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STUGGLES OF SMALL-SCALE BUSINESSES AND HOW TO FIX THEM

Annotation: Owning and running a business is a frightening thought for most people, especially when you consider how many problems you might face along the way.

Having the idea is often the easy bit. Starting and managing it successfully along the way is the hardest and scariest part. The first two years of your business are crucial and most small companies do not make it. Those brave enough to do it have to manage every aspect from employees, marketing, admin, accounts and, perhaps most importantly, making sure they don't miss out on any leads!

Keywords: customer, small scale business, quality.

FINDING AND RETAINING CUSTOMERS

As you probably already know, the key to finding customers is to have a product that is unique and that can satisfy their needs. So, do a little market research, find you target group, see what their pain points are and how you can resolve this for them.

Also, marketing plays a big part in your business. Choose a popular media platform to advertise your business and keep it simple. Make your statement brief but something that would stick in your customer's mind, since mind positioning is half the job. You should also be available as much as possible, so that you can reply instantly or at least in the first few hours. Do not use automatic responses, make those e-mails personal and trust that they will know the difference. For special potential clients, where you think you can earn well, you can always offer a demo service just to give them a taste of what working with you would look like.

A way to keep customers is to have a great service coupled with the best price. This sounds like a very obvious thing to say but keeping that value-for-money policy constantly on your mind will guide you. You can again do the research, but this time focus on the existing customers, ask them for feedback, see just how much you earn from them and how much is the service actually costing you. Focus on your best customers, learn from their example and you will profit more.

If you have a negative comment, get right on it. Call the customers personally, ask them specifics about what bothered them and offer compensation in a form of discounts, gifts, etc. It seems like a lot of trouble, but it is worth it. Negative comments will not lead to good word-of-mouth, which is something that can make or break a business.

RELYING TOO MUCH ON ONE CUSTOMER

Understandably, even one good, large, paying-on-time customer is great news for a new business, but it can also be a problem. And that is the fact that it's not making you a business owner as much as a contractor. It can be very difficult to stop focusing on that single customer and try to find new ones that might not be that reliable, but it is necessary.

All sorts of problems can occur, and even that one big client could stop needing your product. That is where you start needing other small clients to help you keep your business afloat if that big one stops paying.

Spreading Brand Awareness

It can sometimes seem like today's biggest brands seemed to have popped up out of nowhere. How did they become a household name? How did they grow that quickly? Can your business grow like that, too?

Of course, most of these companies' hard work, failures, and rejections happened behind the scenes. But there are strategies for spreading the word about your brand and building a great reputation that you can start right away.

There are many ways to spread brand awareness, but the three I'll touch on here are PR, co-marketing, and blogging.

- **PR:** Public relations is less about paying for a spot in a news blog, and more about focusing your voice and finding your place in the market. I recommend reading [this great post from FirstRound Capital](#) on what startups and small businesses often get wrong about PR, which also includes some great, tactical tips on how to figure out who's covering your industry, building relationships, and working with reporters. You can also [download our free public relations kit](#) to learn how to maximize your public relations efforts with inbound marketing and social media.
- **Co-marketing:** Partnering with another brand will help you inherit some of their image and reputation and create brand evangelists outside your circle.

It's a fantastic way to gain a large volume of new contacts alongside your organic marketing efforts. You can [read our ebook on how to get started with co-marketing](#) for more helpful information.

- **Blogging:** Running a consistently high-quality blog will also help you build brand awareness. Not only does a blog help drive traffic to your website and convert that traffic into leads, but it also helps you [establish authority in your industry](#) and trust among your prospects. Many people find out about HubSpot because of our blog posts. It'll also help you build an email list, which brings us to our next point.

Balancing Quality and Growth

"There's this mix of building scalability early, versus doing what you have to do to get it all done," Nick Rellas, co-founder and CEO of Drizly, [told our panel of startup executives](#) about starting his own business.

This is a tricky one, especially since every situation is different. You'll see this problem arise in all areas of business: in product development, in marketing and content creation, in hiring, and so on. For example, many business executives will push growth at all costs. But if you grow your company too quickly, you'll find yourself having to hire quickly. This can overwhelm your experienced team members because it takes a while to train people. And if you don't train people well, it can end up backfiring.

Unfortunately, there's no perfect answer here. "Depending where you are in your business' lifecycle," says Rellas, "the scale will tip one way or the other, but I do think you need both at different times."

What it comes down to is not obsessing over every detail, but obsessing over the *right* details. Obsessing over product perfection, for example, might not be as important as obsessing over customer service. It's better to put your fears aside and launch a product that isn't perfect because you can always update and improve it. After all, once your products are in the hands of your customers, you can learn much more quickly what's working and what isn't.

Obsessing over customer service, however, is worth the extra effort. Amazon CEO Jeff Bezos puts it well in [his 2016 letter to shareholders](#): "There are many ways

to center a business. You can be competitor focused, you can be product focused, you can be technology focused, you can be business model focused, and there are more. But in my view, **obsessive customer focus** is by far the most protective of Day 1 vitality." ("Day 1" is what he refers to as a period of growth and innovation, whereas "Day 2" is stasis, irrelevance, and slow demise.)

STAYING UP TO DATE

To keep your business, you need to be on the same page with what is trending. That is the only way you can measure up with the competition. Also, this one is not that hard, and it would only take as much time as you want. Set aside time, whether it is one hour every day, week or more only you can know. But make sure you keep up with the trends. Read newspapers, blogs, Twitter, set up your Google Alert and you will manage to keep your business from falling behind.

Another way of being out there is through conferences, exhibitions, anywhere your target group is. Mingle, network and you will discover new things, learn about them and get noticed whilst you are at it.

While these are just a few of the many business challenges facing small businesses every day, there are many others out there. Are there other challenges your small business is facing that you want to bring up? Share with us in the comments below -- and don't forget to share your ideas for solutions, too!

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