

Cold Climate Survival Tips for Small Businesses

Times are hard and new business is difficult to find as there are fewer customer £s available in all sectors: B-2-B (business to business) and B-2-C (business to consumers). There are three main ways of maintaining or improving your profitability:

- Trim your costs
- Find new customers
- Exploit your existing customer book

1. Trimming your costs

Two years into the downturn and I'm sure that every business has trimmed their costs as far as they canwhich explains partly why those B-2-B £s are harder to find!

2. Finding New Customers

Web Presence: Finding new customers is expensive, time consuming, frustrating and competition is fierce. Nowadays, more than ever, it's essential that your business is easy to find and communicate with. If you are not on the web you *will* lose business, why? Many (if not most) would-be customers do a Google search on potential suppliers as a first step – just to see if they have a presence and reputation. You don't necessarily need a website, there are many guilds and associations that offer on-line free trade listings to their members that are visible to search engines. Just a name, telephone number and email address in guild listing gives potential customers a level of confidence and expectation of standards. There are also more general local and national business listings which are free or very inexpensive, for example Hotfrog.com. If you have your own website, make sure it's clearly laid out and contemporary. The simplest of designs are most effective and a 'tired' site that hasn't been touched for months or years will not impress. It sounds obvious but make sure you are easy to contact through your website (or trade listing). Use an 0845 number with call forwarding if you can as it saves your customers money and you don't need to make public your personal number away if you don't have a dedicated business number. 0845 numbers are now easy to obtain and usually free. You can add extras such as automatic answering and secondary number forwarding which is very useful during busy periods. If you want to avoid 'spamming', don't publish your personal email address directly – there are various ways to forward messages without publishing it on a web-page.

Traditional forms of advertising can still be very effective, if you operate in a limited area, your local and regional press are obvious choices. Bear in mind a one-off advert has the most expensive unit price and is rarely cost-effective as it takes a number of appearances for your name / logo to register with would-be customers. A run of three adverts will be discounted by 25% or more so if you can, negotiate for at least three insertions - you only pay for the first one up front. Ask that your ad be placed on a right hand page, preferably near the top – the most eye-catching position. Consider magazines and journals that have a long shelf life: monthlies, bi-monthlies – and preferably those with multiple readers – the sort you might find in waiting rooms. Advertising sales staff are highly motivated to sell their space, they're in the recession too and quite often there is unsold space right

up to the last moment before going to press so let it be known that you would be interested in filling that space if the price was right. Try calling them close to their deadlines – it's surprising what deals you can do.

Social Networking Sites: Many businesses are now using 'social networking' tools to try and raise their Internet presence. Facebook and Twitter are the current Internet darlings. By creating a buzz about yourself or your business you aim to raise your profile in your potential customers' consciousness and drive traffic your way. This works for some types of business especially if you attend lots of functions and exhibitions where you have a stream of activities to report – and can create an air of dynamism. Inevitably, there are drawbacks. Firstly, 'there is no such things as a free lunch', these services may appear free but the Internet costs £billions to operate and somehow the service providers have to get their money back. For a start your privacy is gone, your own details are used for targeted advertising and may be traded (how will last year's favourite, MySpace recover its costs?). Secondly your entire history is stored forever in cyberspace – much of it accessible via search engines - it may come back to bite you in the future. Thirdly, it takes a lot of energy to stay current, if your last 'tweet' is a month old it says something about you or your company and a slightly old Facebook entry will not impress. Lastly, social networking that invites comments about you to be posted can work two ways; one negative comment carries more weight than 20 positive ones! Use of Facebook and Twitter has been growing almost exponentially over the past couple of years – particularly as business users have been joining the bandwagon and so like the ubiquitous websites these communications, these will soon be saturated – your voice too may eventually be drowned in the noise.

3. Exploiting your existing customer book

OK, so conventional advertising is expensive, social networking sites are time consuming, you already have a website and maybe you have dabbled with 'pay for clicks' and even paid for some SEO (search engine optimisation). What else can you do to stimulate revenue flow? Surprisingly, many businesses still don't fully exploit their existing contact book. I cannot remember the last time my plumber, builder or local restaurant contacted me to tell me they had spare slots for work or special offers for the week. Put on the spot I would be tempted to get that annoying leak fixed, fallen tiles replaced or take advantage of a half-price mid-week meal. When is the last time you rang or emailed your previous customers to see how they are and whether there is anything you can do for them? In marketing-speak this is tapping into your 'hidden wealth' – your goldmine, i.e. the extra value locked up in your customer book. There are other benefits to staying in contact with existing and (hopefully satisfied) previous and potential customers. A direct approach by email or phone might pick up chance business during a slack period and even if your customer has no currently requirements they might provide a lead – a neighbour or work colleague might have need of your goods or services and a small nudge from you might just make the difference. The other side of the coin is that if you don't look after your customerssomebody else will.

Big companies exploit these principles well with sophisticated technology. They make sure previous customers are 'valued' and kept fully aware of their latest offers and services. It works, most days I get emails for tempting offers from electronic goods retailers, clothing suppliers, software distributors and others. Despite my best endeavours to save, temptation sometimes wins and the white van delivers my ordered goods the next day.

How can a small businesses exploit its customer book? It's not difficult, you need to attain a minimum level of organisation to maintain closer (more frequent) contact with customers and 'prospects'. It helps to be more scrupulous with your address/contact notebook and use your email application to maintain your customer details a bit more effectively, use your PC's diary (or even a traditional one) to schedule and record calls and emails to customers.

For firms with sufficient administrative capacity there are CRM (Customer Relationship Management) applications available to run on your PC, network and the web. Just type CRM into Google and you will be amazed how many products and companies will be able to help sort you out. However, there is a set-up threshold, maintenance overheads and a price to pay. As likely as not you will be interested but not convinced you need one just yet - "it's not for me, I don't want to commit the time right now and I can't afford it".

However, the technology has recently been getting a whole lot smarter and the cost is no longer an issue for any business. There is a new generation of Internet tools – not social networking – but very simple and effective to use. Our gem99.com new communications service is one such which covers all the key bases – **of being seen on the web, providing easy secure communications and automatically organising your most valuable of assets – your contacts.** gem99 offers simple Free no set-up contact management with instant 'WebCards' – dedicated web pages about you and your business to enhance your web presence and act as a message hub. Enquiry messages can be routed to you by email, SMS and even text-to-voice conversion. Importantly, WebCards capture new contact details and organise them for you automatically. You can then put contacts into named lists, send messages individually or broadcasted in bulk (e.g. special offers or a news letter) with the greatest of ease. Unlike social networking you can protect your privacy too, divert and screen contacts if you wish. This self-maintaining contacts system ensures that all your web messages get through to you and you can reply easily. It's even Skype compatible so you can call at ultra low cost – especially if they are abroad. This type of unobtrusive and easy to use technology can help you maintain that vital link with your customers and contribute to your cash flow. Gem99 is not the only product on the market but with instant set-up and exceptional value it takes some beating!

Good Hunting

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