

Being Agile and Nimble Can Help Small Business Weather this Storm

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When Congress passed the Wall Street bail out plan last fall, many average Americans, small business owners among them, began to wonder what it meant to them. Most of them have felt the pinch in their pocketbooks for well over a year, so news that the economy is in trouble, is not new. Experts vary on the wisdom of the bailout plan but regardless of their assertions, small business owners have a legitimate reason to feel vulnerable. Will you continue to be able to get credit? Will your investments rebound? Will your customers still be able to buy? And what will the bailout plan mean for your business and personal income taxes?

The Agility of Small Business

Despite the overwhelming nature of the current situation, small business owners have several things going for them that larger corporations don't:

- As your own boss, you have the ability to measure your response to current economic events and steer it in the most beneficial way for your business. You aren't at the mercy of corporate bureaucracy or politics.
- You are physically closer to your customers. The relationship between customers and large corporations is very impersonal but small business owners benefit from talking directly to their customers which enables them to influence the trust and decision making of their customers.
- By their very nature and size, small businesses can be more nimble in reacting to market conditions and adjusting business plans to account for changing market factors.

In fact, being nimble and adjusting is exactly what business consultant Victor Cheng suggested in the Wall Street Journal's blog, Independent Street. He suggests that "the big mistake in a recession is to not realize that things need to change and that (you) need to be flexible and adapt quickly." He breaks down that argument even further by encouraging small business owners to "look at (your) individual sources of revenue, split them up and grade each of the individual services and products you sell. That will give you a much better picture of where you're really making money. When you lump things together it hides hidden gems and masks where the problems are."

Breaking Down Marketing Efforts

The same approach could be used for your marketing dollars. Breaking down the various methods you use to communicate to customers and determining which ones give you the most bang for your buck allows you to focus your dollars most effectively. It also allows you to identify marketing efforts that are problematic either from a cost or effectiveness perspective.

Begin by analyzing the impact of every marketing dollar spent for every dollar of income. If you spend \$X a month on a particular marketing tactic, try to

correlate that back to the sales that have resulted from those efforts. This will be worth the effort to uncover marketing dollars that are not working to your advantage and eliminate them. Then you can use those dollars elsewhere in your marketing budget or in your overall budget. Second determine how effectively you are using the following agile marketing mediums.

The **Internet** is one of the most nimble communication mediums because content can easily be created or changed. Unlike editing and creating new print material or reprinting existing ones, changing internet content can be done with minimal cost and time. Consider these cost cutting ideas:

- Look at converting paper newsletters to online versions
- Use email solicitations versus direct mail
- Put dynamic information on your website that can be an ongoing resource for your customers. This gets them in the virtual door, then make sure your message drives them to buy your product or service.

Press Releases are another fairly inexpensive yet highly effective marketing tool. Small business owners should assess how they utilize this tool.

- If you are not currently distributing regular press releases, consider doing one a month or one every other month.
- If you currently do an occasional press release, increase the frequency.
- Consider distributing your press release through an internet distributor such as www.PRWeb.com or www.PRNewswire.com for exposure outside your local market.
- Just keep in mind that press releases must be newsworthy in order to be picked up by the search engines and media outlets that will get you the exposure you want. Information about the launch of a new product or service, the announcement of a new client partnership, and promoting a special offer to customers all qualify as news.

The added benefit of both of these mediums is that you can use your website traffic statistics and press release analytics to help you determine the effectiveness of your message and its ability to convert prospects to customers.

The need for advertising and marketing your business won't go away just because the economy is on troubled ground. In fact, the competition for customers will become even greater. Now is the time to be flexible and adapt your marketing methods to the current situation just as you should your overall business plan.