Taking Your Small Business to the Next Level in 2011

A local Southeast Minnesota small business owner and his wife have already successfully started their business and are ready to take the next step. They asked me to give them some alternatives for growing their business beyond where they are now. Here are some options to think about. Choosing the proper one (or ones) for your business will depend on the type of business you own, your available resources, and how much money, time and resources you're willing to invest all over again. If you're ready to grow, take a look at these suggestions.

1. Open another location. This is often the first way business owners approach growth. If you feel confident that your current business location is under control, consider expanding by opening a new location that can help you serve another set of customers.

2. Offer your business as a franchise or business opportunity to someone else. This will allow for growth without requiring you to manage the new location. This will help to maximize the time you spend improving your business in other ways, too. Your role will be in helping that new entity become successful.

3. Another form of the franchising idea is to license your product. This can be an effective, low-cost growth medium, particularly if you have a service product or branded product. Licensing also minimizes your risk and is low cost in comparison to the price of starting your own company to produce and sell your brand or product. To find a licensing partner, start by researching companies that provide products or services similar to yours.

4. Form an alliance with another business to distribute/sell/market your services or product(s). Aligning yourself with a similar type of business can be a powerful way to expand quickly.

5. Diversifying is an excellent strategy for growth, because it allows you to have multiple streams of income that can often fill seasonal voids and, of course, increase sales and profit margins. Some of the ways to diversify are to: a) sell complementary products or services, b) teach adult education or other types of classes related to your business, c) import or export yours or others' products, or d) become a paid speaker or consultant.

6. Target other markets. Your current market may be serving you well. Are there others? The answer
may be “probably”. Use your imagination to determine what other markets could use your product.

7. Seek a major supplier contract, for example, a contract from the government or from a large manufacturer or distributor to supply a product or service to them.

8. Merge with or acquire another business. Two is always bigger than one. Investigate companies that are similar to yours, or that have offerings that are complementary to yours, and consider the benefits of combining forces or acquiring the company.

9. Expand globally. To do this, you'll need a foreign distributor who can carry your product and resell it in their domestic markets. You can locate foreign distributors by searching for a foreign company with a U.S. representative.

10. Expand to the Internet. Very often, customers discover a business or a product/service that they need through an online search engine. Be sure that your business has an online presence in order to maximize your exposure. Many businesses are learning the marketing technique of using their on-line web site to drive business to their off-line company presence.

For more information about expanding or operating a small business here in Southeast Minnesota, contact SCORE on our website: www.score-SEMnnesota.org

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