get the most from the time and effort spent on your email marketing newsletter:

- The number of “unsubscribes”. Track this number over time to determine if your audiences truly consider your email a valuable source of information or insights.
- Bounce rates – i.e. the number of emails that return un-opened as a percentage of those sent. This measure tells you about the accuracy of your email list. A high bounce rate tells you that you are potentially losing touch with important contacts.
- The number of spam complaints. If your database consists of people who have granted permission and opted in to receive your email newsletter, they will likely not label your email as spam. However, if you haven’t collected permission, you can quickly build a reputation as an email spammer which can damage your brand and reduce the likelihood of your messages being considered valuable.

Hone Content

Newsletters compete fiercely for readers’ attention, and according to Stork, companies can dramatically improve their value and readability by focusing on the following elements:

- Reduce the amount of content. Long emails full of detailed information are less likely to be read because people can't immediately tell if they are interested in the topic. Rather, send short "teasers" with links to complete articles hosted on a website. As Stork puts it, "Email is not the destination but the start of the journey for the reader." By having readers click on links that take them to content that interests them, you learn more about your customers and subscribers so that you can further refine content.
- Balance the use of images and text. If your email is primarily composed of an eye-catching image rather than a balance that includes clear and compelling text, your email marketing campaign will suffer. That's because email messages that are primarily composed of images are often "blocked" by recipients' email servers and end-up in junk boxes.

BUSINESS TRUTHS ABOUT GETTING YOUR EMAIL MARKETING RIGHT

- Build your list of subscribers ethically by seeking their explicit permission and allowing them to "opt in" to receive your messages. This will create a database of subscribers who actually value your email, your insights, and your brand.
- Rather than rely on inaccurate or incomplete industry-wide email marketing benchmarks, it is far more effective for you to establish your company's own email performance benchmarks and then use those as the basis for improvement.
- Base the content of your email marketing campaign on a growing understanding of your customers'/subscribers' marketing "life cycle" which reflects their evolving needs, preferences and receptivity to your online/offline content.



Original BusinessCast Episode: <http://bit.ly/BCEmailStrategies>

10.29 minutes



KEEPING IT REAL

Featuring Dani Reiss, President and CEO, Canada Goose

In a world that has grown used to seeing even expensive name-brand merchandise manufactured in Asia, Canada Goose is an anomaly. In the early 2000s, when the exodus of clothing manufacturing from North America was helping international brands dramatically lower costs and increase profitability, Canada Goose made a conscious decision to keep its manufacturing force in Canada.

A Commitment to Keeping it Real

While other manufacturers continue to believe that cost-sensitive customers really don't care where their goods are made, Canada Goose has taken what many would see as a radically different approach. According to Canada Goose President and CEO, Dani Reiss, "You can't make a real Swiss watch in China. So why would you expect that you can make a real Canada Goose jacket in China?" For Canada Goose, that fundamental commitment to authenticity has fueled their rapid rise to the top of the winter clothing industry.

In fact, authenticity and determination helped Canada Goose truly distinguish itself from the competitors. It decided that to be a market leader it needed to "change the game" on competitors rather than competing with them on their terms. That's what Canada Goose did when it decided to continue manufacturing in Canada. They knew

that if they could hold this position, they would find themselves in an industry where the competitors had left, leaving them with a point of distinction that could be turned into a powerful competitive advantage. That's exactly what happened.

Hiring for Real

At Canada Goose, maintaining authenticity is how they live, but making an authentic product in Canada is just the beginning. The culture of authenticity is part of the company's DNA and it shows in the way it hires people and manages performance.

When Reiss meets with applicants for managerial positions, he shares with them exactly how it is, potentially scaring them off by telling them they won't do well at Canada Goose unless they are comfortable at managing chaos. That way, people understand what they are getting into. When they do join the company, they find that Reiss was telling the truth - it is a fun place to work, fast-paced, and performance driven. But it's also hectic.

Building Products for Real

Even though "fashionistas" around the world can now be seen showing off the latest Canada Goose products – on city streets, in fashion magazines, and on fashion runways – Canada Goose remains true to its core and sees itself as a maker of functional clothing designed to keep people warm in cold weather.

The company's product line expansion reflects this focus by building on its core expertise, which is the use of natural down as powerful insulation. In fact, recognizing that not everyone needs the extreme

insulation Arctic adventurers require, Canada Goose has created its own proprietary “Thermal Experience Index”, which allows wearers to choose the type of warmth they need, whether it’s a lightweight jacket for active pursuits or a field-tested parka for the coldest places on earth.

Listening to Real People

Canada Goose sees its customers as real people – as everyday heroes who strive for excellence. They climb mountains, lead expeditions, race dogsleds, and otherwise live extreme lifestyles and they do it all wearing Canada Goose clothing. They know firsthand what is essential in the clothes they wear in extremely cold conditions, so the company seeks their feedback when testing new products.

Garments that are being tested as potential new entrants for the product line are sent out to these real “Goose People”, as well as to employees and other Canada Goose fans who are designated gear testers. They are asked for feedback, which is then built into the product development process. This lets the company validate products before they go into full production. Some items never make it to market because the gear testers have shown that for one reason or another they don’t work. In other words, they don’t pass the test of meeting the real needs of real people.

Marketing Real

When Dani Reiss took over Canada Goose, he realized there were amazing stories of people who wore the company’s gear: people who lived and worked in the coldest places on earth. So he began to tell these stories of real people.

He saw, for example, that film crews working in Antarctica often

wore Canada Goose gear. He pointed out to these crews that people who live in Antarctica wear Canada Goose jackets too. So, he asked the filmmakers, “Why not have them in front of the camera as well as behind?”

As it turned out, this was a critical moment in Canada Goose history, leading to its sponsorship of major film festivals around the world, including the Toronto International Film Festival and the Sundance Film Festival. Telling Canada Goose stories through film in this way magnified them and put the company’s brand of authenticity in front of more people around the world.

The Real Patriot

The “Made in Canada” label has served Canada Goose well as it has expanded in the world marketplace. Reiss sees that Canadians are well positioned to compete globally because growing up in a multicultural society means having a much-desired understanding and appreciation for cultural diversity that is unique in the world.

But even so, successful international growth takes time. According to Reiss, going into a new marketplace for a year isn’t enough. You must plan to be there for at least three years before you decide it hasn’t worked. He also advises potential global players to pay close attention to pricing. The myriad international tax issues and import duties can easily lead a company to overprice its products or have too wide a spread between its prices in different markets.

The Real Family Business

Canada Goose is successfully managed by the third generation of the

Reiss family, a status that many family businesses would envy. Reiss credits much of this success to the attitude of his father, who had allowed his son to run the business in his own way.

In fact, nobody was more surprised than Dani when he not only stayed in the family business, but grew it into the international success story it is today. As he says, “I never thought I could become passionate about parkas.” But he found more than passion for parkas. He found a passion for authenticity and for a way to build that into a thriving company in a highly competitive and international industry. His advice to new generations of family businesses is not to join the business because it’s expected of you, but because you believe that it is really who you are and who you want to be.

BUSINESS TRUTHS ABOUT KEEPING IT REAL

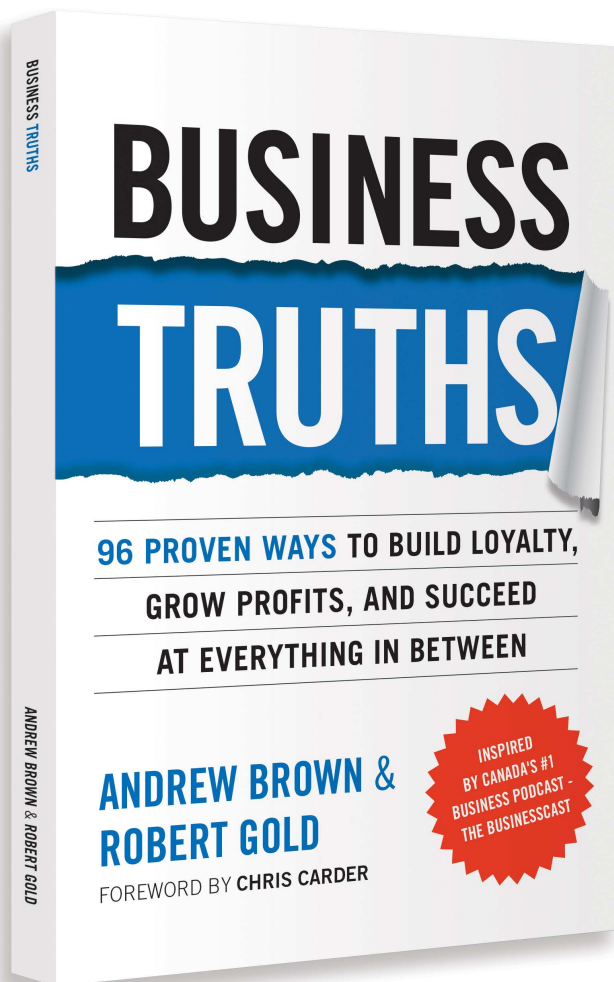
- Build your vision on deeply held values. Hold firmly to these values as they help establish a strong foundation for profitability and guide you to make difficult decisions.
- Articulate your competency – one that allows you to make a profit. Build on this competency so you are not pulled away from those things that you do exceptionally well and that sustain your profitability.
- Find something that you are truly passionate about and build it into your day-to-day business operations. It will help to carry you through the tough times that you will face when growing a company.



Original BusinessCast Episode: <http://bit.ly/BCCanadaGoose>

13.41 minutes





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"These business truths are the difference between success and outstanding results."

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"Regardless of which business you're in, which stage of growth your company is at, and regardless of the challenge you are facing, these business truths will help you."

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"It's great that Robert and Andrew have distilled lessons from today's business pioneers heard on the BusinessCast into this incredibly powerful book."

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