**PEP 124 Edited\_Transcription**

[Daniel Hill] (0:05 - 20:54)

Welcome to the official Property Entrepreneur Podcast with myself, Daniel Hill. We are now rated in the top 10 of all business entrepreneurship podcasts in the UK. Last year, we were rated the 7th most popular property podcast and every month by downloads, we are rated in the top 5% of most popular podcasts in the entire world.

Thank you all for your support, for sharing and subscribing to these podcasts. This is literally my life's work broken down into simple blueprints for you to execute everything that you want, be it wealth, health or life by design. Success and failure are both very predictable.

Let's get into it. Hello and welcome to the next episode of the official Property Entrepreneur Podcast. It is winter.

We've now completed our annual strategy day and we've got three months to go into the winter hit list to execute as much working on the business as we can rather than getting caught up in the day-to-day in it. Now, we've spent 12 weeks building out our strategy and this is basically listening to the cruise control of the engine, deciding what we want for the next 12 months and 18 months of 2023 and 24. But in order to actually achieve that, we now need to step change and through the 12 weeks of winter, we do the winter hit list, put this all into action and level up everything we're doing in our business for the year ahead.

So this blueprint I'm going to give you today is called the Walk the Line Blueprint and this is something that I've personally been doing for over 10 years. We've been teaching it on Property Entrepreneur for about seven or eight and for those of you that are looking to increase your profitability, it'll be one of the quickest ways for you to achieve it but not necessarily the most obvious. So in this blueprint, which is going to take about 10 minutes or so to explain to you, there's five steps and I guarantee you fundamentally that you will increase the amount of money you make in the next 48 hours or 30 days just by putting this into place.

Most entrepreneurs just run around focusing on the top line. So focusing on more sales, more spending on marketing, more revenue and as we all know, on Property Entrepreneur, more revenue does not mean more profit. If you're making 10 to 15% end of year bottom line profit in the UK, that puts you in the country's elite.

So to make 10 to 15% end of year profit, you would be in the most elite in the country. The reason for that is that most businesses fundamentally just do not make money. What we want to do is make sure that you're actually making money and if you are in that category, like let's say already on Property Entrepreneur, we wouldn't encourage you to even look at a business unless we could make 30% end of year net profit ideally heading up towards 50%, maybe even 50% but they would be needle in a haystack businesses.

They're very niche, they're very unique, they're very crest of a wave, they're very well positioned, they're highly strategic, they're normally premium price point. You're not going to find them doing what everybody else does but even if you are only in that sort of let's say 10% end of year profit, using this blueprint, you can either go out there and do more and more sales, more and more marketing, take on more and more team members, more and more overheads until you realize that more revenue doesn't mean more profit and actually you can grow yourself bust by focusing on the top line.

If you can save rather than spend, if you can actually look to reduce your overheads rather than focusing on your revenue, if you can reduce your annual outgoings by 10%, so if you think you've got 90% or 100% of revenue coming in, if you're making 10% end of year profit, 90% of that is going to other people. You're running around doing marketing and sales and then giving 90% of it to suppliers, third parties, your team members. If we can look at what you're doing and reduce your cost of sale or your overheads by 10%, so that's 10p in the pound of what you're spending or what you're turning over, that would actually increase your profits by 100%.

So we can say if you're only 10% in your costs, we can double your bottom line if you're in that category of making 10% profit. So what we want to do here and this is going to apply to your business and your personal life and like I say, I guarantee that it'll increase the amount of money that's left in your pocket at the end of each month and reduce the amount that you essentially just lose by giving away just by following these five steps. So there's two mantras to go into this.

These are mantras that we teach on Property Entrepreneur. They're tattooed across everything that we do. It's literally the way that we live and breathe our wealth creation strategies and building our businesses.

Two mantras for you to focus on going into this. The first is a lesser known or followed mantra, which is it's not how much you make, it's how much you keep. You're far better to have a small business with a small team that's doing a reasonable amount of revenue but making a really, really high profit because you're keeping lots of that than going out there and trying to build a team of 50 people, 100 people having seven figure overheads and six figure insurance policies if you're not getting that money down to the bottom line.

So it's not necessarily about growth and more revenue 100% does not mean more profit. I know lots of people who have small portfolios make a nice tidy income and I know even more people who have big noisy businesses with loads of overheads, loads of management issues, lose control of the profitability and the model and they actually make less than they did when they had a nice small boutique lifestyle portfolio or business. So the first is it's not how much you make, it's how much you keep and you just really want to tune into that.

It's not about the top line, it's about the bottom and then the second is slow down, speed up. It's very easy as an entrepreneur to think deals, deals, deals, sales, sales, sales, growth, growth, growth. Actually, if you want to make money, it's more about being strategic, it's more about slowing down and what you'll find is you will then be more lucrative.

You will actually speed up your wealth creation process but you have to stop and do basic things like this blueprint I'm going to share with you today. So we call this blueprint the walk the line blueprint and you're going to need three things. You're going to need a laptop or your computer, your desktop, your iPad, whatever you use.

You're going to need a printer because we're going to go old school with this and you're going to need some coloured pens, ideally three different coloured pens or coloured biros, coloured pencils, coloured highlighters, it doesn't really matter, just three different colours. Don't wait a week for your Amazon delivery to arrive. Whatever you've got in the house, lipstick, eyeliner, whatever you've got, let's just get that and put this into action.

So this is a six-step blueprint that will increase the amount of money you make literally in the next 48 hours by doing what we call walking the line and there's five steps to this blueprint. So the first is and what I suggest here is take notes, grab whatever pen you've got, pause this podcast, come back to it and listen to it for a second time later when you're at the house if you're out running or you're driving your car and you want to take these notes later. There's five steps, write these down and just follow them step by step and it really won't take you long but it will make you a lot of money.

The first is what we want to do is download your bank statement. So once you understand how this works, probably go for the lowest hanging fruit first, go for the one where you know you're going to get loads of wins, start with that but we want to do it for all bank statements, personal bank statements, business bank statements, credit card statements and that might sound, if you're thinking you've got 10, 20, 30 of these, you'll see why this is well worth doing assuming you've got a reasonable amount of revenue coming through the door.

So the first is to download the statement and do it for the last calendar month. So just do one or two now just to get the ball rolling. The ones where you're going to get the quickest wins, download the bank statement for the last calendar month and then print it out on paper.

Like go old school. If you're really familiar with and up to date with using iPads and screen grabs and doing this digitally, you're absolutely welcome to but I'm old school as it comes. This doesn't need to be technical.

It just needs to get done. So the first thing is download them, print them out and that's for the last calendar month. So if you listen to this in January, it will be December's bank statement.

And then what we want to do is go through this statement and you're going to see that there may or may not be. There should be a transaction type on that statement and some will be DD, which is direct debit and some of it will be SO, which is standing orders. And they're basically your repeat payments.

We're going to start off with them and then as you do the process, you can expand it to the other transactions but you might find they're more transactions than they are monthly payments, which is normally what your direct debits and your standing orders are. Just jumping in quickly with two things. So the first is if you're enjoying these podcasts and you haven't already ordered a copy of my brand new first ever released book, Karma Credits, please go to Amazon now and order yourself a copy of Karma Credits by Daniel Hill and it'll explain to you the universal law of wealth, health and happiness.

And the second, if you want a free report that you can read straight away, go to www.boomorbust.co.uk to understand the five things that I'm doing as we head into this next phase of recession. Back to the podcast. So what we're going to do is we're going to then, let's say we've got three pens, let's say we've got a green one.

What we're going to do is we're going to go through and we're going to highlight what things we need to keep. So maybe you've got your mortgage, it's in a fixed term, you've just renewed it and you know that you can't get out of it, you can't negotiate it, it's just a monthly payment you're going to have to keep. So you're going to highlight that in green.

What we're then going to do is look for, so choose a second color, maybe a yellow or an orange, something like that. And what we're going to do is we're going to look at all of the other standing orders and direct debits and we're going to highlight the ones that we can negotiate. So this will be, initially you might think, oh there's not many that I can negotiate.

You can negotiate pretty much everything. So phone contracts, insurance policies, you go through your statement and you'll probably notice that your insurance policy has gone up. It's been automatically renewed, it's gone up 20%, that's the game the insurance companies play.

And just from going back out to market, give it to your broker, say look, here's my current policy, can you see what, if you can beat it and you'll find 8 times out of 10 it can either be matched on last year's or it can be beaten. The only way you lose is to not do anything. If you stay on your car insurance, house insurance, business insurance, the default strategy is, at renewal, is to increase the policy.

It's been that way for years, I can't imagine it's going to change any way soon. And the only people that lose out are those that don't actually go out and renegotiate it. So look at everything you can negotiate.

So it might be mobile phone contracts, it might be standing orders that you've got for things like insurance policies, anything that you've signed up to that could be negotiated by moving to an alternative supplier like if it's in your business it would be things like a stationary or a phone contract or a photocopier. If it's in your personal life, it would be things like looking at your gym, your gym membership. Could you negotiate, pay it 12 months upfront and get a 10 or 20% discount?

Could you go to, actually has that gym got busy and expensive and there's a new one down the road that's brand new and you get six months free? It's looking at every single transaction and figuring out where can I negotiate? How can I save money?

And there'll be huge, huge wins there which it's just money that you're losing every month because you've focused on the top line doing deals, going after the big numbers and you're not looking after the pennies. There's holes in your bucket and you're just wasting that cash. And then the fourth is cancelling.

You will be absolutely astounded when you walk the line. We call it walking the line because you've got your bank statement in front of you and the aim is line by line is to read what it is and then highlight it either green to keep, orange, yellow, whatever you want, amber to negotiate and then red to cancel and you'll be absolutely gobsmacked when you walk the line and go through every line of your bank statement. How much money every month you're overpaying for?

How much stuff you're overpaying for? How many people have just ramped up your price and you've not been making the most of going out to the market? And step four is cancelling, is getting that red one and looking at the things you're paying for that you don't even know existed.

We've got a board member who did this about four years ago and he had a BT phone bill from a development that he had like five years before and it was thousands and thousands of pounds and yes, it took him like three months and his assistant three months to go to him and say we don't have that property anymore, it should have been cancelled but they did get a refund and these refunds are either in the, I mean in that case this was thousands of pounds. We had another, Adam Goff who hosts our Property Entrepreneur Program or is the head mentor for the Property Entrepreneur Program. He did this for a Virgin bill.

Virgin are notorious for not cancelling contracts when you tell them to cancel and he had one that was like four and a half, he walked the line and had no idea that it was in there. Obviously, he was running a portfolio, had 50 odd houses, would never once clock that that was an odd transaction unless he went through and walked the line, recognised the address, realised he'd got rid of it three and a half years ago, they hadn't cancelled it and his refund was about four and a half thousand pounds. You want to go through then, look at all the payments you're making each month which have slipped through the net and we're going to do this for your bank account, we're going to do it for your credit card, also going to do it for your phone statements.

It's things like you sign up for that free app, you're stuck at the airport, you want to get the flight tracker app, it's 30 days free, you use it for 30 days, completely forget about it and then it's clocking up at two pound a month, three pound a month, 10 pound a month in the background. MyFitnessPal, maybe you used it because you got January Gym Club, paid your year up front 80 pound but then for the last three years you haven't been to the gym, you haven't used it and it's renewing and cost you 240 quid over the last three years. There's going to be so many things and you'll be sitting there thinking oh no, there probably won't be.

That's exactly, if you know, you either know that there's not because you've done this or you have no idea what's going on in your bank account because you haven't looked, this is absolutely the way to make more money than you spend in the next 48 hours by printing this out, keeping it, negotiating it, cancelling all that stuff. He bought a wardrobe from Argos five years ago and paid three pound 99 for the monthly warranty because some great salesperson up soldier. All of that stuff, just get it cancelled, get rid of it, keep it, negotiate it, step four, cancel it and then step five is once you've gone through that exercise of highlighting them is then to action it or delegate it.

So if you are a small business owner and you don't yet have an assistant, my first question would be if you want to make more than 15 pound an hour, you should absolutely have a personal assistant. If you haven't, you should start actioning this stuff yourself. Get on the phone to the insurance company, cancel the direct debits in your bank account, cancel the standing orders or ideally you just delegate it.

You speak to your team, speak to your head of finance or whoever does, your finance assistant, your EA, your PA and just delegate and say look, cancel all these, negotiate these, get somebody who runs one of your companies to go out and do the sort of savvy work of getting this stuff negotiated and then get it done. I absolutely guarantee you there is no way that you will not make money doing this exercise. So pencil it into your calendar, walk the line blueprint.

I would allow 30 minutes to do the first one and then after that you'll be able to rattle for it real quick because you'll get a feel for it. You'll start to recognize stuff. We're doing a recent bank statement so it's all going to be quite fresh in your head and it will fundamentally change the amount of money you make in the next 48 hours and then running for the next 30 days ongoing.

A few top tips to finish. The first would be do this for all accounts. So all bank accounts, personal and private, all credit cards because you'll often set up direct debits or standing orders on credit cards that you forget about and then also your phone and your app store.

If you want to sense check that this exercise is worth doing, open your app store now. If you're driving, do it when you stop. Open your app store and look at your paid subscription apps.

I guarantee you you are paying for photo editing software, MyFitnessPal, some app you don't even remember downloading and it was free for a year and you thought, oh I'll cancel that before the year's up and they've been taking £4.99 out of your account for the last 8 years. Go into your phone and see what it is. It's every account, every card, every statement and your phone app.

I guarantee you there'll be something in there you can click cancel now and that's tomorrow's cost of paid for for the next 10 years. The next would be, when I said the order of these, like keep, negotiate and cancel, I would actually leave keep till last. The reason is you'll think initially, I'm going to keep that, I'm going to keep that because it's the easy option.

If you highlight all the negotiators first and then all the cancels, by the time it comes around to being like, do I really need to keep that? You'll be a lot more aggressive, you'll be a lot more savage and you'll have that confidence of like, actually everything can be reconsidered because if you leave it up to default, they're just going to drain your bank. The third is to negotiate everything.

It's to appreciate absolutely everything is up for negotiation. If you've not listened to episode 102, I talk about the three different ways to negotiate. If you get involved in any of our businesses, speak to any of our senior team who are responsible for purchasing, they will tell you that we don't say, is there a discount?

The question is, what's the discount? Then there's three different ways you can achieve that discount. There's a price that everyone else pays and there's a price that you want to pay and you really want to have that understanding.

After this podcast, jump back to episode 102 and I talk about the three ways to negotiate everything. Again, it's not how much you make, it's how much you keep. That's the easy way to make profit.

Then finally, is repeat this at minimum annually, ideally quarterly. You do want to, if you do this annually during the winter, it will absolutely set you up for it but just by default, you're going to end up signed up to staff, renewals are going to happen and ideally, you want to be then renewing it quarterly. Then finally, it's just to do this now.

You've probably listened to episode 102 Every week, every Tuesday, we're giving you these blueprints. How many of you listen to and not actually executed? I'm telling you, you're going to get paid to execute this blueprint and what I would say is, print those statements out now, stick them on your desk, stick them in your bedroom, stick them in your lounge, put them somewhere so that this evening or this weekend, all you've got to do is pick up those pens and I guarantee you, your hourly rate will be tens, hundreds, if not thousands of pounds just from running this blueprint.

So that is the Walk the Line Blueprint. That is the five steps that I guarantee it will make you more money in the next 48 hours that you run it and then every 30 days, you will have more bottom line profit and if you can find just a 10% saving in your operating cost of your business, you will then make double the profit you did last year if you're in that 10% to 15% net profit category and obviously, if you're not, the impact is going to be even more significant. So Walk the Line Blueprint, it's not how much you make, it's not how much you keep, slow down, speed up.

These blueprints are unique, they're proven, they're my life's work and now they're yours to put into practice. So best of luck walking the line. I hope you enjoyed this episode of the Official Property Entrepreneur Podcast.

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It'll be dedicated to you and your business and every Tuesday, I'm in there answering questions, giving you one-to-one direct support and we don't know how long we're going to keep these open for. Success and failure are both very predictable. I will see you on the next episode.