



**Small Business Ideas to Grow Your Business:  
Why Small Businesses Fail and What Most Successful Small Businesses Do Well**  
*Handout from Suzie Price's Interview with Small Business Expert:  
Meredith Bell, President of Performance Support Systems  
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**SUZIE: Three main areas for WHY Small Businesses Fail:**

MEREDITH: I'll focus on 3 key areas that are INTERNAL to the business because those are things a business owner can actually do something about.

1. **Don't have a comprehensive marketing strategy.**
2. **Don't ASK their customers and employees** about what they want and need. Instead, make assumptions that may or may not be true.
3. **Don't closely monitor the performance of their managers and employees.** Make assumptions about how these folks are doing their jobs.

**SUZIE: What most Successful Small Businesses Do Really Well:**

MEREDITH: From my personal experience working with entrepreneurs and in our own business – along with what I've learned from others – 5 KEY THINGS those who are thriving do well.

1. **Know how to market** – to get new customers and learn what potential customers want  
EXAMPLES:
  - Know who your ideal customers are and how to find more of them
  - Create compelling messages targeted to them
  - Use the right combination of media to reach prospects – both online and offline
  - Collect testimonials from customers who love your products or services
2. **Systems in place to automate operations and ensure quality.** They don't leave things to chance. (example of the customer's experience when visiting the loan company's office: greeting, testimonials, videos, etc.)
3. **Make time to interact with peers and learn from them.**

EXAMPLES:

- Trade association meetings and conferences
- Group coaching program with people from different types of businesses
- 1-1 coaching with an executive coach



#### 4. Have a customer retention plan.

EXAMPLES:

- Communicate with them often, like a newsletter, and even feature customers in the newsletter
- Rewards program for referrals or frequency of purchase
- Get feedback from them on a regular basis to find ways to improve their operation, products and services.

#### 5. Have an employee retention plan. Low turnover can save you a ton of time and money.

EXAMPLES:

- Get feedback through discussions and employee opinion surveys.
- Create a great work environment so people enjoy coming to work.

**SUZIE: Why Getting Feedback from Customers and Employee is So Important:**

MEREDITH:

1. **We have strengths we could leverage more.** Do you know why your regular customers keep doing business with you? If you find out, you can use that information in your marketing to attract new customers.
2. **We all have blind spots and areas we need to improve.** Feedback helps us discover those areas so we can change, so our customers and employees have a more positive experience with us and with the business.

**SUZIE: Why So Many Small Businesses DON'T Take Advantage of the Power of Feedback:**

MEREDITH: I'll tell what the BIG 3 reasons are, that I've observed.

1. **Just haven't thought about it.** They don't realize how important it is to ASK – and what they'll learn.
2. Others **may be afraid of what they'll find out if they DO ask.** That's understandable. The only kind of feedback many of them have ever gotten is when customers complain, so they may be afraid that's all they'll hear.

But if they don't get at the truth, they risk losing customers and employees, both of which are very costly to a business. **Research shows** that for every customer who *bothers* to complain, **there are 26 others who say nothing.**

The good news is that if you **make an effort to remedy** a customer's complaints, between **82 and 95% will stay with you.**



Think about that for a minute.

What money is a business losing by NOT finding out what the problems are and fixing them?

3. **They may think doing surveys is too hard and complicated.** Maybe they don't know what kinds of questions to ask or how to set one up.

But it can be easy, fast and automated with software like our Surveys for Small Business. It's a no-brainer because we've got done-for-you templates for surveys like customer feedback, employee opinion and even individual performance.

#### SUZIE: What One Thing Do You Want Small Business Owners to Remember ?

MEREDITH: The success of any business depends on having customers who pay you money for your products or services. And you need employees to be motivated and eager to strengthen your business, whatever their role.

So **it's critical to know what your customers and employees need and want from you.** The question I'd encourage every biz owner to answer is: *What systems and support do you have in place to make sure you're doing the right things the right way?*

Our **Surveys for Small Business** software is both a customer retention and employee retention tool that can lead to:

- More sales
- More stable cash flow
- Less turnover