

# Ideas to grow your business: a checklist



Growing a business is different from launching a business because you've got experience on your side. If you've been in business for one, two or five years or more, chances are you have access to plenty of financial data, customer insights, professional advisors and other resources to help you make the best decisions to move your company forward. Use this checklist for ideas you can use right now to help grow your business.

## ○ Find out what your customers want

You can find amazing opportunities for growth by simply paying attention to what your customers tell you. Send out a survey, interview customers, or invite some for coffee in a focus group.

Ask your customers:

- What they like about your business currently
- What could be improved
- What else they'd buy from you
- Who else they buy from, and why
- What would bring them back to buy from your business more often

You might discover customers prefer to buy from you online and decide to invest more in your ecommerce operation. Or, you may find out customers are willing to pay a little extra money for additional service, training and support.

## ○ Get your customers to buy more

Increase sales by selling more to your existing customers.

### **Create a customer loyalty program**

To encourage repeat business, consider the benefits of a customer loyalty program. A well-designed loyalty program can help make your business the first choice for customers. You can offer purchase reward points redeemable for products or services, introduce a VIP membership for your best spenders, or treat your most loyal customers to exclusive events and offers.

Designing an effective program requires work, research and continued engagement beyond what you find in standard promotions. Research online for best practices and explore apps to help you implement and manage your own loyalty program.

### **Start a contact nurturing program**

Use your database of customers and prospects to maintain regular contact through newsletters (physical or email), phone calls, personal visits, or attendance at conferences and trade fairs. Tell them about any special offers or products and services they have not already purchased.

### **Develop a social media campaign**

Social media is one of the most powerful marketing tools you can use. Engage with your customers through social media channels to drive them to your website or storefront location. Invite your customers to follow you, join your group or like your page. The key to social media is to post consistently, so set aside time every day.

### **Cross-sell complementary products and services**

Cross-selling is suggesting a complementary purchase item to a customer. It's usually most effective at the time of sale. For example, if you're selling electronics, you can offer a warranty for an additional fee.

## ○ Add new products

Expanding your product line is a good way to achieve growth. Refer back to your customer market research to identify potential new products to introduce. And simply ask customers what else they'd like to buy from you. It could be a product or service that's complementary to your existing line, or something completely different but in-demand from your customers and makes sense for your business to offer it.

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A car wash can easily add vehicle-care products—such as rubber floor mats and air fresheners—to significantly increase point of sale revenue. An accountant can offer to provide consulting services to clients for an additional fee, in addition to tax compliance services. An online dress seller can add a line of fashionable footwear to their website.

Experiment with new products to find what works. It's okay to introduce a product, give it time to see if it sells, and then keep it or replace it with a new offering.

## ○ Enter new markets

Your business may be ready to expand into new markets. That could mean expanding geographically into another city, town or state, or another country. Or, you might open new markets by reaching out to a new customer segment—for example, a residential cleaning service company might want to pursue commercial customers as well.

Do your homework before entering a new market. You'll want to thoroughly understand what competitors are doing in the market or segment so you can be prepared with a great marketing plan.

## ○ Tweak existing products

Many products or services are created to fulfil a certain function, but, along the way, another application is discovered. Companies also decide to intentionally modify a product or service to make it suitable for new market or market segment.

Take a close look at your existing offering (and involve customers for their perspectives) and think about what else you could be doing with your products or services.

## ○ Deliver webinars, seminars and free demonstrations

Positioning yourself as an expert in your industry creates brand awareness and customer trust. Webinars, seminars and demonstrations are a great way to network and meet potential customers. Set up a monthly event in your location or secure a meeting space and invite prospects and customers to join you.

## ○ Go to trade shows

Set up a booth at industry trade shows to promote your business and its products and services. Offer to speak at the event as well, to help establish your expertise and generate leads. If you can't afford to rent a booth at a trade show, just go and network and collect leads.

## Resources

### **Small Business Administration (SBA)**

The SBA offers many valuable resources for growing your business such as helpful information, tools, support and local events. Visit [www.sba.gov](http://www.sba.gov) to find out more. SBA-backed loans available through BMO can give you to access to the financing you may need to expand.

### **BMO business services**

Growing means more transactions, so put your business checking account to work for you by earning interest on your funds. If you need money for growth, talk to us about it and we'll find the right financing option for your business. Got some special plans? Contact us anytime to find out more about how we can help your business grow.

### **Chamber of Commerce**

Your local Chamber of Commerce is a growth resource worth exploring. You can connect with other business owners, attend informative events, find business support, and access benefit programs tailored to business owners. You may want to participate locally.



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## ○ Check your competition

You'll find ways to grow your business by seeing what your competitors are doing. Identify and assess your top three direct competitors:

- Assess their strengths, weaknesses, opportunities and threats (SWOT). Are they better at customer service? Do they charge more or less money? While you don't want to copy them directly, it's fair game to learn what they are doing well and apply a similar strategy to your business.

Acquiring a competitor is one of the best (and quickest) ways to grow your business. Not only will you expand your customer database, but you'll also gain access to their employees and suppliers. Your competitor likely has unique strengths your business can benefit from. You'll be able to open up new markets and deliver more value to your customers.

Buying a competing business should be a safe investment if you conduct due diligence during the process. Talk with a BMO Business Banker about finding the money you need to buy another business.

## ○ Update your business model and business plan

Get growing by modifying your business model to something more in line with customer needs, or a market you intend to target. For example, many companies that started off with a retail location have moved all or part of their operations online to reduce costs and

achieve scale. You don't have to change what you do but you may decide to change how you do it. Take a look at what other companies in your industry are doing and pay attention to customer feedback.

## ○ Franchise your business

If there's enough demand for your products or services, shifting to a franchise business model can generate serious growth. Take time and effort to properly determine the viability of selling your offerings in different locations by other business owners. Can your business model be replicated? Businesses that successfully become franchises are those that have robust and efficient systems in place. If your business runs like a well-oiled machine with great systems and streamlined processes, including well-trained employees, then there's a good chance it could become a franchise.

## ○ Grow by increasing your profits

Growing a business isn't always about adding revenue. You can also grow your business by increasing your profits. You can do this by:

### **Improving efficiencies**

Review the way your business currently performs different functions so you can spot opportunities to make things run better. Technology such as online apps are a perfect way to help boost operating efficiency. For example, instead of manually sending out e-newsletters to prospects, you could use a service such as Mailchimp or Campaign Monitor to make that process easier and more efficient.

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## **Increase your prices**

By increasing your prices you can improve margins and bring in cash to use for growth. Look to increase your prices over time, so that you can improve your profit margins and keep up with inflation.

## **Stay on top of accounts receivable**

If your customers owe you money, it's important to use effective collection techniques and credit policies. Late-paying or non-paying customers can damage cash flow and hurt profit. Speed up receivables or start taking customer payments upfront by accepting credit or debit card payments with SwipeSimple or SmartPay from BMO.

## Use money to fuel growth

You'll need money to grow your business. Whether it's an equipment upgrade to boost output, leasing delivery vehicles to improve customer service, hiring talented new employees, or launching a marketing campaign in new country, be sure to put the funds you'll need in place—along with a little extra money for contingency costs.

### **Bank financing**

Talk to your bank about setting up a line of credit to facilitate cash flow, a business loan to fund expansion, a business credit card to help finance short-term expenses, or equipment financing to get the gear you need to expand. A good banker will listen to why you need the money and suggest the best solution. For example, if

you need expensive new equipment but don't want to tie up too much capital, your banker may recommend leasing instead of buying the equipment.

### **Government financing**

Governments want your business to succeed. You'll find billions of dollars available from different federal, state and municipal governments to support your business in the form of loan programs, grants, subsidies, export grants, tax incentives and much more. Start to explore these options on the loans and grants section of [www.sba.gov](http://www.sba.gov).

### **SBA loans from BMO**

For new businesses without a credit history or lacking capital, or for existing businesses that are ineligible for bank financing, SBA loans are an attractive option because the SBA will guarantee repayment to the issuing financial institution. You can learn more about the different types of SBA loans on the BMO website, or by talking with a Business Banker.

## Leverage your business assets

Your tangible business assets will include things like equipment, real estate, vehicles, inventory, office or storage space, and any intellectual property (IP). Intangible business assets include unique capabilities or expertise, employee skills, special processes and even your brand influence.



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Think creatively and explore business models to leverage these assets to achieve growth. For example, you may own valuable IP that could be licensed to users to create a new revenue stream. Or, if your business has unused space, you might rent it out to an upstart business until you need it yourself.

## ○ Improve your capabilities

Capabilities are the building blocks that enable your business to grow. You can build capabilities by paying attention and investing in these areas of your business:

### **Human resources**

The quality of your employees and their ability to get the work done well will determine how much your business grows. Search thoroughly for the right person for each position, put them in comprehensive training, and invest in ongoing training as their role broadens.

### **Marketing**

By reaching as many potential customers in your target market as possible, you'll get the best results for your business. Combine what works for your business online with traditional marketing channels like print advertising, radio and trade shows.

### **Technology**

Business owners have more options than ever before to improve their business capability with online technology. Think in terms of fundamentals like financial, communications, marketing and collaboration tools.

- Financial tools like bookkeeping software and payment solutions help your business to process more data and accept customer payments anywhere.
- Communication tools such as online calling and conferencing are game-changers because they make it very easy to communicate with your customers, suppliers, partners and employees.
- Collaboration tools boost business productivity for project management, file sharing and internal communications.

## ○ Form a partnership

A strategic alliance or joint venture is any cooperative agreement where two or more businesses come together for a specific duration or project, to achieve their mutually beneficial objectives. Resources, skills and, sometimes, capital are pooled together for mutual gain. For example, a graphic designer can boost capabilities by teaming up with a professional copywriter to cross-promote services to each other's customers.

## ○ Ask advisors & mentors

Many heads are better than one. Lean on your professional advisors such as your lawyer, accountant, banker and business mentor or consultant to hear their ideas and suggestions to grow your business. You'll be able to tap into a variety of experiences, wisdom and connections beyond your own. Bring these people together for a brainstorm session (or two), or meet with them one-on-one to collect individual input.

## ○ Identify future opportunities for growth

What's ahead for your business? Will you continue along the current path (perhaps making a few improvements along the way) or is taking a new path required to achieve growth? You'll find opportunities in your data. You might find out your customers want you to offer a complementary service, or realize an existing piece of equipment is slowing operations and needs to be upgraded.



**To learn more about BMO's solutions for businesses, visit [bmo.com/businessbanking](https://bmo.com/businessbanking).**

