

SelfInformed

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5 TIPS FOR SMALL BUSINESS OWNERS TO START THE YEAR OFF RIGHT





5 TIPS

FOR SMALL BUSINESS OWNERS TO START THE YEAR OFF RIGHT

It's a new year and as a small business owner, you're excited to improve your business and achieve even greater results than in 2019. However, 2020 is set to be another competitive year across many industries. Brands are all jockeying for position to be seen by customers, driving up advertising costs and making it harder to stand out from the crowd with your product or service.

This makes it as important as ever to think about your small business in a scientific way. Focus on empirical data, not anecdotal data. Hypothesize, test and repeat until you can achieve replicable, profitable results. Here we've compiled five ways that you can set your small business up for consistent, profitable improvement in 2020 and beyond.

1. Manage Your Social Media Presence

This is very important for all businesses. If you have no social media presence, only a website, or maybe not even that, how will anyone searching for your small business, specifically, on their phone find you? Even with a top-notch website, it has to rank highly in search results for someone to find it.

Major social media platforms rank highly in search results if they have a profile that matches the terms searched. When you create a public business profile on a social media platform, you can tap into that and appear in search results on Google and Bing. Direct searches for businesses on Facebook and other social platforms are also increasing, with 48% of searches for local businesses coming from inside social networks themselves, [according to a study by The Local Search Association](#).

If your business has a Facebook page with a few hundred fans, a Twitter profile with a few thousand followers, or a YouTube channel with a thousand subscribers, it has a much better chance to be seen when anyone looks for it. Even a profile with no followers can be better than nothing, if it is maintained. Regular, relevant posts to social profiles shows both the social platform and search engines that you are engaged, active and know what you're talking about.

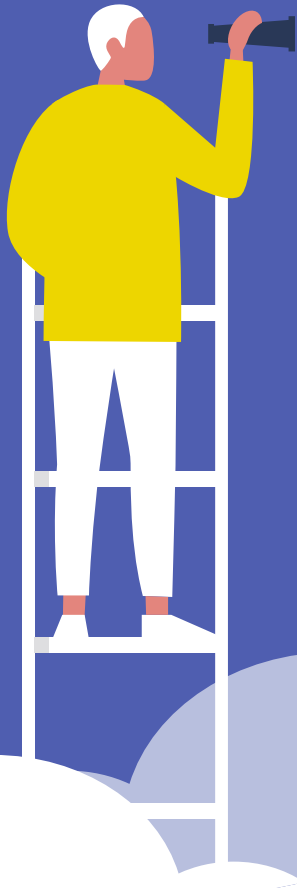
However, don't create profiles on platforms if you don't plan on putting in effort to keep it updated. If your primary social media channel is Facebook, don't feel pressured to create a Twitter account you're not going to post to and respond to customers on. The same goes for YouTube, Instagram, SnapChat, and all of the others. Making sure your own LinkedIn profile is up-to-date as well and if your business sells to other businesses (B2B), creating a company profile is probably a good idea.

TIPS

- List all of your social media accounts in some type of spreadsheet with their URLs, usernames, passwords, account emails, recovery numbers, etc.

Regular, relevant posts to social profiles shows both the social platform and search engines that you are engaged, active and know what you're talking about.

- Make sure all of the information on your accounts is up-to-date. Update business hours, addresses, phone numbers, website URLs, etc.
- Delete accounts you don't plan on updating regularly, particularly if your business isn't a good fit to the platform.
- Use a free tool to post to your social profiles on a scheduled basis to keep them fresh.
- Check your messages and reviews frequently to stay on top of customer service.
- Match the social media channels you're active on to your target demographic — it doesn't make sense to spend time making TikTok videos if your target customer is in their 60s.



It is invaluable to set hard, number based goals as well that can really “move the needle”

2. Set Hard Goals That Move the Needle

Setting soft goals is fine, but it is invaluable to set hard, number based goals as well that can really “move the needle” on your business. Some goals, like customer service, are harder to quantify. That’s quite alright. Some goals, like doubling the number of people who subscribe to your YouTube channel, increasing the number of widgets you sold in a quarter by X%, or increasing the number of estimates you gave, are best suited to being set with hard numbers.

Set goals at the beginning of each quarter. Focus on only a few goals at a time. Think about how you will improve the performance of the underlying business process that determines each goal. Maybe you can use a more efficient method or reduce costs by finding another supplier. Difficult problems often require creative solutions, but you won’t be able to properly identify those problems until you give numbers to them.

After your basic financial goals are met, like profitability and margins, a good goal to start with is generating more leads. What a lead is can vary.

A lead can be a request for an estimate, an email address left on a contact form, a phone number provided requesting information, or really anything that results from a potential customer completing your first call-to-action and providing a way for you to follow up with them and try to move them further into your sales process until they become a paying customer. Previous customers can also be potential leads for follow up sales.

After leads are generated, the focus shifts to converting those leads to paying customers. This might be follow up calls or estimates, physical mailers, or sales emails. It depends on the business. It is often best to try to reach leads in multiple ways.

TIPS

- Determine how you generate leads.
- Figure out what each sale from one of those leads is worth to you.
- Map out your process to convert those leads to sales.
- Compute your average order or job size then determine how you can scale it, profitably.
- Figure out your necessary sales to reach a financial goal for net income and what you can afford to spend on converting leads to sales while reaching that goal.

3. Harness Local SEO, Maps and Ratings

This deserves a separate category from managing your business’s social media presence but is closely related. It focuses on your website’s search appearance and rank in Google, Bing and the rest of the search engines. Search engine optimization (SEO) and particularly locally focused SEO is more important than ever, as 76% of people who perform a local search then visit a store within 5 miles, [according to HubSpot](#).



Generally speaking, the better designed, faster loading and more informative a web page is, the higher it will rank for relevant searches in major search engines. Google now takes how a website is displayed on a smartphone for its ranking algorithm instead of how it is displayed on a PC. This makes it particularly important to test websites on phones and tablets, as many websites do not look as good or display as much information as the full, PC versions do, lowering their ranking.

Claim your business's listing on Google Maps, Facebook, Yelp and other locally focused platforms to ensure information about your business such as location, hours, and contact information are correct. Google and Facebook will both mail you documents with an online code to enter to verify your mailing address, if you use their business manager systems to control your listing. It benefits them that your business's information is correct as their users expect them to have accurate information.

TIPS

- Use a free tool like **Google Speed Insights** to see how much you could improve your website's loading time to deliver a better experience for your visitors.
- Make sure your business's email address, phone number and physical address are listed on each page of your website in the footer.

■ Follow Google's Guidelines and Best Practices.

- Perform a website audit for SEO with a free, online tool.
- Make sure you've created and properly setup Google Search Console and Google Analytics accounts.

4. Learn the Power of the Promotion

Don't underestimate promotions like coupons, sales and special events. They are often the psychological impetus that potential customers or clients teetering on buy or not need. Plus, it often only takes an additional sale or two to cover 10 or 15% off, depending on the type of product or service you offer, the margins on it, and the quantity of additional sales generated.

Coupons and sales work. **According to shopper marketing research firm Valassis**, approximately 84% of people say coupons influence their choice of stores to shop at. Valassis's research also finds that 86% of people say they try new products based on coupons and 75% say they print coupons from the internet.

Promotions are also a great excuse to reach out to potential and former customers. A customer might not want to receive a sales-y letter from your



Approximately 84% of people say coupons influence their choice of stores to shop

business, but a coupon for products or services are generally much more welcomed. They're also a great way to help figure out which of your business's advertising channels are most effective, via the use of unique promotion codes by each channel (print, Facebook, email, radio, etc).

TIPS

- Do use promotions like coupons, sales and limited time offers, within reason.
- Don't be the stereotypical furniture store running ads for years always claiming to be going out of business--coupons and sales have the greatest effect when they are scarce.
- The U.S. Postal Service can bulk-mail your coupons or sales flyers to specific households and businesses (based on demographics data) in specific places.
- Match promotions with holidays, seasons and other types of time-based events that generate demand for your business's products or services.

5. Think About What You Want Your Business to Do For You

After you've identified your goals and know what you have to do to increase your bottom line, it's time to think about how you can optimize and start to plan to reach your long-term goals. Do you want to replace your day job with your small business? Do you want to be able to retire early? Do you want to grow your small business beyond what you do yourself?

Identify bottlenecks holding the business back from hitting its financial goals and consider hiring someone to help with aspects of the business that are bottlenecked. You can hire contractors for some jobs, but other jobs will require formal employment.

However, just because someone has to be hired as a formal employee doesn't mean they have to work full-time or at a specific time or location, however. It's 2020 and flexible hours are becoming increasingly attractive and accepted, especially to younger workers. Flexible hours can also sometimes fit a growing small business's needs, easier.



TIPS

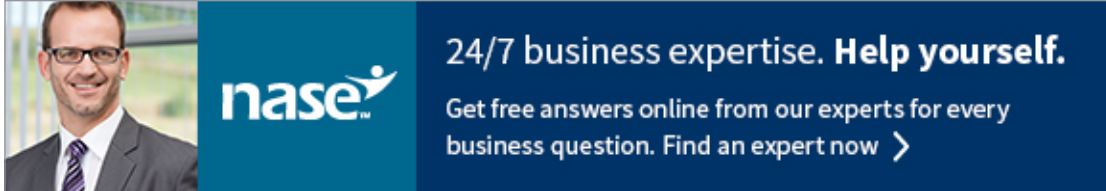
- Determine if your small business is just a side-hustle, your eventual plan to become fully self-employed, or a step to growth into a larger business with employees or contractors assistant you.
- Sometimes the local market isn't big enough to support large growth--use it as an opportunity to increase efficiency, and decrease the time spent on the business while achieving the same or better financial results.
- Set realistic goals for expansion and be sure to not grow too big too fast--the downfall of many businesses.
- Spend the time and money to talk to a knowledgeable accountant and a knowledgeable lawyer about your plans for expansion.

New!



Member Benefits

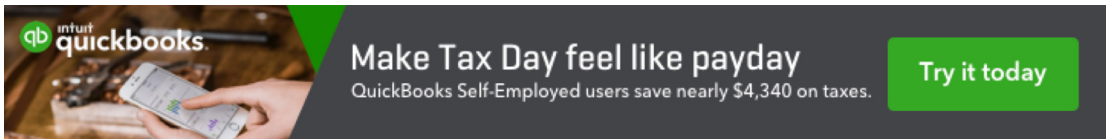
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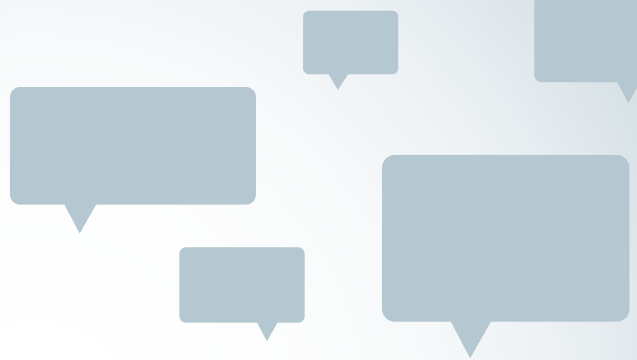
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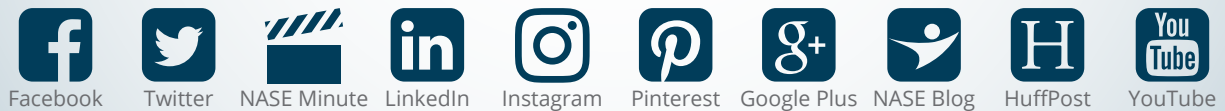


Let's Get Social!

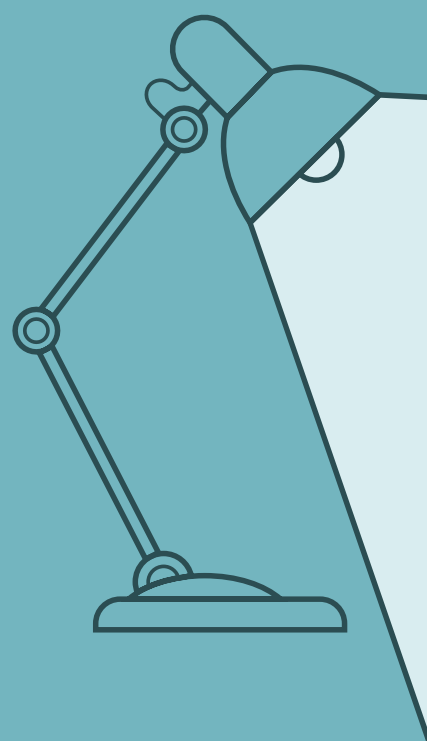


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EXPANDED OPPORTUNITIES FOR RETIREMENT SAVINGS

Prior to Congress adjourning for 2019, the House and Senate passed a government spending bill that included the SECURE Act, also known as the “Setting Every Community Up for Retirement Enhancement Act of 2019,” which has been supported by the NASE.

“With retirement security continuing to be a looming crisis for American families, including family owned small businesses, the bipartisan measure approved by Congress and headed to President Trump for signature into law will streamline and expand retirement savings opportunities for all Americans,” said Hall. “Small businesses often carry debt and stretched bottom lines to keep their operations afloat, but this major change to our retirement system offers them options to save more for their retirement at every income level and employment structure.”

The Trump Administration’s 2018 executive order opened multiple employer plans (MEPs) to small businesses and “expand(ed) access to workplace retirement savings plans for American workers.” The executive order would no longer require small businesses to have formal business ties and instead would allow small, independent employers to join together through MEPs to offer workers access to 401k retirement savings plans.

Key provisions of the bill include:

Annuities in 401(k) plans

The SECURE Act opens the gates for more employers to offer annuities as investment options within 401(k) plans. Currently, employers hold the fiduciary responsibility to ensure these products are appropriate for employees’ portfolios, but



under the new rules, the onus falls on insurance companies, which sell annuities, to offer proper investment choices.

No more stretch IRAs

The SECURE Act requires beneficiaries withdraw all assets of an inherited account within 10 years. There are no required minimum distributions within those 10 years, but the entire balance must be distributed after the 10th year.

Multiple employer plans for small businesses

Under the SECURE Act, employers no longer have to share “a common characteristic,” such as being in the same industry. Employer-sponsored retirement plans would also be available to long-term part-time workers, with a lower minimum number of hours worked. Previously, employers did not have to invite workers who clock less than 1,000 hours every year to participate in a retirement plan, but the SECURE Act drops the threshold for eligibility down to either one full year with 1,000 hours worked or three consecutive years of at least 500 hours.

Encouraging auto-enrollment

Under the SECURE Act, small employers will get a tax credit to offset the costs of starting a 401(k) plan or SIMPLE IRA plan with auto-enrollment, on top of the start-up credit they already receive. ■

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