

How to increase sales in a micro-business



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Relying on your industry, trade or product knowledge won't guarantee success in business. Every aspect is important, but without sales you have no business.

A common problem micro-business owners face is they are so flat out managing the operations and administration parts of their business that sales tend to be neglected. The outcome is a lack of revenue, creating a cashflow problem. This often leads to a panic reaction with huge discounts being offered to create sales. This can set a precedent for your business that you may not want.

Your greatest competitive advantage is the ability to sell.

Active & passive sales

Sales can grow through a combination of active and passive means.

'Active' refers to a sales situation where you directly connect with a customer or potential customer and therefore you have the greatest opportunity to influence the outcome and generate more business.

When you are waiting for the customer or potential customer to contact you it is 'passive'. Examples include advertising in a magazine or business directory. Unfortunately, a lot of time and expense can be absorbed in trying to attract new business using passive means.

The key is to incorporate both active and passive sales strategies, with the emphasis on active selling. This is whether your business is business to business (B2B) or business to consumer (B2C).

Websites

The internet and mobile devices are the two greatest contributors to buyer behaviour change.

Websites in the B2B environment have evolved to being the centre of the decision-making journey for customers and according to the Demand Gen Report 2013 Content Preferences Survey, 70% of respondents said they rely more on website content for their buying decision than they did a year ago. The study also shows that customers are 50% to 70% of their way through the buying process before they engage a potential supplier.

This means if your current website has the traditional product/service push you will need to rewrite the content from the buyer's perspective – focusing on what's in it for them.

Social media

Social media has exploded in recent years with online forums, social and business groups, webcasts and online networking now being commonplace. This has resulted in:

- 60% of people saying they have shared key aspects of their research and buying process with others via social media
- more than 40% of people following discussions and threads to learn more about a topic they were researching
- 37% of people posting specific questions on social sites looking for feedback on how others solved a specific business challenge
- 21% of people connecting directly with potential solution providers via social-networking channels.*

*Reference: Demand Gen White Paper Report

Networking

This can be done via social-media sites such as LinkedIn and Facebook and by attending business functions. Your local chamber of commerce is an ideal setting in which to network and one that will provide you with the opportunity to connect with like-minded people, meet potential customers, share ideas and develop new skills. Many chambers provide low-cost or free training and education on a range of business-related subjects too.

Face-to-face sales

Many business owners, particularly retailers, complain that a potential customer will walk into their store and select what they want but not actually buy the item. These

customers then go home and buy it online because it is cheaper.

There is a great opportunity to turn this situation to your advantage. The potential customer is in your store, has made the emotional decision to buy and has the security of being able to come back to you if there is an issue. Make it easy for them to buy from you – if you need to discount, do so; it's better to make a sale at a reduced margin than not at all.

Because of your action the customer will more than likely come back, providing you with the opportunity to sell more products or services. Happy customers will tend to tell at least four to five others of their experience.

Research from Corporate Visions (USA) identified the reasons why customers buy as a percentage of the overall purchasing decision. The results were:

- product and service delivery 19%
- value to price ratio 9%
- company brand and impact 19%
- field interactions 53%

This means the greatest impact is in person (field interactions). This highlights the fact that customers still prefer to buy from people whom they like, trust and believe in.

You won't convert everyone, such as a price-hypersensitive customer. However, most customers will buy from you provided they see value greater than the cost. Cost therefore then becomes a secondary consideration.

Summary

To successfully implement these sales activities you need to develop a sales-strategy plan that harmonises with your business plan. You will need to include additional resources, such as:

- Hiring a web designer to design a website that is buyer-centric and reflect the objectives of your sales strategy
- Hiring a competent sales trainer/sales coach with a proven track record. They will need to understand your business, what you need to achieve and then tailor a development program for yourself and your employees

Now go and make it happen!