



# MONEY MINUTE

Business news you can really use...in 60 seconds or less!



## Recession? Grow YOUR Business Anyway! – Part 1 October 2008

I shared in my June issue that there were many obvious everyday indicators that our economy was in recession then, despite the economy's official performance numbers not meeting some sort of technical definition. Regardless of whether the market's performance has directly affected them, customers and prospects instinctively sit firmly on their wallets when the markets are gyrating wildly and the Dow plunges more than 1300 points in a single week. In times like these the challenge is to keep a steady stream of customers using your products or services despite the economic turmoil.

Over the summer I've been outlining ways to recession-proof your business and sharing several examples, both pro and con, based on my recent experience. That series clearly struck a responsive chord, generating a considerable amount of "amen" feedback and requests for more on this topic.

So, the challenge before us is to keep customers coming in the door contrary to their instinctive behavior. Businesses that can do this will survive the shakeout; business that can't obviously won't.

What other steps can be taken to recession-proof your business? One of best ways is to ensure your business is customer friendly by continually improving every aspect of your business's operation and presentation. That sounds trite, but if your business is operating just like the rest of the crowd it's probably NOT very customer friendly. And if your business is not customer friendly, you won't have the edge that tells your customer, "It's safe to spend here." Even worse, your competitor with that edge will cheerfully get your customers because they will feel safer and more cared for in his shop than in yours.

How do you accomplish this? First we must have a guiding principle.

### ***Important Guiding Principle #1***

**\*\*\* Your service goal MUST BE to make your customer feel successful with EVERY contact and interaction (s)he has with your business, regardless of whether a purchase is made! \*\*\***

And, by the way, it's YOUR responsibility (not the customer's) to make sure it happens!

Guiding principle #1 will be the theme for this series because it's impossible to overemphasize this point. Small and mid-cap businesses can't compete using the "big box" rules of low pricing (and you're committing financial suicide if you try), so don't play by their rules! Instead, compete on your terms using a competitive advantage that the big boxes can't use; your product and customer service quality!

Customer service is abysmal in nearly every aspect of the business environment today. I outline the problem in the foreword to my book, *Dramatic Business Growth in the Face of Fierce Competition*:

"...(P)leasing the customer is a concept that is nearly non-existent in the current marketplace. Customer satisfaction has come to be viewed as an unnecessary expense and has declined nearly to the point of extinction in America today.

"So many businesses are failing because their owners are concentrating on having the latest, greatest, fully buzzword compliant technology in their business. Yet the customers, who pay the owner's salary, finance his home, send his kids to college, and fund his employees' paychecks, are treated as disposable items, good only for one sale. (See the July and August issues for real life examples of this mentality – Ed.)

"Here's an eye-opening statement: TECHNOLOGY DOESN'T MATTER if your patient, client, or customer feels they've spent their hard-earned money to be treated poorly while doing business with you. They'll take their money elsewhere in a hurry, which most technology savvy owners discover too late.

“Poor customer service is not just isolated to the big box stores. Since small businesses want to behave just like big businesses, they offer poor customer service, too. And employees think they’re supposed to behave just like the employees who offer bad service in the businesses they patronize. It’s enlightening to look at the social commentary offered by TV commercials that parody bad customer service; the reason those commercials are funny is that the experiences they portray are true, more often than not.

“And businesses have used technology to actually make customer service even worse. Most businesses now hide behind their web sites with no telephone number, mailing address, or other means of contacting the company for additional information or when problems arise, other than leaving a note on an on-line form or sending an email to *info@abccorp.com*. If your message is ever answered, it will probably be a canned reply that doesn’t pertain to your issue, or a note from an unmonitored employee that can’t speak your language and has no stake in resolving your problem. These companies exist on one-time-only customers, which are the single, most expensive types of customers to acquire and service. And they continue to operate only until the blogs catch up to them; then they go out of business.

“There are even advertisements in business magazines that encourage small business owners to pay to offer bad phone service just like big businesses do, by installing fake phone queues for your customers to navigate, where all options chosen just ring the original phone, anyway.”

Does this sound like your business? You need to be brutally honest with yourself here, because if you think you’re doing fine and your customers don’t agree, then your customers will evaporate as soon as they find a business that will provide the product or service you offer in a customer service atmosphere that makes them feel good. Remember that most businesses fail even in good times ...and businesses fail even faster in a recession.

### **Where Would You Rather Shop?**

The foreword quote outlines the problems. Being customer friendly is about treating your customers so well that they’ll consistently choose to spend their money with you...even if your prices are higher than the big boxes! We’ll start exploring specific ways to make your business more customer friendly next time. For now, reread that foreword and begin looking at how your business REALLY operates.



### **Now It’s Your Turn**

Successful businesses thrive on feedback, so I’ll look forward to yours. Do you think I hit the mark or do you think I am hopelessly off target? Share your thoughts with me at [bgnewsletter@bellsouth.net](mailto:bgnewsletter@bellsouth.net) or via one of the ways you feel comfortable with, below.

Maybe you know you have a problem, but you’re not sure why your sales are down or expenses are up. Or maybe you just want a “second opinion” with a fresh pair of eyes to find out why long time customers aren’t coming back and new customers have stopped coming in the door.

We can help! Get growing again! **Call us today at 912.538.0746** for a discreet, confidential consultation at no charge, if you really want to flourish. Be sure to ask about our complimentary marketing and sales effectiveness assessment when you call. Our proprietary business growth calculator will show you how to grow in a recession and double your profits in the next 12 months. You’ll be glad you did.

Warmest regards, ☺

Dan Elder, principal consultant

- Business growth coaching
- Skilled facilitation
- On-location business growth consulting
- Performance improvement speaking/seminars/workshops

Author of:

Spectacular Business Growth!\*

*\*...Without Spending the Fortune You Hoped To Earn!*

— and —

Dramatic Business Growth!\*

*\*...In The Face Of Fierce Competition!*



**Business Growth Accelerators**  
*For SPECTACULAR business growth!*

☎ 912.538.0746

🌐 [www.bgaccelerators.com](http://www.bgaccelerators.com)

✉ [bgnewsletter@bellsouth.net](mailto:bgnewsletter@bellsouth.net)