

8 ways to encourage innovation in your business

Business innovation is the art of crafting a new idea or process that promotes your business' growth and its profitability.



Andiswa Bata, co-head of SME at the First National Bank (FNB).

“Innovation for the sake of innovating is itself not enough. The new idea should meet an unmet fundamental client need,” says Andiswa Bata, co-head of SME at the First National Bank (FNB).

Notwithstanding the challenges faced by small businesses in South Africa going into 2022, Bata suggests the following ways a business can tackle innovation to stimulate growth:

1. Start with the purpose

Bata encourages businesses to identify an intrinsic societal need that, once solved, ensures long-term sustainability of a company too.

Examples could include provision of quality education where the cost of traditional schooling is prohibitive or the provision of safe, affordable essential goods delivery services in underserved communities.

This is the place where business success meets shared value/prosperity - a recipe elevating your business to the top of your client's priority list. This creates loyalty and a more secure share of spend/wallet in the long term.



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2. The “new” idea itself doesn’t strictly need to be “new”

The need could already be serviced by existing businesses but there is a way to offer it cheaper, quicker and more conveniently - therein lies a game changer for small businesses that do not have the burden of legacy systems, infrastructure and cost.

3. Sell, sell, sell

As the idea founder, Bata says, you are best placed to market the idea. It is your job to place the narrative of why your service or product is best, as the person who has probably been most passionate and invested in getting it off the ground.

4. Do it well

Be reliable - keeping your promises (e.g. meeting a delivery timeline) creates certainty and trust. Test the concept/process and iron any wrinkles before expanding. Obtain proof of concept then scale from there.

5. Understand the numbers

Without profit, Bata cautions, your business cannot function healthily and will not be able to protect itself against unbudgeted shocks like Covid-19 lockdowns or to invest in new ideas until they break even.



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6. Embrace digital solutions

This could be as simple as marketing your idea on social media. Bata encourages small business owners to be aware of free, available resources that can help your business to thrive.

7. Build a team and business that can outlive you

Bata says business owners need to understand that once their business has taken flight, they may need to hire or partner to take the business to the next level.

8. Diversifying revenue streams counts

New ideas take time to germinate. In the meantime, there may be a staple product or service that keeps sales up and

revenue flowing. Leaning on these in downtimes can make the difference in your business' survival, Bata says.

"Global trends suggest that consumers are increasingly shifting their spend towards businesses that are anchored in a clear value set - of which philanthropy is one. Your business does not have to be large and heavily regulated for you to donate some spare resources to worthy causes in the community that is keeping your business alive. Give back." Bata concludes.

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