



## Trends to Watch For

A few years ago now, when I asked economic futurist Harry S. Dent, Jr. what he saw as the major marketing trends for home-based and small business people in the next few years, he noted three: (1) finer niching; (2) leveraging off information technology; and (3) going direct to the customer. It seems he was right. Here's what he had to say...

Dent recommends developing a very narrow niche as a specialized expert, and keeping your skills and knowledge cutting-edge current. For one thing, this helps eliminate competition. As an example, home-based Mitch the Sashman rebuilds, rather than replace existing windows – at a significantly lower cost to the home-owner. Last I heard, he was booked months in advance.

**Caution:** when you are considering your specialized niche, particularly when your niche is what Naisbitt calls a "niche within a niche," or a specialized field within a specialized field, check it out before you bet the rent. Make certain that your proposed niche is very salable, and that there are enough potential customers who will pay the price you need to meet your business goals.

Exploit the unique advantage home-based businesses own against larger competition: home-based entrepreneurs can generally adapt and respond faster, make mid-course corrections and operate more efficiently than larger, and in some cases, better-financed companies. You can make your own decisions immediately, and take your own risks. What a great time to be in business!

Home-based business is a trend in itself, perhaps to be expected as companies downsize. Jobs done better by a computer are cut, and workloads shifted to smaller and smaller customer-focused work groups. Employees, according to Tom Peters, are expected to become more right-brained businesspersons.

Here are the trends I think you'll most want to consider:

- 1. Save time; build in convenience.** Many clients tell me that time is more important than money in today's economy. Hairdressers are making house calls. Masseurs are coming to your office. Car glass companies will replace your windshield in your parking lot while you're at work. You can pop your credit card into the pump and get your receipt without waiting. You can buy postage stamps, and renew your driver's license at some ATM machines.
- 2. Do it differently.** Learn to love change; to take advantage of what's new. Monitor what's working, and what's not. Turn your thinking inside out. For example, if you buy your new high-powered Browning or Weatherby rifle from the Bank of Boulder, their program lets you have your rifle and your baby's college tuition too.
- 3. Know your market.** Not new; not a trend. I've been preaching this marketing message for decades. It's never been more important.

What do people fear? What do they want? How can you help? What else is going on with the people who are most likely to buy what you offer? Who else might want to buy?

**4. Learn and love technology.** With heart. To paraphrase the old song, "a spoonful of caring makes the technology go down...." Use technology to build your business and give you more time to build those all-important customer relationships.

Look for non-traditional communication channels. Look to technology for appropriate ways to increase interaction with your prospects and customers. Look at online shopping, 24-hour interactive communication, and CD-ROM. By the end of the millennium, it will be virtually impossible to remain in business without understanding technology well, and using it to the fullest. Start with an email address. While you hear titillating stories of the millions made on the Web, this is the exception, not the rule; we're still learning about the best ways to use this medium's incredible potential. But the growth rate of e-commerce has been unprecedented! Now is a good time to experiment with your own Web page if you offer an appropriate service or product for this medium.

**5. Specialize from your core competencies.** Outsource the functions someone else can do better; focus on what you do best, and do it better than anyone.

**6. Get some help from your friends – and competitors, too.** Life is too complex to be all things to all people, especially for a very small company. Network. Look for cooperative marketing activity; strategic alliances and joint ventures. Become more competitive by working with your competition in a way that will benefit both of you. Or find non-competing but complementary businesses to cooperate with. Share direct mail, show booth, catalog, or promotional costs. Provide each other's literature to your customers; offer finder's fees; look for co-op funds from your suppliers, or offer them to your dealers.