

Before committing to manufacturing, Forsyth tested the popularity of her idea by selling a rival reusable coffee cup through her Bluebag cafes. "I wanted to see if the customers were open to the idea, and the response was overwhelming."

Perhaps too overwhelming. The company's first customer, Energy Australia, placed an order for 5700 branded cups for delivery in three months. However, the final plastics mould was still unfinished and it was a rush.

"I had a call from Energy Australia saying that the cups leaked. She was basically saying, 'what are you doing to me – I took a punt on you and look what has happened'. What I learned after the event is that moulds often take months of testing and trialling before a product is created. We didn't have time for that," Forsyth says.

KeepCup negotiated with Energy Australia to supply the cups at a later event. "They were very understanding in the end, and it also gave us the opportunity to perfect our design."

Another challenge came after making a rash decision on the company's online platform, Forsyth says. Well aware that the company needed a website to advertise its products, she bought the cheapest online selling platform she could from the United States. The system, however, was not suitable for Australia, asking for local US information from clients, such as their ZIP code.

"I had people asking, 'isn't KeepCup an Australian company? And if so, why are you using American software?'" she says. "It is so important for online transactions to be simple and easy to use. That is something I now know."

Since getting the design right and improving the website, KeepCup sales have boomed. It has sold more than 70,000 cups so far, about 60 per cent to blue-chip Australian companies. The company also sells the cups – which retail from \$10 to \$14 – direct to the public through its website.

Clients now include several government departments, the National Australia Bank, the Melbourne City Council and Myer.

KeepCup plans to sell about 300,000 more units by June next year, which even at its cheapest price point equates to \$3 million in turnover in its first year of operation – not bad for an inspiration that came while refilling a toddler's cup. **BRW.**



Passion for new ideas

In 1998, Abigail Forsyth and her brother Jamie started Bluebag, a "fresh and healthy" lunch chain.

The idea came from both their love of food and desire to own a business. They started working in the kitchen as well as on the store floor.

There are now four branches in Melbourne's CBD, and Abigail concentrates on marketing and menu development.

As Bluebag grew over the years, so did Abigail's passion for

making the business environmentally sound: from using bicycles for deliveries and transport to putting all electrical items in the shops on timers, as well as having a strict recycling policy.

This is where the idea of reusable containers began.

Before starting Bluebag, Abigail, who is passionate about developing new ideas, studied law at the University of Melbourne and worked as a lawyer for four years.

● GROWTH BUSINESS

LYONS

Contact John C. Lyons
john.lyons@lyonsanddebono.com



Nothing happens 'til someone sells

● In my first job as a sales representative for Bayer, my then mentor gave me some advice that still resonates in my work as a director: "Nothing happens 'til someone sells something to someone."

The 2009 *BRW* ANZ Private Business Research survey of companies with turnover of less than \$40 million revealed that the three things that most keep business owners up at night are sales, cash flow and margins – all directly related to selling of course. Not surprising!

For emerging companies particularly, selling more at better margins and getting paid on time is clearly the most significant growth constraint, most of the time. Making sales is also typically the most costly, least measured and least scientific of the critical "processes" undertaken by such companies. But there's actually a simple starting point: the recognition that making sales is a "manufacturing process", directly analogous to making products.

The trouble is that few companies invest in the design and management of their sales process. Many treat sales more as an afterthought to production, at which they throw more money if it is not working until they can't afford it any more.

The discipline of "re-engineering the sales process" is the brainchild of Justin Roff-Marsh, founder of Ballistix. He divides the core process into three key parts:

- 1. Relationship acquisition:** Designing activities that attract target prospects to at least open up a line of communication.
- 2. Relationship management:** Designing activities that help build the mutual value of this fledgling relationship.
- 3. Opportunity management:** Applying the skills to close an initial sale and then a sequence of sales that harvest the lifetime value of the customer.

In old-style sales teams, a sales person struggles to do all three parts, usually inefficiently. By contrast, a well-designed sales process assigns accountability for results to appropriately skilled people.

Parts 1 and 2 are assigned to appropriately trained, lower-cost people leveraged by technology. Part 3, which often requires greater skills in personal negotiation and conversion, makes efficient use of the higher-cost sales people.

John C. Lyons is an independent company director with interests in innovation and marketing. He co-authors with Dr Edward de Bono.



● **BRW.COM.AU**

To find out more about the finer points of selling, visit BRW.com.au

● SNAPSHOT

What keeps business owners up at night?

	%
Sales	60.6
Cash flow	60.6
Margins	51.0
Staff	37.5

Survey of companies with turnover of less than \$40 million
Source: BRW ANZ Private Business Research 2009