

How SA's small businesses can thrive in a new market reality

The small businesses that will survive and thrive in the coming months are the ones that can adapt quickly. While the lifting of the National State of Disaster signalled a positive sign for the country, we enter a new era of market realities, where small businesses will need to deal with a slowdown in consumer spending due to rising interest rates and entirely new sets of shopping behaviours.



Dov Girnun, CEO of Merchant Capital. | Source: Supplied

“While many small business owners have been able to reopen their doors after the impact of the pandemic or looting, they continue to be affected negatively by high levels of customer uncertainty and rising interest rates. To overcome this, businesses will have to provide a stronger sense of comfort to their customers as they adjust their approach,” says Dov Girnun, the CEO of alternative lender Merchant Capital.

Girnun says the transition to something resembling normal trade following the previous two years will be slow, challenging process but by anticipating some of the hiccups and small businesses can avoid a lot of unnecessary stress down the line.

His advice for small businesses at this time includes:

Keep a tight rein on your cash

Girnun encourages business owners to extend the runway for their businesses by conserving cash where they can. “Be careful with unnecessary costs and try not to waste anything. You need to prepare for a slower revenue stream in the coming months and cash in hand will help you through the rougher patches,” he says.



Making business funding pay off for your business

21 Apr 2022



Be deliberate with your communication

Girnun advises small business owners to communicate with their staff and clients frequently while keeping their emotions in check. He adds that business owners' role as leaders during this time is fundamentally important and they should not leave anything up in the air and give bad news early.

Plan for different scenarios

Try and understand how your business would operate under different circumstances, Girnun says. "Augment your products and start thinking about your customers differently as we enter the new normal. Remember, your customers requirements may have changed possibly forever. Start thinking about how you can restart your business with the business you have," Girnun adds.



3 ways technology can help maintain your business

Heinrich de Leeuw 12 Apr 2022



Remain positive and resilient

Girnun says business owners must remember why they became an entrepreneur in the first place and should create a sense of community amongst their local networks and support one another.

"Talking to your peers about the situation helps you develop solutions you had not thought of and puts your own challenges in perspective," Girnun concludes.

For more, visit: <https://www.bizcommunity.com>