

GYB 2015
01



GROW YOUR BUSINESS

IN THIS ISSUE:

- ▶ Strategy - The Key to Your Success

- ▶ Know Your Enemies - Taking On Your Competitors

- ▶ Raising Your Prices

- ▶ 7 Signs You Are a Bad Communicator



Strategy - The Key to Your Success

Endeavoring to succeed in a small business is much like taking on a massive road trip.

Having a map (in our case, a business plan) is a must. It will provide a route and will offer a big-picture view at where you want to go and how you will get there.

Along the way, you will encounter the unexpected; potholes, flat tires and detours may come without warning. However, with the right tools and a proactive character (in small businesses this is strategic planning) preparation can save the day.

“SWOT analysis: Strengths, Weakness, Opportunities and Threats.”

A business plan and a strategic plan are not the same thing, though the two often intertwine along the way.

Strategic planning is designed to present a guideline for conflict resolution so that before problems arise, a procedure is in place to

handle them. Employees and key players are educated on the plan and always ready for implementation.

A sound strategy encourages proactivity and discourages reactivity.

Typically, there are three steps employed by small business owners for strategic planning:

1. Analyze context.
2. Identify strategic options.
3. Evaluate and select the best options.

Keep in mind strategic planning requires that you study the past, analyze the present and anticipate the future.

The SWOT analysis works well for strategic planning - identifying and evaluating Strengths, Weakness, Opportunities and Threats.

Once a strategic plan is in place, it is time to articulate the idea and educate your team. The best managers find it helpful to bring employees in at an earlier stage, allowing their input to help formulate the best plan. Brainstorming strategy often breeds creativity and boosts motivation.

Strategy suffers under stagnancy. Planning meetings should be held at least once a year in order to ensure that when the future becomes the present and the present turns into the past, you will be ready!

Remember, we have lots of experience in helping businesses like yours excel. Contact us for more information.



Know Your Enemies - Taking On Your Competitors

While we are not encouraging you to take up espionage as a new hobby; taking an active role in knowing your competition is vital. Knowing your enemy (the competition) is one of the strongest ways to ensure that your business flourishes in a saturated market.

Knowledge is half of the battle - being aware of your competitors' price points, package options, strategic positioning and future projections allows you to utilize innovation, identify their weaknesses and exploit them.

Okay, okay, that sounded a bit cutthroat - but wait - the world of small business can often seem that way! If you aren't prepared to beat the competition, you aren't prepared to grow.

However, market domination does not have to be your sole goal; learning from competitors and their processes garners valuable insights into client management and consumer demands.

How are your competitors meeting demand? Can you deliver

something better? Collect their marketing materials, memorize their key pitch points and know their product like you know your own.

Once armed with this knowledge, you can identify your own unique qualities and expose them. Better yet, you can use them!

This is how you define yourself within the market.

Develop your products or services to fulfill an exclusive market niche and then build your strategies around these qualities.

Create add-ons or line extensions which can seize a new target niche and capitalize this new market that your competitors have not have yet identified.

You know the old saying - keep your friends close and your enemies closer! In business, it may often feel like warfare, however, creating alliances and befriending the perceived enemy can at times be beneficial.

Partnerships and potential buy-outs are always on the horizon - keep friendly relationships for long-term purposes.

“Cooperation and collaboration can often be beneficial to both parties.”



Raising Your Prices

It's an agonizing dilemma. The decision to raise prices and still retain clients is one that every small business owner struggles with. Truthfully, in order to stay relevant, boost revenue and keep profit margins up, raising prices is an absolute must.

Employ meticulous strategic planning when the time comes to bump price points. With simple guidelines, some of the painstaking decision-making is off the table.

The decision to raise prices must come about organically. Does your customer's perception of your quality standard justify a price increase?

If the answer is no, leave it for now - you probably are not ready. If yes, then follow these pointers:

1. Decide how much you will raise prices. Will this be a huge leap up or will you incrementally boost prices over time?

Both have their benefits. Large leaps might meet immediate demands and make the transition swift.

On the other hand, incremental raises allow the client more time to

grow accustomed to the changes and accept them.

Consider raising prices on big-ticket items and dropping prices on smaller add-ons for perceived value compensations.

2. Pick the perfect time. Timing is everything in this matter. When raising prices, you need a time in which resistance will be low. Consider seasonality, growth stage and sales cycles when making the decision.

3. Improve your communication skills and be prepared to handle the change with extreme caution. Being sensitive to the change and what it will mean to your clients is the most proactive way to manage the announcement.

Have an explanation on hand, one that is clear, concise and also paints your service as worthy of the price hike.

“Perception is the key here. Add on value, while adding on price.”

When developing your explanation, consider these tips. Rebrand; create a new logo, something that implies your

business has grown to justify a price raise.

Offer a complimentary service or one-time discount while simultaneously raising prices, again - perceived as value for value.

Consider offering price bundles (extended support or maintenance) or changing up your billing increments (hourly, monthly, retainers, etc.). Any change you make must come with clear explanation to your clients.

DEALING WITH UNWARRANTED ADVICE

Starting a business inherently opens the door for the unwarranted (and unwanted) advice to roll in. Family, friends, business colleagues, team members - they will always have opinions. Don't be offended - their interest shows they are invested in your success. Just learn to take the advice that is truly helpful and be as gracious and appreciative for the advice you can't use. But always remember we are trained to be experts in the areas where you lack that vital expertise. Contact us for help.



7 Signs You Are a Bad Communicator

What exactly is communication? How should it be defined? Simply put, it is the “successful sharing of ideas or feelings.” The key word here is: **SUCCESSFUL.**

Many entrepreneurs assume they are effective communicators; but being a strong, decisive and authoritative leader, while important, has nothing to do with effective communication.

In fact, people with these characteristics are often the worst communicators.

How can you recognize if you are a bad communicator? Look for these seven signs:

1. Are you constantly talking and thinking at the same time; also known as thinking out loud? Attempting to come to conclusions while talking them through is poor communication. It is confusing and leaves employees feeling unsure of how to move forward.

2. Know that eloquence does not equal clarity. Being a pontificator with visions of grandeur and a vocabulary to match may be highly regarded in oratory but in business, cut and dry is the preferred method. Say what you

mean, or what you are saying may lose all meaning!

3. Do you offer solutions to non-existent problems? Often you just need to listen. There may not always be cause for offering advice; learn to recognize the difference.

“Encourage your team to contribute. You don’t have the answers for all problems.”

4. Do you find yourself encouraging debates for the sake of the argument rather than the sake of productivity? A good debate can be a great way to brainstorm and highlight alternative strategies. Fighting just to fight? It is wearisome and weak - don’t do it and don’t encourage it.

5. Do you fail to display compassion or empathy? When the situation calls for it, empathy demonstrates you were actively listening - enough to feel for the situation, regardless of your opinions on it.

6. Do you have an answer for everything? An omniscient leader is a fallacy - the best leaders are those who implore their team to contribute, truly listen, and act based on what they heard. You don’t have all the answers - admit it!

7. Are you multi-tasking while listening? There is one thing you should not attempt to do while checking emails, glancing at your phone or eating your lunch and it is listening. To communicate effectively, put it down for a minute. All of it.

Communication is not inherent. We can all learn to be better communicators with practice. Recognize any of the above signs? Simply work towards improvement and be conscious of the efforts, you will get there!



For more information contact your RAN ONE Business Advisor:

Richards Consulting & Accounting, LLC
164 Meeker Street
P.O. Box 31
Delta, CO 81416

t 970-874-0532
f 970-874-0726
e ken@richardssolutions.com
www.richardssolutions.com

While every effort has been made to provide valuable and useful information in this publication, this firm and any related suppliers accept no responsibility or any form of liability from reliance upon or use of its contents. Consider any suggestions within your own particular circumstances and contact us if you want more help.

Terms Of Use

All rights to the content in this publication are reserved by Bullseye. Any use of the content outside of this format must acknowledge Bullseye or its licensee, RAN ONE, as the original source.