

**I just paid off my credit cards. I have to spend money for marketing for my job and I do not have available cash now. Do I use the credit cards to spend money on marketing to make money or do I hold off and not spend money and not do the marketing. MPW**

First off, congratulations on paying off your credit cards. Credit is used too much by people today to finance their everyday living. If they are used responsibly, they can be a great tool for some people, especially small business owners.

The first thing to do is put together a business plan if you have not already done so. Business plans are looked at to see the feasibility of the business by banks to approve loans. You need to do the same because a credit card is a loan. This plan needs to have at a minimum revenue and cost of good sold. If you are in a service based industry, such as a realtor, cost of good sold is any marketing and any other expense attributable to the service of the business. When you put together this plan, you can figure out exactly how much revenue you need to make the business profitable. Going back to the realtor example, if it costs \$1000 to purchase a marketing package, you need to calculate how many houses you need to sell to make enough money to pay the loan back. This should give you an idea of whether to spend the money using your credit card, or to continue to let the business grow naturally. Just remember, whatever you spend, you must pay it back.

As a business owner, marketing can be very expensive. It is important to focus your marketing efforts in a targeted strategy. The shotgun approach, ie throwing money at everything you see, is very expensive and often not worth the cost. Ensure all the money you “invest” in your business has a defined purpose.

Please send questions you would like answered to [scottboyles@brightscape.com](mailto:scottboyles@brightscape.com) or call (214) 538-4282.