

Call in for a Coffee



In this edition

Getting the Most Out of
IT, Debtors Policy & The
Importance of Marketing
During Good as well as
Bad Times

Introduction

Welcome to RSM's third 2009 edition of Call in for a Coffee. With the deepening international crisis reaching new levels, this edition features 3 articles that are crisis/recession related. The first article is an IT article written by Mr. James Craig Taylor who has specialised for many years in private security, solutions architecture and strategy titled- "Getting the Most Out of IT". The second article covers the importance of having and implementing a strict debtor policy and was written by our New Zealand affiliate firm Prince and Partners which has been adapted to the RSM Thai Practice. The final article covers the importance of marketing during good as well as bad times and features Raja's Fashions Tailors who are a family business run by the extremely prominent and capable Father and Son team Raja & Bobby Gulati and who many Bangkok long term residents view as exceptionally good marketers.

Getting the Most Out of IT

The business technology landscape has changed almost immeasurably over the last 15 years. As recently as 1995 the majority of businesses around the world had not embraced simple tools such as email and internet connectivity, fax machines were hi-tech, cellular phones were still just able to make and receive calls and only a few basic options existed in choosing IT solutions, if they were actually recognized as a necessity.

Advances in business technology, or IT as it's commonly referred to, have had an immensely positive effect on business processes and efficiency to a point that many large companies at the forefront of their industries today are almost completely different in process operation to how they were 10 or 15 years ago.

Although large corporates worldwide have and continue to effectively harness the benefits of technology to improve efficiency, the same unfortunately can not be said for non-technology industry SME's where, ironically, the most value can often be delivered. Bad previous experiences or lack of

technological understanding contribute to most executives taking a "bare-bones" approach to business technology rather than actively seeking ways to advance their businesses productivity, cost effectiveness and efficiency.

Properly planned, strategically developed, business focused technology platforms can deliver the same lasting benefits to SME's that larger corporates enjoy at far less cost than most executives think. Many businesses do not have an in-house CTO, technical director or other business focused technology executive to plot a solid strategic course and harness available skills to the benefit of the organisation, most SME's struggle to find reliable, independent and relevant advisors to work with. Most SME's end up having to rely on low level IT technicians, technology suppliers and outsource providers to render advice which is often not business relevant and almost never given with the specific nature of the business in question taken into account.

For SME's looking to substantially improve their business processes by harnessing available technologies, the skills of an independent strategic technologies consultant should be considered as a cost option.

With both the business and technical skills required to analyze a business's systems and procedures, staff, budgets, operations, technology usage, suppliers and other specifics an independent strategic technologies consultant can create a detailed model of how a business functions and how improvements can be made to help it function better though the implementation of appropriate technology based systems. An independent strategic technologies consultant can assist businesses to design solutions, create strategic plans for their implementation, create solid systems and procedures, select suppliers, manage procurement processes and monitor general progress to ensure that improvements are maximised as efficiently and cost effectively as possible without disruption, mistakes or project failures.

In these difficult economic times it is becoming more and more necessary for SME's to streamline their business, find new ways of cutting costs and instill maximum efficiency into their businesses to counter softening demand.

If your business is not leveraging technology as an efficiency improvement and cost reduction tool, consider bringing in an independent strategic technologies consultant to evaluate the options and possibilities. It may come as a pleasant surprise to see just how much can be achieved at an affordable outlay.

Article by Mr. Craig Taylor - info@jctaylor.tk or call him at +66 84 732 3356.

Debtors Policy

The Partners have taken time to review the firms policy with regard to the Practice Debtors and the collection process of these thereof.

As a result we detail below to both refresh and inform all clients of the practice the expectations and procedures we will be following to ensure that we can continue to provide a high quality cost effective service.

Invoicing:

We will ensure that all invoicing is sent out to you as the client no later than the 1st working day of the month following to allow plenty of time for you to contact us and discuss the account received BEFORE the due date being the 30th of that month.

Statements:

- We will continue to issue statements on all client accounts monthly detailing all invoices, credit notes, payment and journal transactions that have taken place on the account during the previous month.
- These statements are issued for your convenience to ensure you receive the whole picture as to the

status of your account and what transactions have taken place which should then be able to agree with your records.

Payment/Settlement of Accounts:

- As per our Terms of Trade all invoices issued are due for settlement by the 30th of the month following invoice date. E.g. Invoices dated 31st October are due for payment No LATER than the 30th November.
- Any disputes with regard to these accounts MUST be made by the due date otherwise the account will be deemed to be acceptable to you as the client, if payment by the 30th of the month is going to be a problem or an arrangement is required this too MUST be made and agreed to with Khun Pannee Rungruangmaneerat (Debt Collection) or Mark Butters (Partner in Charge of Debt Collection) on or before the due date.
- Failure to settle invoices for work done or to make satisfactory arrangement by due date to settle may result in stop credit being placed on your account and all work thereon ceased until agreed settlement is made. (At the discretion of the firm)

RSM takes great pride in the quality of the service we offer and continuously seek to improve. It is important that you as the client receive the level of service you expect and to do so we employ a highly qualified team of professionals to achieve this.

Prompt payment of our accounts allows us to invest in great people and meet your every need in a timely and efficient manner.

Should you have any questions or queries about the enclosed information please feel free to contact Mark Butters on Tel: +662-670-9002-6 and he would be delighted to assist.

Source: - RSM Prince & Partners adapted for the RSM Thailand Group

The Importance of Marketing during Good Times as well as Bad times

When there is over-confidence & over optimism in the market, value often takes a backseat and consumers indulge. When the time gets tough, consumers often tighten their purse strings and value comes to the driving seat. Cutting prices doesn't sound like such a good idea if you might be getting less work to begin with.

A good marketing plan can help launch a new business or grow an existing one. There are, however, numerous common marketing mistakes. One of the biggest mistakes that we have encountered is that numerous business owners concentrate far less on marketing during good times falling into the trap of being in a comfort zone.

Accordingly these same business owners often panic when times begin to get tougher and begin implementing marketing strategies (often for the first time). Common sense would suggest that it is often difficult to determine which marketing strategies work best, that a business should be implementing more than one marketing strategy and often as many as ten simultaneously and that actual visual results usually take time.

Below are a few pitfalls to avoid:-

1. **Not Marketing to a Defined Group:** Find your target audience and gear your marketing plan to that audience. Trying to appeal to everyone typically does not work.
2. **Inconsistency in Your Marketing Efforts:** You need to have the same look and feel across all of your ads, promotions, and overall marketing plan. Branding and consistency can be most important.
3. **Lack of Diversification:** Marketing on television, in print or on the Internet alone will reach only a portion of your potential customers. Plan to market creatively through a cross-section of media so that customers become familiar with your brand and your products at different times and in different places.
4. **Not Focusing on Repeat Business:** Repeat business typically makes up 80 percent of customers in most businesses. Too often marketing campaigns are heavily focused on bringing in new customers and not building relationships with current ones.
5. **Starting Too Late:** Time your marketing campaigns to coincide with new products, new services, seasonal sales or an upcoming event that will attract business. This typically means preparing well in advance.
6. **Not Having a Clear Marketing Message:** Marketing messages that are contrived, confusing, too subtle or too long can easily miss the target market entirely. The most ingenious marketing plan is wasted if no one gets it.
7. **Going Overboard:** If it sounds too good to be true it probably is. Too much hype will turn people away.
8. **Forgetting That Slow and Steady Wins the Race:** If you blow your entire marketing budget on a Grand Prix ad, then what can you do next? Marketing means building a reputation over time through ongoing exposure.
9. **Not Getting Feedback:** Test your marketing ideas and do focus groups. Don't launch it without getting some feedback first.
10. **Making a Change for the Sake of It:** Just because you are tired of your marketing plan doesn't mean it isn't working. Too many marketers make changes because they think they have too. Often a tried and true formula will keep working.

Source: - AllBusiness.com Inc. and adapted for Call in for a Coffee.

Raja's Fashions Case Study

Raja's Fashions Tailors was founded by Raja Gulati in 1963 in Ubon-Ratchathani in the North East of Thailand. During the Vietnam War, Raja opened a shop outside the USAF base known as Raja's "Wolf Pack" tailor after the nickname for the 8th Tactical Fighter Wing, which was based in Ubon. When the Vietnam War was over and the Americans left Udorn in 1975, some officers from JUSMAG invited Raja to open a store in Bangkok. The Raja's Fashions Tailors business is now run by Raja & Bobby Gulati, a Father & Son Family Business.

The marketing techniques adopted by the Gulati Family can be summarised as follows:-

Memory

People are much more likely to remember your name if you always remember theirs.

Workmanship & Service Standards

Word of mouth advertisement has been a significant part of Raja's success which of course means that if customers are happy with the end product they will and do spread the word.

Memberships

Raja's Fashions actively participates in different chambers of commerce operating in Thailand. They often sponsor and send representatives to chamber events and social gatherings around Bangkok. Presently Raja's Fashions is the leading tailor in Bangkok serving, Members of the American Chamber of Commerce, Australian Chamber of Commerce, British Chamber of Commerce and leading expat executives.

One particularly creative and effective way that they get involved in such events is by sending a photographer to take pictures throughout the events. They then develop the photos immediately and place them in Raja's branded frames around the venue for attendees to collect on the way out. Not only does this give people a souvenir from the event but every

time they look at their picture they will remember that they got it from Raja's.

Advertising

On another front, they have found that it is effective to invest in niche marketing opportunities within trade or organization publications. This allows them to target specific market sectors that represent ideal customers.

Charitable Contributions & the Community

Participating in and acting as a driving force behind fund raising events like charity golf tournaments allows them to reinvest some of the business community's good fortune back into the communities where help is needed most.

Website

Another important frontier that will soon be reached by Raja's is the establishment of an effective web presence able to communicate their expanding capabilities and forward looking intentions.

In Summary

At the end of the day the quality of Raja's products and services is the most important factor in maintaining a healthy client base. Don't believe anyone who tells you that business isn't personal.

Raja's Fashions - Dress sharp, look sharp, feel sharp
1/6 Sukhumvit Soi 4 (Opposite Nana Hotel)
Klongtoey, Bangkok 10110
T: +66 (0) 2253- 8379; +66 (0) 2253- 8389;
F: +66 (0) 2254 - 2181 ; E: rajas@ksc.th.com

RSM News

McGladery Capital Markets, a global provider of investment banking services that is affiliated with RSM McGladrey has climbed the league tables. They are ranked 14th for over all deal volume and ranked 2nd for

RSM Thailand

deals under \$250m according to the FactSet Mergerstat's national of M&A Advisors.

Leading US Magazine 'Accounting Today' ranks RSM McGladrey No. 5 within Top 100 Firms for the third consecutive year.

RSM Sponsored Events - Past & Upcoming

Lighthouse Club Construction Charity Group Late Lunch - Molly Malone's Silom on 27th February 2009

New Zealand Society of Bangkok Black & White Ball 2009, Amari Watergate Hotel on 28th February 2009

St. David's Society Welsh Ball 2009, JW Marriott Hotel, Sukhumvit on 7th March 2009

'A Celebration of Art Exhibition' at BNH Hospital, 15th - 28th March 2009 sponsored by RSM Advisory (Thailand) Limited & Siam Winery

Siam Gypsum Lighthouse Cup Golf at Thai C.C. on 23rd April at 12.00 noon. This event is sponsored by RSM Advisory (Thailand) Limited

Chris Kays Memorial Rugby Tournament 2009 at the Horseshoe Point Resort on 2nd and 3rd May 2009

RSM Thailand

RSM Thailand is a member firm of RSM International, the seventh largest worldwide organization of independent accounting and consulting firms represented in each of the top 40 business centers around the world with more than 30,220 staff in 732 offices in over 72 countries, driven by the common vision of providing high quality professional services in their domestic markets and in serving the international needs of their client base.

The RSM service line leaders in Thailand are:

Corporate Advisory

Gareth Hughes - Managing Director

Accounting & Tax Compliance

Mark Butters- Director

Executive Recruitment

Mike Holloway - Director

Business Services & Legal

Pardorn Suchiva - Legal Principal

Taxation Consulting

Steven Herring - Senior Taxation Consultant

Audit & Assurance

Prawit Wipusirikup - Audit Principal

Audit & Assurance

Surachai Damnoenwong - Audit Principal

Corporate Advisory

Sethaphong Phadungpisuth- Corporate Advisor Consultant

We welcome your comments and feedback.

Please feel free to contact us on the details below:

RSM Thailand
26th Floor, Sathorn City Tower
175 South Sathorn Road
Bangkok 10120 Thailand
T: +66 (0) 2670 9002-6
F: +66 (0) 2670 9027-8
E: AskUs@rsmthailand.com
W: www.rsmthailand.com

The information contained herein is for general reference purposes only. RSM Thailand and the author cannot take responsibility for any action taken or not taken as a result of information provided or opinions expressed. Readers should seek professional advice for particular situations and matters.