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Helping Business Owners to achieve their Success Summit™

6 Steps to Successfully PIVOT your business

I'm not sure many businesses had a significant, well thought through, tested contingency plan for a global pandemic?

I'm reminded of the quote often attributed to Darwin (although actually originated ten years earlier from Meggison) "it is not the most intellectual of the species that survives; it is not the strongest that survives; but the species that survives is the one that is able best to adapt and adjust to the changing environment in which it finds itself"

Therefore, whilst there is much to do in a pre/during/post COVID era, our natural behaviour is to quickly move from long term planning to immediate survival, and yet by doing so, we forget to determine if we are simply firefighting our way into extinction rather than stopping for a moment to determine where the future lies and how to guarantee we are within it!

I've taken a few months to really examine the manner in which those who have 'pivoted' well and those who are really struggling to understand Why, What and How! Before writing this practical guide to things to consider in order to effectively and successfully move from survive to thrive.

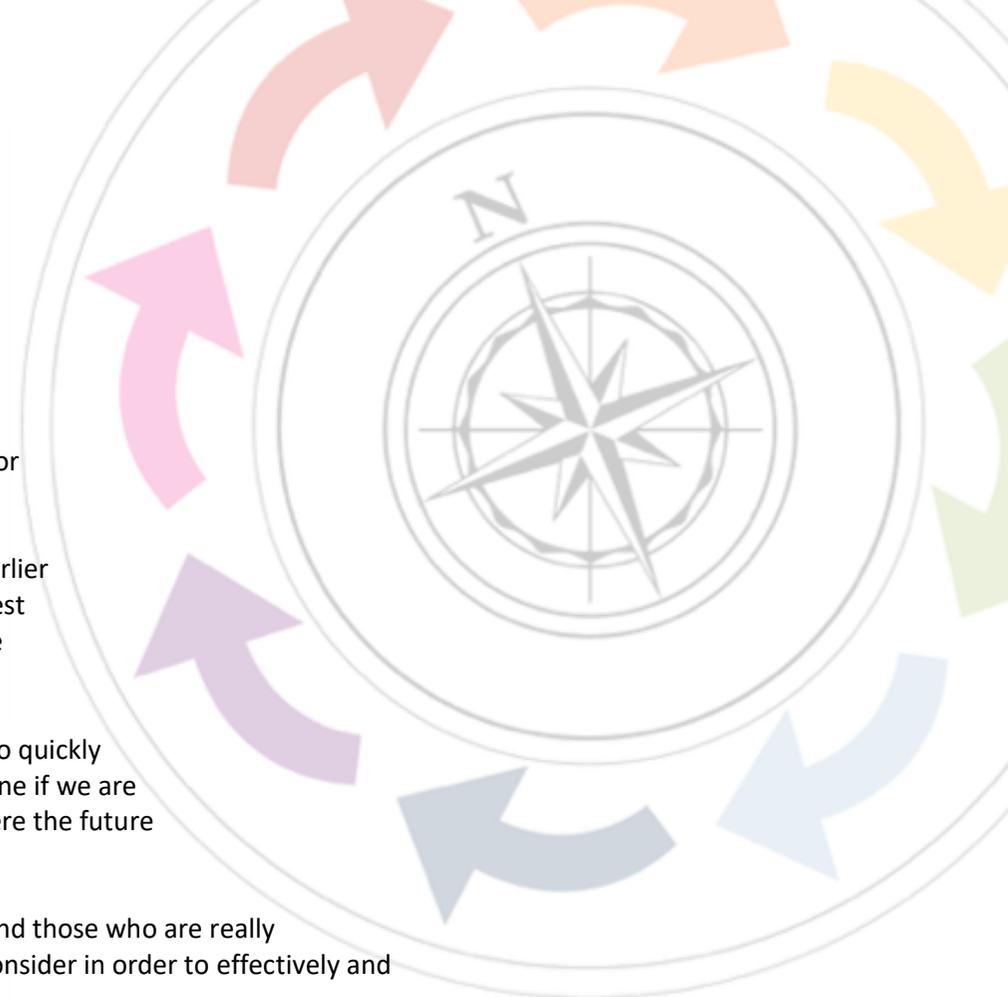
Things aren't going according to plan. That business plan you put together looked great, but now you're headed for a big decision. Keep going? Close shop? Try something different or new? If you decide to go a new route, that's a business pivot. So, how do you know when to pivot or how to pivot?

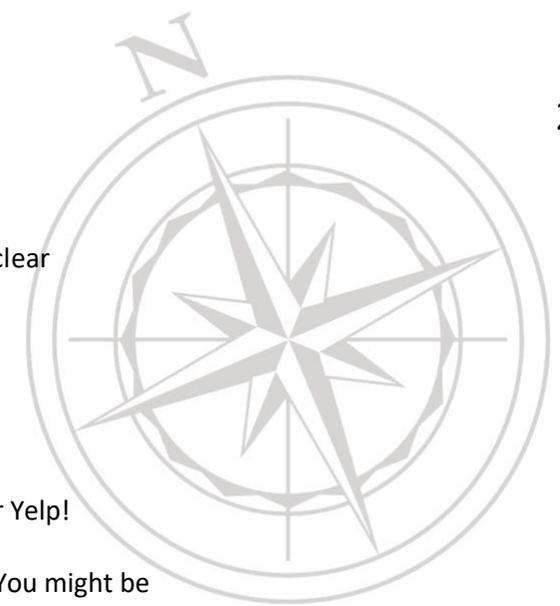
What is a business pivot?

A "Pivot" is usually associated with a start-up business. A start-up spends the first year or two testing the market, making adjustments, analysing numbers, and finding the right path. Sometimes, that path is just wrong, and the business needs to go in a new direction — the pivot.

This can happen with established businesses as well. When the market changes, technology changes, or new competitors show up, it might be time to pivot.

So, what is a pivot? When a business makes a significant and deliberate shift in its overall strategy, that is a pivot. You might go from making typewriters to computers to business services (IBM) or from making desktop computers to smartphones (Apple). Pivoting a business is a big decision. So, how do you know when it's time to pivot?





Clear Signs You Need to Pivot

Grey hair and short tempers aside, there are some clear signs that your business might be ready for a pivot. Here are some clear signs you need to pivot:

A Changing Market: A change in the market might be industrial — coal to solar. It might be the tastes of a new generation (think Millennials).

Low Morale: Is your team showing signs of burnout or, worse, apathy? That may be a sign that you're headed in the wrong direction and a pivot is in order.

No More Raving Fans: Have your customers lost their enthusiasm for your products or services? This is more than Google or Yelp! ratings. This is about the passion your market once had for your business.

Customers Just Don't Get It: Do you know in your heart that you have a great product, but your market just doesn't get it? You might be spending too much time and money trying to demonstrate your value.

The Support Nightmare: If you're seeing products getting returned, customers churning, or your whole team having to focus on making your customers happy a second time (after initial purchase), then it might be time to look for a new path.

Declining Profits: The most obvious sign — lack of profits or growth. Sometimes, the financials will show you, plain as day, that it's time to make a change.

New Technology: The market is shifting, or has shifted, to a new technology, and your company is left trying to do things the old way. If the change in technology is significant enough, it might call for a pivot.

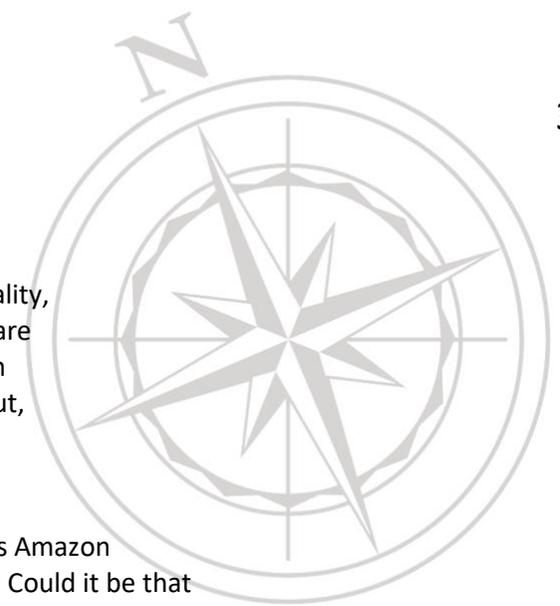
Pivot or Persevere...or Quit?

When making the decision to pivot, persevere or quit, the first thing to do is analyse the foundation of your business. That includes your financial standing, your team, and your own drive to continue. If any of those are too vulnerable to keep going, then quitting might be the best option (but don't make that decision without talking to an expert!).

If the business is still in good financial standing, you're passionate about the business, and your team is with you, then the decision comes down to pivoting or persevering. We've covered the signs that it may be time to pivot. When might you persevere?

You're still a start-up. Start-ups need time to really test the waters. Give it a year, or at least nine months, before you pivot. No need to panic.

You haven't tried everything. If you still have options with your current product line, your sales channels, or marketing plan, then give yourself a chance to try those. You haven't given it the proper effort. Your gut will tell you if you've really given your all to the business. This takes some deep honesty and is tied to the question of your passion. If your passion for the business is strong and you're not putting out the associated effort, then give the business a chance by stepping up.



Here are 6 things you may wish to consider as means to pivot your business:

1. Strip it back

Are we now expecting too much from our clients/customers? If EVERYONE is currently in the HERE and NOW mentality, selling extensive products/services, with payment plans and 12/24/36 month contracts might be a lot for them to bare right now. If the going isn't so good, customers are likely to be wary about committing to long term contracts, when they are uncertain as to the impact this is having on their business. Therefore, is it possible we can cut back, strip out, reduce some of the signature products/services we offer, and return to 'bit size' bits?

2. Build it up

The opposite side of the coin (almost) is packaging products/services together. We've all seen the exception success Amazon continues to have with the 'Other people who bought this, also bought' feature. So do you have something similar? Could it be that you package a number of items together for a bundle deal, and help the customer gain better value than individually purchasing these? It might be that you ADD something extra to a current product/service as an ADDED VALUE offer? Remember, the cost to you, is not the same as the sales price to them, and so the ADDED VALUE goes far further than the cost to you of delivery!

3. New markets

It might be you need to 'pivot' your target market, and package your products/services differently in order to gain the interest of a new audience. Remember, everybody is a customer of somebody. So who else COULD buy your product/service and why do they NOT currently do that? By working on client persona, will enable you to identify other potential markets for your existing product/services

4. Re-Model

This is a Biggy, but also potentially a life saver. You see, it might be the business model you are operating within simply doesn't work as well as it could in the current environment. If you are still predominantly a 'bricks n mortar, 9-5, M-F' kinda business. This may not be what your customers want in a 'lockdown' pandemic environment. We've seen literally millions of people forced to move to digital purchasing quickly for things like grocery shopping, medication delivery, home schooling all as a result of the pandemic. And whilst this wasn't something they wanted to do; they are now doing. And the longer they do that, the more comfortable they become with it, that returning to a 9-5, M-F environment becomes foreign to them!

5. Park it, and Drive on

It may be that your most profitable product/service PRE pandemic, is NOT what they want right now. So, what is? What do YOU have to do, in terms of adapting what you offer, how you offer, where you offer, to whom you offer in order to remain in business? Pivoting might not simply be offering a home delivery service. It might be, adapting what you offer completely in order to maintain a steady cashflow.

6. Be and remain the Number 1 priority

This is not about you, it never was! It is ALWAYS about THEM! – If you don't have customers, you have no business. And so, what do YOU need to do, in order to remain front of mind EVERYTIME they are spending money? Because they are. Everyday customers everywhere are spending money.



If it's not with you, it's because they have forgotten who you are, what you do and why that is relevant to them RIGHT NOW! – So be relevant! And if that means partnership, Joint venture, Collaboration, Affiliation, Referral then do whatever it takes. Because the alternative.....is join the long growing queue to get a job!

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