

The Secret to Accelerating Your Business Growth with Barter

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Dedication

I have been blessed to be doing what I love for more than a decade. Building relationships, helping to serve local entrepreneurs, and growing their business with what I am very passionate about, and that is barter! In the end, for me, it is all about forging new relationships and creating fulfillment for others!

It has been an incredible journey and there are a number of people I would like to thank. First, to my Mom and Dad for all the things you taught me. I will always take to heart what it means to work hard, be sincere, put family first, and have faith in God. Thank you to my sister, Lorlei, and brother-in-law Chris, for always keeping me in your prayers. Thank you Tony Colabella, at Meyers Norris Penny, for accepting me into the self-employment program; to Michael Caron for being my barter mentor; to my past and current staff; and to my business coaches, Andrea Jones and Russell McPherson. I also want to send a huge thank you to all members of the eXmerce community for giving me an opportunity. Your business and support is sincerely appreciated! Last, and never least, I would like to give thanks to my own family - Anna, Kienna, and Noah. There is nothing in this world I would not do for you guys!

~ Nelson Liem

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Barter Past & Present

Barter by definition is the direct exchange of goods or services without the use of cash. The terms barter or trade are often used interchangeably. People have bartered for centuries. I will trade what I have in exchange for what you have.

Barter is active, thriving, and very much in existence. Browse Kijiji, for example, and you will find a barter or swap section online. There is even a television show on A&E called Barter Kings. Barter is certainly a great way for anyone to get what they want without having to spend their hard earned cash, by simply trading what they have.

With the popularity of people trading directly, the birth of the modern barter industry started back in the 1960's in California. Today, bartering for businesses has evolved into an organized and sophisticated system, whereby a virtual currency called Trade Dollars gets exchanged between business members of a barter exchange whenever a product or service gets sold on barter.

According to the International Reciprocal Trade Association, an organization created to promote the barter industry - the U.S. barter market is \$12 billion. Almost 1/3 of all small businesses in the United States use some form of bartering, and 65% of corporations listed on the New York Stock Exchange (NYSE) are involved in bartering.

The world's largest barter exchange, Bartercard, is headquartered in Australia. Bartercard serves over 55,000 members who barter-trade over \$600 million each year. In the United States, ITEX is

North America's largest barter exchange with 24,000 members trading \$140 million each year.

Today's economy is forcing many business owners to look for creative solutions to attract new customers, save cash, and turn excess capacity into profit. Bartering through a business trade exchange is a powerful alternative to market and promote your business.

How Modern Day Barter Works

When most people think of barter, they naturally think of direct one-to-one trades. Your flowers in exchange for my printing.

Modern day barter works on the basis of a virtual currency, called Trade Dollars. The Trade Dollars get exchanged like money between the buyer and seller whenever a product or service is bought and sold.

A member of a barter exchange would offer their product or service for sale on barter to the network and price the product or service in Trade Dollars. Whatever a business would normally charge out there in the cash world is what the business would charge in Trade Dollars through the barter exchange. For example, if a florist sold a dozen red roses for \$25 cash in the cash world, through a barter exchange, it would be sold for \$25 Trade Dollars. When the flowers get sold on barter, the member selling the flowers would earn \$25 Trade Dollars, which then gets deposited into their barter account, enabling the member to now start purchasing products and services with any one of the other members that are part of the barter exchange.

Reporting and getting paid on barter is easy! The seller would simply contact the barter exchange to report the sale, and the barter exchange would then post the barter sale transaction and debit and credit the member accounts accordingly. Typically, a barter exchange will enable their members to call, email or post the barter sale transaction online by logging into their member account.

To buy on barter, members can browse through the member directory; get assistance from their Trade Broker; or contact members directly. It's important that members always identify themselves as a member of the barter exchange, and present their member card when making a purchase.

What Does The Canada Revenue Agency Think About Barter?

In 1982, the Federal Government in Canada legitimized barter activities. In the eyes of the Canada Revenue Agency (CRA), your barter income is the same as cash income. \$1 Canadian Cash Dollar is equivalent to \$1 Trade Dollar. For more information about the Barter Income Tax Act, please reference - <http://www.cra-arc.gc.ca/E/pub/tp/it490/it490-e.html>. At the end of the calendar year, you must report all barter sales as income for your business. The barter sales are taxable, since the CRA considers barter to be equivalent to cash.

If any purchases on barter are directly related to your business (i.e. advertising, printing, web design, legal services), you can write off these expenses on behalf of your company. Personal expenses are not eligible tax write offs in either Cash or Trade Dollars.

GST & Barter

Whenever you buy or sell products or services through a business trade exchange, the Goods and Services Tax (GST) is payable in Trade Dollars. This is only applicable for businesses who charge GST. Since the GST is a tax, the GST you collect must be paid back in cash to the Government. This is why it's important to manage your buying and selling on barter when it comes to the GST. At the end of the calendar year, you want to be in a position where you've purchased the equivalent of what you sold on barter, so you don't owe any money to the government for GST. I will explain in further detail below.

Let's say you sold \$10,000 worth of products on barter in the calendar year. The GST collected on the sale is \$500 (\$10,000 x 5% GST). This means you would have to pay the CRA \$500 in cash for the GST you collected on the barter income you've earned. In a perfect world, you would purchase \$10,000 worth of products on barter for your business, and claim the \$500 in GST. This way, your Input Tax Credits equal the GST collected on your sales, and you wouldn't owe any money to CRA.

Example: Charging 5% GST:

Barter sales: $\$10,000 + \$500 \text{ GST} = \$10,500$

GST collected = \$500

Barter purchases for your business: $\$10,000 + \$500 \text{ GST} = \$10,500$

GST claimed as input tax credit = \$500

GST owing to the CRA = \$0 (GST collected - GST claimed as input tax credit)

If there is an imbalance between your barter sales and your barter purchases for business expenses in the calendar year, you will end up having to pay GST to the CRA in cash. For instance, if you sold \$10,000 in products or services on barter, and only purchased \$5,000 worth of business products or services on barter, the GST owing to the CRA would now be \$250 cash.

Example: Charging 5% GST

Barter sales: \$10,000 + \$500 GST = \$10,500

GST collected = \$500

Barter purchases for your business: \$5,000 + \$250 GST = \$5,250

GST claimed as input tax credit = \$250

GST owing to the CRA = \$250 (GST collected - GST claimed as input tax credit)

The CRA will require proof of your sales and purchases with the GST collected and paid, so it's important to keep all of your receipts, just like you would do in the cash world. Remember, you can only claim back the GST portion as an Input Tax Credit if the purchase is directly related to your business. Personal purchases are ineligible.

How Can a Barter Exchange Help Me Find New Customers?

Once you have become a member of a barter exchange, new doors are opened for you. As a member of an exclusive business community, you can market your products or services to that community. Members of a barter exchange are typically motivated to buy from each other, because they know the proven system works. Since you are both part of the community, it gives both business owners the opportunity to spend Trade Dollars, instead of cash, and many businesses build up enough trust and loyalty with each other that it leads to cash business, and referrals outside the community as well.

A barter exchange will help you to find new customers through:

- **Trade Brokering service:** Your Trade Broker will help to provide new leads for you. It's the Trade Broker's responsibility to help promote your business to the other members of the network.
- **Online member directory:** Members of a barter exchange will be listed in an online member directory. It's important to ensure that your business profile or information is up to date, so that other members can easily find you to do business.
- **Social media:** Your barter exchange can promote you on their social media platforms (i.e. Facebook, Twitter,

LinkedIn).

- **E-newsletter:** Find out if your barter exchange gives its members an opportunity to be promoted via email to the member base. If they do, you can send your Trade Broker information about your featured promotion, and the broker will then send it out to the community.
- **Tradeshow exhibitions:** A barter exchange may exhibit at local business tradeshows. If your barter exchange is exhibiting, you may want to provide marketing materials to be displayed on the exhibit table, or donate products or services as door prizes.
- **Networking events:** You want to meet members of your new community. When your barter exchange hosts an event you'll want to take advantage of it. To get better exposure, you can offer to provide door prizes, or see if there is an opportunity to exhibit at the networking event itself.
- **Video:** Some barter exchanges offer the opportunity to be profiled via video. Take advantage of it! Video is a powerful tool. Your barter exchange will circulate the video to its members, and promote your business via their social media platforms.

The more ways you can get exposure through your barter exchange, the more advantageous it is for you.

One of the great thing about barter is the referrals you get when you build trust and loyalty with the other businesses in the

community. Whenever you do business with another member through your barter exchange, it's important to ensure that you provide the same type of quality you would do for your cash customers. A happy customer is a referring customer. It's also wise to ask for referrals, as it can lead to more barter or cash business. A barter exchange can also help to make introductions for partnership opportunities. Browse through the member directory, and select the businesses you'd like to connect with, then ask your Trade Broker to make an introduction. It's much easier to connect with people and businesses when they know that you're part of the same community.

How Can A Barter Exchange Keep Cash In My Business?

When participating in a barter exchange, it's important to identify all the areas where you would normally pay for products or services for your business, or in your personal life. You can do it on your own, or in conjunction with your bookkeeper or accountant for better accuracy.

Once the spending areas are identified, go through the member directory and see where you can use your Trade Dollars instead of making cash purchases. Excellent barter exchanges will have a wide variety of offerings helpful for your business and to you personally. The more things you can find on barter to replace your cash expenses, the more fluid your cash flow will be!

Below are some of the common business items that can be purchased through a barter exchange:

- Accounting/Bookkeeping
- Office rental
- Legal services
- Web design
- Graphic design
- Social media management
- Search engine optimization
- Business coaching
- Advertising
- Marketing
- Copywriting
- Web hosting
- Business telephones

And of course, an excellent barter exchange will have many options to meet your personal needs too. Some common personal items you can purchase through a barter exchange:

- Carpet cleaning
- House cleaning services
- Renovations
- Spa services
- Salon services
- Golf
- Interior and exterior painting
- Furnace and duct cleaning
- Gym memberships
- Clothes
- Shoes
- Eyewear

It's important to be remember that any Trade Dollars you use personally cannot be claimed as an expense for your business, so taxes will still have to be paid, and be reported to the CRA.

How Does Barter Improve Your Cash Flow?

One of the key principles to barter is understanding what your cost is for a Trade Dollar, and what that actually equates to in cash savings. Let's take a look at the example below.

Joe, with the Flamingo Restaurant, is interested in purchasing advertising through a barter exchange. He has the opportunity to buy the advertising for \$1,000 Trade Dollars. He could also pay for the same advertising for \$1,000 cash. Which is the better option for Joe, buying the advertising in Trade Dollars or cash? Let's find out!

Joe's food cost is 30%. For every \$1 earned, it costs him \$0.30. Now, to calculate what Joe's cost is to pay for the advertising in Trade Dollars, we calculate it as follows:

\$0.30 = Joe's food cost

\$0.15 = Cash transaction fee charged by a barter exchange (15% transaction fee)

Total: \$0.45 = Joe's total cost of goods

What does it cost Joe to buy the advertising on barter?

\$1,000 Trade Dollars x \$0.45 = \$450 cash

If Joe were to purchase the advertising and it costs \$1,000 Trade Dollars, it now only costs Joe \$450 cash. This means Joe was able to save \$550 cash by paying for the advertising on barter.

Whenever Joe makes a purchase on barter, he can now buy things at 45 cents to the dollar or receive a 55% discount whenever he buys on barter through a barter exchange.

Now, what would you rather do? Spend \$1,000 cash or \$1,000 Trade Dollars? Ultimately, the costs savings will depend on what your cost of goods are.

Turn Your Excess Time Into Profit

Barter is ideal for service based businesses, especially during those times of the year when you normally have a slower selling cycle. Barter can increase your customer base during those downtimes, because you can market to your barter community. For example, if you are a massage therapist, you might have unfilled appointments. Your barter exchange can fill those unfilled appointments with customers by promoting your business to the membership base. Those spaces will fill quickly on barter, and you will soon have a full schedule.

Barter sales are like a bonus that gets added to your cash business. By joining a barter exchange, you will find extra business that you might not have otherwise received. Think of it as another stream of income for your business. The more income streams you have, the better off your business will be.

What would you do right now with the extra income you could earn through your barter exchange?

The key to barter, like in any business, is in building relationships. People want to do business with people they like, know, and trust. When you top that off with an excellent product or service, people will share their positive experience. That means you'll also benefit from their referrals to other businesses, as well as friends and family. Word of mouth marketing is powerful, and a tight-knit barter community is the place to build a solid foundation in it. As your new clients spread the word about you inside and outside the community, you'll see your cash business and your barter trades increase.

Of course, you can also leverage your Trade Dollars to purchase advertising during your slower periods as well, and use a more traditional method, to get more people through your doors. Barter has a lot to offer!

The Barter Life Cycle

Barter can be used at any stage of a business life cycle. I was once told that in your first year you sleep, second year you creep, then third year you leap! With barter, I believe you can leap in your first year!

Look at how you can leverage barter in every stage of your business below.

Barter for Start-Ups

When you're first starting up your business, one of the main challenges most start-ups face is cash flow. How can you grow your business if you have little to no customers buying from you?

By leveraging barter into your business start-up plan, it enables you to market your business to a new customer base that's motivated to buy from you. You can even hire a business coach on barter to help you with your business plan, so that you can get planted on the right foot moving forward.

When members of a barter exchange buy your product or service, you can use the Trade Dollars you've earned to build your business, rather than relying on cash to business to come in. In other words, you create a second stream of income you can use to promote your business inside and outside of the barter community, so you can leap out of the gate and have a very strong start for your first year.

Another advantage of barter for start-ups is the networking aspect. New businesses need to acquire clients quickly. A barter exchange will immediately help expose your business to their community. Make sure you attend a networking event and get plugged in right away!

Barter for Growth Businesses

For those businesses who have built a good foundation and have been in business between 3 to 5 years, it is now time to take advantage of all that barter has to offer. When you are growing, it's important to continue to manage your cash flow well.

You may want to turn to barter to see how you can:

- find ways to save cash - i.e. accounting/bookkeeping, social media management, SEO, graphic design, legal, office rental;
- invest in advertising and marketing; and/or
- provide staff incentives or health perks.

Barter for Mature Businesses

If you have been in business for 5 years or more, give yourself a pat on the back! You've weathered the entrepreneurial storm and beaten the odds of success for start-ups.

As a mature business, you have a solid customer base and consistent revenues. What's important at this stage is to continue to build from your core principle outward. It all starts with your staff. Treat them well and your staff will help grow your business by leaps and bounds into the future.

You may want to consider doing the following for your staff members:

- pay your staff in Trade Dollars
- give bonuses for a job well done
- provide health perks
- throw a party to thank them
- cater luncheons to show appreciation
- offer corporate training
- coordinate team building events

At every stage of the business life cycle, it is important to ensure that you are finding ways to reach out to new customers and grow your business; looking for ways to save your cash; and ensuring that

you are operating at capacity. If you're doing those things, it follows that your company should be profitable.

Move Your Surplus Inventory

If you're a retailer, you probably have surplus inventory – things that did not sell as well as you expected, or the odds and ends that are left over from a seasonal offering. Retail businesses usually have to discount to get the product out the door and make room for something else. You do not want product sitting in your store taking up retail space because you are losing money on it.

Barter enables you to easily sell that surplus inventory. Retail offerings are very popular in a barter exchange. Most people see it as a great way to get the things they want, without having to be out of pocket for it.

All you have to do is promote the floor models or clearance items you would like to sell on barter, and rest assured, it'll be out of your store in no time.

Leveraging Barter During Economic Uncertainty

During economic slowdowns, people generally tighten their belts, and closely monitor their business and personal cash expenditures. This could mean either reducing or eliminating marketing and advertising activities, or personal things like dining out, spa treatments, or residential cleaning services, as examples. As a result, small businesses are usually one of the first to feel the negative impact. With fewer customers coming through the doors to buy,

there is less cash flow to pay bills for the business, or to survive on personally, for that matter.

By joining a barter exchange, you open the door to new business possibilities. When a member of the barter exchange buys something from you, the Trade Dollars earned can then be used to purchase items you normally would have purchased in cash. This means you can now keep your cash to pay for other expenses that you can't get on barter, like your mortgage, rent, gas, or groceries.

How Can A Barter Exchange Promote My Business?

One of the primary objectives of a barter exchange is to help your business increase sales. By joining a barter exchange, you join an exclusive community. That means you have a new customer base to reach out to, and many brand new opportunities with people who want to support each other. Just imagine the success that comes with marketing your products and services to an exclusive network with hundreds of local businesses.

Members of a barter exchange are motivated to buy from you, and will generally turn to barter first, before thinking of spending their cash. Bartering through a barter exchange is a great resource to generate extra sales on top of your cash business. It's a whole other stream of income you wouldn't have had before joining a barter exchange.

Below are some common ways excellent barter exchanges help to promote your business:

1) E-newsletter

Get promoted via the barter exchange's e-newsletter. You simply let your Trade Broker know what you'd like to be promoted, and they'll send out an e-newsletter promoting your offerings to the entire barter network.

2) Video

There are many exchanges that help you create profile videos. Many also allow testimonial videos about your business, and will promote them on their website. This really helps to generate sales because the more the barter members get to see you, the more familiar they become with you, and the more confident they will be doing business with you.

3) Social media

With the popularity of social media, great barter exchanges know that they will make their clients more successful by promoting them on their social media feeds like Facebook, Twitter or LinkedIn. All you should have to do is provide your Trade Broker with the content or information that you'd like to have promoted.

4) Trade Brokering service

Your Trade Broker's main focus is to bring you new business, so you'll want to leverage that connection as much as possible. Just let your Trade Broker know that you are seeking new business, and your Trade Broker will get in touch with barter members interested in your product or service.

5) Tradeshow exhibitions

Many barter exchange companies will participate in trade shows outside the exchange to promote the community and the businesses within it. Be sure to provide your Trade Broker with your marketing materials like brochures and business cards, so that they can display your information on their display table during the show.

6) Networking events

If there is an opportunity to exhibit with your local barter exchange at their networking event, take advantage of it! Display your marketing materials and network with the barter members in attendance. Remember to bring lots of business cards for networking.

7) Member directory

It's important to ensure that your information is up-to-date in the online or printed member directory, so that other barter members can find you when they are ready to make a purchase on barter!

Sales in your barter exchange, just like in the outside world, are successful when you meet four key factors.

1. Products or services that are in high demand, sell quickly.
2. You can better your odds of increasing sales if you work with your barter exchange and Trade Broker, and provide them with information to promote your business.
3. It is important to have an open line of communication with your Trade Broker. The more your Trade Broker knows about you and your business, the easier it is for your Trade

Broker to promote you!

4. By building relationships and providing great service to members of a barter exchange, you can find new cash referrals through word of mouth marketing. When a barter member is happy with their buying experience, they're more likely to tell their non-bartering colleagues about you, which will most definitely lead to new cash sales.

Creative Uses Of Barter For Your Business

Staff incentives

Recognition and being rewarded for a job well done certainly goes a long way. By recognizing and rewarding your employees, your staff members will feel happier, become more productive, and be more loyal to you. That means your business will be more effective, and you'll have less turnover. This will have a direct and positive impact on your bottom line.

Barter is a great way to set up an incentive program. Most barter exchanges will offer gift certificates. These gift certificates are bought with your Trade Dollars and can be used anywhere within the barter exchange. Gift certificates, just like in any other business, come in a variety of denominations, making it easy to reward as much as you feel is appropriate.

You could also create a bonus program with Trade Dollars. Again, your employees can buy whatever they please with their bonus Trade Dollars from the members in the barter exchange. You would simply set up a sub-account for each staff member. This allows you

to transfer Trade Dollars from your company account into their account. Once the Trade Dollars have been deposited, your staff member will then be able to make purchases in Trade Dollars through their account. It creates a win-win situation for you and your employees!

Health Care Incentives

As an entrepreneur or small business owner, one of the things we often neglect is our own health. Buying into a health plan becomes just another expense for your business, and many entrepreneurs opt out of health plans for this reason.

Keeping yourself healthy is key for the longevity of your business. If you don't have the energy or capacity to work the long hours required by most businesses, success will be hard to attain. That's why taking care of yourself should be one of your top priorities.

Your barter exchange can help take care of yourself without having to spend your hard earned cash. There are usually many fitness, health and wellness related services made available through a barter exchange. Those might include:

- gym membership
- personal training
- nutritionist services
- yoga classes
- kickboxing classes
- dental care
- eyewear
- massage therapy

- chiropractor services
- physiotherapy
- acupuncture
- naturopathy & homeopathy
- optometry

This presents a great opportunity for you to now take care of your health on barter, as well as your family's health too.

If you have staff members, this is also a great way to offer your employee's health perks, as part of their compensation package.

It's time for you to take care of your health, (and maybe your wallet's, too) and get healthy and fit on barter.

Wages

Wages are, of course, important to your staff, and as a business owner, an expense you need to control for your business. Barter can help keep everyone happy, giving you the best of all worlds. Let me explain with an example.

Let's say you own a coffee shop, and business has been trending downward. You need to cut back on expenses. You have been contemplating laying staff off as a possible solution, which is heartbreaking because you have really good employees. They are great with your customers, they're loyal, and they've always been there to help. Instead of letting your staff go and creating more work and stress for yourself, you could consider paying your staff partially on barter.

Here's how it can work, if your business belongs to a barter exchange. Say, for example, you are currently paying your employee \$14.00 per hour. You could lower the hourly cash rate to \$10.00 per hour, and make up the \$4.00 difference in Trade Dollars.

You could also replace a cash bonus system with Trade Dollars instead or use a combination thereof. In either case, the Trade Dollars your employees earn would be deposited directly into an account for their use. Depending on the barter exchange, your staff will have access to a wide variety of businesses where they can spend their Trade Dollars. They can buy exactly the same things with their Trade Dollars, as they would with their cash hourly earnings.

Great barter exchanges will have:

- Health services – optometrist, dental, massage, eyewear, chiropractor, physiotherapy
- Renovations companies, general contractors, plumbers, electricians, locksmiths, painters
- Home services - carpet cleaning, maid cleaning, furnace and duct cleaning, window cleaning, etc.
- Personal care services – spas, salons, or laser hair removal businesses
- Entertainment - comedy shows, local events, and sports activities
- Travel accommodations
- Food and beverage offers from local stores and restaurants
- Retail outlets
- And many other options

Opting to pay a portion of your staff's wages in Trade Dollars would decrease your cash outlay, and your staff members would still receive a very fair compensation. Everyone is still able to buy the things they would normally buy, and you get to cut back on the wages that are coming directly out of your cash flow. It's a win-win situation all around!

Remember, the CRA regards Trade Dollars as equivalent to cash. If you compensate your employees partially through barter, this form of compensation must also be reported on the employee's T4 Statement of Employment Earnings at the end of the year.

Game Rewards

Playing games to improve sales is always a fun and productive way to get it done. Whether it is an add on game, targeting a specific product you want to move, or a highest sales contest, games often motivate and create a friendly competition, while you increase your sales numbers.

You can use your Trade Dollars to purchase prizes or gift certificates for the winners. They get the cool things they want, and you get a more motivated team, which leads to a better bottom line. You can't ask for more than that.

Corporate events

It is always fun to bring family, friends, clients, and staff together for a corporate event, whether it is for a customer appreciation day, a business anniversary, or a seasonal party.

Your local barter exchange can actually help plan that party in a stress-free way. Your barter exchange or Trade Broker can help to make recommendations on barter services for such things as:

- event planner
- venue space
- catering
- entertainment - i.e. DJ, magician
- photo booth
- videographer
- photographer
- rentals - i.e. tables, chairs, linen, decorations
- gifts for guests

Imagine a fabulous party, where someone else has done all the planning for you, and you can do it all on barter. Less cash out, no stress, and more fun for you! What could be better?

How Can I Use Barter Personally?

It's a good idea to review your personal expenditures and see where you are currently spending cash and seeing how you can best leverage barter in your personal life to help you save cash.

For the most part, we typically purchase similar things year in and year out. For example, if you are a homeowner, you may purchase the following services during the year:

Fall

- Furnace and duct cleaning
- Carpet cleaning

Winter

- Snow removal
- Maid cleaning services

Spring

- Spring cleaning
- Junk removal
- Pressure washing
- Eaves trough cleaning

Summer

- Lawn maintenance
- Roofing
- Window cleaning
- Landscaping
- Painting

The more ways you can replace your cash expenses with barter on a personal basis, the better it is for you. You'll simply have more cash in your pocket at the end of the day!

Travel

If you're planning for a family vacation, why not travel on barter? Check with your Trade Broker to see what your barter exchange might have available within the network and through their reciprocal partners. Typically, a barter exchange will work in partnership with other barter exchanges in different cities. Some of

the common things that can be arranged, depending on availability, are things like accommodation, food and beverage vouchers, and entertainment.

Getting married?

As we all know, weddings can cost a lot of money. Wouldn't it be amazing if you could pay for most of your wedding expenses on barter? Remember, every time you make a purchase on barter, you are buying items at your own cost, or at a discount. As a result, you will save yourself a ton of cash!

Browse the member directory, or speak with your Trade Broker, and find as many items as you can for your wedding. If you do not see what you are looking for, ask the Trade Broker to see if they can help you find the items you are looking for.

For weddings, you can typically purchase the following through a barter exchange:

- Catering
- Photography
- Accommodation stay
- Professional make-up artist
- Wedding planner
- Flowers
- DJ
- Live music
- Harpist
- Spa services
- Salon services

- Limo services
- Gifts for him and her
- Videographer
- Venue or space rental

Take the time to review the member directory or speak with your Trade Broker and find out how you can save cash for your wedding!

Real Estate

Realtors can often be found participating in a barter exchange. If you are in the market to buy or sell your home, a realtor can help you on barter! A realtor will accept their commissions on barter. They'll exchange their actual cash commission cheque for your barter dollars!

Other real estate services can also be made available on barter, such as appraisals and home inspection services. You may also want to refresh your property before putting it up for sale, by hiring tradesmen (i.e. painters, flooring, small kitchen or bath renovations) through barter.

Things To Watch For When Considering Participation Through A Barter Exchange

When considering participation through a barter exchange, it's important to ask a lot of questions.

Generally speaking, there are three key things to consider when joining a barter exchange. First, can the barter exchange drive you

new business? Second, when you start banking the Trade Dollars in your account, how is it that you can spend it for your business or personally? And third, how often do they add new members into the exchange.

You don't want to be in a position where you sell, sell, sell, but have nothing to buy. You also want to make sure new businesses are joining the network regularly, so that you aren't joining a stagnant community. If there are no areas for you to spend your Trade Dollars, and they're not signing on new businesses, the barter exchange may not be a good fit for your business.

Below are some key questions to ask when considering participation:

What are your membership fees?

A barter exchange will generally charge a one-time set up fee, monthly maintenance fee, and cash transaction fee on purchases and sales.

Can I browse the member directory?

Ask the barter exchange to provide you with access to their member directory. It's important to browse the member directory to ensure the businesses in the community are a good fit for you personally, and for your business.

Can I speak with members of your barter exchange to find out about their experience?

To ensure you're making the right decision, it is always good to ask for references, or read testimonials, to find out what other business owners have experienced. People are usually pretty candid about their experience.

How many members do you sign up per month?

A healthy exchange is consistently recruiting new businesses. It's important to know if your prospective barter exchange is signing up new business members. If there hasn't been a new member added within the last 2 to 3 months, it's definitely a red flag.

Active vs. Stand-by?

An active member in a barter exchange means they're actively accepting business on barter. A member who is on stand-by is temporarily not taking on business on barter. It's important to find out from your barter exchange how many clients are active and how many are on stand-by.

Cancellation

If you find that the barter program is not a good fit for your business after you join, it's best to have a clear understanding of the cancellation policy.

You've Decided To Join - Tips On Starting Out

Get to know your Trade Broker

Think of your Trade Broker as your business and marketing consultant and salesperson. Your Trade Broker is motivated to help you succeed! A great Trade Broker will always be willing to help promote, lead generate, and be on the lookout for ways to help save cash for your business or personally.

Update your profile

It's important to ensure that your member directory information is up to date. That's how other members find you online. Be sure to always inform your Trade Broker of your member status.

Think barter first

Before you think of spending cash for your business or personally, you'll want to get into the habit of checking the member directory through your barter exchange, or contact your Trade Broker to see if the product or service you are looking for can be purchased on barter.

Barter audit

Take the time to review what you're currently spending cash on for your business or personally, and reference the member directory, or ask your Trade Broker to see where you can replace your existing cash purchases with barter purchases.

Don't sit on it. Spend it!

Increase your marketing or advertising efforts on barter to attract new cash sales, or improve profitability by reducing your business

cash expenses. Seek opportunities on barter and take full advantage of them.

Ask for a referral or testimonial

After completing a barter sale transaction, ask the buyer if they know of anyone they can refer to you. This can lead to new cash business. As well, asking for a testimonial helps your marketing efforts and builds credibility.

Customer Service: Find A Barter Exchange That Puts Your Business First!

Customer service is key when exploring barter opportunities within a barter exchange. You'll want to find a barter exchange that will provide you with superior service, care, and results. We all hear of companies claiming they provide great customer service, but truly, what efforts are they putting into customer service, and what results are created?

Below are some things you want to know before you join a barter exchange:

- **Is the Trade Broker pleasant to work with?**

A Trade Broker should be friendly, courteous, and always be willing to help. Your Trade Broker should be someone who truly cares about your business and your success. Just like with any business you work with, you want someone you know, like, and trust. Your Trade Broker should be like a trusted friend. You are, hopefully,

developing a long-standing relationship, as a member of the barter exchange, and having an excellent relationship with your Trade Broker will create success all around.

How long does it take for the Trade Broker to respond to an inquiry?

A barter exchange will typically assign a Trade Broker to your account. It's the Trade Broker's responsibility to respond to any inquiries you have in a timely manner. This should take no longer than 24 hours. If they can't service your concerns in that amount of time, they don't have the best interest of your business at heart.

How often does the Trade Broker get in contact with you?

At minimum, your Trade Broker should get in contact with you once a month, either via phone or email. Your Trade Broker should also regularly provide you with leads; help you find ways to save cash; and make suggestions for business based on synergies, or strategic alliances, with complementary businesses within the barter exchange.

Does the Trade Broker make suggestions on what to buy?

One of the key benefits of a barter exchange is saving your cash expenses and keeping that money in your bank account. Your Trade Broker should get to know your company, and your needs well enough to make purchase suggestions that will help you and your business succeed.

How will the barter exchange promote my company's products or services?

A barter exchange can promote your offerings through:

1. Your Trade Broker
2. E-newsletter
3. Social media - i.e. Facebook, Twitter, LinkedIn
4. Video
5. Networking events

The more your barter exchange can provide for you, the better off your business is going to be. You will want to make sure they are going to put some time and effort into marketing your business, within their network.

How does a barter exchange handle member disputes?

Whenever there is a member dispute, it is best practice to contact your barter exchange right away. The barter exchange will log the complaint and follow up with the buyer and seller to discuss the dispute. As with any disputes, the buyer and seller must first make an attempt to resolve the situation. If no resolution can be found, the barter exchange can assist to mediate. However, if the barter exchange cannot assist in the matter, it is best to seek legal counsel or find a professional mediator to help find a resolution.

What happens if a member inflates their price because it's on barter?

Members of a barter exchange are not allowed to inflate their price on barter. Whatever a business would normally charge in the cash world is what the member is expected to charge in Trade Dollars. Should you encounter a member who has inflated their price, it is asked that you contact the barter exchange immediately to report the member.

What happens if I receive poor product or service delivery through a barter exchange?

If a member provides you with poor product or service delivery, it is asked that you report the member to your barter exchange. The barter network is only as good as its members.

Can you charge partial cash and barter?

The general rule of thumb is that members are not allowed to charge a partial cash and barter blend. Check in with your barter exchange to see if they have made any exceptions. Typically, the products and services found within a barter exchange are payable on 100% barter. Some exceptions can include:

- Contractors
- Landscapers
- Auto mechanics

For the categories mentioned above, the labour portion is payable on 100% barter, while the parts and materials are to be paid in cash by the barter member.

Conclusion

In summary, a barter exchange can help your business in 3 key ways. First, it allows for you to reach out to a new customer base. A barter exchange will promote you to its member base in a variety of ways (i.e. Trade Brokering service, e-newsletter, social media, networking events). When doing business through a barter exchange, it can lead to word of mouth cash referrals.

Second, it's a great way for businesses to save cash. It is important to identify for yourself the best places for you to save cash and spend Trade Dollars.

Last, doing business in barter exchange is a way for businesses to turn excess time or inventory into profit. When you aren't as busy, or you have inventory that needs to be moved, a barter exchange can assist to fill your downtime, or help to move your clearance stock. Members of a barter exchange are always motivated to buy.

As a business owner, you should also consider three things before you join a barter exchange.

1. **Can the barter exchange drive new business to me?** The point of joining a barter exchange is to gain new business and add a new stream of revenue.
2. **What can I buy?** If the businesses in the barter exchange doesn't fit your needs, then it might not be a good fit for you.
3. **How often is the exchange adding new members to the network?** Ideally, a barter exchange should be adding new

members every month. If they are not adding new members regularly, it's probably not a sound business decision to join that particular barter exchange.

Barter today is a proven and powerful marketing alternative that can help increase your sales, save your cash, and turn your excess time or inventory into profit.

Give modern day barter a try today! It will certainly make a big difference in your business, and provide you with a competitive advantage over your competition.