



IDEAS TO HELP SMALL BUSINESSES COMPETE

Be Special

Personalisation doesn't just apply to people. It also applies to the merchandise your customers want. A hardware store can't stock every possible model of weed-whacker but neither can the big retailer.

What you can do is offer to special order whatever the customer wants – even if you don't stock it. Many big stores won't do that. More importantly, you can make it your business to know the differences between models and be a source of that information which you can provide to your customers.

How often have you gone to a big retailer and found sales people with no more knowledge than you? Especially for businesses that deal in complex products, people will pay extra for your expert knowledge.

WWWiden Your Horizons

Still don't have a strong online presence? You need one. First, a good website helps you expand your reach and ability to attract new customers. This is especially true if you own a store that sells unique products or services. Going online will help get the word out and if what you offer is what people want, they will come to you.

In addition to a website, consider the value of social networking through Facebook and Twitter. Even the smallest of small businesses is expected to have a minimum of a website and a Facebook page.

But don't use social media as a sales medium. Instead, use it for its intended purpose. Develop relationships by giving customers something free with no strings attached. Examples could include product knowledge, an announcement of a new model and your review of it, and anything else that's a value-add.

Network

Don't overlook the value of joining local clubs and associations. In addition to learning from fellow small-business owners, you will have the opportunity to build your reputation in the community, share leads, and potentially gain additional exposure through networking activities and events.

There will likely be membership dues to pay but the advantages of joining your local chamber usually far outweigh the cost.

Redefine Value for Your Customers

Don't be so hung up on price - sell value instead. The kind of customers that create return business for your company are happy to pay a little more for a better experience. If you make the sale at little to no margin, what good is that customer anyway?

Saving a customer time (and money) by personally recommending a product and providing tips on how to use or install it, is a value big box stores can't provide and the type of customers you'll attract are loyal and produce profit.



Businesses larger than yours have closed their door because their sales came with no profit. Unless you need to liquidate a product, don't make price the cornerstone of your value proposition.

Welcome Competition – It Drives Traffic

If your small business is not in direct competition with the big store, the extra traffic generated by a nearby large retailer can be of obvious benefit.

If, on the other hand, you own a store near The Warehouse, don't despair. By being able to offer personal service, redefined value, and a unique shopping experience, you stand ready to take business right out from under the nose of that impersonal "big-box" as frustrated customers turn to you for answers and advice.

Personal Brand

This is an easy one if done right. Bottom line, you are your brand when you are first launching a business. It is all about relationships and how you are positioned in the market already that is going to help you quickly enter with success or not, particularly if you don't have a lot of cash on hand to make it happen.

Leverage your personal brand to connect with your target market, strategic partners, community and stakeholders. If you lack a personal brand, then now is the time to build one. Don't wait until you launch, do it now, period!

As a small business, you have a huge advantage the moment a customer walks in the door. You can greet them personally – often by name. If it's not you at the front of the house, your employees can do the same thing.

Welcome everybody with a smile and a kind word. When someone you don't know comes in, take the time to learn their name and a little about them. Big stores cannot duplicate the personal touch you can offer.

We all long for the personal touch. We want to be known by others. When they say our name, we feel special and when they ask us about our children, our wallets open. Capitalize on that not because it creates more revenue but because you care. The revenue issue will take care of itself.

Passion

Passion can ignite emotion and results. Small business leaders have the advantage that they probably started their business because of a passion or an enormous opportunity they saw in the market that is not being solved for. Regardless, the chances are high there is something about the opportunity and business model that is exciting them.

Tapping into passion is key to staying motivated. Where larger brands are filled with executives that may be burned out, most small businesses are filled with founders who's heads and hearts want to burst with excitement.

Let your passion shine. Let it ignite you and those around you who you need to get on board. Don't hide it. People will be organically attracted to you because of your passion.



Agility

Leverage your small size to start and stay agile. Small businesses don't have the red tape of big business. If they see they are headed in the wrong direction they can make a quick pivot without negative impact much more quickly than a large brand can do.

Tap into the benefits of agility in the areas of innovation, market research, marketing execution, and leverage of new and social media, for starters.

Let agility be the turbo fuel that enables you to make quick yet well thought out decisions. Develop processes that reward quick decision making.

Don't be afraid to take risk. Learn to fail fast and learn from each success and failure along the way.

Innovation

Because you have passion and because you can tap into agility, you have a perfect mix to better innovate. It doesn't require an intense board meeting to kick-off an idea for further research. You can simply plan it and do it.

Innovate quick and smart. Don't sit on your ideas for too long. Leverage your agility to truly innovate faster than your competition, even the big brands!

Service

Small business can have an immediate leg up on competition with service. You can leverage your personal brand, personal relationships and human touch to make your customers feel special.

Be sure to set proper expectations. I believe in always under promising and over delivering. Don't be pushed into quick time frames for deliverables that you know you can't meet just to close a deal. We learned this the hard way early on in our business and now work hard to set proper expectations at every opportunity.

Be nimble and do what needs to be done regarding service. You can leverage agility to make quick decisions when service decisions need to be made. While the big brands are still meeting to decide what to do, you can be ready to start or have already started and delivering on the project!

Riches are in the niches

Small businesses need to focus on niche markets and go deep early and fast. You can always expand later. Select one to two markets you can attack and seriously go after them. While the big guys are figuring out who is on first you can already have made a quick and early home run.

Sorry, but "everyone" is not your target audience. You must focus. You must know your audience. Know what keeps them up at night. What problems do they have that you can help them with? How can you add value to their business and their life? How are you going to help them in a way that the big guys can't? These are the questions you must ask and fast.

You can not possibly answer these questions for "everyone" so accept that fact now and deal with it!



Tap Into Existing Customers Now

Market to them via email and encourage the use of loyalty programs. Repeat customers are the easiest to convert. So placing your small business in their consideration sooner rather than later will help prevent your shoppers from flocking to the big stores.

Leverage Your Current Customers to Recruit New Ones

Extending sharable coupons or simply encouraging and incentivizing existing customers to tell their friends about your business is a cost-effective method to attracting first-time shoppers to your small business website.

Work to Increase Average Order Value and Number of Items Per Order

The primary reason shoppers use big stores is for cost savings. Meaning that if a small retailer is forced to reduce prices or offer other promotions like free shipping, they need to increase the average amount of sales per customer to stay in the black. To do so, smaller merchants are encouraged to offer personalized product recommendations, bundle related products, and find other upselling opportunities.

Get very clear on what your target market is, so you can smartly reach new customers.

Implement a CRM system that can help you manage the entire sales process from lead capture, to education, to sales, to order fulfillment, to wowing that customer after they bought – and lastly, asking them for a referral.