

TARKENTON

IDEAS AT WORK

The Small Business Edge: How Small Biz Can Win in 2024

Takeaways

- Appeal to job candidates by thinking beyond just the salary figure.
- Prioritize your current customers as the foundation for growth.
- Modern consumers expect more, faster, and customized.

I've been fortunate enough to do a lot of things in my life. Played 18 years in the National Football League and played in three Super Bowls. Hosted television shows like *That's Incredible* and *Monday Night Football*. But I think of myself first and foremost as a small business entrepreneur.

Going all the way back to my football days, I was starting and running businesses at the same time. It's been the thrill of my life, and I've kept on going now for more than 50 years. That's why our company has such expertise helping our partners speak to the small business market: because that's our history!

Whether you're a small business owner yourself, or your company provides services to small business clients, this article provides insights on that market's biggest challenges, and how to overcome them.



The Small Business Edge: How Small Biz Can Win in 2024

Reading the “forecasts for 2024,” it might seem like small businesses have a higher mountain to climb than ever before. But with the right approach, some of the biggest business “challenges” today actually provide opportunities for small businesses to distinguish themselves and outperform competitors.

Let’s look at three of the biggest challenges facing all businesses in 2024:

1. The labor market continues to frustrate employers. According to the Bureau of Labor Statistics, out of 9.5 million current job openings, only 6.5 million unemployed workers exist to fill them. Too many jobs, too few people ... and in 2024, prospects have more choices than ever on how to spend their time and energy. Surveys find 61 percent of employers struggle with retention, and 73 percent battle to attract quality employees. Large or small, you’re likely to have trouble finding good people. As a small business owner, how can you compete with the employment packages offered by large corporations?

2. Competition is a perennial problem for business owners. The marketplace seems more crowded and noisier than it’s ever been. Digital/AI options have further complicated the landscape, making it even tougher to differentiate your brand from the pack. What’s the best way now for small businesses to compete effectively against huge marketing budgets, larger corporations, and well-known brands?



3. The ascending spiral of customer expectations like convenience, personalization, and ethical business practices puts heavy demands on both B2C and B2B companies. Customers are “trained” by companies like Amazon to expect a customized, optimized, integrated, seamless experience. Prospective customers scrutinize your reputation exhaustively, with the ability to research and study your track record. More than ever, purchasing decisions are based on social cues, usually expressed through what others say about your company in online reviews and comments. As a small business, how can you hope to meet these escalating demands and still show a profit?

So let’s talk about small business strategies to tackle these big challenges:

The Tight Labor Market

When it comes to hiring, we have a saying at Tarkenton that we use as we're getting to know job candidates: "They're interviewing us, just as much as we're interviewing them." It might sound daunting, but a small business can use this to your advantage. As employment candidates weigh their options, there are plenty of ways to set yourself apart beyond just the salary you offer. And remember, these are opportunities both to attract top talent and to keep your best folks from leaving:



- Tailored benefits.

Young parents might value maternity leave, while singles are more interested in a greater vacation allowance. Can you customize your benefits package to suit different individuals' needs? If so, you'll be glad you did – and you can set yourself apart from large corporations who are locked into a fixed set of benefits.

- Flexible work schedules.

You can also gain a competitive advantage by offering flexible work schedules that accommodate a variety of home/family situations. Employees are increasingly grateful for companies that allow them to get their work done on time, rather than punch a timeclock. If you can be flexible, you have a much better chance of landing and keeping top performers.

- Corporate culture.

Corporate culture is an increasingly important factor when candidates are choosing their next employer. Small companies are often much better at creating an environment where people feel appreciated, recognized, and valued. Make sure you highlight the ways in which your company prioritizes this. Promoting positive dialogue and soliciting feedback also creates a sense of ownership among teams. Share relevant stories with both current and future employees to attract and retain the best talent.

- People first.

No one likes to feel like a stranger. Big companies can often feel very impersonal and siloed. Small businesses have a distinct advantage here. In fact, you can make an employee feel at home even during the interview process by having candidates talk to several members of your team. You'll instill a sense of pride among your existing employees, and a perception with prospects that you are a people-first company.



- Get to know what really matters.

As Sam Feeney, author of *The Career Factors*, said in an interview, “Compensation is good at minimizing a person’s dissatisfactions (such as food, shelter, bills, and necessities). But it’s not very good at facilitating their satisfactions (such as impact and legacy).” Find out what’s important to your current team members and to job applicants. You can leverage assessment tools, such as Myers-Briggs or Clifton Strengths, to help uncover what really matters to your team – and don’t be surprised to learn it’s not all about the money.

Competition

Somewhere along the line, you (or someone) founded your company. Why did your firm start? What values prompted it? Who was crying out for its products or services? How did your company distinguish itself as a solution for your customers’ problem(s)? As you survey the competitive landscape, small business can win by coming back to these core questions. Rededicate yourself to communicating these principles in all your marketing and sales materials.

And while large corporations get swept up in expensive advertising campaigns, the best way to build both awareness and loyalty is to keep your ear to the ground with your best customers. Take the time to talk to them and find out what their biggest problems are, what they need help with, and what they are worried about.

While it’s tempting to focus on attracting new customers, the most successful companies know that ROI is higher and long-term sustainability is greater when you prioritize your current customers. Small businesses that figure out how to sell more and more often to their existing customer base will thrive in 2024. Make sure your marketing team knows that’s what you want to focus on.

The best part is that happy customers lead to referrals and leads that can help you add new customers as well. So don’t forget to ask for referrals, and be willing to reward customers who do so.

Customer Expectations

Even the best customers, however, have become more demanding. It's inevitable; their online experience has taught them to expect more, to expect it faster, and to expect it customized. This can seem like a big burden, especially for small businesses, but there are several simple things you can do to compete with the industry giants:

- Go mobile.

Increasingly, customers want to handle purchases, returns, refunds, and customer support with their phone or tablet. That doesn't necessarily mean a phone call; texting has replaced email as the preferred way to send a message. Luckily there are several software solutions that can take care of this for you, so you don't need a huge customer service center or a team of developers to reach your customers in their preferred medium.

- Keep it human.

Automation and technology can only go so far. It's fine to let a machine do routine, repetitive tasks, but situations that require discretion are best handled by a real live person. We all know how frustrating it is to call customer service and face a labyrinth of auto-responses. If you can provide contact with a human being, you are miles ahead of the competition.

- Talk the talk, walk the walk.

If part of your brand involves a cause or charitable mission, be sure you have evidence and testimonials to back it up. Don't pay lip service to the latest trend or try to be someone / something you're not.

- Respond to reviews and comments.

Even the negative ones. Online reviews are a huge driver of customer choice, and a bad review can wipe out millions of dollars spent on positive ads. The great news is, you can post your reply for free! So make sure you task someone with monitoring and replying to every customer comment online. If it's positive, just say, "Thank you, we're so happy you were satisfied!" If negative, respond with empathy and an invitation to discuss a complaint privately. Your market will notice when you go out of your way to treat people well.



- Self-scout.

When is the last time you visited your website as if you were a prospect or customer? When is the last time you tested your check-out process or “request more info” links? Take an hour and do it; you will probably find several ways to make the experience better, and keep your customers happier.

While 2024 will be filled with challenges, small business owners are uniquely positioned to overcome them. For further advice on finding hidden advantages and translating them into concrete actions, [schedule a complimentary consultation](#) with a member of the Tarkenton business development team.



By: Rachel Baker

President, SmallBizClub.com

Rachel Baker is the President of [SmallBizClub.com](#), an online publication for business leaders and small business owners produced by Tarkenton. With the help of a board of expert advisors, she manages the strategic planning of the site's vision while cultivating the brand's growth and evolution. Rachel has years of experience in managing and enhancing valuable partnerships, and is currently a member of the ADP Marketplace Board of Advisors. Since joining Tarkenton in 2011, Rachel has distinguished herself across a wide range of roles, showcasing her versatility and impact on the organization's success.