



Bartercard Seminar Series

Trading Tip Notes



Auckland, 27th August · Wellington, 3rd September · Christchurch, 10th September

Trading Tip #1 Spending Trade Dollars

The key thing here is balancing the demand for your product or service, with your businesses ability to use Trade Dollars.

Your ability to spend Trade Dollars is directly related to your willingness to change suppliers in order to save cash.

Another key is to work with your Trade Broker, their job is to make Bartercard an effective tool for your business.

Trading Tip #2 Using Bartercard to gain new cash customers Utilise the Trade Exchange to give your business an edge over your cash competitors

Wouldn't it be great if you could use Bartercard to gain new cash customers?

The best way to describe this Trading Tip is through a real example from one of our members, Just Water

- Just Water was quoting a contract to get their water coolers into a major national retail chain – 30+ stores.
- They were quoting against other cooler companies and were bidding for the business.
- They didn't want to discount their product to win the contract, so instead they thought outside the box
- When submitting their quote they offered to take the first year, of a 3 year contract in gift vouchers from the retail chain.
- They secured this contract because the retailer realised they were getting a discount equal to their gross profit margin, by paying with their product.
- Just Water then sold the gift vouchers through Bartercard and used the Trade Dollars to reduce their cash expenses
- And the 2nd and 3rd years of the contract were paid in cash.

So Just Water Utilised the Trade Exchange to give their business an edge over a cash competitor.

Trading Tip #3 Using Bartercard to recover cash debts

Do you have any regular cash clients who have fallen on hard times and are struggling to pay you?

Rather than pursuing the debt and having the relationship turn sour, you may be able to use this trading tip, for a win/win result.

The idea is to offer them an incentive to pay you now.

Here's an example of how it could work:

Lets say a printer is owed \$10,000 cash from a jeweller and the invoice has been outstanding for 12 months. The printer could offer the jeweller an incentive, by saying they will accept half of the debt in cash and the other half in product or gift vouchers. This incentive could have a limited timeframe in order to motivate the jeweler to resolve the debt. The product or gift vouchers would then be sold through Bartercard for Trade Dollars and the printer would use the Trade Dollars in their business.

If there is hardly any hope of them paying some cash, then the printer might accept the whole debt in product or gift vouchers or, even ask the jeweller to join Bartercard in order to pay the debt directly in Trade Dollars. Surely it is better to be paid now in Trade Dollars rather than hanging out for the cash and risking not being paid at all.



Trading Tip #4
Pay cash creditors with Trade Dollars
Reduce your cash accounts payable by using Bartercard

If you could pay some cash bills with Trade Dollars that would be a good thing, right?

There are a couple of different ways that this is possible.

The first is to review your suppliers and look at who might be open to receiving goods or services in lieu of a cash payment. Then purchase goods or services from within the Bartercard membership for your supplier, who would in turn give you a credit on your account.

The second way to achieve this is to convince your supplier to accept Trade Dollars.

If this was a permanent arrangement then we would sign them into Bartercard. If it was a one off deal, then we have a tool called a 'Bartercard spend down account'.

By using this Trading Tip you could successfully reduce your cash accounts payable by using Bartercard

If you would like to try this, have a conversation with your Trade Broker about how it could work for your business.

Trading Tip #5
Increase your advertising spend while competitors are reducing theirs
Increasing your market share without spending cash

As the economy tightens up, one of the first areas many business look to save money is on their advertising spend. However this is a double edged sword as it can also reduce the number of customers coming through the door. One of the best places you can spend Trade Dollars is on attracting new cash paying customers to your business.

There are a few different ways you can increase your advertising spend while competitors are reducing theirs:

The first is to spend Trade Dollars directly on advertising, in the Bartercard directory, the advertising section has pages of different options for your business.

Why not spend some Trade Dollars on an incentive or prize to attract cash paying customers. You could offer customers a prize draw for a mystery weekend away or even a trip to Rarotonga that you pay for with Trade Dollars. You can also use this prize draw technique to increase the average dollar spend of their customers.

This trading tip is about spending Trade Dollars to make your business more attractive to cash paying customers. By doing so you can increase your market share without spending cash.

Trading Tip #6
Use Bartercard to retain and motivate your good staff
Use Trade Dollars to reward key staff in your business

Wages are often one of the largest bills a business has and with recent increase in costs of living, you may have staff looking for a pay rise. Lets look at an example - All Bartercard NZ staff are paid 10% of their wages and 20% of their bonus in Trade Dollars. It is setup when people are first employed.

Could you Use Trade Dollars to reward key staff in your business to keep them motivated? Bartercard has two tools to help you achieve this:

Staff Accounts are a totally separate account in their own right, the difference is that only the parent account can put funds into them.

Gift Cards – are a way of giving your staff a one off Trade Dollar payment or bonus – e.g. at Christmas time you might give each of your staff a T\$500 bonus.

If you did this with your staff, how much cash could it save your business?

BC is a multi functional tool for your business and can be applied in many different ways. The key is to work with your Trade Broker and to give them as much notice as possible about your requirements

By successfully using these Trading Tips you can add cash to your bottom line. Read the front pages of your Bartercard directory for more Trading Tip ideas and other ways to make Bartercard work for you in your business.

View Bartercard testimonials on www.bartercard.co.nz