

The **TOP**  
**5** LESSONS EVERY SMALL  
BUSINESS OWNER  
NEEDS TO LEARN  
**TO BE**  
**SUCCESSFUL**  
IN TODAY'S UNFORGIVING  
BUSINESS CLIMATE



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# Lessons learned

## Change happens to you or with you

We've been working with small businesses (from 1 to 100 employees) for over ten years. Many of them have become friends. But the most valuable thing is they've taught us valuable lessons.

Starting and running a small business is a very courageous act. Many of us start a business because we love something, but the day-to-day grind starts to take over and we lose some of our passion. This is where we start getting sloppy and cutting corners and then the business starts to slide...downward.

This report is a brief snap shot of the top five things we've learned from our clients and, that we believe every small business owner should know.

- Lesson 1: Learning never ends
- Lesson 2: Educate, don't pontificate
- Lesson 3: Sales is not a dirty word
- Lesson 4: Live your brand
- Lesson 5: Don't wait for the right time because the right time will never come



## Training never ends

In the movie "The Social Network" (a movie about how Facebook started - you should watch it, it was good), the character playing Mark Zuckerberg's partner Eduardo asks "is Facebook finished". The Zuckerberg character replies "It won't be finished, the way fashion won't be finished".

The reason we're using this reference here is because the same can be said of training.

Far too many small businesses, in fact most, spend a day to perhaps a week training new staff and then send them on their way. At the same time, veteran staff rarely receive additional training.

Training is never finished.

Everyone in your business (including you), needs to be on a continuous learning plan. This means everyone in the company should be learning new skills, sharpening existing skills, and teaching what they know to others.

The two big challenges are time and cost.

The easiest way to overcome the time challenge is to build training into your team's job descriptions. Every 90-days each employee should be required to learn something new that helps them add value to the business. To ensure they have properly learned the new skill, have them teach what they've learned to others in your company.

Your training should also be broken down into four main areas:

- \* Customer service (How to deliver a superior experience)
- \* Sales (How to engage and listen)
- \* Product knowledge (How to match solutions to problems/needs)
- \* Procedures and systems (How to get things done efficiently)

But before you're ready to embark on a training program, be sure you have set measurable standards for each of the areas above. By letting your people know what you expect, it is easier for them to take ownership of their progress.

At the same time, be sure to document all the training you deliver. You want to be able to repeat it, and, to make adjustments to it as your business changes and grows.

A favourite saying at Larry Anderson Consultants is "When you're green you're growing, but when you're ripe you rot". We're not sure who wrote it, but it's something that we live by.

This simple piece of advice helps you build a culture of continuous learning. Always challenge "that's the way we've always done things" type of thinking and be willing to make the changes necessary to keep your business moving forward.



## Educate, don't pontificate

Too much of marketing today is just noise. Marketing is not about broadcasting your specials, telling people about your awards, or regaling us with your "Service, Selection and Quality" mantra. Marketing is about connecting with people that have a need for what you offer and helping them understand how you can help.

Effective marketing accomplishes three things: educates, persuades and causes someone to take action. And the great news is, it has never been easier for you to stand out than it is today. There are so many "me-too" companies that play it safe, don't stand for anything and deliver the bare minimum standards, that you have an opportunity to own your market, but only if you consistently strive to be better than you were yesterday.

In our years of working with small businesses, we've broken marketing message execution down to four main areas:

- Online
- Traditional
- Direct
- Service

### Online

Your main tool should be your website. Google states that 87% of purchase decisions begin with an online search. Be sure your website answers the big questions - "Why should someone do business with you?", "How you are unique", "Proof of how you've helped others". Always make your website about the visitor, not about you.

You also need to have a handle on SEO (search engine optimization), Social Media (Facebook, Twitter, LinkedIn, Pinterest etc.) and mobile. These are all just tools, but can add a tremendous amount to the traffic to your website.

Your online presence is more important than ever before.

### Traditional

It's true that traditional media is dying a slow death, but in some instances it is still a viable option. Many radio stations have "shared inventory" options where you can get bonus air time for free. Many newspapers offer a combination of being in the newspaper and part of their online newspaper - this can offer tremendous value at times.

The key to properly using traditional media is understanding your customer. If they're still using it, it makes sense to make it part of your marketing mix.

### Direct

Our definition of direct is when you are sending messages to a database of customers or prospects that have been qualified - you have identified who to target and that they have a potential need for what you offer.

This type of marketing usually consists of direct mail, email and the phone. It can be very effective, but at the same time you need to have a well crafted message, be sure to follow-up as that is critical to its success.

## Service

Believe it or not, your employees and how they treat your customers is by far your greatest source of marketing. Nothing beats a great referral.

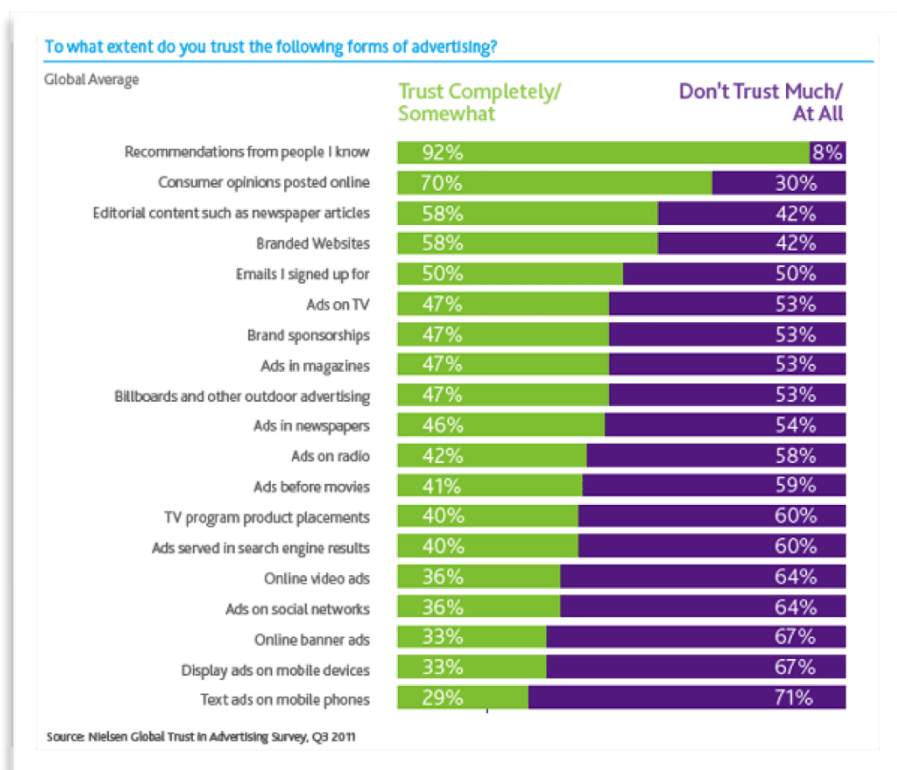
Are your employees delivering the same level of service as you are? Are they as well trained as they could be?

Delivering a consistently great experience is now what is most important. Every time a customer comes into contact with your business they add to their perception of how they feel about your business.

You are only as good as your last encounter. These interactions are called "Moments of Truth" (as coined by the CEO of Scandinavian Airlines in the 1980's - look it up). Each and every time a customer comes in contact with an element of your business - be it your website or your staff, they add to their opinion of you. This means you can build on their positive opinion, or, you can cause them to have a negative experience.

This is why training your team and constantly learning about your customers is so important.

All great marketing is based on a solid understanding of the customer, a clear and simple message that differentiates you from your competitors, and, the delivery of an exceptional experience.



## Sales is not a dirty word

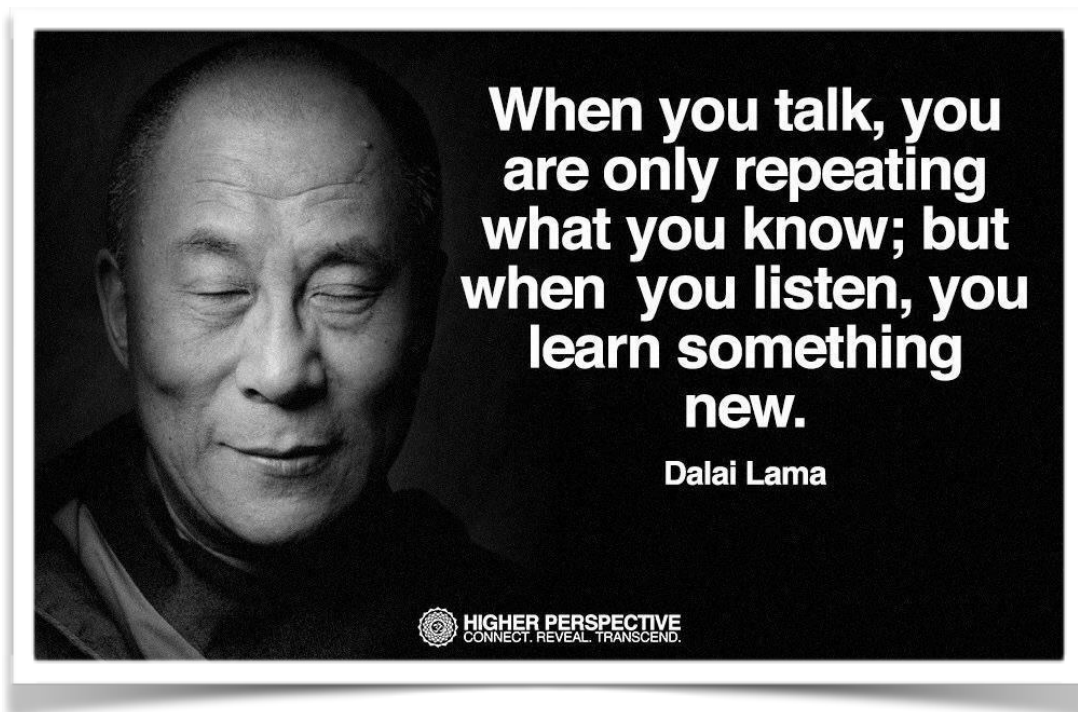
Everyone in your company works in the sales department. If not, they work in the anti-sales department and they need to go.

Harsh yes...but necessary.

The main problem is how people look at the role of a sales person. Many conjure the image of the used car salesman or Herb Tarlick from WKRP (for those of us over 40). The reality is today's successful sales people don't do a lot of selling, instead, they ask questions, listen really well, and match solutions to problems.

For years we've been told to hire sales people with "the gift of gab", but this is actually completely wrong. Today's consumer is more informed than ever, has more choices than ever, and does most of their research online before they ever meet a sales person. This means that sales people need to be able to guide and support customers and help them make a decision that fits their needs best.

A new set of skills is required for today's sales person. Instead of just being an encyclopedia of product knowledge, the rep now needs to be able to engage people in a conversation about needs, usage and expectations. Today's sales person is more of a match maker than a smooth talker.



Remember, with the technology available today, the world is a small place and your customer doesn't need to shop at your competitor across town. They can shop around the world with the click of a mouse. So why do they buy from you? Because of how it makes them feel.

The real differentiator is the ability to listen. When a customer feels listened to, they feel like they matter, like they're important.

The main reason a customer stops buying from a company is because they feel no connection. They're simply indifferent to the experience and leaving has no impact on their life.

Have you ever had a business close that you loved going to? How did it make you feel? While part of your disappointment was the loss of convenience, it probably also had an impact on you because you have made an investment in that company and they in you. You taught them how to sell to you and they listened. Shopping there just felt easier, because they took the time to understand you. When you feel listened to, you start to feel a connection.

You want to make your customers feel welcome, at ease, and connected and that all starts with you and your teams ability to ask questions, listen, and, deliver on your promises.

## Live your brand

Branding. We hear so many definitions of it, its no wonder most small business owners either don't know what it is or they don't care.

Your brand is your soul. It's your essence; the reason you exist.

We've always used the analogy of a mirror. Your brand shows the reflection of who you truly are and at the same time it allows your customers to see something of themselves in your brand.

Every touch point you have with your customers is part of your brand experience. A touch point is where a customer can interact with an element of your business and form an opinion. From your advertising, to your website, to your staff, and your products and services, the challenge is that every customer ultimately has their own perception of your brand based on their experiences with each time they interact with you.

Have you ever talked with two separate people about a restaurant and get two completely different descriptions of what you can expect when you dine there?

This is because they are not only sharing their experiences at the same restaurant, they're also each comparing the restaurant to others they each believe represents "excellence".





The same scenario plays out with your business. Here are some questions to help you identify how your brand is performing:

- Do you and your staff know every customer touch point?
- Does everyone at your company know what you expect them to deliver at each touch point?
- Do you know what your customers expect at each touch point?
- Are you consistent?
- Are you different from your competitors?
- What do you want to be known for?
- Is what you are known for what you actually want to be known for?

While there are more questions to be asked, these are great questions to work on with your team on a regular basis.

When you take the time to get clear about who you are, who you want to serve and what experience you want to deliver, your next step is to make sure everyone in the company is living your brand promise everyday.

## **Don't wait for the right time because the right time will never come**

You should always encourage mistakes.

Sounds crazy doesn't it? But, we do our greatest learning just after we've fallen flat on our face. And, continuous learning is what separates fast growing companies from the slow and stagnate ones.

Mistakes are also a great indicator that you are pushing the company forward.

However, don't confuse sloppiness for mistakes. Sloppy is when we don't do what we know we should do. Mistakes are when we try new ideas, push forward and because we don't have the information available, or proper skill sets, we don't fully achieve success. There is a big difference. Sloppiness is a result of laziness, shortcuts, and lack of caring. Mistakes are from initiative, enthusiasm and effort.

Please make sure you have a culture based on chasing greatness and not living with mediocrity.

The number one reason we see as the main cause of failure of small businesses is a lack of taking action. The excuses we hear are "too busy", "not ready yet, need more information", "afraid to make the wrong decision". But no matter what the excuse is, it's just that...an excuse.

We've learned that there are really only two reasons anything will fail.

1. You don't do what you know you should do (lack of execution)
2. You don't know how to do something (lack of training or planning)

Our challenge to you is to always be in the process of doing. The learning is in the doing, and so is success.

## **STRATEGIC PLANNING**

Is easy

## **STRATEGIC DOING**

Is the hard part

## Larry Anderson Consultants

We love small businesses.

In fact, they're the backbone of the country. 98% of businesses in Canada have fewer than 100 employees. But the problem is, less than half of them will make it past five years.

And that's why we love them. How can you not love working side by side with people that despite the odds, are so passionate about something that they are willing to make it their sole (soul) purpose.

That's something pretty awesome to be a part of.

Our goal has always been to help small business owners overcome problems they've had trouble solving on their own. So the real question is not what we do, but what problems we solve.

The companies we work with are great at what they do, but sometimes they get bogged down. From slow or declining sales to internal communication issues or the need to find the right employee, there are always things that creep in and get in the way of success.

But the one thing that always comes up is the need to help small business owners overcome their own limiting thinking.

So if you're ready to look at your business differently, we'd love to help you get there.

Give us a call and let's get started.



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