

Business Development for the New Year

Joe Arvin

It's the New Year, and with it comes the opportunity to take a fresh look at your business objectives.

Because business development is such a vital part of running a company, I'd like to present some guidelines I have found beneficial for securing new work and new customers.

Being Equipped for Competition

A critical part of winning new business is being properly equipped to compete, and more often than not, the winners are those with the most advanced machine tools. Manufacturing technology is evolving at a rapid pace and falling behind can have a severely negative impact on your ability to compete.

But you might be thinking, "Joe, I just don't have the millions of dollars needed for new machines." If that's the case, consider this. Be careful not to overlook the smaller

details of your operation, such as the ever changing technology of cutting tools, quick change tooling, coolants, new processes, laser inspection, retrofitting existing equipment, and other similar augmentations. You can be surprised at how these improvements in aggregate can enhance your ability to compete.

Your Image

Image is critical to business development. Ask yourself this question: Does your company reflect the image of one that *you* would like to do business with?

Try this exercise. Clear your mind of problems. Then, drive up to your plant like a first time visitor; walk through your office and shop, taking a careful look at everything you see. With a clear mind, believe me, you will be surprised at what you see, and you will likely see things you'll want to change.

It's important to make sure your entire organization is a testimony to your commitment to excellence — not just your manufacturing capabilities. Also, be sure your company website and printed collateral material accurately present the image you want to convey. These will be vital tools when contact is made with prospective customers.

Only after fine-tuning your image will you be ready to take full advantage of your exposure efforts to the marketplace.

Goals and Planning for Market Exposure

Before I meet with a new manufacturing company, I will typically do some online research on them. Later, after the onsite

tour, I often find myself saying, "I'm surprised you have this kind of capability." Being good at something and not broadcasting it to the market usually means missed opportunities.

As you develop your market exposure plan, it's important to first define your market proposition; what do you

“Manufacturing technology is evolving at a rapid pace and falling behind can have a severely negative impact on your ability to compete.”

do and how does it set you apart from the competition? Remember that “offering quality” is not a market proposition that will set you apart from your competitors. Quality is a given. Instead, you must identify your specialty or niche, and this must be the cornerstone of your message.

Next, you will need a well thought out formal plan for how to spread this message; aimed at reaching both prospective and existing customers. Not having a strategic plan is like trying to steer a ship without a rudder.

The plan will first be driven by a *realistic* marketing budget. We'd all like to spend as little as possible on marketing, but your results will be directly proportionate to your investment. Then, with the budget identified, you will be able to carefully examine and evaluate the methods available for most effectively spreading your message. Today, there are many tools for communicating your message, including print ads, e-newsletters, direct mail, online video, online ads, and search engine optimization.

If you are saying, "Joe, I just don't have tens of thousands of dollars to spend on marketing," you're not alone. The impor-

“Several years ago, my VP and I made it a point to visit one of our major customers at least three times per year. However, we started to see a significant decline in business. When we asked why, we learned that our competitor was visiting them every month.”

”

tour, I often find myself saying, "I'm surprised you have this kind of capability." Being good at something and not broadcasting it to the mar-

ket usually means missed opportunities.

As you develop your market exposure plan, it's important to first define your market proposition; what do you

Investing in new manufacturing technology is beneficial to securing new work and new customers.



Photo by David Ropinski

tant point here is to work with the budget you *do* have and spend it as wisely as possible, because doing a small, carefully funded campaign is certainly better than doing nothing.

Knocking on the Doors

Once you have communicated your message and your image to the market, you might get a few inquiries, but most marketing campaigns require the “sales” component to fully accomplish your goals. It’s now time to get your outside sales team engaged and reaching out to people. To support their efforts, I would strongly recommend the use of a database driven contact management tool. Every single contact made by your sales team should be entered into this system. Operating with a stack of business cards and a folder full of notes is just not very efficient for the long run, and here’s why. Building a contact database over time gives you a well groomed list of people for routine outreach, whether it’s emails, phone calls, your e-newsletter, or direct mailings. Remember, that securing a good customer might require reaching out to them for months, if not years, and an efficient contact management system is the best way to facilitate this.

Several years ago, my VP and I made it a point to visit one of our major customers at least three times per year. However, we started to see a significant decline in business. When we asked why, we learned that our competitor was visiting them every month.

Conclusion

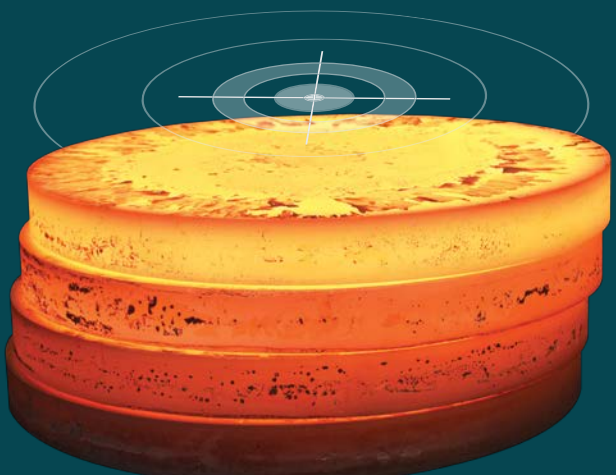
There are many aspects of business development that must be managed effectively. Having a competitive price and good quality doesn’t necessarily mean you will get the order. Your image, market exposure, how you conduct your business, and establishing a solid relationship with your customer are essential. Ultimately, be the type of organization that you’d like to work with, and you will be rewarded with new customers and long term business relationships. ⚙️

Joe Arvin is a veteran of the gear manufacturing industry. After 40 years at Arrow Gear Company, Joe Arvin is now President of Arvin Global Solutions (AGS). AGS offers a full range of consulting services to the manufacturing industry. His website is www.ArvinGlobalSolutions.com and he can be reached by email at ArvinGlobal@Gmail.com.



For Related Articles Search
management 
at www.geartechnology.com

PRECISELY WHAT YOU NEED



CARBON • ALLOY • STAINLESS • UP TO 54" OD & 10" THICK

You already know us for our high quality seamless rolled rings, but now we've expanded our product line to include forged discs manufactured with precise and accurate tolerances and shipped in as few as five days.

**McINNES
ROLLED RINGS**

Speed. Quality. McInnes Rolled Rings.

1.800.569.1420 www.McInnesRolledRings.com/ForgedDiscs