

TAXTALK



Top Tips - Working with a limited marketing budget

As a business owner, you know that marketing is essential to the success of your company. However, it can be challenging to create a marketing plan that is effective while working with a limited budget.

Here are five top tips for working with a limited marketing budget, helping you to reach your target audience without breaking the bank.

1. Create a social media strategy

Increasing social media engagement and building a community online is a free way to grow your small business.

Social media can also allow you to promote blog posts and drive website traffic. Tips to help reach more people include tagging customers and brands, resharing content, using hashtags, and hosting a contest or giveaway.

2. Develop an email marketing plan

Email marketing is an effective tool to get new visitors engaged with your business, as well as maintain relationships with your existing customers.

Your first step is to create a subscriber list. Then, send targeted messages that provide value to your audience. Personalisation is key to an effective email marketing strategy, so make sure to use segmentation to ensure that your customers are receiving content that is relevant to them.

3. Start a blog

Blogging is a great way to drive traffic to your website, increase user engagement,

improve online visibility, and strengthen your overall SEO. Plus, you can do it all completely free!

4. Create a Google My Business account

Creating a free Google Business Profile has quickly become one of the most effective free marketing tools that you can use, especially for local businesses. This allows your business to show up on Google Maps and Google Search, helping new customers to find you - just make sure to optimise your profile, too!

5. Recycle old content

Reposting old content saves time and resources while still keeping your content fresh, as it may have reached a limited audience when it was first published. By recycling old content, you can reach new audiences who may have missed it the first time around.

The future of work is changing. Things like flexible work, the automation of low-level cognitive tasks thanks to artificial intelligence and empowered global customers mean businesses will have to adapt to changing times.

Millennials now make up half of the current workforce globally, so it's no wonder that their influence is changing the way we recruit and develop our teams - making mental health and staff wellbeing even more of a central focus.

So, what does this mean for your business, and what can you do to be ready for the shift?

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Why do you buy where you presently buy?

A large number of customers were surveyed and asked the question "Why do you buy where you presently buy?"

The major, overriding, specific reason clients come back again and again to a particular business is summarised in these letters DWYPYWD. They stand for "Do What You Promised You Would Do". (Isn't it amazing that by simply doing what you say you would do you can create loyal customers?)

Example:

I purchased two new beds a while ago. The first company promised me it would be delivered in 7 days. 30 days later I was still waiting and had to argue with the Manager to get it that day. The second company promised same day delivery and did it.

Guess where I now choose to shop for all my bedroom furniture?

A simple strategy to get a reputation for DWYPYWD is to write down after every customer conversation the answer to the question "What commitments did I make to this

customer"? In other words what did I tell them I would do? Then follow through on what you have written down. Remember customers have memories like elephants when it comes to remembering when a business doesn't do what they said they would do.

Take action:

What have you promised some of your clients or potential clients you would do for them? Is there anything you still need to do?



Where is the opportunity in your problem?

I recently read again a wonderful message about an apple grower called James Webb Young. James Webb Young started selling fruit by mail order many years ago. He tells the story of an apple-growing season where he was nearly ruined.

Violent hail storms bombarded his apple trees with ice pellets, causing bruising and pock marks. He feared massive complaints and returns if he shipped the bruised fruit to his mail order apple buyers. But if he didn't ship the damaged apples, he would have to refund all the orders, and his mail order business would be ruined. The apples were damaged only cosmetically. The hail had pockmarked the skin, but this did not affect the flavour or freshness. Young went ahead and filled his orders with the pockmarked apples, and in each box shipped, enclosed a pre-printed card that read something like this:



"Note the pockmarks on some of these apples. This is proof that they are grown at a high mountain altitude, where the same extreme cold that causes sudden hailstorms also firms the flesh and increases the natural sugars, making the apples even sweeter: According to Young, not a single order was returned. In fact, when orders came in for next year, many order forms had handwritten notes that said, "Pockmarked apples if available; otherwise, the regular kind." What Young did was find the opportunity when a problem happened.

And that's my message today. In business (and in life) there are always problems that crop up. And with any problems there are always opportunities as well.

Look for the opportunities. They are ALWAYS there,

Take action:

What is a problem you have in your own life right now? What is the opportunity in this problem?

What Good Enough Marketing will you do consistently?

One of the most valuable lessons I've learned in marketing is this one.

'Good Enough' marketing' that is done consistently will produce far better results than brilliant marketing that is only done occasionally.

So I have a very simple question for you today.

What 'Good Enough' marketing strategies are you going to consistently do every month starting in April?

"Success isn't always about greatness. It's about consistency. Consistent hard work leads to success. Greatness will come." Dwayne Johnson

These 3 articles are from Graham McGregor.

Visit his website to learn more about how to make your business well known and highly paid. <https://grahammcgregor.com/>

We care about your Business Prosperity

Court Case for your Interest ...

Machine guarding failures 'reprehensible'

A West Auckland bakery business which didn't properly safeguard its machinery has been sentenced over two incidents, six months apart, in which workers had their hands disfigured.

The Bakery, which makes gluten-free products, was sentenced in Waitakere District Court for health and safety failures related to both incidents.

In January 2021, a worker had four fingers severed when her hand got caught in a seed grinding machine. The worker had never previously used the grinder or received any training on its operation. The victim has since had seven surgeries on her hand and remains off work.

A WorkSafe New Zealand investigation found the grinder had no safe operating procedure, and its safety guard had not been replaced when it broke off 18 months prior. The worker was unsupervised, and the only training given to her was immediately prior to the incident.

In June 2021, another worker had her fingertip sliced off while using a dough dividing machine. The fingertip could not be reattached, and her treatment is ongoing. WorkSafe found this machine again did not have any safe operating procedure, and its guillotine was freely accessible. There was no inspection or maintenance undertaken, and this victim was also inadequately trained – just like her colleague.

"Both of these incidents were entirely avoidable, but to harm a second worker is nothing short of reprehensible when the company was already on notice of the harm that deficient machine guarding can cause," says WorkSafe's area investigation manager, Danielle Henry. "These victims were vulnerable workers who deserved far better from their employer. It is fundamentally wrong that harm rates are worse for Māori, Pacific peoples and migrant workers, and New Zealand needs to do better."

The company was sentenced at Waitakere District Court on 15 March 2023

Judge Fraser imposed a fine of \$36,000

The company was twice charged under sections 36(1)(a), s 48(1) and (2)(c) of the Health and Safety at Work Act 2015 (the Act)

Former Manhattan developer jailed for tax fraud in New Zealand

A former Manhattan developer has been jailed for tax fraud in relation to \$1.5 million in fraudulent GST refunds.

The developer was charged under the Crimes Act with two representative charges of using forged documents and 39 charges of dishonestly using a document to obtain a pecuniary advantage. He appeared in the Christchurch District Court on 8 March 2023 and was sentenced to three years and 7 months in prison.

He arrived in New Zealand in 2016 on an entrepreneur residency visa. He was given permission by the Overseas Investment Office in 2018 to buy a 28 hectare North Canterbury vineyard. He used his company to purchase the vineyard with an associated restaurant and bistro. He also set up a company.

He filed fraudulent GST returns from April 2017 through until April 2021 and from January 2017 until April 2019 for another company. He applied for fraudulent GST refunds of \$1,506,833.81 for the two companies. He received \$1,331,792.23 and \$175,041.58 in fraudulent GST refunds that are currently being withheld.

One representative charge related to the forged invoices that were used in support of the fraudulent GST refunds. The other representative charge related to forged Inland Revenue documents that were used in support of his application for an entrepreneur residency visa.

He told IR he was renovating and improving the land and property to produce more sustainable income through a restaurant, and new crops to augment and increase grape and wine production. In his April 2021 return he recorded spending \$1.6m on a spec house, subdivision costs and work on a B & B.

When investigators visited the property with him in May 2021 he showed them a 'spec house' and subdivision plans to support the development claim but on checking investigators found the house was owned by someone else, not related to his companies.

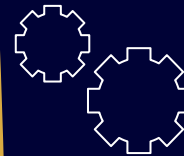
Inland Revenue took the court action to try to recover what was fraudulently obtained. This included the unusual step of obtaining a High Court freezing order and having a receiver appointed over the assets of the company.

Inland Revenue takes the integrity of the tax system seriously and will apply all available recovery options where dishonesty has led to serious loss to New Zealanders.



WAGE SOLUTIONS

The adult minimum wage is now \$22.70 per hour, effective 1 April 2023. The training and starting-out minimum wages have also increased to \$18.16 from the previous rate of \$16.96 per hour, which is 80% of the adult minimum wage.



TAX SOLUTIONS

Rules change again on tax payment dates

Inland Revenue has modified the rules, again, on tax payment dates.

Previously, if the due date for payment was at a weekend or fell on a public holiday such as an anniversary day, you were entitled to pay on the next working day. However, if you usually pay your tax electronically, the banking system still operates and therefore the time is not extended to the next working day.

If you pay physically at Westpac bank, you still get allowed that extra day.

Note April 7 is on Good Friday. Be sure to follow the new rules.



DEBT SOLUTIONS

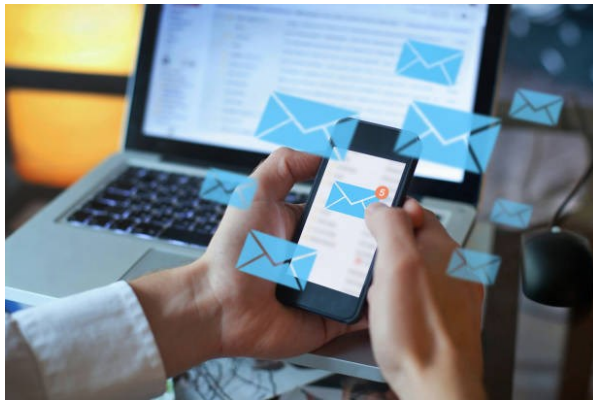
Disclosures for big businesses

Some small businesses will be pleased to learn there is to be public disclosure of information on the payment practices (particularly late payments) of businesses with a turnover of \$33 million or more a year. A bill passed its first reading on 8 November and has been referred to a committee which is to report back by 27 April 2023.

Schedule emails

You want to send an email at a later time, but you're going to be busy then.

What you can do is schedule sending an email at a given time and date. Most email programs allow you to do this, even on your cell phone. Here's how with the main programs (other programs will be similar).



Gmail: When you go to hit send, click the small down arrow. A menu for delaying that email will open. Choose one of the suggested times or set your own.

Outlook: Look for the Tag Menu on the email message ribbon **and** click the small down arrow in the right-hand corner. The menu allows you to schedule the email send.

Mac Mail: Click the pop-up menu next to the Send button, then choose an option. Emails you choose to send later appear in the Send Later mailbox in the sidebar.

Android phone or tablet: After composing your Gmail, tap More at the top right, tap Schedule.

iPhone: Tap and hold the Send button to see your scheduling options. You can see scheduled emails in the Send Later mailbox.

You can also delay sending all emails by creating a Rule to defer delivery by x number of minutes. It has several steps, so Google "email schedule rules".

Quick Quote

Creative without strategy is called art. Creative with strategy is called advertising." – Jeff I. Richards

Interest pitfalls if you had a big year

If you are expecting an annual income of more than around \$200,000 from your business and you're not paying PAYE on any salary from the business, beware of Use of Money Interest, which has now been set at 9.21%.

If your income exceeds \$204,820, your tax is going to exceed \$60,000, which is the threshold at which Use of Money Interest is applied.

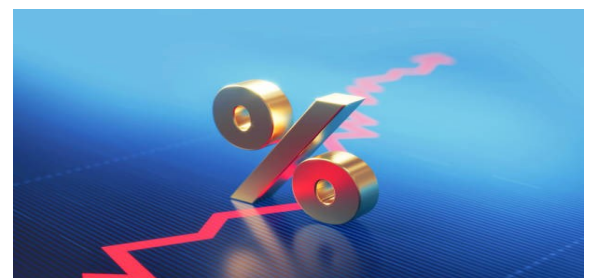
Inland Revenue expects you to know your income for the year ended 31 March 2023 by 7 May 2023.

This is not particularly realistic for small businesses. However, if you haven't paid enough tax by that date, you must top up the tax or face Use of Money Interest charges on short-paid tax.

What to do?

Try to estimate your taxable income for the financial year. Work out your tax for the year, which is \$60,000 +39% on every dollar of income in excess of \$204,820. Deduct the first and second instalments of provisional tax you have already paid and pay Inland Revenue the difference.

Similarly there is a threshold for companies which is \$214,285.



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