South Australian
Road Transport Association
2025 Conference

Speaker: John Tsoulos

GLOBAL BUSINESS CAMPS

Managing Customers

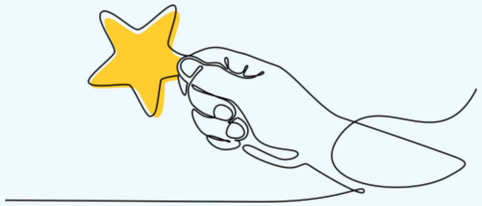
If you wonder what getting and keeping the right employees has to do with getting and keeping the right customers, the answer is EVERYTHING. FREDERICK REICHHELD

Quick show of hands…

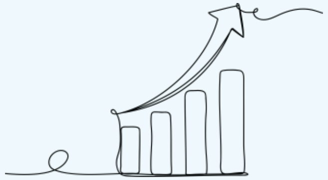
> Who agrees **customers expect more** now?

> Do you have **any challenging customers** on your books?

> What are **YOU** doing to be **different** and **memorable**?



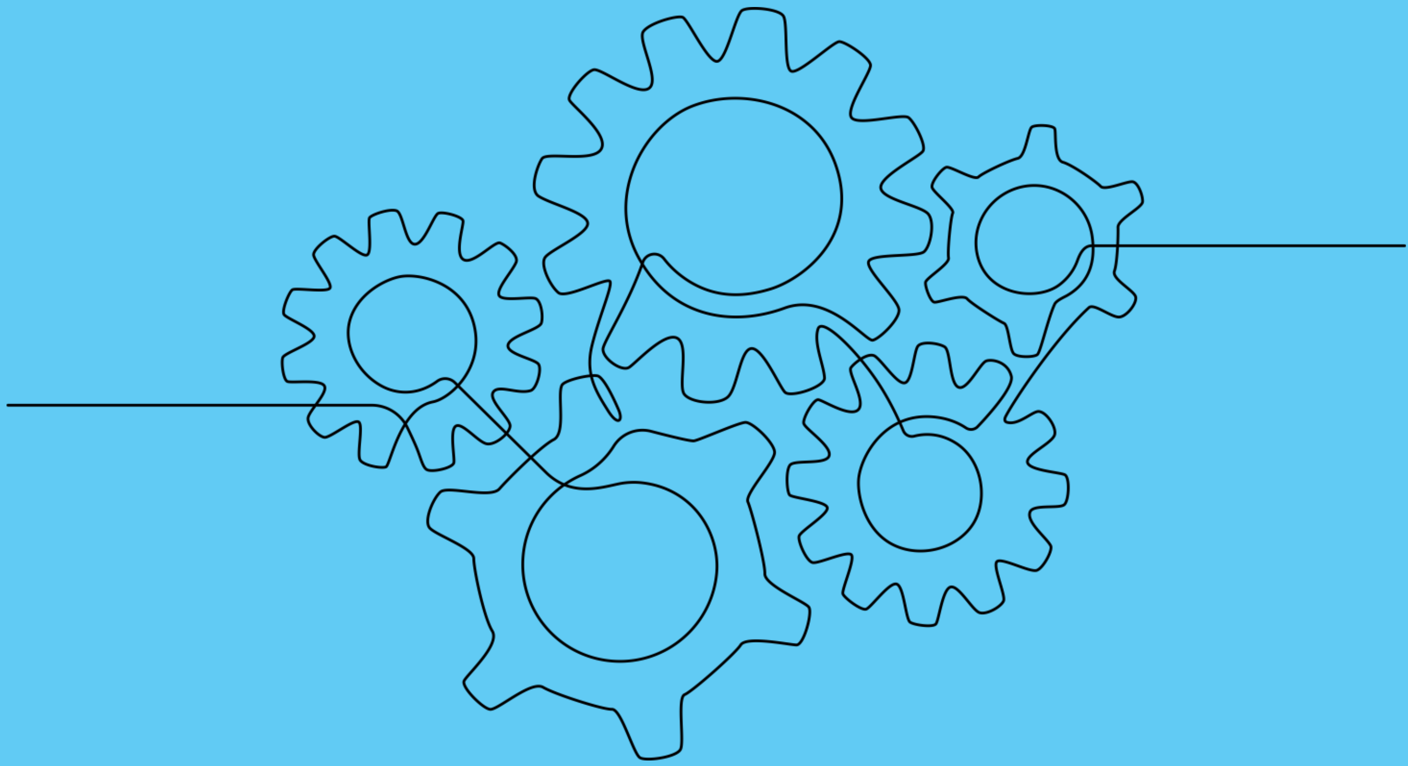
Managing customers



“EVERY CONTACT WE HAVE WITH A CUSTOMER INFLUENCES WHETHER OR NOT THEY’LL COME BACK. WE HAVE TO BE GREAT EVERY TIME OR WE’LL LOSE THEM.”

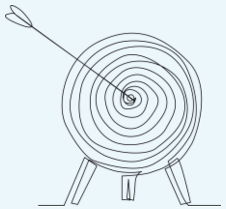
KEVIN STIRTZ

The profit and Loss and how it really works



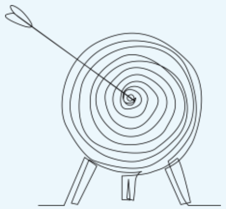
A **Profit & Loss** – example

Category	**Monthly ($)**	**Annual ($)**
Total revenue	40,000	480,000
Total COGS	15,000	180,000
Gross profit	25,000	300,000
Total operating expenses	18,000	216,000
Net profit before tax	7,000	84,000
Tax (assumed 25%)	1,750	21,000
Net profit after tax	5,250	63,000



A **Profit & Loss** – *how does it work?*

ANNUAL SALES – **COST OF GOODS SOLD** = **GROSS PROFIT** – **EXPENSES** = **NET PROFIT**

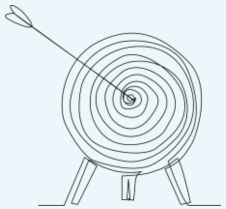


Business Growth Model™ – *Annual Sales*

EXISTING CUSTOMERS + NEW CUSTOMERS − CUSTOMERS LOST = TOTAL CUSTOMERS

No. LEADS
X
CONV. RATE
=
NEW CUSTOMERS

TOTAL CUSTOMERS
X
TRANSAC'S PER YEAR
X
AVE. TRANSAC. VALUE



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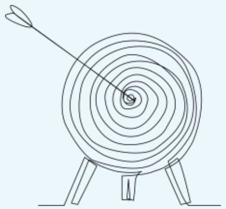

The 5 key Business Building Strategies™

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STRATEGY 1: Get more customers and keep existing customers (of the type you want)

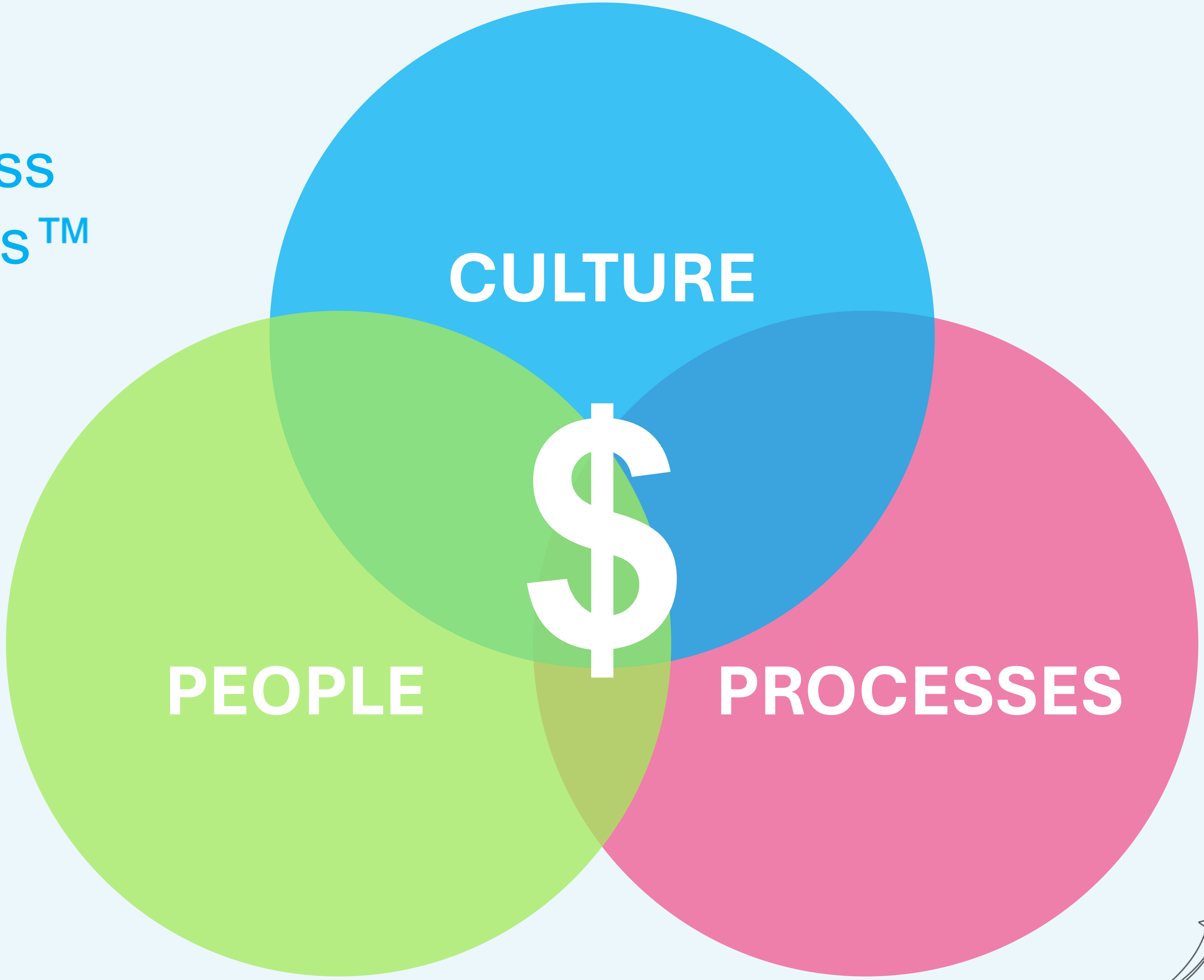
STRATEGY 2: Get them to come back more often

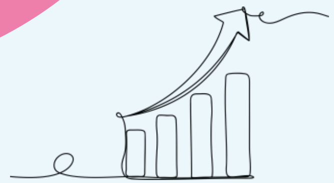
STRATEGY 3:
Increase the average value of each sale

STRATEGY 4: Improve the effectiveness of each process in the business

STRATEGY 5: Build a committed team

The 5 key Business Building Strategies™





The first way: get more, and keep existing, customers

STRATEGY 1

Get more customers and keep existing customers (of the type you want)

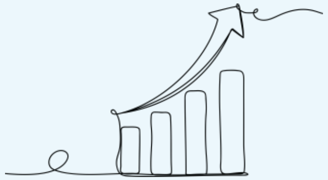
> Considered a 'front end' activity

> It's the **face** of your business

> Remember once you **get** them you need to focus on **keeping** them

> Be aware of the **customer you want**

– *consider the Pareto Principle (80/20 rule)*



The second way: get them to come back more often

STRATEGY
2

Get them to come back more often

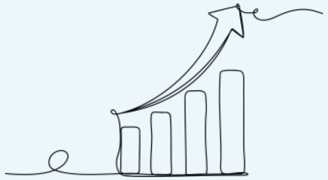
> **Increasing** the number of times your customers buy from you is vital to the long-term health of your business

> **It costs 6 times more**

> Lifetime value – loyal customers are increasingly more **profitable** as time goes on

> Use your **database** – better than cold calling

> *“Little things”* will keep people coming back



The third way: increase the average value of each sale

STRATEGY
3

Increase the average value of each sale

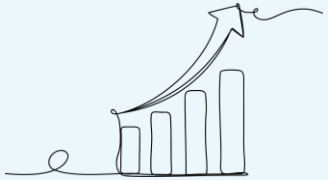
AVERAGE TRANSACTION VALUE

EQUALS

$$\frac{\textbf{TOTAL SALES}}{\textbf{NUMBER OF CUSTOMERS PURCHASING}}$$

> Customers come to you for **help** and **guidance**

> If you let them just use the one service, you've **missed an opportunity**



The fourth way: **increase the effectiveness of each process**

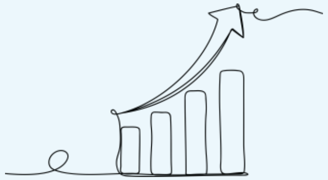
STRATEGY
4

Improve the effectiveness of each process in the business

> Without changing and improving how your business operates, difficult to implement the first 3 ways

> Some of the basics:

- Working **ON** not IN
- Developing an ***end** in mind (your values, mission & vision)*
- Understanding S.W.O.T.
- Systematising
- Communication



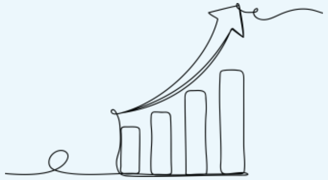
The fifth way: **build a committed team**

STRATEGY
5

Build a committed team

> Businesses don't succeed… **PEOPLE DO**
  – Who looks after your customers?
  – The business needs happy, focused, motivated people to serve them

> Your role as a leader is **critical**



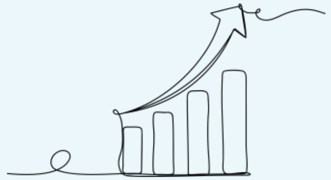
The fifth way: **build a committed team**

STRATEGY
5 (cont)

Build a committed team

> You need to spend resources in:
– Hiring great team members
– Educating them on *"How you do it here"*
– Delegating
– Providing feedback

> That is, all team members need to be **COMMITTED**



Look after the customer and the business will take care of itself.

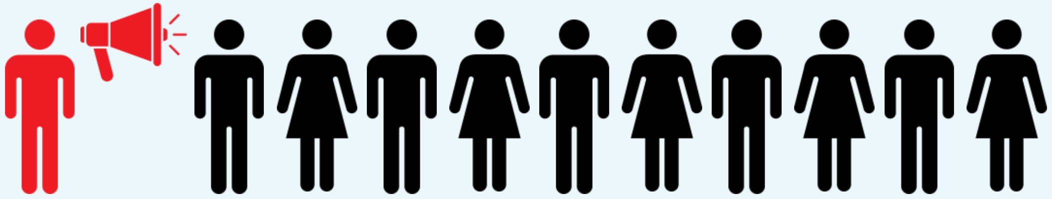
RAY CROC, McDONALD’S

"IT TAKES 20 YEARS TO BUILD A REPUTATION AND FIVE MINUTES TO RUIN IT. IF YOU THINK ABOUT THAT, YOU'LL DO THINGS DIFFERENTLY."

WARREN BUFFETT

Statistics show – only 4% of customers complain

A typical dissatisfied customer
will **tell 8 to 10 people**



1 in 5 people
will **tell 20**

This is why it takes
12 positive service incidents
to make up for
1 negative incident

Little things…

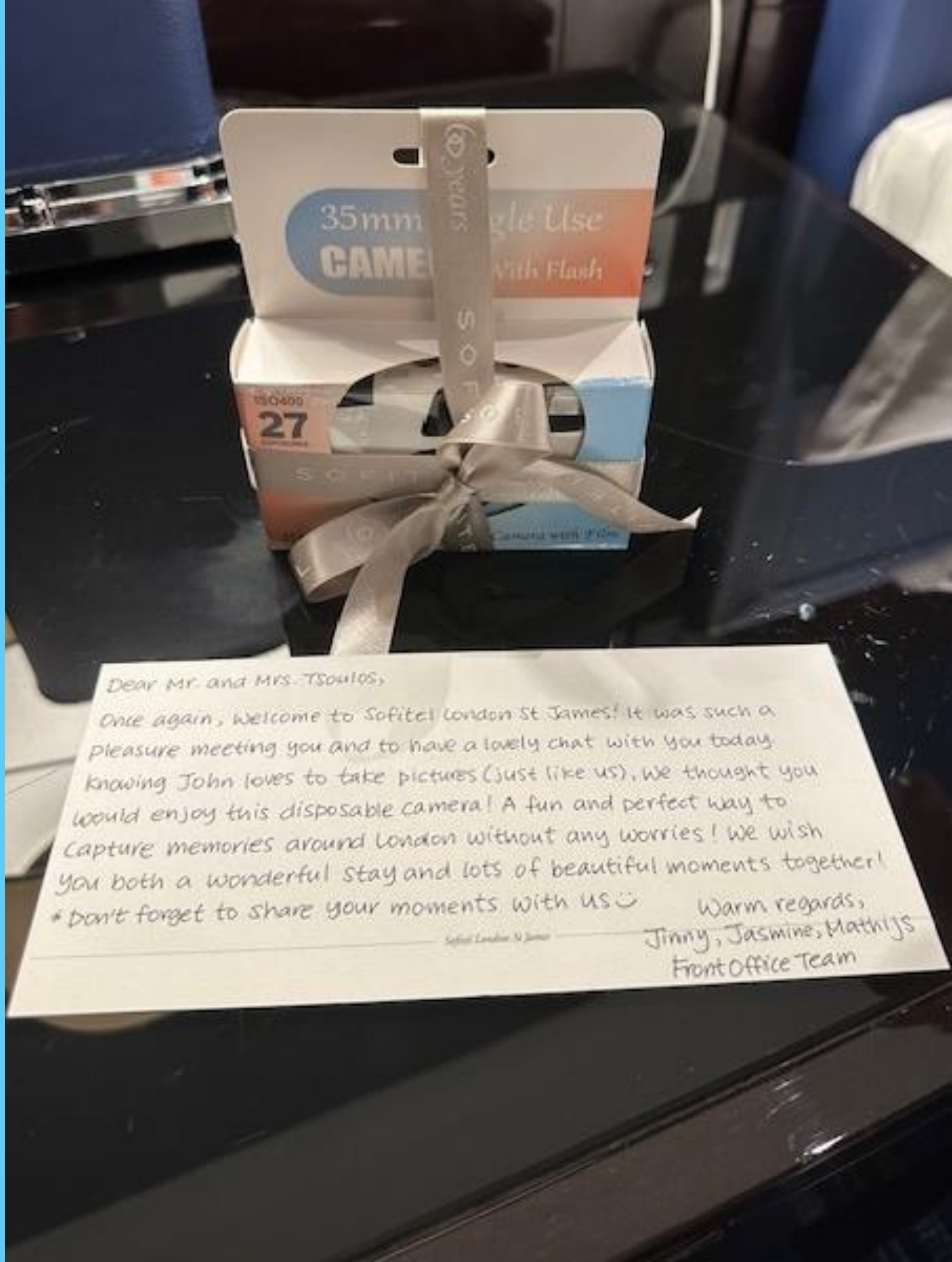
There's nothing like a personal touch to engage customers…

Perceived indifference

There's nothing like a personal touch to engage customers…

If customers feel well served and valued (and understand the benefits of what you offer), they are likely to buy from you **regardless** of the price.

I’ll tell a **thousand** people…



Try looking at it from your **customer's perspective**…

> What **benefit** are you providing?
> What **key frustration** are you removing?
> Why should they **deal with you** instead of your competitors?
> PRICE OR DIFFERENTIATION?

How do YOU stand out from the CROWD?

The aim now must NOT be to just satisfy the client.

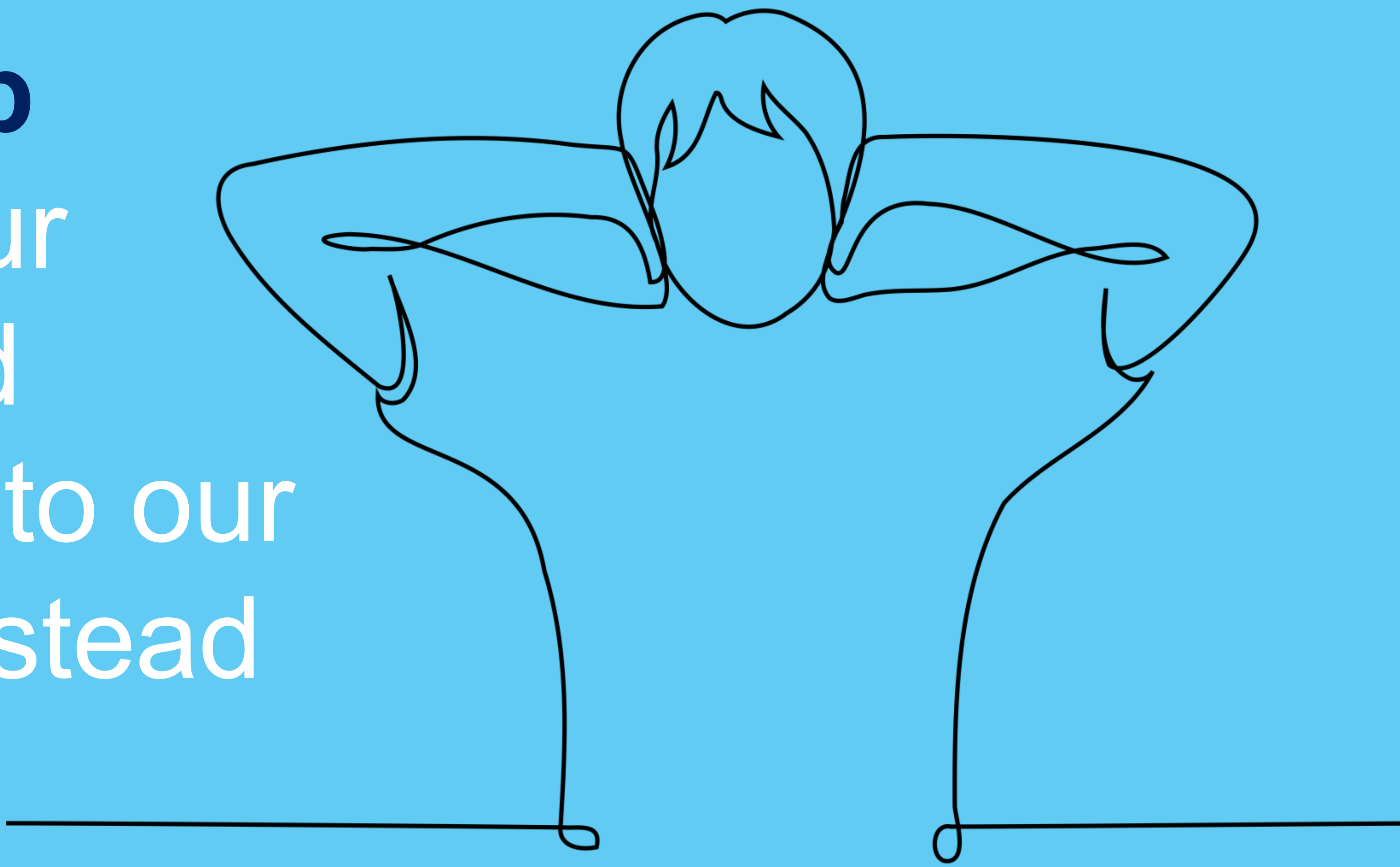
The aim must be to DAZZLE them… to be MEMORABLE!

“JUST HAVING SATISFIED CUSTOMERS ISN’T GOOD ENOUGH ANYMORE. IF YOU REALLY WANT A BOOMING BUSINESS, YOU HAVE TO CREATE RAVING FANS.”

KEN BLANCHARD

The competition is ANYONE the customer compares you with.

Our biggest risk:
Is that we **stop listening** to our customers and start **reacting** to our competitors instead

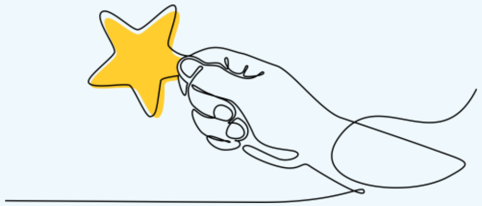


The **ultimate** question…

> Have you ever asked your customers –
> ***"How likely are you to recommend us to others?"***

> The key is to zero in on the '**detractors**'

> By **asking customers** how you can do better, improvements **will** happen



A key lesson…

> Studies conducted by Marriott on guest return rates:

89%

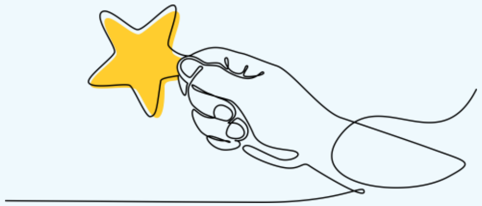
When they had NO problem the return rate was 89%

69%

When they had a problem and it wasn't corrected the rate dropped to 69%

94%

When a problem was solved to their satisfaction, the return rate jumps up to 94%



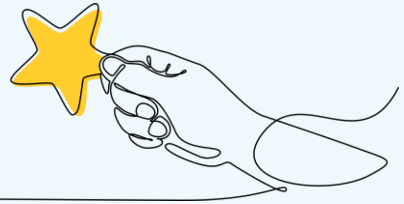
Lessons learned from the 5 Key Business Building Strategies™

Customer perception is reality!

Change the perception and you can increase your prices

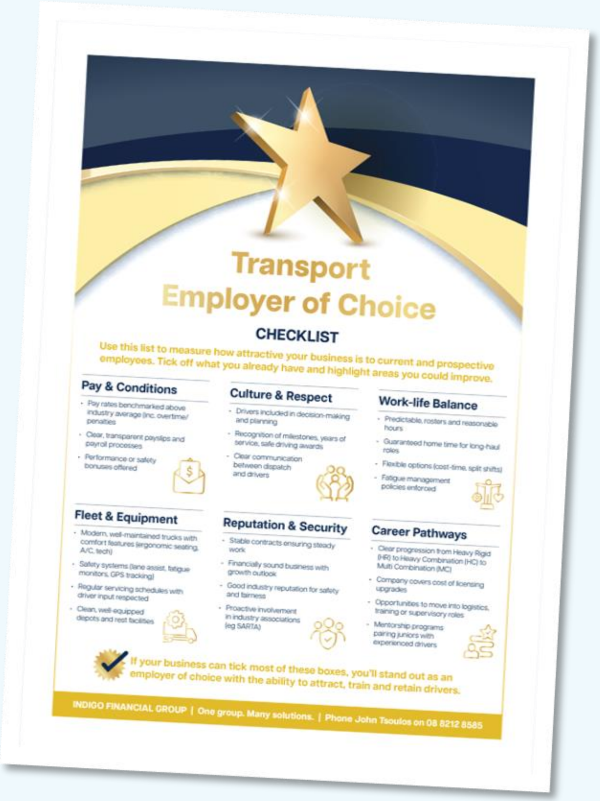
Listen to your customers… they will tell you how to become more profitable

Becoming more profitable in turn leads to an increase in business value



What to do…

1. Pareto Analysis
2. Consider Lifetime Value
3. Communicate regularly
4. Database
5. Systems and Processes
6. Must work ON
7. Focus on your people
8. Focus on differentiation point, not price
9. Memorable
10. Culture and Team



Transport
Employer of Choice

CHECKLIST

Use this list to measure how attractive your business is to current and prospective employees. Tick off what you already have and highlight areas you could improve.

Pay & Conditions

- Pay rates benchmarked above industry average (inc. overtime/ penalties
- Clear, transparent payslips and payroll processes
- Performance or safety bonuses offered

Culture & Respect

- Drivers included in decision-making and planning
- Recognition of milestones, years of service, safe driving awards
- Clear communication between dispatch and drivers

Work-life Balance

- Predictable rosters and reasonable hours
- Guaranteed home time for long-haul roles
- Flexible options (cost-time, split shifts)
- Fatigue management policies enforced

Fleet & Equipment

- Modern, well-maintained trucks with comfort features (ergonomic seating, A/C, tech)
- Safety systems (lane assist, fatigue monitors, GPS tracking)
- Regular servicing schedules with driver input respected
- Clean, well-equipped depots and rest facilities

Reputation & Security

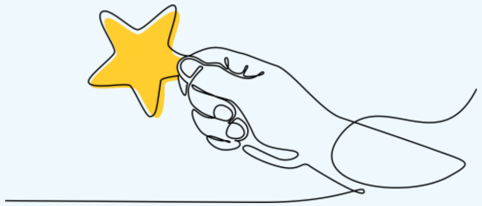
- Stable contracts ensuring steady work
- Financially sound business with growth outlook
- Good industry reputation for safety and fairness
- Proactive involvement in industry associations (eg SARTA)

Career Pathways

- Clear progression from Heavy Rigid (HR) to Heavy Combination (HC) to Multi Combination (MC)
- Company covers cost of licensing upgrades
- Opportunities to move into logistics, training or supervisory roles
- Mentorship programs pairing juniors with experienced drivers

If your business can tick most of these boxes, you'll stand out as an employer of choice with the ability to attract, train and retain drivers.

INDIGO FINANCIAL GROUP | One group. Many solutions. | Phone John Tsoulos on 08 8212 8585



Awesome service

Fact: Loyalty rules!

Loyalty shows an increase in customer retention rates of 5% increase profits by 25% to 95% (Frederick F. Reichheld, economy researcher)

PROFITS
INCREASE
BY 25% – 95%

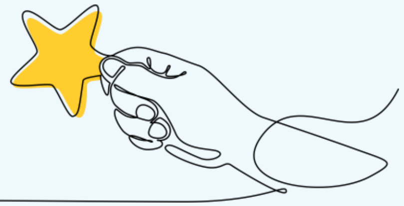
Increasing customer retention rates by 5% **increases profits by 25% to 95%**

COSTS
DECREASE
BY 10%

A 2% increase in customer retention has **the same effect** as decreasing costs by 10%

LOYAL
CUSTOMERS
WORTH 10X
AS MUCH

On average, loyal customers are worth **up to 10 times as much** as their first purchase



Awesome service


Thank You
Global Business Camps