

CHECKLIST TO GROWING YOUR BUSINESS IN HAWAII

Successful business owners are always looking at ways they can grow their business and maximize their profits. We've put together a checklist that can help you identify things to consider to grow your business..

1. GROW YOUR SALES

Contact your best customers to buy more

One way to achieve an increase in sales is to sell more to your existing customers. For example, you could try contacting every customer and offering a complementary product or service that they might need now. You could also try and anticipate when customers may have run out of product, or need to re-order from you, and contact them just before this happens.

Cross-sell complementary products/services

Learn the fine art of cross-selling, which is suggesting to customers that whatever they're buying from you would be of more value if they purchased a complementary item. For example, if you're selling business attire for men, and someone buys a shirt from you, you've got an opportunity to cross-sell by encouraging them to purchase a tie as well.

Create a customer loyalty program

If one of your goals is to incentivize repeat business and retain more customers, consider the benefits of a customer loyalty program. A well-designed loyalty program can help make your business the first choice for customers. However, designing an effective program requires work, research and continued engagement beyond what you find in standard promotions. A one-time discount that's offered to every customer may bring new business your way and increase your exposure, but it may not bring repeat business and it will not succeed in making your best customers feel special.

Start a contact nurturing program

Can you make more effective use of your database of customers and prospects by maintaining regular contact through newsletters (physical or email), phone calls, personal visits, or attendance at conferences and trade fairs? Do you advise them of special offers or tell them about any products and services they have not previously purchased?

Develop a social media campaign

If you're not already on social media, now's the time to start. It's one of the most important marketing tools you can use, and often free. Conduct informal research on your current customer base, with the intention of finding out what they want to buy from your business but is unavailable to them. Engage with your customers through social media channels to find out what they want. Ideally, you want to be selling the right products or services to the right people. By passively inquiring, you should get some ideas on how you can sell more to your existing customers.

Conduct webinars and demonstrations

By doing this, you're positioning yourself as an expert in your industry, and this creates brand awareness and customer trust. It's also a great way to network among industry peers and to meet potential customers. It's known as thought leadership. For your growing business to become a thought leader, you'll need to start with a unique point of view which will lead to approaching and solving challenges in a novel or different way. It will take time for your reputation to grow and for the word to spread about how you're doing things differently.

Attend and exhibit at trade shows

These are important for the same reasons you'd run webinars and demonstrations, but trade shows also offer the chance to get your product to new customers and increase word-of-mouth advertising, as well as adding more to your customer database. When people go to trade shows, they're fully expecting you to be actively selling to them, and they wouldn't be there if they weren't interested in your product. So, make the most of it. Get out from behind your booth and actively engage with the crowd.



2. GROW BY DEVELOPING NEW PRODUCTS/SERVICES

Research new ideas and see if you can update current products

Your goal is identifying any new products or services that a) complement those already existing and b) your customers have indicated they'd be interested in buying them from you. Any new product needs to complement what you already sell, not be a substitute, otherwise there is no growth in sales.

Ask your existing customers what else they want and would buy from you. Use their feedback to identify the opportunities. Then design or find new products or services to match your customer needs. Pilot or trial the intended product to selected customers first for their reaction.

Check financial feasibility

It's important to make sure there's a demand and that you can actually create the product. Diversifying into new products is a medium- to high-risk growth strategy because new products and services cost time and money to source or develop.

Develop prototypes

You won't be able to market a new product if you don't have an example to show your customers. Invest some time and money in research and development, so that your prototype makes a good impression and is an accurate representation of what you'll be selling.

Test with customers

From friends and family to more formal focus groups, it's important to test your product in your target market and record and analyze the results. You'll be able to determine if the demand exists and if there are changes you could make to the product before taking it to market.

Protect intellectual property

The last thing you want is your brilliant idea and all the work that went into creating it ruined at the last minute because someone else beat you to the patenting, copywriting or trademarking process. Equally, you don't want to be stealing someone else's idea, so visit the [United States Patent and Trademark Office](#) website to protect your IP and make sure you're not.

3. GROW BY IMPROVING PROFITS

Improve efficiencies

Technology is great here – there are many ways you can use it to make your processes more efficient. So, review all your systems and look for ways they can be improved. The better the system, the more efficient and productive it will be. Take a look at your customer base. Do you have habitually late or non-paying customers? It might be time to ditch them.

Increase output, especially, of those products that are selling well

Invest more time and money in manufacturing products that are selling well and consider increasing the amount of time and money you spend promoting them.

Increase prices

Increasing prices widens your margins and raises cash you might need for business growth. You should always be seeking to increase your prices over time, so that you can improve your profit margins and keep up with inflation. Make sure you communicate to your customers the reasons for the price increase. It's important to convince your target market that your products or services are worth the additional cost, so think about ways to justify a price increase and focus on the benefits.

Streamline debt collection so there's more cash coming in

Make sure you're always paid on time. If your customers owe you money, the faster you're able to obtain it using effective collection tactics, the better. Ideally, you want to reduce the chance of bad debts and pressure on your business's cash flow.

With Merchant Services you'll also get paid up-front, although there is a fee for credit card processing.

4. GROW YOUR CAPABILITY

Assess your capacity to handle expected growth

This is especially important if you need additional equipment or space. Capacity building is about working on your business's ability to do more internally – such as speeding up production or improving your systems and processes.

Conduct a human resource audit to identify if you need additional employees with different skills

It's worth investing in additional employees if they have the specialized knowledge and experience you need. Consider this as an option to upskilling existing employees, especially if the training involved would be too time consuming or demanding.

Retrain current employees if your business's growth requires new skills

If you believe that your current employees would benefit from retraining, instead of hiring new people who already have those skills, it's a good idea to explore what training options are available. It's important to discuss retraining with your employees to ensure they'll be able to fit it into their schedules.

Review your technology

Determine if you need to upgrade internal systems or software. You need to be sure that the systems you have to administer your business and its sales can handle expected growth.

Iron out small inefficiencies by streamlining systems and processes, such as properly delegating work, using technology, getting rid of unnecessary tasks, and making sure employees are working efficiently. For instance, you can make use of web based conference calls for meetings instead of spending money travelling.

Conduct an inventory process audit

The idea is to solve any potential bottlenecks that increased growth might cause. It's also a good way to get rid of anything in the inventory that's not needed – a great excuse for a sale.

5. GROW BY UPDATING YOUR BUSINESS MODEL

Investigate if franchising your business is an option

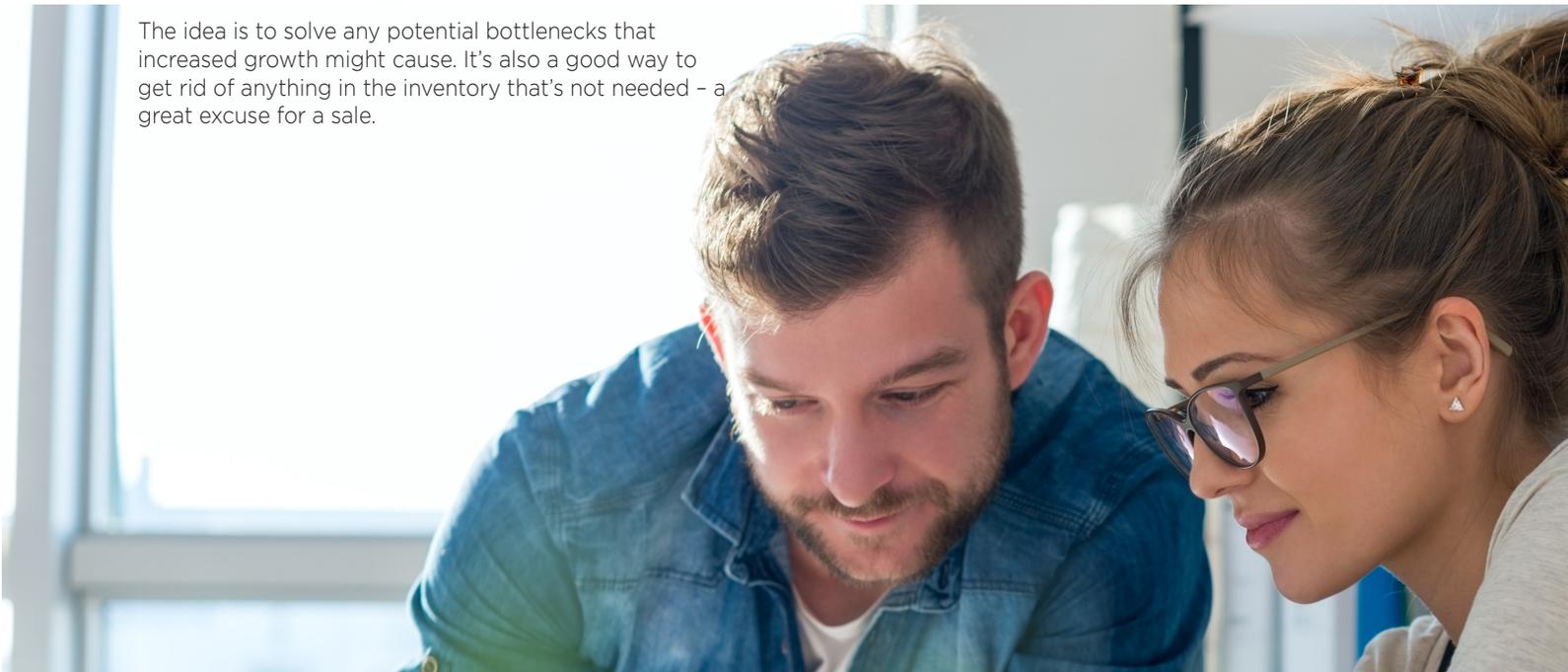
This is a big step but if you can justify demand, shifting to a franchise business model can generate serious growth. Ask yourself if there's a demand for what you're selling – is it so popular that it can be sold in different locations, by other business owners? Can your business model be replicated? 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.

Develop a strategic alliance to gain shared advantages

Consider entering into a strategic alliance with successful distributors or complementary businesses, as you may be able to expand your business's reach and win new customers in a more cost-effective manner. Strategic alliances let two (or three or four) companies share each other's strengths. For example, a convenience store might form an alliance with a fuel company to create a one-stop gas station. Together, these businesses can pull in a larger number of customers and benefit from complementary sales activities.

Purchase a competitor

Not only will you expand your customer database, but you'll also get access to their staff and suppliers. Odds are, your competitor has unique strengths your business can benefit from. You'll be able to open up to new and diverse markets as you add more value for your customers. And, because you already know the industry, acquiring a competing business should be a safe investment if everything checks out once due diligence is complete.



6. GROW STAFF EXPERTISE

Investigate training courses your employees can attend

As your business grows, so should your employees' expertise. If you're developing new products and/or services, it's important that your employees are well trained in how to use them. Aside from in-house training, look at educational institutes and the courses they offer to determine if any of them complement your business.

Run in-house seminars on new technologies

If you've installed new software that your employees will need to use on a day-to-day basis, make sure they're up to speed by training them in-house. You might want to get a specialist on the new software to conduct the training, or if you're an expert, you can do it yourself. This applies to any new technology you're introducing to your business.

7. GROW YOUR IP ASSETS

Grow new markets by exporting

If your product is doing well locally, you may want to spend the time to determine if there's a demand for it overseas. Exporting is a great way to maximize your profits and bring in new customers. The [US Customs and Border Protection](#) website has some good information around the basics, while [Export.gov](#) is a site that's dedicated to helping US businesses export around the world.

Maintain your competitive edge by conducting regular R&D

Successful businesses don't rest on their laurels. You should always be on the lookout for ways to add to or improve your product or service, which is where continuous research and development is important. And remember, always protect your IP if you do come up with something new.

8. GROW YOUR CASH RESERVES

Free up internal cash

The idea is to avoid seeking a loan or outside investment. Reduce the amount of withdrawals you're making or look at leasing equipment only when it's needed, instead of buying it. Look at ways you can reduce costs. You can negotiate lower prices with suppliers, examine your processes and systems to spot waste and look at ways to reduce the chance of theft. You can also reduce your energy costs through conservation or by changing providers, cut down on travel expenses and manage your inventory by removing poor performing product lines. Also consider selling assets such as vehicles or computer equipment that aren't used optimally.

If you can achieve growth without borrowing to do it, so much the better.

Weigh the risks versus rewards to assess whether you need a loan

It could be that there's no other option than to borrow money to finance your business growth, but you should carefully consider whether it's worth it in the long run.

Talk to one of our [Business Relationship Managers](#) about our lending options to find out if they're right for you.

Use crowdfunding

These online platforms help you raise capital (often for pre-start businesses who sell their products in advance to raise cash). It only suits certain businesses, and it can take a lot of your time and energy which could be better spent on the business, and borrow through traditional channels.

Angel investors or venture capitalists

If you can get either of these on board, you can take advantage of tapping into their external expertise as well as using their money to grow your business and increase your cash reserves.

Angel investors are usually successful entrepreneurs, retired business owners or corporate executives in search of investment opportunities with promising businesses. They're looking for a piece of the action, but they also have investment criteria and expectations.

Venture capitalists (VCs) are companies that professionally manage a pool of funds to invest in a number of different companies.

Take advantage of government or state grants

A really good place for Hawaii business owners to explore government grants and financing programs is the Hawaii.gov website and the [section about business incentives](#). It's also worth checking out the US Small Business Administration website - their [Loans and Grants section](#) explains how they can help.

HAWAII RESOURCES & WEBSITES

The Small Business Administration (SBA) – Hawaii District Office

Visit your [local SBA Office](#) to access resources, information and support to help grow your business. You can find out about SBA-backed loans. Plus, check out their Small Business Events.

Hawaii Small Business Development Center (SBDC)

Find help to grow your business, search for funding and attend learning events. There are several SBDC locations throughout Hawaii. [Visit the website](#) for more information and locations.

Chamber of Commerce Hawaii

Connect with other business owners and access supportive business resources through your local Chamber of Commerce. [Visit the website](#) to learn more.

National Federation of Independent Business

Known for its strong business membership and fierce advocacy with governments on issues important to its members, you may want to join the NFIB [Hawaii Small Business Association](#).



Please note that the information provided isn't intended and should not be relied upon as professional or personal financial product advice. You should seek professional advice before making any decision that could affect the financial health of your business.