



## Entrepreneur Incubator Reference Article

---

### 3 Startup Lessons I Know Now, But Wish I'd Known Then

After you've been in business a few years you look back. Suddenly everything is so obvious. Too bad all those things that seem so clear now, were not so clear then, when you were living through the early years of your startup. The longer I stay in business, the more I realize what I DON'T know. But let me share 3 lessons that could have saved me a lot of expense and time:

**(1) Offer smaller-ticket items that sell quickly.** Consultants and service providers often make this mistake. They offer services that cost thousands of dollars, require a huge commitment from customers, and lengthen the sales cycle. Then their cash flow suffers. Instead, make it easy for customers to buy or hire you for something that doesn't require a huge commitment. You need to prime the pump at first!

Along those lines, here are some techniques that will help you do that — for both service providers and product companies:

**Offer at least one smaller service that costs \$100 to \$300** – Prospective customers will want to “try you out.” They are testing you to see if they like working with you, how well you perform, etc. When you offer small ticket items, you give them that option to try you without a big risk.

**Publicize firm prices** – What's with this thing professionals (and some product/solution companies) have for not listing prices? Listen, I know that big projects vary depending on circumstances and can't always be nailed down. But there are smaller services where you *can* attach a firm price. Building a website may depend on too many variables to quote a firm price for every situation. But critiquing an existing website, or installing a new template, is fairly straight forward and you should be able to name a price.

**Systematize your business** — One of the reasons I was unable to set firm prices is that I did not have my processes systematized. Every service, every deliverable was a “new adventure.” And it should not have been. I should have been able to say that to do X project I would follow a defined set of steps that would take X hours. I strongly recommend writing down the steps that you do for each service you offer. Only then can you analyze and establish systems.

**Create one free or loss leader product** – If you are a product company (or even a service provider) create at least one product that you sell for a modest amount or give away, even if you lose money at first. Specifically, create something that will get customers you can upsell or cross-sell to, or who will refer you. One marketing consultant I know sells a modestly-priced, DIY manual for planning customer appreciation events. She also puts together customer events for clients as a service for a much higher price tag. Likewise, a blog designer sells blog templates and gives away a few free ones, in addition to custom design services.



## Entrepreneur Incubator Reference Article

---

### (2) **Don't waste money on expensive marketing UNTIL you've figured out your offering and your brand.**

Notice I didn't say "Don't waste money on marketing" period. I think marketing is crucially important. But first things first. Figure out what business you are in first.

That may sound ridiculous to the uninitiated. I can hear what you're thinking, "Shouldn't you KNOW what business you're in if you just started it."

Well, anyone who's ever started a business understands that your business will more likely look different a year later, than the same. A startup is like a maze. You go down one path, only to be met by a dead end. So you backtrack until you find an open path. It's only after we get some initial successes and customer feedback that we learn what we really should be offering, and what customers value from us.

So think in terms of "starter marketing" at first — here are examples:

**Brochures and business cards** – Instead of printing thousands of dollars worth of brochures and business cards, create them on your desktop computer using templates you can find on the Web, or in programs like PowerPoint, Word or Publisher. Print small runs on a good quality printer. Or, go to Staples, OfficeMax or Kinko's to get short runs printed.

**Logos** — Instead of spending tons of money on a logo, use text at first. Or commission a "starter" logo. Don't spend more than a few hundred dollars at first. You can always overhaul it later.

**Website** – Instead of building an expensive \$10,000 website from the get go, get yourself a domain name and start a blog at the domain. Bolt on a few pages about your business. Six months after you get the blog going, you can better figure out what you really need and can invest in a kick-butt, professional website. The process of working with a Web designer will go smoother later on, too – clearer needs, less wasted time.

**(3) Integrate technology deeply into your business.** A while back a study came out (that I can no longer find), showing that a higher percentage of successful small business owners were geeks and early adopters. As I recall it showed that these successful small business owners devoted time to learning about technology, and saw technology as a key competitive advantage. Yada yada yada — I know, you've heard it before about embracing technology. Well, let me offer three specific ways I wish I had embraced technology much earlier in my business career:

**Taken a class in programming** — I wish early on I had taken a class to learn some — any — programming language. Not so I could program, but so that I could (1) communicate better with programmers and (2) understand the limits — and possibilities — of software. You can't run a business today without using software, so you're better off knowing a little something about what's under the hood.



## Entrepreneur Incubator Reference Article

---

### **Replaced lingering fears or resistance to new technology with action –**

Sometimes we build up in our minds an unreasonable fear or resistance to technology. We won't upgrade because we "heard" something was confusing. Or we resist trying something new because we fear it will take too much time to implement. Been there, done that. Don't spend mindshare worrying about such stuff. Jump right in and act. Every time you catch yourself thinking something fearful, replace it with a technology action step. Worrying is not doing. **Do.**

**Jumped in with baby steps** – I'm a big fan of incrementalism. Start small. Build step by step. I only wish I had done more of that when it comes to technology, instead of holding off the big projects. Examples: Improve one page of your website, rather than waiting 6 months until you find the time and money to re-do the entire site. Or go to electronic billing — don't hold off thinking that you should automate your entire payables and receivables process. It may be years before you can get to such a large project. Meanwhile, you'll benefit from the smaller steps you take.

***Taken from The Small Business Success Centre web, written by Anita Campbell***