

Zeroing in on growth strategies that fit your business

By Laurel Douglas, CEO
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The same rules for growth apply to every business, no matter where it is located. The trick is finding the right strategy for your business circumstances and applying them properly. Ramona Davidson and the small business she started in Chetwynd is an example.

Ramona founded Coffee Talk Express, a four-page newsletter, in a community that already had two major news competitors. She identified a niche in community news and events where advertisers were feeling underserved because an advertising medium wasn't available to their customers first thing in the morning. Ramona's initial strategy was to make an iron-clad service commitment to her advertisers filling that void. She promised copies of her newsletter by 9:00 a.m. three days a week and never missed a single deadline.

"People trusted me and I delivered," she says. Ramona was diligent about getting to know her customers and once she'd built a satisfied base of readers and advertisers she devised a new strategy. Through a strategic alliance with a stationery company in Fort St. John and several international delivery services, Ramona added a second pillar to her business.

"Tackling more than one (strategy) at a time can send you and your business reeling," she advises, "so focus on your top priorities and remember to set goals, timelines and milestones."

What were the successful strategy options Ramona is talking about?

The first was to generate sales by finding an empty or underserved niche. Her newsletter service filled one with a product her competitors could not easily mimic because they were already established and occupied providing another service.

Ramona's delivery schedule differentiated her from competitors and gave her business top-of-mind recognition with customers. Using her skills with computers and technology, she was also able to develop a refined customer relationship management system that helped her understand her customers better and explore where she could introduce different products.

Generally, you can get growth happening in your business in four ways:

- *Find more customers.* You can grow your business by offering your existing products or services to new customers. Sometimes that means exploring your territory to find new types of customers within the market you already serve. A retail pie company could also sell pastry to restaurants as an example. You can also create a strategic alliance with another business, as Ramona did with the stationery company. You could form

Cooperative agreements with competitors too, and combine your strengths to bid on large jobs neither of you can handle on your own. Small hotels that are trying to attract convention business do this all the time. Or you can acquire new customers by purchasing a competitive business or merging with a competitor to form one stronger business together.

- *Build more sales.* Sometimes growing your business is a not matter of finding new customers but selling more often to the ones you already have, as Ramona demonstrated with her strategy.

Encourage existing clients to purchase more frequently or increase the size of each order. Understanding your customers can be easier using a customer relationship management system that tracks and helps you follow up. Remembering that 80 per cent of your business often comes from just 20 per cent of your sales base you know it is important to keep your best customers satisfied.

Can you develop a competitive edge by serving customers differently perhaps? Would creating a system of referrals made by satisfied customers expand your sales potential? Sometimes offering a modest discount to current customers is all it takes to gain new referral business and it doesn't require expensive marketing or labour-intensive sales programs.

- *Give higher sales value.* Sometimes you can increase sales by being better focused on meeting the needs of the customers you already have. Are there ways to add value to your products or services? Consider the areas of servicing, maintenance and delivery for example. By asking your customers what they need you may discover a niche you hadn't considered for products or services that complement the ones you have now.

You may find opportunities for whole new lines of business that your satisfied customers will happily embrace. Ramona's system of delivery readily fit with her customers' other needs and resulted in contracts with several international delivery services she could easily provide.

- *Improved systems.* A sales-related growth strategy may be more effective if it is partnered with a strategy to better deliver your products or services. Consider your operations and look for ways to streamline time or labor-intensive activities for example. Evaluate your staff for deficiencies in their training. Perhaps there are tasks that might be outsourced more efficiently. Look at your systems and processes for ways they might be completed more efficiently with technology. Are there ways you can marry your customer relationship management system with marketing to improve regular customer contact?

By listening to your customers and providing them with excellent customer service – and the products they ask for – any sale growth strategy you employ will be more likely to succeed.

Women's Enterprise Centre serves women across the province from its offices in Kelowna, Vancouver and Victoria. For more information call 1-800-643-7014 or visit womensenterprise.ca.