



Web Sites That Sell: Empowering Your Direct Sales Team August 24, 2006

I. The Seven-Step Relationship Selling Process

- Prospecting
- Making the approach
- Developing rapport
- Fact finding
- Presenting your offering
- Closing the sale
- Service after the sale

II. Websites can be more targeted

- Make your largest source of revenue your primary focus
- Create individual web pages for secondary sources of revenue

III. Websites are faster to deliver information

- Rather than sending a brochure, you can direct people to your website and let them see accurate up-to-date information, usually while you're still on the telephone.

IV. Websites are cheaper than printed materials

- Initial web design fees are usually comparatively priced with one high quality printed piece.
- Ongoing website maintenance and updating typically compares to monthly postage.

V. Websites can be updated on the fly

VI. Websites offer unlimited depth

- Leading Home Care's website contains over 400 pages of information. By adding only one page per week, your website will exceed 100 pages in less than two years.
- "Content is King"

VII. You can track pathing and specific calls to action

VIII. Your website improves over time while your printed material deteriorates

IX. Websites can be used to train all employees about your product line and packaging

X. Now your customers can shop at 3 a.m. in their underwear

XI. Using a Web Centric Marketing Scorecard



About your Leading Home Care Teleseminar Team



Jason Tweed - Director of Business Development

Jason Tweed is an expert on the use of home care services. Having lived in a wheelchair since the age of three, Jason uses the services of home care on a daily basis. His specialty is recruiting, retaining, and communicating with home care aides and personal care attendants. He also manages our web portal and drives our sales and marketing efforts at Leading Home Care and Private Duty Today!



Annie Yoho - Teleseminar Producer

Annie Yoho has helped write, produce and emcee numerous audio learning programs. She served as Vice President and Marketing Director for a top-name professional speaker for 10 years, where she developed a unique telemarketing system for business development. Annie's roots represent a long line of professional speaking talent. Her father, husband, and father-in-law are all professional speakers. Being surrounded by speakers, she's thrilled to finally have a chance to say something!

Web-Centric Marketing and Recruiting Scorecard Instructions and Explanations of Calculations

©2006, Leading Home Care ...a Tweed Jeffries company

The following instructions and explanations will walk you step by step through the **Web-Centric Marketing and Recruiting Scorecard™**. This tool may be used in conjunction with other Home Care Scorecards produced by Leading Home Care.

The primary purpose of this tool is to give the owners relevant information regarding marketing and recruiting expenditures and document results of those efforts. This information, in cooperation with other tools and financial data should assist in making intelligent strategic decisions.

General Instructions

Areas highlighted in blue on the excel spreadsheet should be entered manually. Areas highlighted in yellow are the strongest indicators used to make decisions specific to marketing planning. Cells not highlighted should not be changed. These fields are titles or automatic calculations.

Each line is numbered. Below are specific instructions corresponding to each line item.

Specific Line Item Instructions

Key Critical Indicators

1. Clients Served – The first three lines of the Scorecard identify the number of clients served in three different product or service categories. We recommend that our clients track product lines rather than simply a total clients served value. Product lines are frequently divided along sources of revenue. For example, line one may be Medicare clients, line two may be Medicaid and line three may represent private pay or trust institution clients.
2. Clients Served – See line one.
3. Clients Served – See line one.
4. Total Clients Served – This line is calculated automatically.
5. Units of Service Provided – Enter the Units of service, typically hours. This is the base unit assigned to each type of service. Many units of financial analysis are generated using this figure. Items such as Geriatric Care Management may need to be adjusted. For example, a single GCM visit may be billed at \$100.00 and may last one to three hours. You may want to call a GCM visit five units of service rather than trying to track each individual hour.

Inquiries and Admissions

6. Referrals and Inquiries – Referrals are when a third party calls to set up service, whether or not the client is actually admitted. Inquiries are when clients or client family members call to learn more about your service, regardless of whether they are a strong prospect, or whether they went with another agency. Every call should be tracked, even “what is your hourly rate?” calls.
7. Admissions – New clients admitted to your service. This may also include previous clients who have been off your service for more than six months.
8. Closing Rate – This automatic calculation shows you the percentage of referrals and inquiries that become customers. It’s important to note that it is possible to get more than 100%. This can happen when someone inquires in January and starts service in February.

Marketing and Recruiting

Recruiting

9. Salaries, Benefits, and Equipment – Enter the salaries and benefits of dedicated human resources staff. Staff who aren't dedicated to human resources, however provide substantial support, should also be included. If the CEO does caregiver interviewing, include an estimate of the CEO's base salary. Also include in this figure office equipment and supplies dedicated to human resources. Large equipment purchases may be annualized if you prefer.
10. Advertising – Enter the advertising expenses specifically related to recruiting caregivers. Don't include advertising expenses for executive or support staff recruiting. Don't forget to include job fairs and other public recruiting opportunities.
11. Employee Referral Program – Enter direct payments to employee or others related to your employee referral program. Also remember to include any administrative expenses. Do not include human resources staff salaries if they were already included on line #9.
12. Other Recruiting Expenses – Enter any other expenses related to recruiting.
13. Total Expenses – This figure is calculated automatically.
14. Applicants – These are any individuals who inquire about employment for caregiving positions. Include all inquiries, even those where no applicant information is collected. Applicants may include individuals who worked for your agency previously, however have not worked for your agency in the past 12 months.
15. Qualified Applicants – These are individuals who complete job applications and have the minimum acceptable qualifications for employment in the position to which they have applied.
16. New Hires – Individuals who are accepted into employment and actually performed at least one unit of service.
17. Cost / Qualified Applicant – This automatic calculation identifies the recruiting costs associated with each quality applicant.

18. Cost / Hire – This automatic calculation shows the recruiting costs per actual hire.
19. Recruiting Cost / Unit of Service – This figure calculates how many dollars of each unit of service was spent on recruiting future caregivers.

Marketing

20. Salaries, Benefits, Equipment – Enter the salaries and benefits of dedicated sales, marketing and PR staff. Staff who aren't 100% focused on marketing should have a portion of their salaries included. This includes administrative assistants and CEOs who provide substantial support.
21. Direct Sales Expense Accounts – The expense accounts associated with outside selling should be entered here. Don't forget to include travel reimbursements and meals. Do not include ad specialty items given as gifts.
22. Advertising – Enter current advertising expenses for campaigns that have a limited life span, such as television, radio, outdoor ads or direct mail campaigns. You may also choose to include expenses associated with health fairs or community events.
23. Annual Advertising – This would include expenditures that provide service for 12 months or more. Enter yellow pages expenses, purchases of ad specialty (Mugs, pens, and other give-aways) items not used for one specific event. Do not include website or other electronic marketing expenses. Important: For best results, annualize these expenses over 12 future months. When you pay your yellow pages ad, divide by 12 and include that amount in every month following ad placement. Do not annualize for more than 12 months, even for items that have longer than 12 months of life.
24. Website, Email, Online Advertisement – Regular maintenance and updating fees for your website and any email service providers should be entered here. Also include online advertising such as pay-per-click ad campaigns or banner placement fees.
25. Consultants, Public Relations Firms and Ad Agencies – Annualize and enter fees paid to consultants and other marketing focused firms.
26. Other Marketing Expenses – Enter other expenses related to sales, marketing or public relations.
27. Total Expenses – This is an automatic calculation.

28. Cost / Referral – This is the cost of each referral and inquiry. This is an automatic calculation.
29. Cost / Admission – This is the cost of each new client. This is an automatic calculation. Monthly figures are not necessarily representative, but quarterly, bi-annual and annual figures are very helpful in strategic decision making.
30. Marketing Cost / Unit of Service – This automatic calculation shows exactly how much expenses are dedicated to marketing out of each unit of service provided.

Financial

31. Client Revenue – Client revenue is the total revenue for home care, respite care and other direct-to-client services. Do not include all revenue, such as investment or interest income. Also do not include collected revenue from clients who have already been written off as bad debt.
32. Caregiver Expenses – These are salaries, benefits and other expenses associated with the direct costs of providing care. Include workers' compensation insurance, caregiver travel, orientation and in-service education.
33. Overhead Expenses – Enter your total expenses not related to direct care. These expenses include but are not limited to, officer and staff salaries and benefits, rent, telephone / internet, utilities, office supplies and equipment, postage, maintenance, business taxes and licenses, insurance, legal and accounting fees, and banking fees. Do not include bonuses paid to owners, dividends, or other profits extracted. You should also not include cash removed from business to make income tax payments.
34. Total Expenses – This is an automatic calculation. This number should be equivalent to your total expenses on your profit / loss statement.
35. Gross Margin – This automatic calculation expresses your gross profit margin of providing care in terms of a percentage. Acceptable gross margins start at 30%. A target gross margin should be 35%. A gross margin of 40% or higher would be considered extraordinary.

36. Overhead as a Percent of Revenue – This automatic calculation shows your overhead expenses in terms of your total revenue. The lower this percentage, the more efficient your organization runs. Overhead percentages below 20% are considered efficient.
37. Operating Profit / (loss) – This is your profit figure before taxes and depreciation based on providing care. Negative numbers are displayed in red.
38. Revenue / Client Served – This is the average revenue generated by each individual client in a given period.
39. Revenue / Unit of Service – This is the actual revenue generated per unit of service. This number is strong when it approaches your standard rate per unit of service. Generally this number should be within 5% of your published rates.
40. Profit / Client Served – This is your operating profits or losses per client.
41. Profit / Unit of Service – This is your profit generated for each hour or unit of service.
42. Profit / Marketing Dollar (ROI) – This is your Marketing Return On Investment. For every dollar you spend on marketing, this is the number of dollars that falls directly to the bottom line. This number may be negative, and will appear in red.
43. Client Revenue / Marketing Dollar – This ratio expresses the client revenue you receive for each dollar spent on marketing. This is a very strong indicator of marketing success over time. As this ratio increases or decreases along a curve, you can make strategic marketing decisions about when to begin new marketing campaigns.

Questions about your Scorecard?? Call 1-888-668-9333 or email jason@leadinghomecare.com.

Web-Centric Marketing and Recruiting Scorecard™

Scorecard Elements	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD Total	YTD Avg	GROWTH
Key Critical Indicators															
1 - Clients Served (Product #1)	20	21	21	22	23	25	27	29	31	33	36	39	327	27.3	95%
2 - Clients Served (Product #2)	15	15	16	17	19	21	23	28	31	34	37	41	297	24.8	173%
3 - Clients Served (Product #3)	5	5	5	5	6	6	6	7	7	8	8	8	76	6.3	60%
4 - Total Clients Served	40	41	42	44	48	52	56	64	69	75	81	88	700	58.3	120%
5 - Units of Service Provided	2750	2820	2890	3030	3300	3580	3850	4400	4750	5160	5570	6050	48150	4013	120%
Inquiries and Admissions															
6 - Referrals and Inquiries	10	10	10	12	13	14	15	16	17	18	19	20	174	14.5	100%
7 - Admissions	6	6	7	9	10	11	12	12	13	14	16	16	132	11.0	167%
8 - Closing Rate	60.0%	60.0%	70.0%	75.0%	76.9%	78.6%	80.0%	75.0%	76.5%	77.8%	84.2%	80.0%		75.9%	
Marketing and Recruiting															
<i>Recruiting</i>															
9 - Salaries, Benefits, Equipment	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$27,600	\$2,300	
10 - Advertising	\$400	\$400	\$400	\$300	\$300	\$300	\$200	\$200	\$200	\$200	\$200	\$200	\$3,300	\$275	
11 - Employee Referral Program	\$0	\$0	\$25	\$25	\$25	\$50	\$50	\$50	\$75	\$75	\$75	\$100	\$550	\$46	
12 - Other Recruiting Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
13 - Total Expenses	\$2,700	\$2,700	\$2,725	\$2,625	\$2,625	\$2,650	\$2,550	\$2,550	\$2,575	\$2,575	\$2,575	\$2,600	\$31,450	\$2,621	
14 - Applicants	12	12	13	13	13	14	14	14	15	15	15	16	166	13.8	
15 - Qualified Applicants	6	6	7	7	7	8	8	8	9	9	9	10	94	7.8	
16 - New Hires	4	4	5	5	5	6	6	6	7	7	7	8	70	5.8	
17 - Cost / Qualified App.	\$450	\$450	\$389	\$375	\$375	\$331	\$319	\$319	\$286	\$286	\$286	\$260	\$335		-42%
18 - Cost / Hire	\$675	\$675	\$545	\$525	\$525	\$442	\$425	\$425	\$368	\$368	\$368	\$325	\$449		-52%
19 - Recruiting Cost / Unit of Service	\$0.98	\$0.96	\$0.94	\$0.87	\$0.80	\$0.74	\$0.66	\$0.58	\$0.54	\$0.50	\$0.46	\$0.43	\$0.65		-56%
<i>Marketing</i>															
20 - Salaries, Benefits, Equipment	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$30,000	\$2,500	
21 - Direct Sales Expense Accounts	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$245	\$2,940	\$245	
22 - Advertising (TV, Radio, Outdoor)	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,400	\$1,200	
23 - Annual Ads (Phone Book, Ad Spec.)	\$422	\$422	\$422	\$422	\$422	\$422	\$422	\$422	\$422	\$422	\$422	\$422	\$5,064	\$422	
24 - Website, Email, Online Ads	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400	\$200	
25 - Consultants, PR, Ad Agencies	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$4,800	\$400	
26 - Other Marketing Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
27 - Total Expenses	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$59,604	\$4,967	
28 - Cost / Referral	\$250	\$250	\$250	\$208	\$192	\$179	\$167	\$156	\$147	\$139	\$132	\$125	\$172		-50%
29 - Cost / Admission	\$417	\$417	\$357	\$278	\$250	\$227	\$208	\$208	\$192	\$179	\$156	\$156	\$227		-63%
30 - Marketing Cost / Unit of Service	\$1.81	\$1.76	\$1.72	\$1.64	\$1.51	\$1.39	\$1.29	\$1.13	\$1.05	\$0.96	\$0.89	\$0.82	\$1.24		-55%
Financial															
31 - Client Revenue	\$55,000	\$56,400	\$57,800	\$60,600	\$66,000	\$71,600	\$77,000	\$88,000	\$95,000	\$103,200	\$111,400	\$121,000	\$963,000	\$80,250	120%
32 - Caregiver Expenses	\$30,250	\$31,000	\$31,800	\$33,300	\$33,600	\$39,400	\$42,400	\$48,400	\$52,300	\$56,800	\$61,300	\$66,500	\$527,050	\$43,921	
33 - Overhead Expenses	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200	\$110,400	\$9,200	
34 - Total Expenses	\$39,450	\$40,200	\$41,000	\$42,500	\$42,800	\$48,600	\$51,600	\$57,600	\$61,500	\$66,000	\$70,500	\$75,700	\$637,450	\$53,121	
35 - Gross Margin	45.00%	45.04%	44.98%	45.05%	49.09%	44.97%	44.94%	45.00%	44.95%	44.96%	44.97%	45.04%		45.27%	
36 - Overhead as % of Rev.	16.7%	16.3%	15.9%	15.2%	13.9%	12.8%	11.9%	10.5%	9.7%	8.9%	8.3%	7.6%		11.5%	-55%
37 - Operating Profit / (loss)	\$15,550	\$16,200	\$16,800	\$18,100	\$23,200	\$23,000	\$25,400	\$30,400	\$33,500	\$37,200	\$40,900	\$45,300	\$325,550	\$27,129	191%
38 - Rev. / Client Served	\$2,750	\$2,686	\$2,752	\$2,755	\$2,870	\$2,864	\$2,852	\$3,034	\$3,065	\$3,127	\$3,094	\$3,103	\$2,945		
39 - Revenue / Unit of Service	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	
40 - Profit / Client Served	\$778	\$771	\$800	\$823	\$1,009	\$920	\$941	\$1,048	\$1,081	\$1,127	\$1,136	\$1,162	\$996		49%
41 - Profit / Unit of Service	\$5.65	\$5.74	\$5.81	\$5.97	\$7.03	\$6.42	\$6.60	\$6.91	\$7.05	\$7.21	\$7.34	\$7.49	\$6.76		32%
42 - Profit / Marketing Dollar (ROI)	\$3.13	\$3.26	\$3.38	\$3.64	\$4.67	\$4.63	\$5.11	\$6.12	\$6.74	\$7.49	\$8.23	\$9.12	\$5.46		191%
43 - Client Revenue / Marketing Dollar	\$11.07	\$11.35	\$11.64	\$12.20	\$13.29	\$14.42	\$15.50	\$17.72	\$19.13	\$20.78	\$22.43	\$24.36	\$16.16		120%