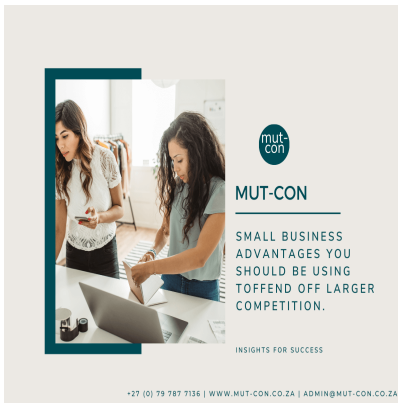




Small business advantages you should be using to fend off larger competition

Description

You should succeed because you are a small business, not because you overcame being one. One small business advantage today is the vast availability of knowledge. With the internet in hand, you can learn a new skill, basic entrepreneurship and be #hustling in mere weeks.

Practical example, Google has educational offerings for **ALL** their products. **ALL OF THEM.** You could own a successful digital advertising, SEO, analytics agency from the free knowledge you got online from Google. Arguably the largest platform and authority for those services. They aren't the only ones either.

You can add a related service regularly, all from free resources. We even wrote an article on free [learning resources](#) that can help entrepreneurs excel. What a time to be alive. But like all things powerful, there is a caveat to this abundance of knowledge. It can be the stumbling block to the success of many businesses.

Information overload Leads to bad decisions

Going with our example, the internet will tell you such an agency is a horrible idea. A simple search of Ad agency or SEO agencies will generate a depressing amount of results. They have impressive websites that list industry giants as clients.

They have global reach and impressive budget requirements to boot. They'll swallow you alive. You decide the field is saturated, you quit, right? Wrong.

You investigate their social media pages, they have tons of followers. Their blog social share counters are bursting at the seams and the comment sections are filled with highly engaged readers thirsting for more. Their methods are revolutionary. They have staff compliments that could pass for a small political rally.

At this point, you have conducted a thorough competition analysis and the business is not feasible. Again, you are wrong, you see, every business I just described is really not your competition.

They don't enjoy the small business advantages you do, so they can't compete with you. They know it, and they don't bother competing with you. On home turf, you'd murder them.

You are small, use that

Just imagine how many restaurants in your area have poorly optimised Google My Business profiles. The answer is a lot, with reasons ranging from;

1. They don't know what it is or how it benefits them
2. Current options are priced out of their range
3. They can afford it but they don't know who to turn to

That's an opportunity for our would be digital agency. For every one of those points, the agencies you searched are at a loss, your local restaurant is not worth their time. But it's definitely worth yours.

You can put together a small infographic on [Canva](https://www.canva.com), educate them on benefits. You can afford to charge less for your services, your overheads are smaller. Finally, you can communicate directly with them, you can literally go see the owner and chat with him.

A large agency would be unwise to do this. Most small business advantages stem from being small, but too much information can convince you otherwise. Most blog posts online will make you believe you need more leads, a longer email list, all of Facebook as followers.

This is true, just not true for everyone, especially if you are a small business. Instead, concentrate on keeping your entire operation tight, because tight operations convert better.

Small business just convert better

So stop trying to be like the larger businesses, make the most of being small. After all, you really should aim not to be small forever, so make the most of it while it lasts. Conversion rate is simply the number of people who take a desired action with your business.

Conversion rate optimization simply refers to efforts you take to make sure this number is as high as possible. With a small business, you can manage a higher rate because you have a small group of engaged users.

[Growth labs conducted the experiment](#) and showed that the quality of leads will always beat quantity. It matters not how many people you have, it matters how many cares, so zero in on those who care.

It doesn't matter if you have an email list of 100 or 200,000 • BIGGER IS NOT ALWAYS BETTER! • Ramit Sethi

For a small business, it's a lot easier to define, identify and engage those who would care. And that's the small business advantage you are missing by trying to be big.

Small business advantages on Business Strategy

Have you ever set down and thought of a very brilliant idea that would instantly make you an even bigger patron of a business. It could be how they price their products, how they bill you. It could be how they set up their shop, online or physical.

You pondered it for a long while and just couldn't understand why they are leaving money on the table by not adapting to client needs. Happens to the best of us.

Adaptability is probably the hardest small business advantage for large businesses to deal with. Believe it or not, that one change you think will change your favourite business forever might actually not make a difference for 99% of their clients.

The long and the short, it's not worth it for them. Large business strategies are aggregated over such large factors, you as a factor don't matter much. But for a small business that's different. If you have ten clients, you can easily find out if a change would fit with them.

If not, you can make a change for that single client, without affecting the rest and losing your mind while you are at it. As a matter of fact, every aspect of your operation can be adapted to what your clients need. Your business strategy can be real time, and very adaptive.

Your client mixer can be for every client in your book, meeting every member of your organisation. You can exchange ideas and build bonds.

Google, on the other hand, won't be hosting a mixer where I can tell Larry Page my brilliant ideas on bringing back [Google Correlate](#) anytime soon. Correlate as a product might not even matter to 99% of Google users.

Everything from your invoicing to terms, to product improvement ideas can be customised in a small business. Customizable on a case by case basis and this advantage will carve you a niche.

Small business advantages on social

When Facebook first started, the idea was to create an online community, bridge gaps and connect people from different backgrounds. Somewhere amongst the bullying, isms and what we ate for dinner, we've lost sight of this.

Our businesses aren't any less guilty. Most entrepreneurs I meet start their social presence with a noble goal. The goal is to connect with their target audience online and show just how much their product can impact their lives.

But after a while, after a few promoted posts about how their business has a ROI of 2000% from Facebook, we lose sight of this. We want to have a ROI of 2000% of our own by any means necessary.

It quickly becomes less about cultivating an engaged community and more about seeing a rise in likes. Inviting anyone and everyone to like the page, and celebrating engagement that doesn't meet a goal.

While for small business this could be deliberate self-sabotage, for larger businesses it's not much of a choice.

On a recent purge of liked pages on both Facebook and LinkedIn, there were a lot of casualties. I quickly realised just how many pages I'd liked on a whim, from an arbitrary interaction with their brand.

In reality, though, they had no value to me, more importantly, neither me to them. But as a small business, you can avoid this.

Don't just rack up the likes, appeal to your ideal community. Your page, copy, how you promote it, should be geared towards your target market.

This is the community that will convert when they visit your site, and benefit from your posts. If you are delivering what you promised, they will be brand ambassadors on and off Social.

Small business advantages from word of mouth

Word of mouth has a probability of 60-70% sales compared to 5-20% probability selling to a new prospect. Additionally, new customer acquisition costs 5 times more. Combined with no [customer acquisition costs](#) associated with returning customers, your [profit can multiply by 5](#).

[ReferralCandy](#), arguably one of our favourite blogs online consistently proves that referrals are king marketing. It's a clever little scheme that allows you to sell more for marketing you've already paid for.

One small business advantage is the ease with which you can launch a referral campaign. Imagine you are at a Woolies, on your way out, the manager asks you to refer friends to their new cheese range. It would be awkward.

If not you'd wonder why this millionaire brand wants you to go out of your way to make them richer. At the very least, you'd wonder what's in it for you. A gift card would be nice.

Contrast that with your corner grosser. You'd be more than happy to spread the love and the word. He probably speaks to you regularly so the conversation would be far awkward.

He's an honest hard working man who makes your life easier so you'd be on board to helping him make extra. The convenience he brings you would seem like sufficient reward for making sure this store you need stays afloat.

For your small business, asking for referrals comes naturally, isn't it imposing and doesn't have to cost. Leverage your size to build strong relationships with clients, and every client could be a brand ambassador.

Small business advantages with email

Top ten hosting found [email, at 4.29% currently enjoys the best conversion rate](#) for eCommerce stores. Small businesses should enjoy a better conversion rate than this, and the trick is to manage lists well. 63%-77% prefer to be contacted by brands via email provided the messaging is relevant.

The value of lists shouldn't be determined by how many they have on them but on the qualities of subscribers.

Conventional wisdom on the web today will say you need to give away a freebie in return for emails. It could be an ebook, or webinar, or anything that adds value for clients they'd volunteer their email for.

This is a very good strategy, and no doubt works for a lot of brands. The problem is, if you are sufficiently large, with sufficient reach, then a significant number of those emails will not be of much value to your business.

People will interact with your freebie for various reasons, but few will find value in your services. [Mut-Con](#) as a business and the peeps within are subscribed to a lot of lists for the love of freebies.

For the most part, we distil this knowledge into products that we then assist our small business clients with. Some are used to improve these posts that you read by downloading blogging ebooks. We have a list of some we love [here](#).

It does not, however, mean we'll reach out to these businesses and engage their services, we are probably trying to offer the same. We are just using the small business advantage we have and using this knowledge for our smaller clients.

Our clients are highly unlikely to get their management consulting from McKinsey or their SEO from Neil Patel. But we know what Neil is doing can work great for their businesses, so we reach out to them and get rewarded.

So instead of looking for any and every email address under the sun, we prioritise the ones we know could ask us to do [SEO](#) for them.

Because we have so few emails to manage on our list, our analytics can drill down to prioritise or remove addresses that don't meet certain criteria.

So while the industry giants have all the addresses on their lists, we get an immensely higher return for ours.

Small business advantages on CRM

[Customer-relationship management \(CRM\)](#) is an approach to manage a company's interaction with current and potential customers. When we decided on a host, we went with a somewhat unknown name, and we continue to recommend them to our clients.

The simple reason is that their customer service was simply incredible. We once paid for a domain for a client on a Sunday evening, and it got resolved on that same day.

When we delivered the website to our client, we seemed like heroes, with a turn around time that's not affected by weekends. That meant a lot for us and we've been loyal ever since.

As a business, our site and social traffic are so low we can manage to engage personally with no bots. There's absolutely nothing wrong with bots, but the personal touch works for our brand. Our email traffic is so low, we can manage to each respond to every client with full attention.

This is a clear small business advantage that helps us create the best relationships with our clients. No doubt neither us nor our host will hold on to this as we achieve growth.

We don't mind though we'll have built such a good rapport we'll make up for this in other ways.

This is where your business should thrive. Personalise every touch point with clients. Respond to every post, comment, reply, tweet, email, criticism, and praise appropriately.

It shows the human element behind and will endear clients to your brand. You will win loyalty, and as long as you stay true, the ones you started with will keep you reaching milestones.

Conclusion

It's simple Pareto principle, 20% effort drives 80% result. You can even expand it, 20% of your clients will drive 80% of revenue. It certainly holds true for us. The 20% can be a little tough to identify for large businesses.

Your small business doesn't suffer the same flaw, that's the small business advantage. Make sure every contact with your business leads to improved conversions because you have the ability to control this.

Take time to figure out who cares, and put them front and centre.

Category

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Date Created

November 2, 2018

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Mut-Con blog