



Dream of Travel Writing

Freelance Business Systems: Perfect Purchasing

So today, we are continuing our series on freelance business systems, and we're gonna be talking about purchasing.

But as we talk about purchasing, what we're gonna be looking at are a couple of things. First, I wanna examine what a purchasing manager does in that kind of corporate setting. Because I think, you know, when we think about purchasing...and I'm gonna talk also about what that means, I don't think we really have a sense of what that means for a company and, you know, how much resources, whether human resources or otherwise, goes into those decisions.

So, I wanna first look at what an actual corporate purchasing manager does and why. And then we're gonna look at what purchasing means for us, kind of what we can pull out of that corporate situation and what that means for us as freelancers, as freelance travel writers. And as we look through that, then I'm gonna pull out three different things, which are really kind of our core goals for ourselves in the purchasing that we're doing. And I'm gonna explore some best practices and some things to think about for each of those, and some examples from some different companies. So that's what we're gonna cover today.

And I myself have worked in a freelance capacity and running my own business for quite a few years. But also one of the things that goes into this Freelance Business Systems program that we're running right now through our...this series through webinars is that I have ghostwritten a website on creating freelance businesses for a business professor who had no experience with the freelance side of things, but was a business professor and had a background in a big corporate company.

And I've also worked specifically with a systems coach to set up systems for our business as well. So, all the things that I'm bringing you guys, in this particular series, are that mix of my experience as a freelancer, as well as the experience of other freelance writers that I work with, either in coaching or that I know through communities, as well as that solid business foundation. So, that being said, I wanted to talk about two things before we jump into the purchasing topic that we have for today.

And first of all, for those of you who haven't joined us yet for any of the webinars in this Freelance Business Systems series, I just wanna take one second to reiterate, you should definitely check out the intro to that series. It goes into a lot of sort of mental frameworks and constructs about how to think about your freelance business and yourself as a business owner, and what role you really have in that, and how those roles should play out for you. So that's the first one in this series.

But in the last several webinars in this series, we've gone through finance and accounting, which are things that, if you didn't catch those webinars, you probably don't even know what's the difference between those two things, particularly not how finance, which seems like a very sort of Wall Street, you know, financial district of whatever city you live near, kind of topic, what that has to do with freelance writing.



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So, we've gone through those in the past couple of webinars, and we're gonna go through some other topics that also might not seem so related, like corporate governance and different things like this. In the vein of looking at you, each and every one of you, and your travel writing business, as something that does have, not only many different moving parts, but a holistic sense of being a business that's out there in the world.

And there are certain things that, over the years, really the centuries and the millennia if we're being honest, have been found to be necessary considerations for businesses, things that if you don't think about them, they're gonna come back up and, you know, surprise you from behind or whatever, you know, your favorite metaphor in that case is.

And what I've seen with so many freelancers over the years, whether people that I've worked with directly in some capacity, or people that I just know through different organizations or groups for freelancers, is that the ones who succeed both financially and from a lifestyle sustainability perspective are always the ones who do think about themselves as a whole business, as a business that has to attend to all these different things. They're the ones who are just generally calmer, happier and doing better. And, you know, you could say in part, it's like looking ahead, or, you know, having more money allows them more freedom or different things like that. But I really think that a lot of the stress that I see a lot of freelancers suffering under is things that they get surprised by.

So, one of the reasons that we're doing these business system calls is to really look at all of the different things in your business that you might not be thinking about. And what we're gonna cover today really plays into a lot of that. This area of purchasing, assuming that you're already doing, but you're probably not thinking about in the same sort of company or corporate type way. And we're actually gonna do 15 different sections, 15 different business departments or business functions, if you will, as part of this series. And I've started with these ones that I know people are like least likely to show up for, which seems silly. You should always start with the things are interested in like marketing and things like that.

But it's for a very important reason, because if you don't have kind of these...if you wanna call them financial drivers or whatever you wanna say, but if you don't have these numbers kind of set up and clear and look them in the face, it can be hard to kind of motivate yourself to do some of the other things, I find. Because, you know, for all of us, no matter what stage you are in developing your freelance writing, this is your job, or you want it to be your job. And none of us do jobs just for the love of it, right? We all do our job because we're doing something in exchange for some remuneration, that allows us to live our life and so on and so forth. And so whether we, you know, like to talk about it or not, like, obviously that money is part of a driver.

I was just watching this sort of British late night talk show clip on YouTube the other day. And Hugh Grant was saying something about some movie that he did. And Emma Thompson turned to him and said, "Well, and I imagine that gave you a lot of money," because also, we



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do work for money sometimes. You know, that is why we work. And I think it's something that...obviously, everything we do at Dream of Travel Writing is to try to make that money part of the conversation, something that's easier to talk about that's more front and center.

But the things that we're talking about in this series having to do with money, particularly finance and looking out forward and forecasting, and now this one with purchasing, are often those ones that people don't wanna look at, for some reason or another. Either it's not going well for them and they wanna, you know, try to find other reasons that that might be, or whatever that case may be that they're slightly ignoring it. And that leads to not doing the other work of your business. It leads to this kind of, you know, elephant in the room thing that can bleed into other areas.

So we're starting with all this number stuff because, on the one hand, once you get honest and transparent with yourself and your own business about it, everything else kind of opens up for you. A lot of things that I find people can get kind of stuck or kind of squishy or awkward around can start to feel more, "Well, this is just business. This is what it is. This is what I do." So that's why we're starting out with all of this number stuff.

And for those of you who didn't catch the last webinar in this series, we did one on finance and then one on accounting. And if you watch those, you can see why they went in that order. But what we talked about was this idea of every dollar that comes into you, how much of that dollar, what percentage of that dollar actually goes in your pocket as "pay," if you wanna call it, or profit, past expenses and past the time that you put in and things like that.

So, this idea of every dollar that you earn, how much of it really goes to you and optimizing that over time, I think can be really motivating, especially for people who are putting a lot of time into something right now and know that they're probably putting too much time into, whether it's client work or marketing or something else like that, down the line. And so today, as we get into talking about spending money, I think it's even more important to think about, there's ways that we can optimize how much money comes back to us. And spending the money is actually part of it, okay, which sounds a little weird.

So, as we talk about purchasing, you know, it sounds very spendthrift. It sounds really like, oh, yeah, like spending money on the stuff that we'd like to have even for our business, whether it's a new computer or a nice software or a business class seat or whatever. That sounds like something I can worry about when I have money, right, when I've already made money. Or maybe you are doing a different type of writing right now, in addition to travel writing, that you wish that you didn't have to do, that you wish you could let go of. And so even though you are making money right now, there's a lot of an eye towards optimizing the money that you're making, so that you can cut off that other thing, to take a dip in what you're making for a little while.

So, as we talk about purchasing, it seems a little, "Hmm, I don't wanna think about purchasing. I don't wanna think about spending money", right? But the thing is that, just like



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so many other things that we talk about in this series, and that I mentioned before, if we don't look at what we're doing with that spending, it's really easy to let it go out of control, or if not...not out of control, but in a direction we don't want it to go.

So, first, to get us into kind of thinking about why are we really talking about spending, I wanna ground us in exactly what a purchasing manager in a corporate setting, what their concerns are, what their job is. And think about this. This is a purchasing manager, which means that there are people under them who are also doing purchasing. So I want us to really kind of like respect this area in the sense that there are companies out there that engage entire teams of people just to think about this one area. There are business schools out there who do all sorts of publications and articles and journals, and different things like this, around purchasing.

McKinsey, I've got something pulled up here in the background. McKinsey has a whole paper that they put out. McKinsey, if you're not familiar, is a big consulting firm. And they do a lot of work... They're those, you know, consultants you see in a movie who come in and "optimize" but really kind of like fire everybody and don't care about people. That's kind of the joke of what the McKinseys of the world are like.

But they do a lot of research on optimizing businesses, and they had this piece come out, which is "Inventing the 21st-Century Purchasing Organization." And you can read that on their website and also download it as a PDF, if you're interested in seeing some more of the, you know, academia in a way, if you will, around what purchasing is and why it matters and what it looks like for people.

And one of the things that they say is they have a little table in there as their Exhibit One. And it talks about how more strategic buyers, or people in purchasing, how that pays off in the long run for the company. And they show something that we're gonna get into, which is called "reduction in cost of goods." They show how effective purchasing plays into the bottom line of a company in terms of how much money is saved.

And let's look at this job description I pulled up for us of what a purchasing manager really does. So, it's long here. You may have had a chance to read through while I was talking about this other stuff, other things rather. But I bolded a couple of things in here that I wanna mention. So I already talked about how this can be somebody who has an entire team that they lead who does this. And the purchasing manager's role is to really look at every step of the purchasing process from thinking about purchasing, so intent to purchase.

So that's when you first think, "Wow, my computer is really slow. Maybe I should do something about this." Maybe that something is gonna be purchasing a new computer. Maybe it's gonna be purchasing some more RAM. Maybe that something is gonna be purchasing like Bitdefender or some sort of something that protects your computer. Maybe it's gonna be something that stores your files in the cloud so you have more free space in your computer.



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That intent to purchase can be something for a specific product, but can also just be like, "I have a problem. I need to do something about this." And that doing something about it might involve me purchasing something new. So that's when you need to start putting your purchasing manager hat on, okay, is every time you think about, "Hmm, I have this problem, and I really need to do something about it." And that might involve spending money. That's really where once...at that moment is when you should say, "Hey, what was all that stuff Gabi said about purchasing? Let me think about how to do this right." Okay? And it goes, like I said, from intent to purchase to new supplier onboarding.

This is something that comes up a lot for me because I run a lot of different apps and different things like that, that I don't think everybody thinks about so often. But I see like the downside of it, kind of, for freelancers a lot. Which is that you get something, usually a web application or something like that, intending for it to do this thing for you, but then you don't "onboard" it properly. So you don't set aside the time to learn how to use it to its full advantage, you know, for whatever reason that is. Maybe that something doesn't work, you ask a question and it takes a while for the customer service to get back to you. It can happen for so many reasons, right?

So that new supplier onboarding is also an important phase that I don't think none of us...many of us think about. Performance, which is obviously how well does this thing work for you. And supplier exit, so that's when you need to stop using a particular thing. And then this point that I touched on briefly earlier, that I'm gonna come back to in a big way, which is aggressive cost reduction strategies, right. Cost reduction. Then we can all be like, "Oh, that's great. How do I save money on things? I'd love to do that." So, I just wanted to point out these additionally, because these are quite useful as well. So analyzing the market and delivery conditions to ensure present and future material availability.

So just literally before I got on this phone call, somebody who I know follows us, as well as following a lot of airline flight deals and points in miles and different things like that. I got an email that she had seen some great deals on some flights and she wanted to set up her flights to come out here for the coaching program summer camp. Now, that's a great example of exactly this. So this is somebody who gets, whether it's email notifications or whatever about different flight sales. And so she's watching the market and the future availability of things that she knows she wants to purchase, so flights, to see how that plays out.

So this is also something that goes under your purchasing hat, okay, is if you know you have specific trips coming up... Or I was chatting with somebody a few months back about how she feels like now she's got the money lined up, she's got her time lined up, and the only thing that's missing is she's just really not traveling that much. When we talked about it, she has a child, but that wasn't holding her back from traveling so much as just picking a place and planning it. And so, if you're in a position where you want to be traveling more than you are right now... Somebody else that I know is looking at giving up her apartment and becoming completely location-dependent and moving around.



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So you might be in a kind of situation where the market of what you'd be looking to purchase, which is travel, is very broad, right? You could travel to a lot of different places, for different time periods, in different time periods, and you have a lot of flexibility there. So part of us, as travel writers, and our purchasing, and particularly the market analysis of it, is to keep an eye on what's going on in the travel industry, on a consumer level, in terms of prices, for flights, for stays, for different things like that. Where are the opportunities?

So, I personally am really like a stickler about having too many subscription emails in my main inbox, but then I have two different inboxes that I use. One is like my own personal email that I use for like if I need to buy, you know, the few personal things I might... Like I just had to buy a new pair of jeans because mine got a hole in it or something like that, and like my family members have that one and things like that. So I have that one. And that's where I get some newsletters for different things like flights, like things that I would buy that need to go to my main email. So I see all the different airlines that I use regularly. I get a couple of ones like Travelzoo and things like that, that tell you what's going on with some flights more generally. But then I also get things that are telling me about trends.

So I get the "Condé Nast Traveler" newsletter there and a couple of other ones that are gonna talk to me about, not here's the exact length that my company like Travelzoo would do, is offering you to save money on flights, but here is an article talking about the trends in booking summer travel to Europe and like where the hotspots are to save money, or something like that, okay? So that's also an aspect of all of us with our purchasing hat on. Now, there's two other ones on here, new products and sustainability objectives. So, I highlighted this both together because they fall under sort of future-looking or long term things. So, new products are things that you might wanna consider later. And that can be, again, in the travel area. A new product could be a new destination.

So I've been eyeing a couple of places for a long time like Montenegro. I've been trying to find a good time and a good opportunity to go to, and I haven't quite made that work yet. There's a couple that I am going to this year, and one of them is... I've been looking at going to this trip in the Italian mountains for literally like 10 years, since I was writing for "Italy Magazine." I've been trying to make this work, and finally kind of everything lined up for that. And then we were really scrupulous about, "Okay, like this is an expensive area. How can we do this in a way that makes sense?"

So, sometimes new products for us are new destinations. But new products can also be, whether it's a new educational product. I talk to people often about what conferences they're thinking about going to and why and how to make the most of those. It can also be a new, more like office systems optimizing product, you know, whether that's a time tracker. The time tracker that I use, for instance, is like coming out with a new version, and so I've been talking to people about that. So, new products can go various ways. But this idea of sustainability objectives, we're gonna talk in a little bit about sustainability in terms of



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purchasing and making sure that you get the best lifetime value out of whatever it is that you're looking at.

Now, something that I bolded here on the bottom, which I really like, is that the goal of all of this, is to support rapid expansion of facilities and continued volume growth. And what I like about that is, again, to think about that anything that you're purchasing... Like, this is really key because sometimes, you know, we buy a course...I'm like the worst about this. We buy a course because, like, it seems like something we might wanna do one day, but what's actually gonna support your growth, you know, like right now? Because you don't know one day if that thing will actually be what you need.

Now, a couple of things I wanted to point out from what Wikipedia says about the idea of a purchase manager, is that they may oversee the acquisition of materials needed for production, general supplies for office and facilities, equipment or construction contracts. Now, obviously, construction contracts is less of a thing for us. But these other three things here are important. So like how many of us have been in the market for at least thinking about buying a new camera in the last five years, right? Like, we all are kind of thinking about because we're shooting, whether for notes or for potential use for articles, about cameras. Whether it's the camera on our phone, whether it's looking about getting into video, or just a still camera, maybe we're looking about going up to DSLR or having different lenses.

When I was just at the Women in Travel Summit last week, there was just tons of discussion about lenses and who's carrying what and all these things. And so there's definitely that equipment side of it, equipment also in terms of our laptops, cell phones for notes, you know, voice recorders, if you do those for notes as well. But I think these other two things are ones that we often don't think about as well.

When we talk about the HR side of things coming up soon, I'm gonna talk also about your workspace and how to optimize that for your best, you know, to support you as a resource and for your best productivity. And so, I think a lot of times, I don't hear people talking so much about purchasing supplies for their offices or facilities, meaning whatever that is that you work. Like for me, I always think about bags, like what bag do I have? Does this fit my laptop? Is it sturdy enough to carry things? Different things like that. But then this idea of materials needed for production.

So next webinar in this series we're gonna talk about operations, and we're gonna talk about a lot of what our production line, as a freelance travel writer, really is and what does that entail and include. And sometimes whether it's apps or, you know, supplies for your office or equipment or whatever, there are things that could drastically optimize your production that you're not thinking of. So that's also something that I just want you guys to have in the back of your head, as we're thinking about purchasing.



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Now, some of the things that Wikipedia notes that might come up under a purchase manager, that you're gonna see me talking about again in a minute, is seeking reliable vendors, negotiating prices and contracts, and reviewing technical specifications. Now, this is something I know we all hate. But it's really important in making these sustainable long term purchasing decisions. And we'll get to that in a second. And then forecasting upcoming demand is something that we just looked at.

Now, as I've been talking about these different ways that purchasing touches your life as a freelance travel writer, I'm sure that it's already come to you that like you're making these decisions, especially about travel, right, already. But you might not be thinking about it as a specific hat, or a specific role, in the same way that maybe you think about doing your accounting or your bookkeeping or your invoicing or something like that. But this is a role.

When we talked, in the very first webinar in this series, about writing out the job descriptions for yourself, this is one of these things that you are already doing, that it's a hat that has to be worn by somebody, and it's currently being worn by you. And you just don't realize it. And that's one of the reasons why it was so important to me to do this weirdly named webinar, Perfect Purchasing, right? Like, how does that apply to freelance travel writing businesses, right? Because you're doing a lot of it, and it's important. And the objectives of it are very, very important for what you do. Sorry, I just realized there was a typo on this slide, as well, so for our purposes, is what I'm trying to say here. So for our purposes, what do we really mean by purchasing and procurement?

So I wanna boil down everything we're gonna look at today under the umbrella of three things, okay? Now, we looked at a few of these in the last couple of slides, and I told you that I was gonna come back to them. So cost reduction, seeking reliable vendors who provide quality goods and achieving the best value. Now, in a certain way, A and B here funnel into C. They're all a little bit related, okay?

Let me just go back for one second, actually. So, these are, if we wanna think about it, the three most important goals or objectives or, you know, functional areas or responsibilities of your personal, for your business, you know, for Gabi Logan Inc. or whatever you call your freelance writing, LLC or whatever you have. These are the main responsibilities of the you hat that's in charge of purchasing. But how does that actually play out?

So I like to think that there's three activities rather than responsibilities or goals, if you wanna say, that go into this purchasing arena. And those are number one, make very informed decisions the best time, oh sorry, the first time. And that falls under both achieving best value and cost reduction. And, as well, I mean, we can...that's basically all of B, and that's why I didn't put it on there. Because seeking reliable vendors to provide quality goods, that basically translates into this. But you can see how it also touches on these other two. So make informed decisions the first time.



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Number two, have flows of who you buy from or whom you buy from and do it the same way every time. Now, this, again, flows out of seeking reliable vendors, but that seeking is really kind of step one. And so the second one, number two here, is really about cost reduction in terms of saving time, okay, by having...knowing who you buy from and doing it the same way every time. And we'll talk about what to do if you need to change a provider for something, in a little bit, as well.

Number three, and this is cost reduction, but it also achieves best value. And we're gonna get into how to do that in a minute, but this also is on the cost reduction strategy. So just dedicate the right card to purchases so it's easy to track later on. So there's three main things we're gonna talk about for streamlining purchases. And those are, making informed decisions the first time. And that touches on really A, B, and C from the previous screen, but particularly B. Number two, having flows of who you buy from and doing it the same every time, and dedicating the right card to purchases so it's easy to track later on.

So, in those first two things here, which, again, we're making informed decisions and having flows of who you buy from and doing it the same way every time, it seems like there's a little bit...just to make sure we don't get stuck on this, I wanna talk about how it seems like those two things can be competing, because what if you do something one way, and then you realize that that's not the best thing for you, and you wanna do it differently the next time, then that kind of interferes with this ideas that having workflows and doing it the best way every time.

But the thing is that, if you really do number one on the last screen, that's making a very, very informed decision the first time, then that kind of allows you to get out of this paradox, okay? Now, obviously, our needs will change over time, whether those are needs for technical specifications, like for a laptop or for a camera or something like that. Equipment can also break over time. Obviously, each trip that we go on might have slightly different specifications. But that doesn't mean that you're gonna need to reinvent the wheel with every purchase, because part of creating these flows, to save time and money and make sure that you are doing things as much the same way as you can every time, involves saving time by not redoing the research every time.

So let me give you like a travel booking example, okay? So let's say that...I'm trying to think of a very concrete one, but let me give you an abstract one first. So let's say that you are going somewhere, and you're trying to figure out where to stay. And you are looking for where to stay and you're looking for where to stay, and you find yourself not really liking the rates or the options that you get in terms of where to stay in the first couple of places that you look at. And so then you keep looking and you keep looking and you find yourself going down this rabbit hole of 10 or 12 different websites. And then you find something that's the perfect price point, location, the interior is great. It has amenities that you want for that place. And then that's what you book for that place. Now, what do you do the next trip, okay?



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In this first time, that I just talked about, you have had two things. So you've had to go through a lot of different websites, okay? And each time you went through one of those websites, you were looking at the actual options or the actual places to stay, whether it's hotels or apartments or whatever, and how they did or didn't deliver for you what you were needing for that trip. But at the same time, there were things going on on those websites that either made it easier or more difficult or more challenging or faster for you to get through that website.

So for instance, some booking websites, like booking.com is a great example of this, have a lot of ghosting, right? Like you might look on booking.com and, you know, see this place, it looks great, you're kind of checking it out, and then you realize that they're actually saying that they don't have anything for the dates that you've asked for. But they're just showing you these other accommodations just because they wanna show them to you, I don't know, because they're hoping you'll change your dates and still look on booking.com and not go somewhere else.

Travel...what is it? Travelocity, for instance, will often show you a flight. You'll go all the way through to the end of the purchase page. You're like putting in your credit card...you've put in your credit card, you hit book, and then they say, "Oh, I'm sorry, that rate is not available anymore," right? There's quite a few websites that I've seen that this can happen to you.

So, one of the things that happened in this first scenario is that, as you're going through and trying to find these places to stay, you've also been gathering data about this different purchasing...really their vendors or suppliers, if you wanna think about it, these different vendors that you were going through. You've been gathering data, not only about the availability for that particular destination, for those particular dates, for those amenities, for those needs, but also about how you like to interact with that thing.

Now, most of us, especially people who booked travel a lot, we kind of latently carry those things around with us. We might kind of remember, "Oh, yeah, I didn't like this website too much." And then if you've used it a couple of times, it might kind of stick around, "Oh, yeah, I don't like to use that one anymore" or "I only wanna use Momondo for looking for this particular type of flights because they have this way of searching that allows me to, you know, see very quickly, at a glance, exactly how expensive it is on each day for all the different airlines," whatever that is. So it might stick around in your head after you've done it a few times, but probably not the first time, right, unless you have a really sure lock in memory.

So, something that you can start to do is that, as you're looking at this idea of different vendors, like I said, not just through, "I'm looking to book this hotel or apartment or whatever that will allow me to stay in the city by the coast, on these specific days in July." But if you're looking at that process that you went through, that first time, more through this lens of the



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purchasing manager, and thinking about each of those websites that you're looking at as a vendor, then that allows us to do this really great thing that will, both give us the opportunity to do things seemingly slightly differently the next time. Like maybe like I said, we wanna use Momondo for this thing, but we wanna look directly at Virgin Atlantic for that one, but we wanna check on Kayak for this other one. I'm talking about airline booking sites here right now. It allows you to do that, but also to not reinvent the wheel every time. And that is to have what's called a supplier database, okay? Now, I'm not showing you a picture of this. I don't really wanna influence too much about but how you think about doing it.

But the idea here, of having a supplier database, is for whatever you purchase regularly enough that you need to look at multiple places, or that there's a possibility that you will purchase it more than once, okay? And so, what I mean by that is, let's say...let me think of an app example. We've been talking about flights a lot. Let's say you are currently gonna purchase or, you know, at least sign up for, maybe you don't have to pay a monthly fee or not. But let's say you're looking at, after the last webinar that we did, setting up some accounting software. But you know that you have certain needs right now, and in a two or three-year timeframe, as your business changes, those needs might change, but you know what specifications you have right now.

So what you can do is you can look at what are the options right now and, for yourself, make some notes on the things that I have listed here, the packages and pricing, the pros and cons, how you feel they compare with the other competitors in their space. Jot down some bullet points on the benefits and features that are included that are important to you and make any notes on if they're only available certain times of year, whether that's for sales. Like maybe you can look up in Google, you know, like fresh books on sale and see that they have a Cyber Monday sale.

So maybe you actually want to wait until Cyber Monday to switch over to that thing. Or there's certain courses, for instance, or event registrations like conferences, for one, that might only be available certain times of year. So if you're putting together something like this for what conferences you wanna go to next year, right?

Like it might be May of this year, but that means that every time a conference is happening this year, they're starting to open up tickets for the counterpart the year ahead, and they're always gonna offer the most early bird inexpensive prices right away, that first week, maybe even a couple of days right after they announce that conference. So this could be the kind of thing where you're writing out for yourself a list of the conferences that you're thinking about going this year, and, again, writing down pricing and packaging, the pros and cons.

Some of those might be location. You might wanna see the airports the different conferences are gonna be near, how easy those are to get to for you. Like what would be the approximate prices for the airports over hotels, comparisons with competitors and so on and so forth. Okay. And then you would write down the conference this year is gonna be...you know, let's



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take the World Domination Summit. The World Domination Summit this year is gonna be, I believe, it's like June 30 to July 2nd or something like that. And that means that that's when the tickets for next year are gonna be open. So this... Oh, my God, so many typos on my slides today. I'm so sorry. A centralized supplier, not supplied database.

So, the centralized supplier database is something that you can have just in a Word doc. You can have it just in Evernote or OneNote on your phone. You can keep it in your notebook that you carry everywhere. You can keep it, like, in a series of emails that you keep in a folder, whatever works for you guys. Okay. If you wanna do a spreadsheet, or you wanna actually make like a little, you know, storage database type thing of it, whatever you want, go crazy. Okay. You can do it in Trello, on different boards, something like that. But I highly suggest this because it's a very important component of what we talked about earlier, that idea of cost reduction by saving time, okay, in terms of the flows of who you buy from and to buy the same thing every time.

Now, there might be some things here that you do buy frequently, that you're not thinking about, that I just wanna seed a couple ideas here for. So I'm really like Steve Jobs-zy about certain things that I wear. Like, I have a particular like pair of shoes that I can hike in, I can walk long distances in. They're like, they breathe and they have a thin sole, but I can like walk all sorts of places. So I pretty much only buy that pair of shoes for every season that's not ice on the ground, okay? So, if you have something like that, like you really like a particular pen or particular tote or particular notebook or particular pair of sneakers or hiking shoes, whatever that is, in your travels and your business, those are also things that you should have in a supplier database, okay? And you might know, you might just know already, "Oh, yeah, like this is the thing I buy."

But for instance, like every time I need to buy whatever that thing is, that pair of shoes, I need to go in my email and like search for my last order and figure out exactly what was the name of that particular shoe that I get, because I know that they have a couple of ones that are slightly different, that are not so comfortable to walk around with because I accidentally ordered a different one one time, okay. So any details like that, that will help you streamlining your purchase process, should be in those notes as well.

Now, I have a little tip here on the bottom, and this can also help for those of you who are looking at starting to do some outsourcing, which I've spoken to a few of you guys about recently. And purchasing is something that, both the preparation of it in terms of the research as well as execution of it for easy to order things, that's something that does not need to be done by you. And if you have a good supplier database set up, particularly doesn't need to be done by you, because somebody can just know exactly where to go, the credit cards are already saved in your account. They can just reorder those things for you.

But also, if you're looking at really comparison shopping, and that can be for flights, it can be for Airbnbs or hotels, it can be for apps that you're looking at buying, that's a great example



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of when I would really recommend, if you're somebody who feels like you can really spend a lot of time either researching or dithering about these things, that you just find a really inexpensive website, whether it's an Elance or Fiverr or there's some like TaskRabbit or some VA specific ones. Like Fancy Hands is one, Time Etc is another one, where you can just put together a brief for somebody and say, "I need a new, you know, accounting software. Can you tell me all of these different things for each of these? I'm looking for like a page on each one and put that together and send it to me." You can get that done for like 15 or 20 bucks, have somebody do that for you. And then you have something to guide your own research online, so you don't just fall off the deep end in a deep dive, okay?

So this supplier database, I have to say, is really one of the things, when I was looking in my prep for this call, was really one of the things that I saw a lot of people talking about as best practices, in terms of what purchasing managers or purchasing staffs should be doing. And even a lot of them don't do it because it's their job, right? They have so much time to spend just on this purchasing thing. They can keep papers on their desk. You know, they can have their own silo of information where one person knows it and another person doesn't know it.

But for us, this purchase thing is not our full-time job, right? It's something that has to be done just like sending your invoices, but it is not something that you can bother to spend all day on. And I know because I'm somebody who, when talking about batching and doing it all once... Like when I need to do my flights for the year, I try to sit down and do pretty much all of them at one time, for a couple different reasons. But one is so that I get in the mode of doing that, I get in the mode of, "Okay, what do I need to look for with every single accommodation?" Like, how do...you know, "Which websites currently have the best prices for XYZ thing?" And I try to batch all of that.

So you can really, I know, sit down and just spend way too long looking at Airbnb accommodations, whatever, in just once a day, but we can't. We can't. We don't have time for that. It's so fun to plan trips, but save that fun planning time on the parts that are fun like looking for article ideas, figuring out what you're gonna do, not on figuring out where you're gonna stay and how to make that fit into your budget, okay?

So thinking like a professional with your purchasing also factors into these ideas of what exactly you are booking and what price you're paying for it. And I say this because there are various areas, particularly within travel booking, where there are a lot of professionals out there. Obviously, there's travel agents, and there are also people who specialize in booking points in miles flights. And I wanna say this, I'm not sure if you guys know it, but there's part of a price for anything, whether it's a hotel room or a rental car or a flight, there's about 15% of the price that is just up for grabs. So it is the cut for the travel agent.

And it's really interesting, because I think a lot of people don't know this, that if you...when you book a flight, for instance, if you haven't put down a frequent flyer number or a travel agent cut, that often the people at the desk at the airline will put their own number in there to



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get that cut on people that they see who aren't taking one or both of those things. So, that money is just there waiting to be grabbed by whoever grabs it. So, when you work with a travel agent, in the exchange there is they are typically...maybe they're getting paid like some portion of their fee from you, but they're also getting some from the reduced price on whatever it is they're booking for you. And what you are getting in return from them, is not just that they are figuring out your itinerary for you, but there are other benefits that they can offer you that you wouldn't have access to yourself.

So, one of those is that they can just get better prices in the first place. But another is that, they also have access to booking things like specific rooms with better views or specific airline seats. I know in cruises there's a really big thing that they have access to, like booking specific staterooms and things like that on a cruise ship. So, if you're somebody who travels really, really a lot, and you find that it's taking up quite amount of your time, or you have a trip where things are quite difficult to figure out because you need a lot of local information that you don't have, and so maybe just for this one trip, you find that you're spending a lot of time looking things up online, I highly suggest looking up...looking into the options for working with a professional for those particular things because it's not... It will do a couple things. It's gonna save you time, okay. That's right off the bat.

But it's also going to save you money in the long run because they are gonna get a discount on things that they can pass on to you, and then you'll be able to probably get something better than you would have paid for in the first place. And maybe not even pay so much as you would have if you booked by yourself, okay? But also, there's things, like I said, that are only available with a relationship. So people who do, less exactly like travel agent thing in that way, but more they're like a travel specialist, like they know a particular geographic region, like they have been to that hotel, they know the owner. You are gonna get better treatment staying there and a better room and better access to the managers and things like that, as a travel writer, for interviews, if you go through somebody who already has a relationship to get there. Okay?

And the same thing with booking flights on the web. Even if you think "Oh, well, I'm just booking these things on the web," that 15% cut for the travel agents is still there. You're still paying that. So you still have the opportunity even to get a lower price than what you're seeing online by going with a travel agent. And I just wanted to say... I put this on the slide so I wouldn't forget.

Even companies that have entire corporate travel departments, people whose job it is to plan travel and make the best rates and everything for all the people who work for the company, even they work with these big companies that are called hotel negotiating companies. And there's one, HelmsBriscoe, that I used to work with in a lot of articles. And literally, their job is to make sure that the best rates and terms and everything are negotiated with hotels. So even companies who have whole teams of people devoted to this stuff, then work with specialized outsiders, who are professionals, just in negotiating with hotels.



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Now, we've talked all sorts about how to reimagine the things that you're spending money on to make sure that you are reducing cost, achieving mass value, things like that. But I wanna talk, before we get off today, about this idea of how you're paying for those things. Because if you are not getting something in return for spending money, you're missing out.

And what I mean by that is like you can...like I said, if you're going through a travel agent, you know, get discounts or better hotel rooms or something like that. But on every single thing you purchase, all the time, you can be getting something for that, okay? You can be getting whether it's specifically points, whether it's other benefits. But you, as a small business, need to be using a beneficial credit card, okay? Because you need to make all of your dollars go as far as they can. And the way to do that is to make sure that you're getting something extra on your purchases.

Now, I wanna take a second, I hope this is the next slide, yeah, to talk about the different things that you can get, okay, in exchange. Because there's ones that I bet a lot of you guys already know, "Oh, I can get points, but then I have to figure out how to use my points for flights" and so on and so forth. So I wanna talk about the things that you get just from having the credit card, okay, for a second, regardless of what you actually spend money on, what you put on the credit card, okay?

So there's business credit cards out there, the Ink Business Card is one in particular, that have this really cool thing now, where if you buy your cell phone on that credit card, and something happens to it, they will replace it for you, literally, okay? So I have, like, a variety of credit cards that we have for different reasons, for different things, but there are some of them that I have like for their insurance benefits.

So, one of them is a cell phone one. There's like several other different types of business-related insurance ones. But the travel insurance ones are great, okay? So, the travel insurance cards cover all sorts of things. They cover if your bags get lost. They cover all sorts of trip delay things. So every time I'm buying flights, I never click on that thing to buy the additional trip insurance because I don't need to, because I already get it for free through my credit card.

But then they also cover things that can be really expensive, that used to turn me off from even renting cars when I travel, which is that additional coverage, that collision and damage insurance on your rental car. Okay? So, these are things that you get just for having the card, okay? You don't even have to be purchasing additional things to get these. They just give you more benefits on the stuff that you're already for sure buying. But then there's other things that I know that you're for sure buying, maybe not like in huge quantities, but like as part of your travel or whatnot, that also, as you buy those, you're gonna get specific benefits attached to the price of whatever you bought. So these are when you get points specifically for purchases.



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Now, there's kind of this idea of like you buy something, and for each dollar you spend, you get one point, but that's like the very, very baseline. And then people say, "Oh, well..." people tell me this all the time, "Oh, I have this cash rewards card so I get back like a cent for every dollar that I spend." That's horrifying. You don't wanna get a cent back for every dollar you spend. You wanna get 10 cents back for every dollar that you spend. That's the kind of value that I want you guys to have. And one of the ways that you do that is by having cards that give you multipliers on the stuff you're already spending.

So we have a card that gives us five points, so not five cents, but five points, okay, for every dollar that we spend on hotels, restaurants, flights, different things like that. There's ones that do for groceries or gas. So if you have another job that involves you like, you know, driving around a lot to get to work and things like that, you can also get the benefits on those. And we then take that five points per dollar that we've gotten...and then there's all sorts of websites out there and even people who will do this for you for a fee.

There's ways for you to get, like I said, 10 times the value of your points, 12 times, 14 times the value of your points, using them on flights, hotels, different things like that. Like just coming up, I have this trip to Italy for a big blogging conference in Italy. And my husband's coming beforehand to do this hiking trip with me in the mountains. And he's flying out of the Venice airport, that just happened to be where we could get him a free flight home with the points that we had, that was a direct flight.

And so we're staying over in Venice the night before his flight because it's an early morning flight. And we were able to get a hotel in actual central Venice, like completely free. I don't think I've...I can't even remember the last time I stayed in a hotel in Venice and certainly not in June, like that's so expensive. But we were able to do it with our points for like not very much money. So for free, but also for like, you know, multipliers on the value of those points, we are getting this hotel in Venice. And it's just because of, you know, other spending that we did on that card in the past, or you can also get bonuses with a lot of points when you set up the card in the first place.

And so one other benefit, though, that I wanna say that I think...that like I see people get into a lot, and I don't ever hear anybody talking about this in terms of travel writers, is a really great solution that we just used recently, is that if you're gonna be in a country where... I know some people who recently went to Rwanda and Cuba. I was in Japan recently. I know some people are traveling in like Eastern Asia right now. If you're gonna be in a country where you don't speak that language, there's arrangements that cannot be made on the web, whether that's places for you to stay, restaurants for you to go to, tours that you wanna take, whatever.

These credit cards also have concierge people who will call and do that for you, and it's like free. The only thing that you're paying is whatever the booking fee you would pay for whatever that is for that restaurant, something like that. So you can also... I was talking about



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having a professional, right? You can also have people helping you with your difficult travel arrangements, the ones that would be really tricky for you to do yourself with these credit cards, for free. Okay. And that alone is like a great value. And I didn't even mention some of the other things you can get, like lounge access when you're traveling so that you can have a place to work between flights and stuff like that.

So, as a small business owner, you need to be rewarded for the spend that you are making. There's all these things you can be having for free that are really great benefits that will make your life easier, that are part of this purchasing process, right? It's achieving best value as well as cost reduction. So just before I let you guys go...oh, I did have one. Okay, let me tell you this slide because it's interesting. Okay. So I'm not sure...maybe one of you who's on the call today. But I'm not sure how many of you have had a corporate credit card before. I have when I was at MIT. I guess it was like an academic credit card, if you will.

But it's pretty common, I find, in a certain level of organization, where every single employee is sort of viewed as very high level, for everyone to just get this credit card immediately when they join. I think my husband has like an Amex through work or something like this. I can't remember what I had at MIT. We had our own MIT credit union so I think it was something through the MIT credit union. But in a lot of companies that I know a lot of you have worked in, which are smaller, whether it's like 20 to 40 employees or what have you, you might not have had a company credit card because it's only common at a certain level. And that's because a lot of employers don't trust every single one of their employees to just be indiscriminately spending their money.

Obviously, these things will get reviewed in expense reports and whatnot. But a lot of companies just don't trust people to spend money. And that's either because money is tight, and/or because there's factors that go into how that money needs to be spent, such the budget and other things like what's coming down the pipeline, you know, what sales people are waiting to come in, and things like that, that influence whether or not a certain purchase can be made. So, if you have been in a position where, through your company, you had a credit card that you were entrusted to use, you probably kind of have this sense of what are the best practices for that card and what the company trusted you to use for it. But if not, then you might not have a good model for what that looks like.

And I find that, you know, one of these things that happens as being a small business owner, now, I'm being in charge around purchasing, that I talked about earlier, with all of this accounting and finance stuff, is it can be really easy for us to look the other way about things, whether the things that need to be done that aren't being done, or things that are being done that maybe shouldn't be done, whichever way that is.

And so, with having a credit card obviously comes responsibility. You need to be on top of what you're putting on it and everything. But one of the upsides of having a credit card that's dedicated to your business, whether that is a business credit card or not, is that once you start



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putting things on there, it becomes much easier to track the difference between your business spend and your personal spend, both in one of these automated online things like we were talking about like Mint or QuickBooks Self-employed or something like that, but also just in your own credit card statements, right? And I really like that because it helps with this transparency issue.

But I also just wanna tell you a couple of models, for folks who haven't had a model in the past of these corporate spend models. Because I like the way that good companies educate their employer and their employees about how to use the cards, because I feel like it helps people understand what makes sense for them to spend money where they ought to be spending money.

So, Google has an interesting policy where...it's slightly complicated, but basically, if you have a trip coming up, the amount that you can spend on your flight, okay, is the seven day average of all flights between those destinations, at any time of day, you know, any number of stops, blah, blah, in economy. All right?

So it's the average of those. And then you get one-third of the average for those flights in business class as well. And so your budget for that flight is the average of the economy over seven days plus one-third of the average in business class. So what that means is it projects a couple of things. One is that they don't want you to just take like the absolute cheapest, you know, multi-stop red-eye flight just because it's inexpensive, right? That's not what they want for you.

They want you to know that your budget is based on all of the available options, no matter how expensive they are, okay? But also, this idea of including part of the business class is that we know, or they know, that people should be taking business class flights every so often for various reasons, whether it's because, you know, they need to sleep on the way to somewhere because it's a red-eye flight, because it's a long flight, something like that. And so they have built in a way for you to have access to that money. So, you have your flight, you get this average, that's your budget for that flight, you go ahead and book it. Okay, let's say you're flying between New York and California, you manage to find a great flight that's like \$273 round trip, but your cap was like \$650.

So then what Google let's them do is that half of the difference between what they booked, so that 273, and their cap, so 650, half of that goes in an account that they can then hold on to for their next flight. So essentially, they're saving up for those business class flights. So what I like about the Google system, and the reason I wanted tell you about it, is not that it's complicated. That's kind of obnoxious.

But it's a good metric for yourself for thinking about, what does a reasonable company, that cares about their employees, think is the limit on how much they should be spending on their flights? Because you can't be taking these cheap flights, on crap airlines, at weird times your whole professional life, because it's gonna affect your work, it's gonna cause you to burn out.



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And it's often better for you to make a decision that will have you be comfortable and sane, and on a flight that's unlikely to be delayed. But you also need to respect not overspending with your trips. So I like that framework for that.

Now, I wanna give you Basecamp, which is also a tech company but much smaller. They're based in Chicago, but they have employees all around the world. And they have all of their employees come into Chicago twice a year for meetups. So right off the bat, they know that they have people from Australia who are coming and traveling to Chicago twice a year. I can't remember how many employees they have. I think they have like 50 or 60. And maybe like 20 of those are based in the U.S. or something like that.

There's ones that are all over. And theirs is just like, "You have a card. We trust you. Don't get the worst flight." That's like their whole policy. Like you have to come here, like figure that out, stay where you like to say, whatever. And their policy is so vague. They were like, "If you're not sure what this means, like you can email us and ask." And their policy is so vague.

But what I really like about it, for us as small business owners, is A, it's a model of what a small business is thinking. Okay? But it's also a model of how you can think about treating yourself, okay, that you should really only need one kind of baseline guiding principle for how you wanna plan your flights. And then you shouldn't think about it too much past that.

So what I mean by that is if you're looking at going somewhere and, along with that guiding principle of like, "spend what you need to spend but don't kill yourself, but, you know, like do what you feel like is right." If that isn't taking you somewhere and you have more questions, then maybe the thing just doesn't fit in your budget anymore. And maybe there's another step back that you need to take, maybe it's no longer a purchasing problem. You know what I mean? Maybe you need to look at it somewhere else.

So, what I like from these examples is that they give something that you can kind of take as a framework. And like I mentioned, we all need to have our own frameworks for purchasing. And so, I really like this idea of kind of taking a couple of minutes before you go back to whatever work you're doing after this webinar and thinking for yourself, like, "What is my guiding principle for my purchasing gonna be?" Is it gonna be, "I need to get out of this other work situation that I have alongside my freelancing and I wanna make sure that for the next," you know, put a time period on it, "for the next 6, 8, 10, 12 months I'm saving whatever I can and putting off purchases to make that happen."

Or is it gonna be, "This is the year where I really need to focus on, like, my mental health and growing and feeling secure as a professional. So I need to spend...I need to spend a little bit on things that are gonna make me feel it, that make me feel like this is what I'm really doing, whether that's travel or apps or whatever, because I am making money, and I need to be more confident with that." So whatever your one-liner is for yourself, think about that. And then take it forward and apply it to whatever is the next purchasing thing that you have coming up.



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So some tactics just to think about...and obviously, you'll have the slides in the webinar library. They are, you know, what options are available for discount? Can you purchase something in bulk or purchase several months together in advance? What things are you may be gonna pay for separately that you can combine to get this into a package, right? Is this something that you can wait to purchase until it goes on sale? And what do you need to do to make sure that you don't miss that sale?

I missed a sale on postcards I needed to buy the other day because I was too busy. But then they had another one come up. It wasn't for the same amount. But I waited, and I was trying to figure out what to do, and then they had another sale come up. So, how can you forecast the need for this item? Is it something that maybe the one you were looking at buying is gonna be more than you're gonna need, or you're actually gonna need more than you were looking at buying? And so maybe you should go back to number one and look at some bulk options here.

Another one, you know, I see people go to conferences and share hotel rooms with other people, right? Everyone has their own comfort level with that, but it's pretty common, I find. So how can you collaborate with somebody else to share the cost here? And then this last thing to think about is, what is the total cost of ownership with this purchase? And I like to think about this with what we were talking about earlier in terms of the time for onboarding. So like this thing that you're looking at buying, what is that gonna cost you, not just for the thing, but also for the time to do the work that you need to do to make use of it?

So I had an app that I purchased that was gonna help us to make some backend stuff run more easily on our website where we sell courses and different things like that. And it just ended up that the way to set up the app was so complicated, and I was gonna have to hire someone else to do it. And I couldn't find someone in a good timeframe, that I just had to stop because the total cost of purchase of that thing just didn't make sense. So, that's what I have for you guys on purchasing.

Like I said, pick something that you wanna have be your guiding principle, you know, for the rest of this year or something shorter or longer term, and apply that to some...whatever is your next purchase question that comes up. The next time you feel purchase intent, "I have a problem, and I need to apply something to this to fix it. I might need to purchase something." Whip out your purchasing mindset.

And then in the next webinar in this series, we're gonna talk about operations. I'm so excited. I talk to so many of you guys about this all the time. And there's so much that we can recoup there in terms of time and money. And we're gonna talk about quality control, and human resources, are the ones that we have coming up.

So thank you guys so much for joining me, and I will talk to you soon. Bye.