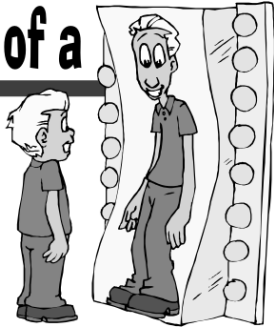


Characteristics of a

BUSINESS STRATEGY SKILLS TRACK

Successful Business!



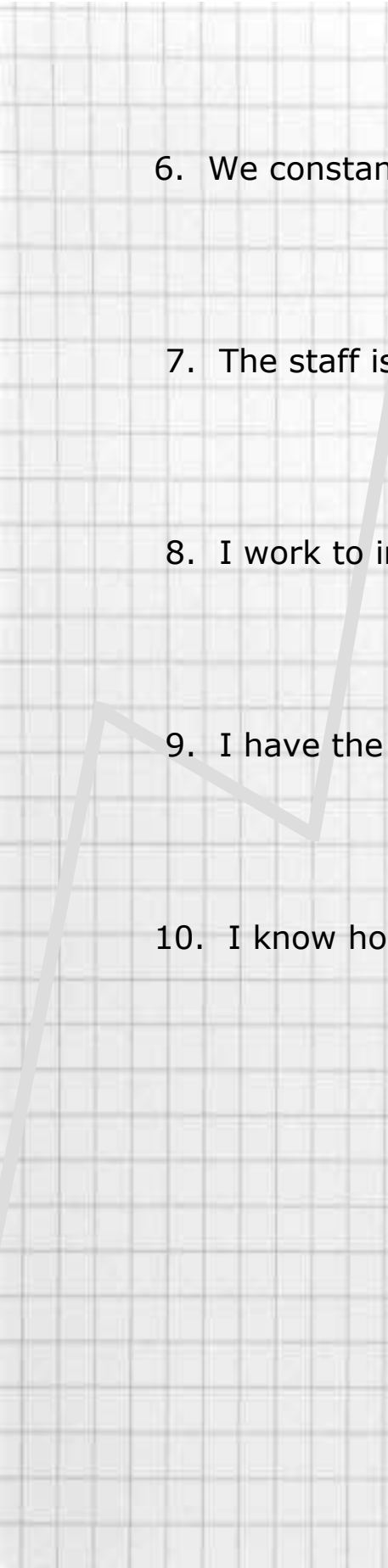
**Presented
By
Tom Shay**

PROFITS PLUS
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FOR SMALL BUSINESS

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Characteristics of a Successful Business

1. The image of the business is clear to our customers.
2. Our business has clearly identified the best customers.
3. Our business utilizes technology.
4. Financial understanding is a cornerstone of our business.
5. We know the difference between advertising and promotion.



6. We constantly work to improve the business.

7. The staff is dependable.

8. I work to improve myself.

9. I have the right personality for this business.

10. I know how to pace myself.

My Plans for Becoming a Successful Business Person



The sequence of importance to my business and me is:

First	_____	Second	_____
Third	_____	Fourth	_____
Fifth	_____	Sixth	_____
Seventh	_____	Eighth	_____
Ninth	_____	Tenth	_____

The three things I see that I need to concentrate on:

1. _____
2. _____
3. _____



The characteristics of a successful business person

By Tom Shay

SOUND ADVICE FOR BUSINESS

Whenever this writer is the guest speaker at a tradeshow or conference, he gives to each attendee a post card asking what other topics are of interest to them. If we were to tabulate the comments received over the years, we would consistently see a "top 20" of needs and interests.

Recently we had a most unique request. The attendee asked what would be the characteristics of a successful business owner or manager.

With a word of thanks to that individual, here is our list of 10 traits we consistently see in the success stories of those with whom we have the pleasure of working and visiting.

The first is that these individuals enjoy what they are doing. You can see it in their faces when they first walk into their businesses. There is a pleasant smile for each customer and staff member. There is a sincere word spoken to each and a feeling that when they speak to each staff member, that person is most important.

Want to see a test of this trait? Ask some of the sales representatives who call on that business what they think about the owner or manager. Sales representatives seem to have that special talent of detecting those who are enjoying the industry.

The sales representatives will tell you these businesses manage to succeed in spite of almost any economic trend. If there is a recession, these are the business owners or managers who have decided they are not going to participate. And when they visit with sales representatives, they are always looking for information and ideas that will give them a competitive edge in their marketplace.

The second trait is that they know their first job is to manage the business. While they may be the best salespeople or technicians within their businesses, they understand the numbers necessary for financial management. They even have plans for the future, and they know how to position their businesses so they can either pass them on to the next generation, sell, or sell out. The key is they know what they want to do and are not allowing conditions to dictate to them.

Almost everyone works *at* the business. Successful owners or managers know when to work *in* the business and when to work *on* the business. When they are working *on* the business, they are doing the job that no one else in the business can do.

The third trait is shown as owners or managers are active in their community and their trade associations. They will probably tell you about the benefits they have received as a result of their participation. In community involvement, it is often that connection to another individual or business that brings successful business owners or managers some new business they would not have gotten otherwise.

They will tell you that when they attend their trade-association board meetings, they are surrounded by other progressive and optimistic dealers. This interaction brings a boost to their spirits as well as some new ideas and insights



The characteristics of a successful business person

(continued)

SOUND ADVICE FOR BUSINESS

Attending tradeshows and seminars is the fourth trait. It is never a question of whether or not they are going to attend the show, but rather how many of their staff they are going to take with them. They know the progressive competitor is going to be there, and the complacent competitor will be staying home.

The tradeshow is where they write orders, look for niche-market opportunities, and get a feel for where the industry is headed and how fast it is getting there. While at the tradeshow, our owners or managers will attend as many seminars as possible. In addition to the advantages they will gain on the tradeshow floor, there are many advantages to be gained in the classroom. Even the topics that are not the attendees' favorites are on their lists, helping to make them more well-rounded owners or managers.

The fifth trait deals with branding and marketing. Our owners or managers have a clearly defined, written and posted statement that explains what their businesses are attempting to do in the marketplace. Their marketing—which may look like it never changes—has actually been the result of their constantly doing small experiments in unique ways of promoting.

The position they take in the community is always updated. Think of how the community has changed over the past 10 years; homes have either increased or decreased in value, people working in certain industries have moved in or out of the area, and other traits have developed that affect how and where people shop.

Our successful businesses, while appearing consistent, have made the necessary changes to continue to appeal to their customers. In much the same way as a parent does not notice the changes in a small child as he grows older, daily changes are almost imperceptible. But like the grandparent who sees the child only once a year, we would see the changes if we were to visit the business annually.

The sixth trait is that our business owners or managers are always looking for new products, categories or services to add to their businesses. Visiting with one such person in his business, this writer remarked that the business did not look like the typical one within their industry. The response from the owner was that it was obvious I was not a customer of the business, for their business looked exactly as it should, according to the customers.

Think about a business such as Sears; we think of it as a department store. Years ago it began as a watch-repair shop. As it added products and services, it evolved into a new business.

Our successful business people are frequently reading business books and magazines. This is trait No. 7. The list of magazines might include *Time* and *Newsweek*, but it definitely includes this magazine and others that specifically address small businesses. You could walk into their offices and see trade magazines for clothing stores, bookstores, and a number of other similar businesses. The basic concepts of business management cross over the lines of the products and services offered.



The characteristics of a successful business person

(continued)

SOUND ADVICE FOR BUSINESS

As for books, they are reading books such as *Agenda*, *Why We Buy*, *The Experience Economy*, and *Who Moved My Cheese?* Each of these books provides us with insight that will help us grow our businesses into becoming more profitable.

Trait No. 8 indicates our successful business people know the difference between advertising and promoting. John Wanamaker of the department store family in Philadelphia probably said it best when he said, "I know half of my advertising doesn't work. I just don't know which half it is."

Our successful business people are unwilling to settle for the so-called traditional 2- or 3-percent response to advertising—whether it be newspaper, radio, television, or direct mail. They are working to get the most by studying the results of previous efforts. They observe weather, advertising by other businesses, placement of the merchandise within their businesses, and just about any other factor that could have an effect on sales.

Promoting is understanding that the average business will spend \$20 to get a customer to walk through its doors the first time. However, once the person has entered the business and purchased something, we can get that person back for less than \$4. We can accomplish this by first getting the name, address, and phone number of that customer. Getting this valuable information is done in several ways.

The first is to offer a place for customers to sign up for a "preferred-customer" mailing list. Businesses that have used this technique state it is the word *preferred* that makes a difference. A sure way to obtain this information is by observing what the customers have just purchased. Engaging them in a conversation, successful businesspeople tell the customer they would be glad to give the customer a call or send a postcard when any new similar merchandise arrives. This preferential service has been shown to be a great technique for developing customer loyalty. Announcing sales and special events to these existing customers by way of notes, postcards, e-mails or telephone calls are classic examples of how promoting is much less expensive than traditional advertising.

Trait No. 9 indicates successful business people understand the difference between selling and marketing products. Selling is getting rid of what you have on hand; marketing is having on hand what you can get rid of. Some of marketing occurs by going to the tradeshow we mentioned to purchase at special prices the products we know we can move.

Marketing people are also knowledgeable in the different ways of appealing to different groups of customers. If your business has enjoyed an influx of more influential customers, tie-ins with other businesses that appeal to these customers can help keep your business as the first thought when they decide to spend money.



The characteristics of a successful business person

(continued)

SOUND ADVICE FOR BUSINESS

Trait No. 10 shows our successful businessperson utilizing technology to learn more about his business. Everything from a point of sale to detailed inventory reports and accounting packages, this business person embraces technology by taking time each week to study the information his computer system can provide him. The key is that he also makes decisions with this information—for information is useless if it is not used to make decisions to improve the business.

Although there were 10 traits mentioned initially, we actually see an 11th to add to the list. Perhaps the 11th is why the successful businessperson has that initial smile on his face, for what he has is a dependable staff and one that gives service like nobody else. This staff allows the owner and manager the opportunity to spend time working on the business to ensure the long-range success of the business.

As you can see, many of these 11 traits are linked to one another and dependent upon one another—but most definitely they are the characteristics of a successful businessperson!