



Strategies For Creating A Business (And Growing From There)

Creating a business is not an easy avenue to explore. It requires commitment, frequent planning, substantial financing and good business sense. However, not only do you have to think about the beginning of your new venture, but you also have to think about the company's continued growth.

To be a successful business, growth is the standard measurement of progress.

Several criteria can be used to gauge this in a commercial enterprise, including:

- Sales revenue - Value of business generated by the company in a given period
- Market capitalisation - Value of equity to investors or owners
- Profitability - Net profit after taxes and operational expenses
- Customer retention - Size of the existing market
- Customer acquisition - Number of potential customers from the total market share
- Company assets - Assets legally owned by the company after subtracting liabilities

Generally, several strategies can be followed to develop and sustain business growth (depending on your preferred approach towards increasing your business activities).

Market Penetration

Even the smallest start-up company needs to have a way to break into the market and stand out from its competitors. Several techniques can be combined with other ideas to distinguish your company. These include:

- **Offering lower prices**
- **Being more willing to bend to market demands through availability/logistics.**
- **Adding value-added services while maintaining an acceptable quality standard**
- **Exceeding customer expectations.**

Market Development

Using careful planning and precise execution to generate business in a new market is another strategy for your business to further its reach. Understanding the business conditions of a market allows companies, big or small, to sell existing products in new markets that can develop new sales opportunities.

It could also mean reaching out to other areas of opportunity such as classifying the market according to age, income class, spending personas or other distinctive conventions. Depending on the industry, you can also redevelop a new product/service line based on the overall demand.

Product Development

Know what your customers require/ are looking for and become their solution. Answer the market demand (if possible) with a new product or service that addresses this need.

Companies can use different ways to develop products in an existing market; they could be based on the following:

- pricing
- development of new features
- product positioning
- other deciding factors could push customers towards choosing what your business can offer.

Business Diversification

While this is a high-risk strategy, it may lead to high rewards. To mitigate the risks, you can lead your business by approaching new ventures with calculated risks and weighing the potential rewards if it succeeds. Additionally, some diversification strategies allow some flexibility for pivoting from the initial business plan to allow a safer way that can lead to growth.

If you are considering the next step for your business, why not consult with us? As business advisers, we can assist you with strategies to help develop your business to its fullest potential.

Disclaimer for External Distribution Purposes:

The information contained in this publication is for general information purposes only, professional advice should be obtained before acting on any information contained herein. The receiver of this document accepts that this publication may only be distributed for the purposes previously stipulated and agreed upon at subscription. Neither the publishers nor the distributors can accept any responsibility for loss occasioned to any person as a result of action taken or refrained from in consequence of the contents of this publication.