



# **INSIGHTS AND TIPS FROM CANADIAN SMALL BUSINESS**

**TELUS Small Business Focus Groups  
OCTOBER 2009**

## **Table of Contents**

[Conversations with Small Business Owners](#)

[Proud Achievements](#)

[Customer Loyalty](#)

[Generating New Ideas](#)

[Challenges](#)

[Online Presence and Technology](#)

[Standing Out from the Competition](#)

[The Importance of Referrals](#)

[Words of Inspiration](#)

[Additional Resources](#)

[Focus Group Transcripts](#)

## Conversations with Small Business Owners

During the past year, TELUS had the privilege of speaking with small businesses one-to-one on many occasions. In every conversation, small business owners and operators told us that they crave opportunities to share thoughts, ideas, successes and challenges with other small businesses.

Because small business matters to us, we took that feedback very seriously and began pursuing initiatives to facilitate those discussions. Our most recent initiative, the online focus groups, gathered small business owners and operators from Toronto and Vancouver for a web-based discussion about their experiences. The goal was to have an open, honest and candid exchange, where participants could share and learn.

The small business owners embraced the opportunity and shared some amazing information with us and with each other. They entrusted their experiences, tips, tricks and advice to us, with the confidence that we could share it further to help other small businesses prosper.

The result is a comprehensive small business resource of ideas and advice directly from small business owners. It's designed as an ongoing reference that you can use as your business changes, grows, faces new challenges and hits critical milestones.

Each section highlights the questions that we asked participants, a selection of responses in their own words and a summary of tips and tricks that you can apply to your own business.

Participants represented a diverse range of interests, sectors and businesses including:

Software Development  
Financial Services  
Tax Preparation Services  
CA/Trustees in Bankruptcy  
Photography Production  
Corporate Events  
Application Development for the energy industry  
Real Estate  
Home Wellness/Customer Service  
Business/Communications Consulting

Hardwood Flooring  
(Retail/Wholesale/Service)  
Teaching  
Internet Consulting  
Copy Editing  
Management Consulting  
Web Programming  
Accounting  
Project and Facilities Management  
Construction  
Artist

## Proud Achievements

We started the conversations in both cities by asking the small business owners and operators about the accomplishment that they felt most proud of in the past 12 months. We also asked them to share the strategies and steps that they used to get there. The top two achievements included focusing on the customer and building the right team to support your business.

"I have gotten my business focus back to the customer. I have been very successful over the past year building my business (currently up 18% over last year) through customer referrals."

### Tips and Tricks:

- Listen to the customer and give them what they want, not what you think they want.
- You can add a lot of value for the customer by being aware of and using your strength.
- Treat clients like they are valued – respond promptly, be proactive with their needs, don't waste their time.
- Don't be afraid of working outside of your comfort zone and trying something new – your skills, expertise, products or services can likely be applied in new and different places.

"Taking the time to build the right team, and not being afraid to let people know if it's not a good fit for them or for you."

### Tips and Tricks:

- Work with people who are responsible for hiring the right people at companies that are successful and research the tools and techniques that are right for your business.
- Use a "scoring" system to grade candidates for better objectivity
- Build a team that is customer-focused; look for people with excellent interpersonal skills who have interacted with public in some way.
- Personality and skills are the keys to building a true service team – it has to be a culture of people who want to please others.
- Tie performance to reward; incentives to learn and stay drives focus in employees
- Understand what people appreciate in terms of rewards
- Hire co-op students if you have seasonal fluctuations in employee requirements.
- Offer real opportunities for advancement
- Empower staff to be engaged
- Understand your staff in the same way that you would a customer

- Encourage staff to take professional development courses and provide reimbursements

## Customer Loyalty

There was a definite consensus that loyal customers are the lifeblood of a small business. We asked participants to define a loyal customer and describe his/her traits. Once there was a common understanding around the definition of loyalty, we probed deeper to find out how participants promote loyalty, build back fading loyalty and acquire/retain customers?

"Communication is very important. You need to take an interest in your customer and find out if his/her wants and needs have changed."

"You accumulate loyal customers when you have a lot of satisfied customer referrals, when you really make your customers aware that quality of your service or product is your main priority, when you listen to some of their ideas."

"Get to know the client – every person is different and wants something unique."

"A loyal customer is someone who has a vested interest in what you are doing for them or their industry."

"It's a matter of confidence and trust."

"A loyal customer is one who becomes a repeat customer, also one who refers you to their friends and family. Word of mouth advertising is still the best, making customer after sale service that much more important."

"Loyal customers are earned."

"A loyal customer is one you have great communication with."

"Engage in honest back and forth with clients about their expectations."

"Loyalty for me is not just "repeat" or ongoing business. It is a frank and trusting relationship. The ownership of the product is joint."

"A loyal customer will direct leads to you when associates need services."

"It's often easier/cheaper to retain/work with existing customers than to try to get new business."

### Tips and Tricks:

- Listen to what the client has to say
- Communicate in both good and bad times
- Things change when you ask clients about what you can do better

- Look through the customer's eyes not yours
- Ask clients questions that make them think
- Attention to detail
- The best referrals come by word of mouth, so the best customer is a repeat customer
- Communicate constantly – face to face, phone calls, mail outs, customer appreciation events, email
- Look for opportunities for your clients to work together, if applicable to your industry
- Add value by helping clients do more with less – split costs across non-competing clients
- Build a client database in Excel or using a software program so you can communicate often
- Offer referral programs that reward customers for new business leads
- Encourage your clients to refer you
- Give customers options for payment
- Leverage existing client relationships to discover opportunities for new work
- Communicate ideas in a language, on a level and in terms that are familiar to the customers and that they can understand based on their unique perspective
- Treat customers with respect and honesty
- Develop good listening and observation skills
- Go the extra mile and care to provide the best product that you can
- Send out birthday cards, holiday cards and calendars
- Use free Customer Relationship Management solutions
- Offer regular customers a discount with defined payment terms

## Generating New Ideas

What inspires small business owners and operators? Where do new ideas come from? And how do they make decisions, implement those decisions and change course based on lessons learned? See what the participants had to say.

"Most ideas come from staff and clients. We get each employee to provide at least one idea to improve something for the following year. Staff as a collective rank them from best to least."

"I offer my clients choices where they are applicable so that they are actually implementing what they want and feel and that they are part of the process."

"iGoogle is my homepage and right now it has 18 tabs, each with from six to 20 RSS feeds."

"Inspiration seems to come most easily when I am able to clear my mind of the daily clutter."

"New ideas are a result of a group discussion."

### Tips and Tricks:

- Generate ideas in the briefing period with clients
- Discuss what clients want to achieve to promote ideas
- Attend professional development seminars and read professional journals
- Before reinventing the wheel, see what others have already done and what you can learn from them
- We try to reward our employees for ideas that lead to the company being more profitable
- Don't be afraid to fail
- Evaluate the weaknesses of your competition
- Get together with contemporaries at least once a month to share knowledge about industry, competitors etc.
- Subscribe to vendor email lists so you can learn about and register for free webinars
- Have a well-organized RSS indexing system to have information available immediately about developments in sectors of interest
- Watch "how to" videos on Youtube that show processes visually
- Subscribe to newsletters from providers that you deal with who offer information about your industry
- Pay attention to what's happening in your field
- Look at what others are doing – both successful and unsuccessful
- Set up Google alerts to receive up to date information on topics of interest
- Read posts from members of LinkedIn industry groups

Challenges



Every small business owner and operator deals with challenges. It's the nature of business. We asked participants about their biggest challenges and the resources, tips and people they leverage to deal with them.

"Cash flow, cash flow, cash flow."

"Securing new actual clients, getting enough work in."

"Being a sole proprietor plus, and falling in between conventional definitions and divisions."

"Payment terms that stretch into a couple of months can be very devastating."

"Ability to charge what our knowledge is really worth."

"Recruiting employees that will stay for more than six months."

"Misinformed customers who think they know more than they really do."

"A working marketing plan for "new opportunities."

"Being able to reduce non-billable hours."

"Having someone to bounce ideas off of."

"Stay current with the latest technology"

"Expenses."

"Trying to manage client expectations."

"Controlling our growth within a manageable annual rate."

"Keeping all of the balls in the air is a constant challenge for a one-person operation."

"Avoid work excesses or work shortages"

"Inexperienced competitors who don't understand the industry and regulations so they price very cheaply, affecting pricing in the overall market."

"Balancing my time to make sure I'm being most productive as well as getting stuff done in time."

### **Tips and Tricks:**

- Get a good, secure business line of credit
- Get the proper information to the right customer so they can choose the correct product for their needs
- Create a community within your business walls; people want to belong to communities
- Learn to deal with all kinds of people
- Never undervalue yourself – decide what you and your product is worth and stick with it
- Create a time limit for yourself in terms of non-billable hours – i.e. educating, estimates, emails with detailed answers to questions, phone conversations
- View research as a long-term investment that may not pay off with a specific project but may help with another project in the future
- Attend live seminars on technology from product vendors
- Reduce expenses by: downsizing your office, receiving bills via email, paying bills online, sending pdfs to respond to faxes, good long distance plans, voice over IP
- Set up “rules of engagement” when working from home to mitigate distractions
- Divide your day to focus on priority tasks when you are freshest
- Set expectations with clients that project changes cost both time and money
- Look for clients that are more realistic about project processes
- Have one or two longer-term projects that carry on for extended periods and short term projects where scheduling can be flexible
- Rely on your network for advice, work opportunities and referrals -- fellow board members from not for profits and charities, Federation of Independent Business, past clients and contacts, Internet job posting sites
- Use a customer database to generate referral
- Recruit at universities and colleges
- Build a network of people that you can trust from clients and business contacts
- Volunteer on boards to build your network

## Online Presence and Technology

The Internet and technology generated a lot of interesting discussion. We asked participants about what they are doing online – from Web sites and blogs to social media and searching. There was a lot of different opinions about the benefits and drawbacks of certain mediums. That exchange led into a discussion about the types of technology that people are using, and how they stay in the know about the latest technologies.

“I do not have a web site...I’m not sure where to turn to get what I want in a web site and when I have discussed it, it has been during slow times, and the costs have been prohibitive.”

“Having a Facebook and myspace page just helps me curb advertising costs and helps me get material out to my students.”

“The benefits to being online start with credibility, as it is a first stop for the current generation to learn about you. It makes your presence known, as the general consumer is smarter, and if they cannot read about you, it can be very inhibitive.”

“It takes a good strategy and excellent content to get your web site to be worth visiting regularly. Content alone isn’t enough. You have to get the word out.”

“Setting up your own web site with the right keywords will enable people searching for services similar to yours to find your site.”

“Without doubt high speed Internet access is vital. I want access everywhere I go, even when on vacation.”

“The benefits of me being online is that mine is a very specialized market, so I have to reach the relatively small number of possible clients, who are spread all over the world.”

“To me the question is not, “Do you have a web site?” but rather “How does your web presence support your business model?”

“I use Open Office, mainly because it’s free but can emulate all of the Microsoft products.”

“BlackBerry has enabled the full use of Microsoft Office anywhere in the world, email follows you, rather than waiting for you at home or the office.”

"I use the Google Docs feature for many files that I want to be able to access from anywhere."

**Tips and Tricks:**

- Generate ideas for your web site with online tools that offer templates ([www.templatemonster.com](http://www.templatemonster.com))
- Provide links to pertinent information as a value added service to clients
- Stay on top of technology with sites including cio.com or zdnet.com
- Attend free seminars by software companies and business schools
- Download free software to get critical capabilities at less cost
- Email provides a lasting record of communication and reduces travel time
- Use wireless devices and email to be proactive rather than reactive to situations
- Use Google Docs and/or Gmail for back ups of important files
- Pick one accounting software program and stick with it and make sure the software is up to date
- Take courses on how to find information on the Internet or how to use different databases
- Access free databases through the library system with just a library card
- Search Craigslist for appropriate job/work postings, but proceed with caution as most people on there are looking for a "deal"
- If you're interested in blogging, start by commenting on sites that have similar traffic and content as your site, but make sure to leave a useful contribution with a link to follow
- Blogs should not be "all about me" but about how what I have can help you – focus outwards rather than inwards

## Standing Out from the Competition

Every business has different strategies to stand out. Through our discussions, we learned about the tried and true approaches that resonate across all small businesses, as well as those that apply to specific industry drivers.

"As we mature, we look to improve customer service to a point that clients would not want to go with any other vendor because we work so well with their business."

"Quality products with competent and accessible after market access."

"My primary strategy is to keep answering questions and providing relevant information until hopefully the client decides to work with us."

"Do more than expected whenever possible."

"Find your niche but make it as broad as possible."

"Many of our customers are repeat business; we like to advertise this whenever possible. It gives new customers more confidence in what you offer."

"Once you start to discount your services, it becomes a race to the bottom. You must be able to sell your product and/or service on its merits rather than on price alone."

"I stand out from my competitors by focusing on my client's needs, by satisfying my customer in a simple, honest and direct fashion."

"Convince your customer that they need value and that's what you offer."

"We have developed a reputation for delivering quality work in a timely fashion, the result of spending a lot of non-billable hours ensuring a project is handled properly. This level of dedication is well outside the "9 to 5" envelope and only appeals to those with a definite will to succeed."

### Tips and Tricks:

- Offer monthly services packages with a set number of hours/services per month
- Place products that are unique to your market at the forefront of your marketing
- Enforce minimum pricing for consistency and profitability
- Local presence advertising and networking
- Join the local Business Improvement Association

- Embrace social responsibility (free services for charities; use of space by charities)
- Understand the customer's business and apply solutions that actually help them
- Do a good job and let the experience speak for itself
- Act as a single point of contact for managing suppliers or freelancers for more effective billing and payment
- Focus on your core business
- Develop trusting relationships
- Tailor your resume to your client based on their needs
- Realize that the product is "you" not necessarily what you do
- Set high standards for yourself and stick to them
- Be creative with the words and messages that you use in marketing
- Try different approaches in marketing and measure success – ideas include changing the offer, using the right headlines, asking for the sale
- Don't be afraid to let clients know that you have gone the extra mile for them (i.e. work extra hours outside of project scope)

## The Importance of Referrals

The topic of referrals kept popping up in discussion. It's probably the single most important strategy that small business owners embrace to both sustain ongoing work and build their businesses. So we asked participants about their strategies for generating ongoing referrals.

"Our primary strategy for referrals is to do a good job for the client. I also go out of my way to include clients in presentations I do at conferences, so they can become spokespeople for our products and services."

"Asking a client who is happy with the results provides the best returns for me."

"Exceeding expectations is my strategy."

"Happy clients have been my greatest assets, and I've been lucky that they recommend me to their colleagues, long before I may know that the colleagues are looking for my kind of help."

"Prior business contacts are most valuable because small business owners often have friends and associates who need similar assistance. A satisfied client may be the single best advertisement."

### Tips and Tricks:

- Ask staff to go through their contacts and phone five clients that they worked with over the past five years
- Find a reason to remind your client of your existence
- Forward a worthwhile article that you think may be of interest
- Incorporate past clients into your network of contacts
- Call up a former client for coffee or some other excuse to get together to help them remember what was best about working with you
- Create connections between former clients to create a ripple effect
- Hold an annual summer barbeque and invite clients, subcontractors and suppliers
- When a job is done, ask clients for a letter of reference and permission to have other clients contact them regarding the work done
- Send out emails with discounts or specials that relate to the time of year
- Ask directly if your client knows of anyone who could benefit from your services
- Align with people who are in your industry but may not have the same skill set that you have
- Attend professional development conferences for your industry

## Words of Inspiration

Sometimes we all need a little bit of inspiration. And there is no better motivation than hearing the words and encouragement of someone who has been where you are. So whether it's a great day because you landed a new client that you've been courting for six months or a not-so-great day because you're urgent shipments are delayed yet again, there is someone out there who knows what you're going through.

"Focus, but think big!"

"Make sure that you have a quality product to market, or a service the consumer needs."

"Keep your competition close...you may need them one day."

"Do not try to be everything to everybody."

"Know your product or service inside out."

"Make sure you love what you do."

"Have fun – people will be attracted to the energy."

"Remember to be yourself and believe in yourself – you are going to be the force behind the endeavour."

"Never stop learning. Even the most unpleasant client or customer can still teach you something."

"Meet all deadlines."

"Don't be afraid to try things as I've found that the cost of the unsuccessful ideas is usually far outweighed by the benefit of the successful ones."

"I have to accept what I can do and be sure clients understand the timeframe possible and I don't overestimate my capacity any longer."

"The underpinning of staying motivated is to acknowledge the need for down time without guilt."

"You never know who your next client will be. Keep a positive attitude."

"Sub contract work that others can do better."

"Have a well-designed business card that stands out."

"The freedom to just go out and play a few games of tennis in the afternoon, for example, has a value that exceeds the extra work I put into running my own business."

"What surprised me most was that it was achievable."

"The ability to control my own life is the thing that I enjoy most. This flexibility has been the biggest positive in hanging my own shingle."

"Never undervalue your worth."

"Anyone planning to work alone should build in opportunities to brainstorm with others."

"Organize your time and be persistent."

"Act with great care with money that is not unconditionally yours to spend (tax, employee deductions)."

## Additional Resources

This focus group summary resource is one of many of its kind. TELUS is in constant contact with small businesses, and they inspire us continually with ideas, topics, trends, experiences and successes to share.

And we share those ideas, topics, trends, experiences and successes in the [TELUS Small Business Resource Centre](#). You'll find feature articles, hot topics, success stories, event and networking opportunities, videos, promotions and contests. Check back often as the content gets updated regularly.

We hope that our focus group content inspired you with new ways to tackle a challenge, new confidence to take a risk or the comfort that you're not alone. We look forward to continuing to count you as a vital part of our growing small business community.

To [stay connected](#) and receive small business insight from TELUS on a regular basis, simply add your name to our distribution list.