

Four Ways to Grow Despite the Economic Tsunami

Tomorrow's winners will be those who turn economic uncertainty to their advantage.

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Companies are cutting budgets and headcount to right-size their businesses. While slashing costs may be necessary to survive the current contraction, tomorrow's winners will be those who can also turn this uncertainty to their advantage. Here are four ways to grow despite tight budgets. Two address ways to grow revenue today, two address accelerating growth for tomorrow.

Shift resources between market segments. Even in a recession there are market segments that continue to grow. Use data mining and ethnographic research to identify these opportunities. Then, reallocate resources aggressively from low growth/declining segments to higher growth segments.

Target any sign of competitor weakness. Competitors are cutting back, too. Flag any pullback in competitors' sales efforts, marketing, or service support. Focus sales on vulnerable competitor accounts. Track signs of financial difficulties and consider acquiring weaker competitors.

Put everything on the table. View this as a unique opportunity to transform your business, not just right-size it. It may feel counter-intuitive, but now is the time to consider a clean slate, to be audacious and develop bold ideas. Could you move into a new market with a new business model?

Place small bets. Do not commit too early to these bold opportunities.

Pursue the principal of 'spending a little to learn a lot'. Develop options and contingencies ahead of executing initiatives. This way you remain nimble and ready to respond to new market information.

You do have opportunities for growth, even in these uncertain times, but to realize them takes a fresh approach: *Imagine* - think differently about your current business model to uncover innovative growth opportunities. *De-risk* - place small bets to test growth assumptions. *Adapt* - be flexible, change your execution plans as test results challenge prior assumptions.

The CAP Consulting Group has helped companies grow in good times and bad since 1990. We bring a fresh approach to growth management. Contact us today.

Imagine. De-risk. Adapt.