A tried and tested guide to growing your business

Description

Growing your business is one of your biggest goals as an entrepreneur, which is why we have combined some of our best strategies to help you.

Because business growth is a cross-business investment, unfortunately, you canâ??t afford to do one thing at a time. You need to invest in every department and function of your operation.

In addition, you need to navigate the possibility of failure. Itâ??s a tricky balancing act. So, letâ??s dive into a few areas of your business that are important for your growth and explore how you can invest in them to find more business success.

1. Validate your business idea

You can only grow your business if itâ??s based on a viable and feasible idea. Thatâ??s why you need to not only validate your business idea, but all the ideas you come up with on a daily are generally two criteria for evaluating your idea, feasibility and viability.

Feasibility simply asks if your idea is doable. Look at technology, government regulation, capital requirements, your skills, and more to determine if you can bring your idea to life. As much as a holiday to Mars is a great idea for a tour company, itâ??s simply not feasible.

We simply donâ??t have the technology to get to Mars. In addition, viability explores the profitability of your idea. Can it bring in more money than it takes to bring it to life? Consider all the costs incurred directly as a result of your idea.

Include additional investments in assets and skills. Only an idea that can bring a positive return on investment is a growth vehicle. Remember our great idea for Mars tours? Well, thatâ??s not viable either.

Even if the technology exists, at the moment it would be so expensive to deliver such a trip that itâ??s unlikely it could be sold at a price that turns a profit for anyone other than a billionaire to afford it. Not even millionaires would make it there.

You need to build a framework to quickly validate your ideas. Only feasible and viable ideas should get any investment as part of your growth strategy.

Even the best idea validations wonâ??t guarantee any success, but all the same, it definitely improves the chances of your efforts yielding results.

At the very least, you can minimise losses even if your plans donâ??t work. Risk, after all, is meant to be mitigated, not avoided. Nothing grows in zero risk.

2. Plan your business

Business growth can not be a haphazard process. Itâ??s a systematic process with set steps to be followed at various points. You do need to be flexible, but you still need a plan. Firstly, identify the opportunities that are available for growth.

Growing your business requires you to constantly be on the lookout for growth opportunities. It should be part of your process, structure and working culture. Customer feedback, technology news, and employee briefings, to mention but a few should be evaluated for their growth potential.

Once you embed this mentality into your organisational culture, youâ??ll be surprised how often you discover opportunities to grow. However, that hunger for growth needs to be balanced with good risk management.

Businesses, particularly small businesses are faced with lots of internal and external threats daily and if you donâ??t stay ahead of these, your fight wonâ??t be for growth but for survival. Once you have identified threats and opportunities, document them.

Keep a detailed account of the strategies you have in place to take advantage of opportunities and deal with threats on a daily business. Thatâ??s why we believe in a business plan as an operational guide as much as it is a financing proposal.

Mut-Con even created a lean business plan template to help you make short-term plans because everything in your business needs to be planned, even short-term projects.

Create short-term plans that reflect your operations on a day-to-day basis, and use those plans to inform your longer-term plan in your business plan that you revise on a yearly or so basis.

3. Get the right business finance

Business finance is a huge factor for entrepreneurs. A lot of organisations are committed to providing it, and a lot of entrepreneurs attribute lack of finance as the biggest barrier to growth.

However, access to business finance can be in some cases detrimental to your business goals. This occurs in 2 instances. Firstly, when you get your finances at the wrong time. Secondly when you get the wrong finance for your business goals.

An often underappreciated facet of business finance is that getting business funding too early can do more harm than good. This could explain why close to 75% of venture-backed companies fail.

This is a significant figure considering venture-backed firms have the biggest hurdle to business success, funding, covered. Itâ??s even more significant when you consider that venture-backed firms receive other support in addition to business funding.

The lesson here; funding alone doesnâ??t guarantee success, instead, make sure you get the timing of your funding right as well. In addition to timing, growing your business means getting the right type of funding for your business needs.

Different types of funding have different implications for your business, and those implications may extend to success, growth or failure. Everything considered, itâ??s clear that business funding is more than just â??bringing capital into the businessâ?•.

Take the time to plan your needs, assess your options, and choose the one that aligns with your goals.

4. Manage your finances

Did you know that more businesses fail due to poor cash flow as opposed to a lack of profitability? Poor cash flow claims 82% of small businesses! Thatâ??s why you need to invest in good financial management for your small business.

I know what you are thinking, accountants are expensive. Thatâ??s true, but another truth is, you can get started with your own financial management. You can also make sure to employ financial management best practices from the onset.

- You can, for example, separate your personal and business finances from the onset by opening separate bank accounts.
- You can get some of the busy work done yourself. Invest in an easy-to-use accounting system and record your own day-to-day transactions.
- You can do your own projections and make sure you have enough cash to meet expenses as they come due.
- Keep a record of all the assets you buy for your business.
- Devise a filing system for your receipts and keep them handy for tax purposes.

By the time you bring in a professional, you would have done enough to keep the costs down. In addition, proper business financial management works best when you invest in it from day one. And growing your business requires you to build proper financial management into your business structure from day one.

4.1. Budget your business growth

There is a lot of wisdom in living within your means. But how will you know if you are within your means? You need a budget. Only when you gain a comprehensive understanding of what you can expect to come in and go out from your business can you â??live within your meansâ?•.

Generally, you need 3 types of budgets, a short, a medium and a long-term budget. Your short-term budget gets updated regularly, from bi-weekly to monthly with real-time information.

A medium-term budget is quarterly or termly while your long-term budget can be yearly. Your short-term budget reflects what you see happening in your business daily.

Your long-term budget is more of a projection of what you expect to occur over your financial year. The medium-term budget is more to reconcile the short and the long term, so you can stay on top of what is happening in your business and take decisive action ahead of time.

At the end of each period, analyse variances between your budgets and actual expenditure. This will help you not only improve your budgeting process, but it will also help you identify areas of over-expenditure in your business.

Once you have your budgeting process on lock, you can now dedicate the resources you need to grow your business. For every budget you create, be sure to set aside time and capital for activities that will grow your business.

This way, growing your business will not just be an afterthought for when resources are left over, but a conscious investment that you actively pursue.

4.2. Financial Analysis

Poor financial performance can be a disaster for your business. You canâ??t afford to underprice your products for long. If you are overpaying for your expenses, your business cash will soon dry up.

Keep your business expenses as variable as possible to give your business a chance to survive difficult times. But how do you know if you are doing any of this? You analyse your businessâ??s financial performance.

Invest some time in understanding how to calculate and interpret some basic accounting ratios. You donâ??t need to switch your career, but just understand some basics like profit margins, debtor payment days, net working capital and more.

More importantly, learn to analyse trends. This is where you unlock the growth potential of your businesses. Do your earnings and expenses have seasonality? Has your revenue grown since you started and what triggered the most growth? How are you performing financially according to industry predictions?

Once you answer these questions, you will know the areas that need improvement and the areas in which you are excelling. Taking advantage of opportunities and dealing with threats is ultimately how you grow.

5. Analyse your business performance

How is your business performing? How often do you ask this question? At the risk of stating the obvious, you canâ??t really know if you are growing your business if you never stop to check how your business is performing.

You need to benchmark your business performance, against industry standards as well as over time. For starters, you need to look at how long youâ??ve come along in your business. What milestones have you achieved and what improvements have you seen in your key performance indicators (KPIs)?

Secondly, how are you performing against your peers? Look at your closest competitors in terms of size, age, market and so on, and evaluate how you fair against them. Do you need to improve? Are you doing just fine?

Are you absolutely acing it and you deserve a pat on the back? Take, for example, how we evaluate our clientsâ?? email marketing performance. Mailchimp allows us to view important KPIs like open rates against previous emails (over time), and versus industry standards.

Drilling down on all the KPIs we set for email campaigns helps us keep improving. It is for this reason that we love data and analytics. In fact, data is a huge determining factor when we are building our marketing technology stack.

First, we canâ??t ignore tools that give us data to analyse like Google Analytics, Hotjar and Microsoft Clarity. Secondly, we always go for apps enriched with data for better decision-making like Mailchimp and HubSpot.

Itâ??s a philosophy that influences all our business apps, and thatâ??s why we encourage clients to use data to make decisions throughout their business. Now I understand how tough it can be to analyse your business performance.

Itâ??s not always easy to accept that you are not doing well, but you have to soldier through. Analysing your business can give you some expected results. Not only can it unlock areas for growth, but it can also be a source of encouragement.

Not only is it easier to stomach the results of your analysis even if they are bad when you put a plan in place to overcome them, but you could also realise you are doing a lot better at growing your business than you give yourself credit for.

And very few things can be as motivational. So start digging into that data ASAP!

6. Invest in marketing

Marketing is the nutrition that sustains a growing business. Recently, I read a funny marketing quote.

> â??Building a business or product without marketing is like winking to a girl in the dark, you will know what you are doing but no one else will, and it wonâ??t succeed.â?•

It doesnâ??t matter how good your product or service is, if your clients canâ??t discover it, you will not succeed. It does not matter what efforts you put to grow your business, if clients canâ??t discover your business and experience these investments, your business will not grow.

In everything you do, make sure you are building a recognisable brand for your business, and communicating that brand to your potential clients.

6.1. Brand your business

Branding your business now plays such a major role in consumersâ?? purchase decisions. Think about the last purchase you made. Be it a phone, shoe, t-shirt, or anything else, what was the biggest influence on your decision?

You probably started by looking at what you wanted the product to do. Is it a running shoe, a dress shoe, or something that can be comfortable all day at work? However, after that, you looked for a brand.

Once you knew what you wanted, you looked at brands you are familiar with to see if they offered what you wanted.

Thatâ??s the power of branding. In a world where consumers are faced with an ever-growing list of choices and are bombarded with marketing at every turn, they are turning more to brands they relate to, and brands they can trust.

Unless you operate in an industry where the purchase decision is influenced by other factors such as price, you need a brand. Even in these industries, those with good brands tend to thrive.

So you will need to invest in a recognisable brand. Actively choose your brand elements including your logo, fonts, colour pallets and more carefully and use them consistently across all your assets.

Establish a unique voice and tone and use it in your communication. Be consistent enough that when you communicate with clients, they can immediately recognise you, just like they would a friend.

6.2. Take your business online

Marketing comes in many forms, but few are as diverse as online marketing. Encompassing your website, email marketing, social media marketing, pay-per-click advertising, search engine optimization, video marketing, content marketing and so much more, there is something for everyone to invest in to grow their business.

To grow your business, you will need online marketing. In addition to affordability, online marketing gives the opportunity for performance marketing. The first is affordability. Traditional marketing like print ads, TV, radio and billboards is beyond the reach of small businesses.

It requires a budget in the tens of thousands on a monthly basis. Online marketing on the other hand lets you get started with any budget. For as little as your weekly coffee budget, you can advertise your business online.

You can even get started for free on elements like SEO, social media marketing and email marketing. More importantly, you can get results with these low budgets. This is because secondly, online marketing allows for performance marketing.

This means better measurement, better resource allocation, and better advertising optimization. When you advertise online, you collect better data on your marketing efforts and good data analysis can be applied to improve marketing efforts and results across the board.

In addition, you get more specific targeting options. You can use your data and tracking to make sure your marketing efforts reach an audience likely to engage your business. Because of this, many entrepreneurs have used online marketing to grow and you can make use of these advantages to grow your own business.

6.3. Diversify your marketing channels

Always diversify your marketing efforts and channels. Diversification is common wisdom in the world of financial investment but it often gets overlooked in businesses, particularly by small business owners.

Business owners tend to get comfortable with what works and invest all their efforts there. Not only does this stunt your businessâ??s growth potential, but it could also spell disaster. For starters, depending on one platform limits your potential audience.

Some people prefer to discover products on Facebook. Some prefer to search for them. Many still are traditional and respond to TV and radio ads. When you focus on one of these platforms, you stand to lose potential sales from the other.

Instead, research your market, and once you have a good understanding of their preference, reach them on their preferred platform. Maximise your earning potential. More importantly, you reduce the risks associated with platform dependency.

Letâ??s say you spend all your time building your marketing efforts on Facebook and Facebook alone. What happens when you wake up one day and for one reason or another you canâ??t market on Facebook?

Maybe your account got hacked? Maybe an algorithm or policy change affected you negatively. Or, maybe, the unthinkable happened and Facebook closed down. What then? Disaster is what it is.

The time itâ??ll take to nurture a new channel could be more than your business can survive without great marketing. So donâ??t fall for that trap when growing your business. Only a multi-channel strategy will work for your growth goals.

7. Mind your competition when growing your business

Unfortunately, your business doesnâ??t operate in a vacuum. And why would you want to? Few things can be as reassuring as competition. After all, if your idea is great why would no one else want to try it out?

Healthy competition can help businesses and economies grow. It fosters innovation and tends to elevate the level of service in any industry. As great as competition is it can be a limiting factor when it comes to business growth.

You need to be mindful of the competitive forces being exerted on your business. This can be direct competition that provides direct alternatives to your products and services or indirect competition that provides substitutes for your products and services.

One piece of advice we always give our clients, just because there is competition doesnâ??t mean your idea wonâ??t work. Provided you are sufficiently differentiated and can provide a high-quality product, you will thrive.

It doesnâ??t matter how big or well-established the competition is. If that werenâ??t the case, we would all be using the same phones and wearing the same clothes and shoes. The fact that all these brands are thriving is evidence that your brand can do it too.

However, you need a strategy to carve out your own niche and beat the competition. Firstly, you need to understand your competition. Once you have conducted your competition analysis, you can craft strategies to win.

The trick is to dwell less on your competition because there is only so much you can do about them, and more on your own business because thatâ??s where you have control. To grow your business, never stop looking for and building your secret sauce. Itâ??s not about being different for the sake of being different, itâ??s about being different because thatâ??s your identity.

8. Build a strong team to grow your business

Your team grows your business, itâ??s as simple as that. No matter how much of a utility player you are, you are ultimately valuable when you play in a team. It takes the best team to bring out the best in any individual.

While common wisdom places the most importance on the customer, we have always argued your team brings the most value to your business. Clients may bring in revenue, but your team makes them want to give you their money, and keep giving it.

Invest in your team, and your business will grow. Invest in their well-being. Reward and incentivise your teamâ??s efforts. Empower them to drive your business goals forward. Invest in personal and professional development and unlock their full potential.

When your employees feel valued, they will go above and beyond to help you succeed. Transition from the traditional employer-employee relationship and share your vision with your employees. Share your vision for your business and encourage intrapreneurship.

Share responsibilities and trust your employees to go above their defined duties to help your business grow. This is something that can only be achieved with the right business culture in place.

Intrapreneurs are self-motivated, proactive, and action-oriented people who take the initiative to innovate and they only thrive in an environment that fosters these characteristics. You can not switch back and forth between this kind of environment and another and expect results.

Almost any business skill can be taught. To grow your business, you need to hire the right attitude, not the right skills. So thatâ??s where you need to get started:

1. Get the right people.
2. Give them the right tools and resources.
3. Build the right environment for them.
4. Acknowledge and reward their contributions.

And just like that, you have the formula for business growth.

9. Establish the right partnerships for growing your business

Product and service partnerships are great opportunities to grow your business. Building the right partnerships can help you:

1. Expand your product and service catalogue by incorporating your partnersâ?? catalogues into your own
2. Boost your revenue with earning schemes, rewards and incentives
3. Increase your credibility with certification and branded acknowledgement opportunities
4. Build your expertise with exclusive learning opportunities

Partnerships donâ??t need to be an added effort on your part, many partnership opportunities exist in your day-to-day activities. Platforms like PartnerStack and ShareASale help you discover partnership opportunities that work for you.

Alternatively, browse the websites for products and companies that supply your business. Many of them will have information on relevant partnership opportunities that they offer. Be sure to choose the ones that accrue the most benefit for your business while sticking close to what your business does and helping you serve clients better.

Where you donâ??t immediately qualify for a partnership, itâ??s an investment worth making. Most of the time, the effort youâ??ll take to make it into the partner program, including learning, certifications and providing some referrals will build your business and build your ability to provide that product or service. Itâ??s a win-win.

9.1. Partnerships offer marketing opportunities

Marketing is tough. In addition to cost and complexity, it also requires you to be creative. And itâ??s not uncommon for you to run out of creative, affordable ideas to push your brand, particularly if you are a small business.

Partnerships are great for overcoming these limitations. Great companies regularly give partners invaluable marketing resources.

Some of the resources you can expect in a partnership include:

- **Marketing collateral** â?? professionally designed and developed marketing copy, images, videos and other assets you can use to promote your services on various platforms.

- **Partner spotlights** â?? promotional campaigns designed to highlight the work of partners on the platforms of the business, which will often have a much broader audience than your own, opening you up to a much bigger market, giving you greater reach, and boosting your brand lift.

- **Co-marketing opportunities** â?? whether it be speaking events, content creation, or newsletter features, good partnerships have many ways in which you can combine your marketing efforts with those of the primary business so you can get better marketing results.

- **Partner-specific promotions** â?? sometimes only a good old discount or financial reward will do, and you may not always have the resources for a giveaway. Great partnership programs will often have partner-specific rewards that partners can leverage in their own promos, giving you the opportunity to offer rewards to your clients without having to make a financial investment.

All these marketing opportunities have great potential for your businessâ??s growth and make it a worthwhile investment to join partnership programs in your network.

9.2. Product/ service development

The ability to influence the development of a product you use regularly is an amazing opportunity. Often, during the course of providing services to clients, you will think to yourself how a product you use would be better if it had specific functions.

Additionally, you get feedback from your clients you wish you could apply. If you could influence products, you could elevate your service and grow your business. Partnerships usually give you the opportunity to do just that.

You will have access to beta releases of partner products, giving you access before everyone else. Firstly, this gives you the opportunity to suggest features and additions while the product is still in development. At a time when they can still be added.

Secondly, it gives you the opportunity to suggest the removal of features that donâ??t work. Again, because these havenâ??t been launched to the greater public, you have a better chance of getting them removed.

In addition to beta testing, companies usually ask their clients for product suggestions directly. Because they know you are tapped directly into the market, they will reach out to you directly and ask you for feature suggestions.

With that improved say in the development of products that drive your business, you have a better opportunity to grow!

9.3. Partners get better customer support

Partnerships will give your business the opportunity to achieve rock-star status with clients. Great partner programs give priority support to their partners and that allows you to excel in supporting your clients better.

This improved reputation is great for business growth because it extends to the rest of your business. When you give exceptional support in one product, clients see that standard in the rest of your services.

In addition to priority support, partnerships offer opportunities to learn. As we have mentioned in point 10, learning is important for growth. Take your product knowledge to the next level to up your service provision to clients.

The best part, some of these learning opportunities are exclusive to partners, meaning you will have an opportunity to gain knowledge your clients canâ??t, no matter how much they are invested in learning.

Finally, partnership communities are a win for every service provider. These groups provide a lot of on-the-ground experience which you can use to elevate your service.

10. Learn to grow

The only constant in business is change. Thatâ??s a statement thatâ??s both painfully cliched and true. What works today wonâ??t necessarily work tomorrow. Even worse, it could even be detrimental to your results.

Change is constant in regulations, business processes, market preferences, technology and so much more. The key to growing your business is to stay ahead of all of this. An entrepreneur that doesnâ??t learn cannot hope to enjoy business success and growth.

A lot of businesses have failed because of the â??it has always workedâ?• culture. Thatâ??s why a learning culture needs to be baked into your business. From the highest management all the way to your line workers, continuous development needs to be part of the job.

Your business needs to not only encourage continuous professional development but incentivise it as well. Lucky for you, itâ??s a lot easier now than ever to stay knowledgeable about your job.

Firstly, you can make the most of the resources provided by product owners on their own products. Across different industries, you can find training on tools you use every day in your work.

Secondly, you can now find academies that teach relevant work skills for a fraction of university prices. Better yet, you get knowledge that is much more applicable. Think of platforms like Skillshare that provide learning content from industry experts.

Finally, the internet is a learning platform for anyone with a bit of intellectual curiosity. You can never underestimate the value of being good at â??googling stuffâ?•. Just ask any developer, they would be nothing without Stake Overflow.

Iâ??m sure there are platforms for every industry and function. In addition to Google, you have very informative blogs, YouTube channels, newsletters, social media channels, and so so many learning resources. You have no excuse to not learn.

11. Embrace technology in growing your business

Technological advancements are one of the leading forces that shape the business world. They can easily determine what and how business is done. Think of the internet. How many businesses have risen or fallen because of this one invention?

Facebook, Uber, Netflix, Google, and Amazon, none of these businesses would be where they are without the internet. Then think Blockbuster and Walmart, these businesses could be so much more today if they had embraced the world wide web.

Simply put, new technology is a huge success or failure factor. However, in addition to success, new technology can bring you business growth.

11.1. Technology to enhance your operations

Can you imagine what agriculture was like before combine harvesters and tractors? I canâ??t blame you if you canâ??t. It seems impossible. We definitely wouldnâ??t have been able to feed 8 billion people around the world.

The introduction of new technologies usually makes it easier to do more in your operations, and this is essential for growing your business. You need to stay up to date on technologies that can expand and improve your operations.

Increased capacity with reduced waste can lead to increased revenue with proportionally less increase in cost. Now thatâ??s growth. Explore technologies across your entire operation, not just your product or service delivery.

Technology can improve a support department and that could still unlock areas of growth for your business. Look at technology that can help you with better customer support, marketing, managing your finances, managing your projects, staff recruitment and training and so much more.

Growing your business means every part of your business takes advantage of the best possible tools available to it.

Regardless of the sector or the size of your business, there is only so much you can grow your business if you are still relying on fax machines for communication and paper ledgers for your financial management.

11.2. Technology to enhance your products and services

Have you ever stopped to appreciate how technology has shaped the world around you? eCommerce, ride-share, and streaming are influential products that are only about a decade or two old, thanks to advances in smartphone and mobile network technologies.

Mut-Con wouldnâ??t exist to provide digital marketing, SEO, web development and so much more if it wasnâ??t for these advances. While a lot of these technologies have led to the rise of new businesses, they have also opened doors for entrepreneurs to grow their businesses.

When new technologies are introduced, they allow you to enhance your products and services giving you the opportunity to serve a broader market, expand the use of your product, expand access to your business and invest in product development that boosts your businessâ??s success.

Smart entrepreneurs are always looking for these opportunities. They look for them because they are a double-edged sword. New technologies are an avenue to product and service innovation and thatâ??s a primer for progress or obsolescence.

Just ask Blockbuster. When you fail to see the direction new technologies are taking business, you leave the door open for an innovator to come and take your place. This is the part you ask Netflix.

For every story of failure, there is an inspiring one of success. Take, for example, Yamaha. They came into the piano business late, but thanks to this, we have the modern keyboard to enjoy amazing music. And thatâ??s the power of embracing technology. It can be the difference between an inspirational story and a cautionary tale.

12. Consider some outside help

A seasoned business consultant like Mut-Con can bring a lot to the table when it comes to growing your business. Whatever your business needs to grow, a business consultant should help you find the answers.

Both specialists and general consultants bring two things to the table. The first is expertise, and the second is a birdâ??s eye view of your business. Your consultant is bound to have been working in their industry for a long time.

In addition, they are likely invested in continuous development. The knowledge and experience they have gathered are invaluable. While you know your business better, they know their industry best.

Thatâ??s why you combine your knowledge of your business and their industry expertise for an unbeatable team. The second thing good business consultants bring to the table is a birdâ??s eye view.

When you spend a lot of time in the trenches of your business, you lose the ability to establish a broader view. You develop blinkers and a very short-sighted view that stops you from seeing anything besides whatâ??s immediately in front of you.

A good business consultant broadens your view. They use their experience working with other businesses to bring a different perspective to your business challenges and opportunities, and that can be a game changer.

Conclusion on growing your business

When it comes to business growth, you donâ??t have much of a choice. Simply put, if you are stagnant, you canâ??t be competitive.

When your business doesnâ??t grow you canâ??t fend off new competition, improve products and services, attract and retain the best talent and so much more.

If you donâ??t have growth as one of your business goals, maybe itâ??s time to revise them. If youâ??ve realised the importance of growth, this is a great list to get started with achieving it.

What other areas have you identified as worth investing in while growing your business?

Category

1. Business Growth
2. Business Insights
3. Start-ups

Tags

1. Analytics
2. Budgeting
3. Business Growth

4. Business Insights
5. Business Management
6. Business Models
7. Business Planning
8. Business Trends
9. Competition Analysis
10. Compliance
11. Data
12. Digital Marketing
13. Entrepreneurship
14. Financial Management
15. New Business
16. Online Presence
17. Sustainable Growth

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