

Financial training For non financial staff



The financial training specialists

Your product mix (profit)

We sell a range of different products, or we sell our products to a range of different customers, or in a range of different ways.

But which do we want to sell most of? The ones with the highest sales revenue, or the ones with the highest profit?

Sometimes these will be the same, sometimes they will be different.

A friend with a pub has applied this recently. When customers came in and asked “Which beer is good tonight” he always used to think “All my beers are good, because I look after them properly”, and pint them to the most expensive.

Then we talked about how much each beer cost per pint (taking into account keg price, wastage, etc), and we worked out how much profit there was per pint.

Now when a customer asks “Which beer is good?” he points them to the most profitable one...

In my business I can sell training to other training companies, or directly to corporate clients. The latter is more profitable, so my marketing strategy is aimed at finding these clients. Spending my marketing time and effort looking for less profitable work wouldn't be good for my business.

In your business, which are your more profitable lines, customers and distribution networks? How does your marketing highlight this? Do your sales people know where your profit is, and are they pushing the most profitable lines?