

# MONEY

### ONLINE SALES

Travel-related items — air, car rental and hotel rooms — were the most popular total online sales items this holiday season, nailing 47.5 percent of the respondents in a survey of Internet users by Ernst & Young. Books were next at 38.2 percent, followed by computer hardware and software at 36.6 percent.

Analysts think stocks will soar again. 5B

New Year's resolutions. 4B

World goes back to work. 3B

## What every business needs to consider this year

It's time to re-evaluate these 14 key elements in your business.

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- 1. Check your customer perception rating. Buyers stay clear of unhappy or what they perceive to be unhappy business owners. Your warmth and personality are a major factor in a consumer's decision to purchase your product or service.
- 2. Redefine your product or service niche. Unless you offer unheard of customer service, which with some products or services is just not possible, you just can't compete. Try to be unique. Try to have some presence on the Internet.
- 3. Prepare your capital expenditure and operating budget for year 2000. List each item and attach a realistic cost to it and then have some knowledgeable person review it and approve it.
- 4. Prepare a basic written realistic business plan for 2000 and share this plan with your spouse or someone who cares about you to prevent future personal conflicts.
- 5. Re-evaluate your referral network. Anticipate the needs of your customers to products and ser-

- 6. Re-evaluate the pricing of your product or service.
- 7. Evaluate your personnel needs and requirement. Hire a clone for yourself and have the foresight to hire employees early on to give you the time to market/sell your product or service. Most small businesses fail not because they don't have a good product or service, but because they don't have enough sales volume to survive.
- 8. Are you misclassifying employees as subcontractors? The IRS penalties can kill your business. Ask your financial adviser about the new rule and do things the right way.
- 9. Are your marketing techniques and materials up to date? Is there too little concentration or education about selling and marketing your product or service and too much concentration on production and administrative work? Do you know how to close a sale effectively? Learn how to sell. Read books or attend seminars. Try out your sales pitch on your friends and seek con-

- 10. Examine your insurance coverage. Underinsuring or not insuring your business and failure to incorporate to get some added liability protection when your type of business requires it can be fatal.
- 12. Get a complete medical checkup. Make sure you are physically and mentally strong enough to handle the stresses of self-employment.
- 13. Get your financial books and records in order. Being a CPA for more than two years, I definitely know a lot about this blunder. Keep your financial records up to date or retain someone to do this for you. It is vital. Tax planning is a necessary evil. You would be amazed how many new and established businesses put this important function and learning process at the bottom of their "to do" lists.
- 14. Check your credit and collection policies. The lack of a retainer or down payment requirement could devastate your business. Check out your customers more thoroughly than you would check out your vendors and suppliers. Get references and/or credit reports and use them to determine credit limits that you can live with.

