

**THE AUTOMATED MILLIONAIRE  
ARE YOU MAKING THESE 8 MISTAKES?**



**Mistakes That Are Keeping You From Having  
The Business You Always Wanted And  
Robbing You Of Making The Money You Always Desired**

**By  
Mikkel Pitzner**



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The Business You Have Always Wanted  
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Mikkel Pitzner

The Automated Millionaire

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## To Your Success

*I truly wish your success.*

*I believe entrepreneurs are critical for our society and that it is the entrepreneurs who often pave the way for innovations and development in the world.*

*Entrepreneurs accept great risk, work diligently and often have to endure great struggles in their pursuit of their dreams.*

*Those who succeed not only improve their own lives, but also many other lives. Lives of the other people in their families, but also lives of the people they employ and their families. Vendors as well and their families are positively affected by the ripples sent out from a well run and successful business.*

*I am therefore hopeful that my personal pursuit of helping as many entrepreneurs as possible can help increase these positive ripples, affecting as many people positively and as far reaching as possible.*

*Please feel free to connect with me for anything you believe I may be able to help and serve you with.*

- Mikkel Pitzner

Email [Mikkel](#)



## **Are You Making These 8 Mistakes?**



## Introduction

This report is a quick insight into how you as a business owner can probably make **the greatest advances in your results and how you can do so the fastest.**

This report in no means aims to address the myriads of things you **can and should** do in your business, but is a guide to you on what you can do **quickly to generate better results and better cash flow almost immediately.**

I originally wrote this to help existing clients get much more out of 2021. My thoughts behind the subject of this were concentrated on providing something to my clients that I knew would be **easily implementable**, and something that **definitely would give them results** and finally something that truly would give them **immediate** results.

I also wanted to ensure that this would be useful to all my clients, and judging from the experience that I have had when helping many, many companies, I know that they get a lot of the elements, that you'll learn about, wrong.

You'll also find that much of the suggestions I'll give you in this report is all about your pricing and along with it a better understanding of what happens when you discount (so that you don't give up all your profits).

When we talk about your pricing, you will probably find that I'll suggest that you increase them. Now can you increase your prices in your market and in your industry? I don't know for sure, cause I don't know what business you're in and in what industry you operate, and I don't just lightly suggest you do so.



But, invariably, experience has shown me that the vast majority of business owners are charging too little for their products and services and therefore always will struggle obtaining the smooth running business that is really truly profitable.

And profits should be the name of the game!

Yes, you can have loftier goals that include doing something good for mankind or something and I applaud that, but let's just be real: **You Can't Pour From An Empty Cup**, and likewise, **It's Easier To Pour From A Full Cup**.

That's why most of my focus in my business of The Automated Millionaire is about helping business owners and entrepreneurs make more money. Everybody can do better with more money.

Money isn't evil and I do not subscribe to the notion that you are greedy because you pursue making more money and creating a business that truly thrives.

You aren't a bad person or evil because you wish to grow your business, provide for yourself and your family and in the process provide for more great livelihoods for others.

Money is a magnifier. If you're a bad person, I would submit the money can possibly help you show up even worse. But thankfully, if you're a good person, I believe it magnifies this too.

So, let's aim to be good people. Let's grow our businesses, become more profitable and in the process add much more value to the world, in the form of our great products and services and in the process of providing great livelihoods with great places to work.





## About The Automated Millionaire

You may not know me from beforehand, so I think it's reasonable that I should provide you with an introduction.

My name is Mikkel Pitzner and I'm originally from Denmark.

Denmark is a small country, part of Scandinavia, located just North of Germany and "in between" Norway and Sweden. Its population tallies a mere 5.5 million people or so.

Although a small country, we have made our mark in the world. Remember the Vikings? In more recent times, Denmark is where the great toy, LEGO, comes from. Denmark has a extremely well establish agriculture production (with lots of exports of same), and the largest shipping company in the world is actually also Danish; it's called Maersk-Sealand.

Past famous people include the fairytale writer Hans Christian Andersen, author Karen Blixen, the amazing physicist Niels Bohr, and philosopher Søren Kirkegaard.

You may recognize Mads Mikkelsen, Viggo Mortensen and Connie Nielsen who are all movie stars and are Danish (OK, Viggo Mortensen is half Danish and half American).

You may also know of some of the largest Danish companies, which also includes Novo Nordisk (insulin), Novozymes (enzymes), Vestas (wind mills), Carlsberg (beer, recognize the slogan: "Probably The Best Lager In The World"?), Coloplast (stomi bags), Pandora (jewelry), ECCO (shoes), ISS (facility services/cleaning) and many more.

Denmark is known very much for **Know How**.



It's a small country, and Denmark doesn't have much raw materials such as steel etc., so I guess we have had to find other things to excel at.

My hope is that my Know How in the areas of business can help a lot of business owners and entrepreneurs excel in business and create wonderful results for themselves, their families and all the people they employ and with the positive ripple effects that are generated and pushed through vendors, supply chains and everyone they eventually touch positively through their products, services and expertise.

So who am I?

Well, my initial start in business, after my university studies in London, England, and a brief stint of trading Futures while living in New Jersey, was also in Denmark.

I started a job at the bottom of the totem pole as a car washer and worked my way up through the ranks, including positions such as car rental assistant, book keeper, leasing consultant, leasing manager, Sub director, director, to eventually after about 5 years or so, being appointed to the CEO (Chief Executive Officer) of the same entire car rental company.

At that time we were the 4<sup>th</sup> largest car rental company in Denmark, managing about \$60 million in assets, some 1,500 vehicles, and over 200 employees, and a country wide operations with several locations.

I was 25 years old.

Almost simultaneously with the announcement of the new CEO, we took over the 5<sup>th</sup> largest car rental company in Denmark and merged it into our company, so my hands were definitely full from the get go.

But a couple of years later and I urged for having a business of my own.



The board of directors of the car rental company graciously allowed for me to purchase a company and run it while remaining CEO of the car rental company. However, they also very explicitly and implicitly expressed such dealings were to be done on my own time.

That meant evenings, nights, early mornings and weekends, would be the time I could really spend on my business, while I would concentrate my efforts on the car rental business during the other hours.

This setup also meant that from the get go, I would have to run my business using other people to carry out all daily operations for me, and then just guide them through everything and how I wished things to be. And I would have to do such guidance from afar.

It all worked out very well though.

The business I bought was the oldest and largest limousine service in Denmark, a company that mostly catered to the professional audience, visitors, embassies and the like. Our fleet thus consisted mostly of the high-end Mercedes Benz S class and the like.

Despite some great challenges, in my first year of ownership, we managed to grow the sales (revenues) by 3.5-fold. The EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) grew a whopping 32-fold (numbers compared to the results of previous owner's last year before selling the business to me).

There were several things I did to achieve these phenomenal results, but a lot of it can be attributed to the adjustment of prices and how I made such adjustments get accepted with my clients.

As you will recall this report here is all about pricing, so you'll gain a lot of the insights to some of the things I did to grow my first business.



Through several of the following years my entrepreneurial journey expanded. I invested in a fairly new company (I believe it was just 3 years old at the time) and became the third equal partner and owner of this company.

This business rented out small cargo trailers, kinda the like you'll see from uHaul, but these were rented out for free and instead it was paid for by advertising. That's the short version of course and a more in depth version will have to wait for some other time.

The trailer business grew fast.

Soon it was all over Denmark and from Denmark we ventured into Sweden and later into Norway. Later on would be a move into the much larger market of Germany, and eventually we took the company public with its IPO (Initial Public Offering) in 2018.

I later sold my shares and no longer have anything to do with this company.

In the summer of 2008, after a long relationship had ended, I revisited my longing for seeking out of Denmark onto new and broader horizon and I immigrated to the US.

I still had as you can see from the time line, my portion of ownership of the trailer business and I also still had the ownership and ran by remote control the limousine business.

When I left for the US, I was very, very wealthy, and had outside my businesses a lot of financial investments. September 2008 came along and things took a huge turn.

You may recall the big crisis spurred on by the subprime crisis and how it took down some of the largest financial investment houses including Lehman Brothers, cost millions of home owners to lose their homes, millions lost their jobs and many, many



more ripple effects. In a relatively recent article, the cost of the 2008 crisis has been pegged at \$22 Trillion!

In the midst of all of this, my financial positions took severe hits, and little old me lost all and then some. On paper I went from being very comfortably wealthy to having more debts than I was worth. All in the matter of 3 weeks, and because of heavy financial investments, not because of failings in my businesses or business operations.

In efforts to clean up my debt positions, I had to be creative once again and I also had to make several changes. By late 2010, I decided to sell off the limousine service business.

The Limousine Service business now represented 14 years of personal ownership and a business that I always ran on what I call complete remote control. The business did really well for me throughout many years, and also at times made me very decent money, without requiring me to actually be there.

In the 14 years of ownership, if I add together the times that I actually set foot on its premises, I may be able to add together a full total of about 60 working days.

The story of my limousine service ownership and results are what later earned me the nickname The Automated Millionaire.

You might say that my entry into my new country of choice, the USA, was a challenge. No longer did I have the vast amounts of money and soon I had none of the businesses that had previously provided for me.

The sale of the limousine service company helped me pay off the last bit of debt left from my crash of 2008. I usually say, that it took me about 38 years to make my first fortune, only 3 weeks to lose it all and more, and about 2.25 years to make my second fortune.



Yes, I managed to pay off my debts about 2.25 years following the 2008 crisis and was now debt free, something I hadn't been since I was like 14 years old. But I had little else of income.

I was extremely grateful, that I somehow managed to achieve noticeable results much faster the second time around, but I'm not going to lie to you: The toll, financially, emotionally and spiritually, of the 2008 crash, was immense.

Initially, I was allowed in the US on a special H1B visa.

But finding something to make money from wasn't as easy obvious to me and I honestly had also become so spoiled from being my own boss for so many years that taking any odd job as an employee just didn't appeal much to me.

Yet, without the nice access to liquidity that I had had the privilege of earlier, it wasn't as easy to just make my own new venture again. Plus, I honestly didn't really know what that would be, and still suffered the mental and emotional chock of the great 2008 losses that perhaps, I wasn't as risk willing or eager to just jump into any odd thing.

I had known and followed a local Florida based company for several years. Social media was on the uprise and I had been an early adopter, and knew something of making an online presence.

A lot of companies had no presence online really yet at that time, so I suggested to the company I knew that I would set up all of their fan-pages and the like for them FOR FREE.

It was a hard thing to turn down, seeing it would cost them nothing. But I must have done something right, because some 8 months later and they decided to award me with shares in their company totaling a value of about \$86,000. Not bad for something offered for free.



The H1B visas only last for a year. You can under certain circumstances obtain a new one after that first year, but soon you really need to get hold of that coveted Green Card.

My application was in, but for whatever reason the dear immigrations department took 2 months shy of a full 3 years to process my application!!

That was excruciating.

Not only did that mean that I could not legally uphold any paid position, but also my visa ran out and I was basically an illegal alien for an extended time. Something that sat very poorly with me, seeing that I'm rather authoritarianly wired, and don't wish to do anything illegal (well, except I do speed frequently on the roads, I must admit).

It also didn't sit well with me, for with the expired visa, my drivers license expired and could not be renewed. Traveling became a no go when it came to utilizing airplanes, and when I was driving, it would be highly illegal too.

So yeah, it was a bit of a struggle and not least very painful.

When finally my Green Card did come through, it wasn't long before I commenced as a business consultant with one of the largest and most successful private consulting firms in the US.

I didn't feel like becoming a typical job taker, and at the same time I figured that I always had been pretty good at running businesses and held more experience in that field than most, that I figured this would be a good fit.

I would be able to do a lot of what I liked the most and was best at. Also, I wouldn't have to go to work the same place day in and day out, but would be going varied places with varied challenges and problems to be solved, and not least, I would be operating pretty autonomously throughout.



That all held fairly great appeal to me.

It also seemed that it worked out pretty well. Within relatively short period of time I ranked top 3 among some 1,300 esteemed colleagues of phenomenal business consultants, and I was sent all over the US and Canada to help businesses that were truly struggling or businesses that were doing well, but wanted to take their business much higher.

I had the privilege to serve and help businesses of all kinds, including Farmers, Car Rental Companies, Agriculture, Manufacturing, Transit Trains Manufacturing, Service & Repair, Woodcrafters, Furniture Manufacturing, Audio Video Stores, Industrial Equipment Rentals, Construction Equipment Rentals, Machine & Welding, Limousine Service Companies, Fabrication, Tire & Auto Stores, Construction Companies, Car Collision Centers, Lawn Mower Repairs & Sales, Electricians, HVAC, Crew Transportation Services, Vacation Home Rental Companies, Feed Stores & Supplies, Grain Companies, Custom Home Construction Companies, Marble & Granite, Pharmacies, Custom Industrial Business Construction Companies, Oil Reuse Companies, Tile Companies, Truck & Tractor Companies, Media Companies, Promotion Companies, Agriculture Supplies and Service Companies, Road Construction Companies, Trucking Companies, Food Markets, Gas Stations, Restaurants, Transportation Companies, Roofing Companies, Movers, Fencing Contract Contractors, Rubber Mold Factories, Crane Businesses, Delicatessens, Oil Suppliers, Gas Suppliers, Supermarkets, House Framing Businesses, Appliance Stores, Online and Personal Training Businesses, Diamond Traders, Photographers.

Many of the companies that I visited were on the brink of bankruptcy, but before long I would help the business owners and their teams turn their businesses around and put them on the path of prosperity.

I cannot stress the immense privilege it has been to be able to help people with their businesses that were in such a position. The stresses the business owners who live through such struggling times are immense. To help people get through this and come out on the other side once again achieving success and be left with a smooth operational business that performs better than ever before, is amazing.





Literally, you're changing people's lives and not just the immediate business owners, but also the lives and livelihoods of the employees and their families.

After several years of doing this, I found, however, that I wanted to take this to bigger places, especially by helping a lot more people than I possibly ever could following the model I was following.

The model I was following was to enter into businesses in person and on-site. While this is great and effective, it also means that I can really only help ONE company at the time. My ambition of helping people and changing their lives for the better have changed though and have become vastly more ambitious. Now I wish to help myriads of companies.

The only way I would see that possible would be by taking my teachings and knowledge online and providing access to this to many more people simultaneously. That means providing much of this via online training courses, programs and coaching.

That's where I am today. Building and creating this business of helping many, many, many business owners achieve a better understanding of business and how to run a great and high performing business themselves. Providing my insights that I had the privilege to hone even further by the experience of helping so many businesses.

You now are in possession with this report, which means that now I might just be able to positively touch your life too and help you with your business.

Sometimes you just need one little idea to change your entire business and change your entire life.



## One Idea Can Change Everything

I'm reminded of a friend that a few moments after I met him the very first time, I learned of his struggles getting his business off the ground.

This guy is a very unique guy, named Stig Severinsen. His superpower is that he can hold his breath for incredible lengths of time. He was the world record holder of the discipline called static apnea for several years and today still hold several world records in related disciplines.

Record attempts are basically carried out by laying in the surface of water, face down into the water and holding your breath.

His record is that of holding his breath for 22 minutes!!

His most recent record was swimming under water for a full distance of 202 m (202 to mark the year of 2020), which he set in December 2020. He also holds the record for the longest distance swim under water under ice wearing just speedos.

Anyways, his struggles a few years back was that he had all these people following him who were so eager to learn his skills and wanting to be part of his group, but whenever he presented an offer, they would have all these excuses of no money available, and never be able or willing to commit with their wallet.

That meant no business for Stig.

After a few moments of thoughts I relayed what I believe he needed to do and not least how he needed to think differently about his business and about who is ideal clientele were.



No disrespect to his following at the time, I said these people were much more of the type of people I would liken to ski bums.

Ski bums are often young people who love skiing, but often lack the money needed to go skiing (you need skis, ski lifts, climate appropriate clothing, food and lodging).

In lieu of the lack of money, they often go to the ski resorts and become intermittent ski instructors (cause they are really great at the discipline of skiing), just so they can make enough money and get lodging etc., so they can ski when they're not training clients in skiing.

In other words, the group of people who hung around Stig at the time, were hungry to learn the skills that Stig had, and were excited about the prospect of they themselves one day be able to breath hold for a long time and be able to free dive deep and long and enjoy that sense of freedom that that provides.

But they never had any money, or perhaps lacked enough conviction and commitment to follow up with an investment into such training.

I told him, he needed to think what it was he truly had that was unique, and to whom such insights would be really valuable. Additionally, he would need to think of an audience that definitely would have the money to investment in his program.

He thought for a moment, but didn't reach much new insights.

What happens when we hold our breaths?

To answer that, I have borrowed some text from an article, called "WAITING TO INHALE: WHY IT HURTS TO HOLD YOUR BREATH", by Aizita Magaña posted in The Science Creative Quarterly:



*For most of us the ability to hold our breath lasts 30 seconds, maybe even 1 or 2 minutes. Much longer than that and the sensation that your lungs are bursting becomes too painful to endure.*

*Breathing of course is a reflex action; we do it more than 19,000 times a day automatically and without thinking. And while we can intentionally control the pace, rhythm and depth of our breath, the overall voluntary ability to override our own respiration is very limited.*

*The air we inhale at sea level is 20.9 percent oxygen (O<sub>2</sub>), 78 percent nitrogen (N<sub>2</sub>), 0.93 percent argon and .04 percent carbon dioxide (CO<sub>2</sub>), and the rest are trace gasses.*

*Technically, breathing and its purpose is the exchange of two of those gases, oxygen and carbon dioxide.*

*Our inhalations bring oxygen into the lungs, which gets absorbed into the blood and carried throughout the body. The oxygen is used or made into the energy we need to break down food, maintain bodily functions and do all physical activity.*

*What then remains becomes carbon dioxide or CO<sub>2</sub>, a waste product. This residual CO<sub>2</sub> is carried back into your lungs by your circulating blood and released when you exhale.*

*This process of course will continue for as long as you keep breathing but when you hold your breath, the carbon dioxide accumulates inside you with nowhere to go.*

*When you hold your breath the ongoing accumulation of carbon dioxide in your cells, in your blood and lungs will eventually irritate and trigger impulses from the respiratory center part of your brain.*

*Beyond the burning in your lungs, the signals your body gets from your brain when your CO<sub>2</sub> levels are too high, include strong, painful, and involuntary contractions or spasms of the diaphragm and the muscles in between your ribs. At some point*



*the spasms become so frequent and unbearable that you can no longer hold your breath.*

*Rising levels of carbon dioxide signal the body to breathe and ensure our unconscious and autonomous respiration. The body has the ability to detect these CO2 levels with great accuracy and relies on them to regulate our respiration, so that we don't have to.*

Try for a moment and sit still and hold your breath. Please don't be driving or do this along in water unobserved. See how long you can hold it. You'll soon find your mind starts racing and screaming for you to take in that new breath of air.

Almost a panicky feel comes over us, when we hold our breath for just a little extended time doesn't it?

I said to Stig, that what his true superpower really was, was that he was somehow able to either go somewhere in his mind to calm him enough to overcome these crazy urges to take in the next breath of air, and/or to calm himself so much that he could overcome this overwhelming scream for fresh air in order to accomplish his task and reach his goal.

I asked if he could see to whom such superpower might be really valuable.

Stig, pondered. Stig is very smart, but he yet didn't see the connection yet, and me being my usual impatient me, and simultaneously excited at the prospect of what could be Stig's new future with a great business, provided him with the answer I was thinking of:

*"Stig, your ideal client is perhaps not the person who really wants to freedive and be able to hold his/her breath for extended time. Your superpower, however, is extremely valuable to the high level CEO or the super high performer, who is surrounded by stress, and high level decisions and pressures, and who needs to be able to remain completely calm in all these situations, so he/she can make the best of decisions."*



A light bulb turned on in Stig's mind.

I suggested him further, that he went on increasing whatever price point he had thought of offering his classes and events at. In fact I told him to at least triple his prices for his offers, and then I told him to go knocking on doors of the high level CEOs and other high performers.

3 weeks later, Stig called me excitedly. He had done what most people don't do: He had actually taken these ideas and done something with them.

He excitedly let me know that he was now going to train a group of senior level executives from the 7<sup>th</sup> largest agriculture company in the world, Arla. Additionally, he told me that he had also been invited to go to, if memory serves me correctly, Morocco, where in the desert, staying in bedouin tents, he was going to train one of the foremost Tour De France bicycle teams, Team Saxo Bank, in the discipline of breath hold and breathing.

How amazing was this. How perfect and what perfect clients. High level executives onto whom much is entrusted and much stress is probably abundant.

And a Tour De France team. As you may know these are bicycle teams who for 3 weeks ride through France. More specifically, the Tour De France consists of 21 day long stages over 23 days. It has often been described as the world's most prestigious and most difficult bicycle race.

As you can imagine, it requires a lot of stamina, strength and not least cardio capacity to do well in the discipline of bicycle racing, and breathing right is essential for being able to keep up with speed and pressure during the race. A perfect audience for Stig and his special training and knowledge.

How amazing for Stig the prospect of working with really high powered companies and teams, and in super interesting surroundings to boot.



Stig went on to training these teams, and did so multiple times too. Soon his clientele grew. Within 6 months, he had 3,000 clients and students through his academy, and within a year 6,000.

The latest number I have seen of students that Stig has helped, now some 7-8 years later, is over 400,000. If you'd follow Stig on his social media, you'll find him constantly traveling the world to exotic places, doing interesting TV spots, superhuman tv shows, world records, training students and now also his own instructors, vacationing or buying a home in Mexico or signing a lease for a nice apartment in Dubai.

I should probably have charged Stig a percentage of his upside from my ideas, huh?

Your business has probably little to do with breath hold, breathing and the like, but the point is, that sometimes even small ideas can make for big changes.

Based on my experience having helped over a hundred businesses, their owners and their teams, I would venture to say, that this little report will hold one or several ideas that can soon spell huge changes for you and the results you're obtaining in your business once you implement them.



## **Change This In Your Business Now, And Your Business Changes Instantly**

Well, back to the origins of this report you're reading now. When I thought of what to give to my clients of really high value, there were several criteria that I wanted to ensure it would hold and fulfill.

I wanted to make sure that I would provide them, and now you, with something that

1. You can actually implement
2. You can implement immediately
3. You can implement easily
4. Will give You results immediately
5. Will give You better Cash Flow
6. Will give you better Profit
7. Will Make You More Money Now
8. Could potentially make you A LOT MORE MONEY NOW

All the material, tactics, strategies and concepts of this report are relevant and applicable to all businesses. While some industries have more challenges for you in the area of pricing differently than your competitors, there are still things you can do to make for improved cash flow and profits. I will cover a lot in this report, but won't touch on everything. For more in depth insights, I have a program that takes you by the hand and leads you through all of it. The program is called Pricing For Profit.

The Automated Millionaire offers more insights and other programs that dive deeper into the more advanced methods of improving your business as you should, but these will not be discussed to great length in this report.





This report again is focused on one area and topic of business, but as I said, it's an area where I have seen most businesses do many mistakes and thus miss out on great results and a lot of cash.

It's also an area, as I have pointed out, where you can typically relatively easily implement changes, implement immediately, and immediately begin to make more money.

So let's begin.



## **The Mistakes That Are Robbing You Of The Money You Always Desired And The Business You Always Wanted**

There are many mistakes that business owners make. I should know, cause I have made many mistakes myself and sometimes still make new mistakes.

If you didn't skip over my background, you'd know that I have vast and extensive background as an entrepreneur and business owner, as a CEO and as a business consultant and as a business turn around agent.

Especially, in my capacity as a business consultant and as a business turn around agent, I have witnessed many mistakes being made again and again and again. I have had the privilege to serve many, many companies of all kinds, of all sizes and of many different industries and I have seen all of the mistakes I have included in this report taking place extremely frequently.

In fact, so frequently that I would say, most businesses seem to make these. This seems also to be confirmed by many of the sources and readings I have come across elsewhere, so in other words, it is likely that you too may be making some of these in your business and that therefore this report may truly help you out to correct them, so that you can achieve a better result in your business and perhaps even change your livelihood and that of your employees with improvements.

That is my goal: For this to be able to help you create better results for your business, so that you and your family gain, and so that your employees and their families may gain too.

So what are the mistakes?



Well, this won't aim to cover all of them for there are many. Some more grave than others. This report won't look much into how you run your operations or manage your people, or how you ensure efficiency in your production etc. I cover many of these and other topics in other publications and programs.

Instead this report, as previously mentioned is focused on bringing you try value, which means bringing you

- something specific that you can look at for your business,
- something where you can quickly make implementations,
- something that for the most part is relatively easy to do, and
- something that will actually give you results and give you results quickly.
- Also this reports focuses on something that I have seen is often an area in which a lot of business owners make mistakes, which may mean there is a fair likelihood that it's an area in which you also make mistakes or in which at least you may be able to make some improvements to, so that you can soon make more money and create greater results.

This report is all about pricing and pricing things the right way. This is however an abbreviated report. For deeper insights please check out the [Pricing For Profit](#) program that will support you to much greater extent.



## **Mistake #1 – Underpricing For Your Products and Services**

Most businesses quite frankly price incorrectly, and it is hurting them terribly. A few companies overprice their products and services, but more often than not, companies underprice what they are selling.

Underpricing leads to low Gross Profit Margins, and when you then subtract the overheads then often there is little to no profits for the business. Worse yet, the business ends up with losses.

By far, most of the businesses I have served underpriced their products and services.

There are several reasons why they underprice. I shall provide more of these below.



## **Mistake #2 – Price By Competition**

I believe the most often found situation is that business owners set their prices based on the competition. They basically go out in the market and look at what the “going rate” is for what they are selling.

Don't get me wrong. I do believe it's important to have a good gauge on what the competition is doing and what the market seems to offer. However, I believe business owners in general focus too much on what competitors do instead of focusing on their own business and what they can do better and how they might improve on the value of their offerings.

Yes, in markets of highly commoditized products you may have challenges bringing your products to market at much higher prices. Yet, there are typically avenues in which you can actually still do so, by offering better services in your provision of such products.

High price elasticity means, that even small changes in price can mean large changes in demand. In connection of this discussion, it can often mean that if you're pricing your product just slightly higher than your competitor you'll soon see a large portion of your customers flee from your business and see them shop with your competitor.

Examples of commodities with high price elasticity are things such as groceries, heating oil and heating gas, gasoline and similar. These are products where the difference of your product compared to similar product from your competitor is pretty much unobservable.

But as I stated there may still be avenues for you to stand out and be able to charge a higher price than that offered by your competitors.

Take a look at groceries for instance. Companies such as Whole Foods, market themselves more as an upscale grocery provider, with great focus on healthy foods



and possibly more organic foods, compared to offerings from grocery companies such as Win Dixie or Publix. As a result they are often able to charge more for their products.

For gasoline e.g. you will invariably find the price of the actual gasoline will have to be pretty much completely identical to that of the competitor in order not to lose business due to overpricing.

Yet, a better and more well lit gas station with security camera, man operations, perhaps a fairly nice, well-assorted and large convenience store would soon be able to attract more business and possibly higher end clientele than a small dirty and run down location with a crummy looking convenience store. Female drivers in evening or nighttime are certain to make a bee line for such a gas station than the crummy looking gas station when their vehicle screams for gasoline on their way home.

Can the nicer gas station charge more for most of the convenience products? Absolutely so, and they'll still have more customers frequenting them regardless.

Even the heating oil company that I mentioned may differentiate itself from the market in such a way they can actually obtain a slight premium compared to competitors.

It is more valuable that such a company can come at super short notice when I have just run out of heating oil in cold Minnesota in the midst of winter. I also will appreciate a company that takes care not to mess up my drive way, doesn't knock down my trees on the way to my fill point, and doesn't spill oil all over. I'll pay more for a service that I know, like and trust.

Do not pay too much attention to your competitors, by pay real good attention on your own business. Improve your efficiency and you'll make more money from every dollar sold. Provide better service and better delivery and experience and you can typically charge more than your competitors.



## **Mistake #3 - Miscalculation**

A large problem with pricing by your competition is that a lot of business owners quite frankly don't know what they're doing.

Often the business owners do not have a really good grip on the actual costs that go into providing their products or services. They often don't account for all the labor costs, which we collectively term the "labor burden", and those who do well here often do not factor in a factor for their overheads (we can use an overhead absorption rate to ensure our calculations are correct).

When you follow your competitor who don't really know what he/she is doing, you adopt their mistakes and suffer the consequences as well.

A lot of business owners are really great at their trade, but are, I'm afraid, really bad business people.



## **Mistake #4 – Do Not Understand The Difference Between Markup and Margin**

Along the lines of miscalculation, a lot of business owners do not understand the difference between mark up and gross profit margin. These are not the same.

They falsely believe that if they mark up by 10% that they'll have a margin of 10%. In fact, they'll only have a margin of 9%.

Most businesses need a much larger margin than just 10% and the way the math works, this misconception and miscalculation only exacerbates the problem further and the amount they are robbing themselves becomes vastly greater.





## **Mistake #5 – Garage Mentality**

A lot of businesses started out from home. Or like some of the very famous companies like Apple and several others, started in a garage. As the businesses grew, the businesses owners' business acumen often didn't grow alongside it.

Now, they occupy larger facilities and many people and more assets, investments and finance-expenses. Their overheads grew significantly, but often their pricing mentality is still stuck at the prices offered out of their garage.

Quite frankly, their bigger operations require greater markups or greater gross profit margin, but their mentality is that their products or service should still be near the levels of back when they started.



## **Mistake #6 – Do Not Keep A Good Eye On The Gross Profit Margin**

A lot of business owners do not really understand the excessive importance of the gross profit margin. This is an incredibly important measure you can use to steer your business towards success and sound profitability.

The better you understand the fundamentals of business they better you will be able to run your business and the better your decisions will be.

With just a little better insights, you'll make more educated decisions, and you'll achieve better results. Many of the questions you struggle with and many of the answers you seek, resolve themselves much easier with greater understanding and insights into how business actually works.

But most business owners do not seek help. Most do not buy consulting services, coaching, programs let alone even read books or other materials that can help them. Along the lines of the missed insights to Gross Profit Margin is that many business owners price their products or services as if these are volume items, i.e. as if these are sold at great volumes.

But the fact of the matter is that many items or services aren't volume items.

When the products or services are not volume items, you are more often than not in need of securing higher gross profit margins in order to secure sound and profitable business results.

The sooner you get accustomed to this the better.



I have worked with a company on and off of a long time. For long they operated with way too low a gross profit margin. Their products were not volume sellers, and they were priced around the \$3,500 mark.

As I would ask them: “Do you believe that lowering the price by \$500 would bring a significant increase in volumes sold?”

And their reply would be a resounding: “No.”

“What if the price was lowered by \$1,000?”, I would question and still the answer would be a resounding:

“No!”

Well, by same token, how much would the volume of sales drop if the price was \$500 higher, or even \$1,000 more per product.

It took quite a bit of convincing to get them to move up their pricing. The results were that there was no drop in sales (in volumes), only increased revenues and increased profits.

The customers of these products wanted the products, it could already be considered a high price item at \$3,500 but the customers were OK about it because the items of great quality and performance served a purpose and provided everything they were looking for. I bet you could even move the price to \$5,000 and you would hardly lose any sales in terms of volume.



## **Mistake #7 – Discounting Too Much, Too Soon, And Too Often**

Perhaps you are pricing well enough. But what about the discounts you offer?

As consumers we have become so accustomed to large and frequent discounts being offered left and right.

The retail industry in particular are known for large discounts when they need to rid the inventory of old collections to make new for the new spring collection for instance.

But most businesses cannot afford such hefty nor frequent discounts. But if you don't know what you're doing, then soon enough you are offering too large a discount in your eager pursuit of obtaining that sale.



## **Mistake #8 Stay Too Proud**

As mentioned there is much more to be said than what I'll be able to cover in this report. A lot of businesses would do so much better if the business owners and their teams gained just a little bit of an improved insight to the business of business.

The big problem is, that far too many business owners are too proud.

They are too proud to ask for help.

They are too proud to hire a consultant.

They are too proud to hire a business coach.

They do seek out good solid business training course (yes, often because they're too proud).

They believe they know how to run a business, but their results show that that's not really the case. Many companies are losing money or struggling.

The good news for business owners is that most businesses can actually be turned around, even when things look terrible. Some can even be turned around really fast.

I know, for I have had the privilege of helping lots of businesses do just that. Businesses that were close to bankruptcies got turned around within weeks, just because of the insights, lessons and training I was able to provide them.

Thankfully, these business owners weren't too proud to hire my help and because of that they saved their businesses.

But as I said, many business owners choose to continue their suffering and obtain really poor results, because they know how to run their businesses. Soon they'll blame the government, taxes, some virus or other things as the cause of the bad results.



A select few, wake up and realize that it's better to learn what it takes and they seek out someone who has gone the route before them. Someone who has proven systems to make a business work.

They get the help they need. They save their businesses, or if they had a great business to begin with, they now have one even more productive and even more profitable.

They get taught how to fish. They are left with better systems, smoother and more efficiently run operations, higher profit producing companies, and the knowledge on how to go forth and reproduce great results year after year.



## Key Takeaways

- ✓ Review your prices and see if perhaps it's time for you to implement a price increase
- ✓ Increase your prices regularly (probably at least yearly)
- ✓ Do not just set your prices by going rate
- ✓ Do not be too afraid about what your competition does. There are ways to do your own thing and secure that you have a great business instead of a mediocre or poorly performing business
- ✓ Differentiate and stand out, so you are not as vulnerable to competition
- ✓ Provide better service and improvements over and beyond your competition
- ✓ Ensure that you really are covering all your costs and securing the right gross profit margin that you need
- ✓ Understand all your costs
- ✓ Become more efficient and less expensive an operation to become more profitable and more competitive in your market space



- ✓ Learn the fundamentals and get them right
- ✓ Understand the difference between a markup and a gross profit margin (%)
- ✓ Do the right pricing and up your chances of really making the money you want
- ✓ Get out of the garage. Grow with your business and charge what you need to charge
- ✓ Keep a good eye on your Gross Profit Margin (constantly and continuously)
- ✓ Watch out for discounting too much, too soon, and too often
- ✓ Don't be too proud to ask for help. Consider a consultant or a coach
- ✓ Seek out mentors and great training that can elevate your skills of running your business. You're probably superb at your trade, but it's time that you level up your understanding and expertise of how to run a high performing business
- ✓ Consider the training program and coaching from The Automated Millionaire (shameless plug) – [click here for more](#)





*“The great thing about running a business is that we have so many knobs we can turn and make effective changes to in order to help us improve on our business and its results.*

*Running a business truly well for profits, is to large extend a matter of attaining the right knowledge and insights as to how to do so, and implementing sound and efficient systems.”*

- Mikkel Pitzner

*“In my work as a Business Turn Around Agent, I have yet to see anywhere where I wasn’t able to make improvements in Revenues, in Efficiencies and even make certain cuts in the Overheads.*

*In other words, I have yet to see where I couldn’t find a lot of cash in a business.*

*With my programs and coaching I aim to empower business owners to know the same skills and insights so that they too can make more money in their business and create better livelihoods for themselves, their families and for their employees and their families.*

*Proven systems have shown themselves to solve most challenges over and over and over again, and makes lives so much easier for the business owners and their teams.”*

- Mikkel Pitzner



## Special Training Program and Tools On This Subject

I have created a great program, training and tools for this subject in which I go much greater in depth, yet provide you with much more insights that will help you as a business owner run your business much, much better and make your decisions you're faced with much easier to make on an educated basis.

That means removing doubts and fears about what decisions you make, cause you'll know it's the right ones you're making.

The results will not least be, that you'll **MAKE MUCH MOR MONEY.**

You can learn more about this program by clicking the link below.

**Pricing For Profit**



## About The Automated Millionaire

The Automated Millionaire helps small and medium sized businesses achieve greater profits and more efficiently run operations without having to work harder and does so by implementing a specific business method called The Automated Millionaire Business System.

The Automated Millionaire is founded by Mikkel Pitzner, who is also the creator of The Automated Millionaire Programs and Coaching. Mikkel's background as an entrepreneur is vast and deep and includes all positions from employee, to business owner, partner, board of directors member, business consultant and coach. Some of his past results have been rather stellar and he has via his business consulting helped more than 100 companies, either turning them around from near bankruptcies to success or making successful companies even more successful.





Mikkel Pitzner, founder and creator of The Automated Millionaire, its programs and its coaching, has been an entrepreneur all his adult life and his business endeavors have taken him and his activities all over. From initial activities in Denmark to activities in Sweden, Norway, Poland, Germany, England and the United States.

He has been engaged in all kinds of business from all industries and on all levels inside business.

Following obtaining the coveted Green Card, Mikkel soon commenced working with one of the largest and most successful business consulting companies in the US and soon ranked among the top 3 consultants there among some 1,300 esteemed colleagues.

The time with the large consulting company rapidly exposed Mikkel to a huge multitude of companies from all kinds of industries and of all sizes, spread all throughout the US and Canada.

Most of these companies were in need of help. Many of the companies were downright struggling for survival, but in very short time with the help of Mikkel, these companies were soon on a new path towards prosperity.



*“Through all the experience of helping these companies, I learned some great insights.*

*One of these is the fact that actually most businesses can be turned around fast even if everything appears really doom and gloom. I also learned to even greater extent that in all businesses there’s cash to be found.*

*With the help of the consulting company and my brilliant colleagues I also learned a system, which I have now expanded upon to make it even more comprehensive. An accessible framework that can be used in any business, to turn it around or to make a great business even greater.*

*This framework and system truly is How To Turn Any Business Around In 8 Simple Steps.*

*- Mikkel Pitzner*



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## Further Resources

The Automated Millionaire offers further resources,  
visit the website via the link below:

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