

The Road to Real Growth

The competitive nature of today's fast paced business environment is so intense that the old adage that "if you're not moving forward you're moving backward", rings more than just true. It rings essential. This puts nearly unbearable pressure on company's to drive growth. Sometimes this leads us to chase the short term goal so that we'll be measured by the growth we created, no matter how meaningless it actually is. Tudog prefers long term growth and we have our five steps we employ to help companies create it. This article shares the secrets of the Tudog method. Just don't tell anyone.

Define the Customer's Problems

The first step toward genuine and sustainable growth is becoming and remaining relevant and meaningful to your customers. Once you have defined the problems your customers face – solve them. By doing so you are able to position your company as an essential and compelling partner they count on so that they can remain competitive and profitable. This allows you to retain current customers and attract additional customers.

Grow Toward the Center

Often companies attempt to enter the center of the market and grow outwardly. They do this because it is easier to identify the customer and market on an established field. However, this is also where all your competition is playing, making the field both expensive and crowded. If you begin at the periphery and work toward the center you will find that your path to growth will encounter less resistance. Many of your would-be competitors will ignore you because they will not recognize that you are playing in the same court they are (just on the other end). By the time they realize you're there, you'll have an established customer base and the resources and momentum to take a bite out of their base too.

Follow the Distribution Chain

If you are in search for new potential customers all you really need to do is look down the distribution chain and see which sector is next in line. The distribution chain will give you all kinds of valuable information about who is using your product and why, as well as who could be using your product. It is this group of potential customers that represents a new base for your products – and new growth.

Recognize the Opportunities Run Both Ways

A typical corporate growth plan has the company looking for its next customer base by looking (as companies call it) "upstream". This generally means that the Company is looking to the next set of consumer demographics that will use its products. Yet sometimes the opportunities come from downstream, meaning that the customer base you should be targeting is one you already passed by in your rush to the group your research identified as more likely to be responsive. These "left behind" markets need to be revisited, and the only way you'll even think to do that is if you recognize that opportunities run both upstream and downstream.

Never Stop Building Your Asset Base

The under-appreciated key to long term growth is your assets. You should be judging most of your operational and market based moves against the extent to which they serve to enhance your asset base. Your assets include anything proprietary (and protected) within your products (technologies, mechanisms, features), your distribution channels, your manufacturing, and more. Sometimes you can grow your assets through expansion within the market and sometimes through mergers or acquisitions. Whatever path you select, make sure that one of the primary purposes of your business is the constant and sustained growth of your asset base.

Growth is not just another corporate function – it is the primary driver of value. If you wish to increase the value of your business, then the development and maintenance of growth is not a suggestion. It's an imperative.