

Beyond Survival

Surviving requires more than living through hard times.

A man and a woman in the real estate business were talking the other day about the down turn in the economy. The man asked; “What are you going to do until the economy turns around?” The woman answered; “I am going to clean up some files and get my computer system working and hope things get better.”

Unfortunately, hope is not a strategy for success. If you want your business to do more than make it through the hard times, you have to create a plan and follow it.

Every time America goes through a period of an economic downturn, the American Association of Advertising Agencies quote studies it has done during depressions, recessions, and economic declines. What they discovered was that companies who continue to advertise and promote their products, services, image, and good will, regardless of the economic conditions, consistently do better after hard times than companies who cut back.

What happens is that on the other side of the downturn – and an upturn ALWAYS follows a downturn – companies that continue to market themselves gain market share. That market share translates into quicker and greater profits.

This concept is not limited to advertising. It encompasses ALL aspects of marketing. Companies who continue to do business in a confident and relatively aggressive manner during down times do better in the ensuing up times. It is in the downturns that allow companies to be better than their competition.

For you to get your business beyond survival, you need to be aware of two facts.

First; all living things – your business is a living entity – go through life cycles. A life cycle looks like a bell curve low at both ends and high in the middle. The three phases of a life cycle are called start up, maturation, and atrophy.

Start up, the beginning low part of the curve, is the time from the initial idea through the dizzying, rewarding rapid-growth period. Maturation is the plateau period where things are working efficiently and cash flow is good. Atrophy, is the beginning of the end. If you do not change course at this point the business will end.

The second fact is that the prime responsibility of a business owner is to ensure the future viability of the company. You must make the business financially sustainable and capable of continued growth.

The business owner’s job consists of three parts. Keep the current business cycle solvent while you implement the business cycle that will replace the current one and at the same time begin planning the cycle that will replace the one you are about to implement.

To be successful, you must learn to live in the present circumstance – whatever it is – implement the next level while you create the third level in your mind’s eye.

Your goal is not just to survive, not just to live in the present level, but to build a business that will survive the circumstances in which it finds itself and prosper even in hard times.