

Batteries Included: How to Grow Faster Without Doing Anything New

What if you could accelerate your growth without doing anything that your company isn't doing already? What if you didn't need to make a dime of investment, add staff or learn any new techniques in order to grow faster than competitors in a slow-growth economy?

Would you grab the opportunity and run with it? Most people say they would, but few will take the simple actions required to grow faster with existing resources. What's missing is a disciplined focus on what drives customers, according to Quadrant Five founder Michael Rosenbaum.

“Every company that's generating revenues is doing something right, capitalizing on a competitive edge, retaining happy customers,” Rosenbaum explains. “But they're also investing resources to deliver also-ran products that generate no profit to customers who don't pay their bills or provide referrals. That doesn't mean the company won't survive, but what business owner dreams of survival?”

In order to thrive, it's important to identify the source of customer loyalty and referrals, Rosenbaum says. While a company might be offering hundreds of products and services, only a handful of factors at any company will drive customer retention and long-term, profitable growth.

“There's a big difference between what a company sells and what a customer buys,” Rosenbaum says, “and competitive advantage flows from factors that customers find to be more important than product features and pricing. When companies assume they know what customers need or conduct ineffective assessments that offer comfort without insight, the result is too many resources squandered in areas that customers don't value or, worse, resent.”

Rosenbaum offers the example of technology products that offer added features that most owners do not use. The seller might believe the product is superior, but the customer might see the offering as a lower net value than the earlier, simpler version.

“Inside the company, new and improved is very exciting, but the flesh-and-blood customer on the other side of the delivery route might be worried more about training costs for users than the number of bells and whistles in the package,” Rosenbaum says.

“Owners must focus on the factors that drive customers, who are the ultimate job creators in this country,” he says. “When a company redirects existing resources to focus on the customers’ priorities, accelerated growth can be obtained without new investments in products, staff or facilities.”

Rosenbaum’s challenge to business owners is particularly timely as the economy begins to grow at a faster pace. Improving markets can bring new customers, of course, but they also make existing customers more confident about new or expanded purchases.

“Economic growth brings expanded opportunity, which gives each business owner a choice of what new business to pursue,” Rosenbaum notes. “In any business, customer loyalty and overall profitability depend on a relatively small number of competitive strengths. By pursuing new business opportunities that mesh with those strengths, owners can ensure more profitable and sustainable growth in the coming year.”

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