

BUSINESS INTELLIGENCE

REPORT

Strategies and Trends for the Successful Business

Provided for members of the



ST. JOSEPH
Chamber of Commerce

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IDEAwatch

Tips for Growing Your Business

■ **During the pandemic, keep your customers updated online.** They're wondering if you're open, have product available, if those products are safe, etc. Review your listings across Google My Business and Bing Places, as well as other directories such as Yelp and TripAdvisor where customers find you. And don't forget about social, too. Update your Facebook page and other social profiles. Update your FAQ (or create a dedicated page) addressing common questions regarding how your business practices are adapting to restrictions due to COVID-19.

Source: www.marketingland.com

■ **Bring in new revenue now** by selling gift certificates for future use at your business. Online small business lender Kabbage has made the process easier by launching a platform that allows consumers to buy gift certificates to support local small businesses during the coronavirus crisis. The gift certificates, which range in value from \$15 to \$500, can be redeemed at any time. Small businesses receive the revenue within one business day of purchase.

Source: www.cnn.com

■ **Yelp is trying to help restaurants by offering** the equivalent of \$25 million in free services. This includes waived advertising fees, access to Yelp page upgrades, 90 days of access to Yelp Reservations and Waitlist, and \$100 in search advertising to restaurants with delivery/takeout. Yelp will also be updating its iPhone and Android apps to offer a delivery option during the check-out process (via Grubhub). Finally, Yelp said that it has updated review guidelines "to protect local businesses from reputational harm related to these extraordinary circumstances."

Source: www.searchengineland.com

CORONAVIRUS SPECIAL ISSUE

Note: Due to rapidly developing circumstances, some information in this issue may have changed.

Small Business Survival Strategies

by Nibin Thomas

THERE IS NO QUESTION that this is a tough time for all small business owners. In unprecedented times like this, we need to all leverage the years of thick skin we've developed and continue to be resourceful.

The short term is, of course, a shortage of sales and cash flow required to operate. We trust owners have a good grip on their cash flow management and can weather the storm for at least the next 30-90 days, if not longer. Don't panic! There is always good that will come out of a hard time if we can make it through.

The reality is that it's not feasible for many businesses to keep afloat on monthly cash flows while employing a small team of hard-working people if everything comes to a full halt.

The scariest part, in our view, beyond the obvious health implications, is the post-economic downturn that is brewing and may change consumer behavior.

What can you do now to prepare for the harsh months ahead?

1. Master your finances. When the good times are rolling, we tend to be lax on understanding the details of our cash flows. With sales dwindling or nonexistent, it's time to get into your books and start identifying which recurring and nonessential expenses can be put on hold or eliminated.

The money sucker is in the small recurring fees; dig deep and think about every service that draws monthly from your account.

Finances should be your first area of focus, trim the waste and get as lean as possible.

2. Enhance your digital presence.
E-Commerce Businesses:

Given the number of people at home

on their phones, practicing social and physical distancing, now might be the ideal time to optimize your online engagement and targeted ads.

There is no sense in worrying about the worse case. Prepare for the months ahead with these seven ideas.

Your community will be willing to spare you more time and attention. Host the live stream you have been putting off and take the opportunity to get your face in front of your audience and explain how you are coping with the whole situation. Make yourself relatable and connect with them on an authentic level while expanding your brand awareness.

Traditional Brick and Mortar:

Now is the time to work on your digital strategy! Run a coffee shop? Write a post and tell people the top benefits of coffee and offer to ship out or deliver your newest roast. Personal trainer? Offer workouts you can manage at home and some free remote video sessions — even host a live workout at a regular time daily. If it is good, people will share, and your community will grow organically.

If you can deliver your services, run a few promotions to encourage people to call in or order online. The reality is that it is going to be extra work, but you can generate leads and sales just by being open and transparent with your online presence.

3. Gift cards. Lock away some future revenue with the sale of gift cards. Consider a cash bonus or giveaway to give people a reason to invest in your future services.

4. Negotiate with suppliers. If you source from overseas, now is the perfect

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■ **Will you need to change your business model** to match the new business environment? For example, Canlis is one of Seattle's top fine-dining restaurants, but when they were forced to close their dining rooms, they decided to open three pop-up replacements: a bagel shop, a drive-through burger joint and a "family meal" delivery service that includes a bottle of wine. Servers were deployed as delivery people. Rather than attempt to survive, co-owner Mark Canlis wanted to thrive by reinventing themselves from scratch. "If my job is to feed and restore a city, then I have to do it inside the new rules," he said.

Source: www.fastcompany.com

■ **Consider hosting a virtual event.** Here are some tips to make it a success: When choosing your webinar platform, test the timeliness and helpfulness of live technical support. From there, keep your sessions short. Holding the audience's attention is far more difficult at online events. The standard 60-minute keynote or breakout session is too long. Shorten time slots by 15 or 30 minutes. Try a "webinere," a webinar that lasts just nine minutes. Publicize the online event through blogging, social media posts, email blasts and earned media mentions. Keep your topic narrow and specific. Finally, promote extras like audio files or transcripts of sessions, and PDF action guides.

Source: glean.info

■ **Seek credit card leniency.** Many credit card companies have released statements announcing that they'll be giving COVID-19 relief for small businesses. They're doing this by waiving service fees for 30 days or offering other types of disaster relief assistance for small businesses. Be sure to check with your bank or credit card company to find out if they are offering any special services during the COVID-19 pandemic. During times of crisis, many lenders and credit card companies are willing to negotiate on payment timelines and fees. To see a list of banks helping customers who are impacted by the coronavirus, go to <http://dbhc.us/10>

Source: www.gofundme.com

The Families First Coronavirus Response Act

The new Families First Coronavirus Response Act requires small employers — those with fewer than 500 employees — to provide limited paid-leave benefits to employees who are affected by the coronavirus emergency. Small employers are given new tax credits and federal payroll-tax relief to pay for the new mandatory benefits.

The Act requires emergency paid sick leave for an eligible employee in coronavirus quarantine or seeking a coronavirus diagnosis. An employee can also receive emergency paid sick leave to care for a quarantined family member or a child whose school or childcare location has been closed due to the pandemic.

The Act also requires that small business employees be given the right to take up to 12 weeks of job-protected family leave if the employee or a family member is in quarantine or if the school or childcare location of the employee's child is closed due to the coronavirus.

The Act grants a new tax credit to small employers to cover the now-required payments to employees who take time off under the new law's emergency sick-leave and family-leave provisions. A small employer can collect a tax credit equal to 100% of qualified emergency sick-leave and family-leave payments made by the employer pursuant to the Act.

Sick-leave and family-leave payments mandated by the Act are exempt from the 6.2% Social Security tax component of the employer's federal payroll tax that normally applies to wages. Employers must pay the 1.45% Medicare tax component of the federal payroll tax, but they can claim a credit for that outlay.

Comparable tax credits are available for self-employed individuals who are affected by the coronavirus emergency.

To learn more about the Act, including payment limits, go to <http://dbhc.us/11>

Source: Marketwatch.com, March 23, 2020

Tax filing deadline moved to July 15

The IRS is extending the federal income tax filing deadline to July 15 as part of a growing effort to stem the financial pain from the coronavirus pandemic.

Tax payments that were due on April 15, 2020, now will be due July 15, offering more time without interest or penalties, regardless of the amount, according to guidance issued by U.S. Treasury and the IRS.

Many individual states already had extended their own tax filing deadlines to various dates to give people relief from the financial fallout of the coronavirus outbreak, which has shuttered businesses and led to large-scale layoffs.

The IRS move will increase pressure on states to align their deadlines with the new one for federal income tax returns.

Source: Cnbc.com, March 20, 2020

Small business disaster loans for COVID-19

The U.S. Small Business Administration's (SBA) Disaster Loan Program has a section known as the Economic Injury Disaster Loan program, which can potentially help qualified small businesses with the effects of the pandemic.

First, the SBA recently announced it was deferring existing disaster loan payments to Dec. 31, 2020.

From there, the SBA also took steps to make it easier for states to request a declaration so that small businesses statewide can apply for the loans. They are also changing the terms of new economic injury loans to allow for one-year deferments.

In order to qualify for an SBA economic injury disaster loan, a business

must prove substantial economic injury — that it is unable to pay its ordinary and necessary operating expenses. The point of the loan is to help a business ride out a disaster period until normal operations can resume. It applies to situations where there is no physical damage.

Businesses can secure up to \$2 million, but loan amounts will be based on an assessment of actual economic injury. According to the SBA, the interest rate on the loans will not exceed 4% per year and terms will not exceed 30 years.

To learn more about the SBA economic injury disaster loan program and apply for a loan, go to <http://dbhc.us/1k>

Source: Foxbusiness.com, March 23, 2020

■ **Small business grants will be available from Facebook.** The social media giant has committed to offering up to 30,000 small businesses \$100 million in cash grants and Facebook advertising credits. The grants will be provided to businesses in more than 30 countries. Currently, information is limited, but sign up to get more details from the company when they're available at <http://dbhc.us/1n>

Source: www.forbes.com

■ **Get organized with a COVID-19 checklist.** International law firm Perkins Coie created a COVID-19 checklist that covers a wide variety of business topics, like response plans, employee communication, travel policies, leave options, remote work, legal obligations, unemployment benefits, health conduct and discrimination. View at <http://dbhc.us/1p>

Source: www.business.com

■ **Will you have trouble paying rent?** Here are some suggestions: "I'm advising my clients to get on the phone now and call the landlord to say 'I can't make April rent,'" said Stephen Cohen, a Minneapolis attorney who focuses on local and national restaurants. "Maybe the landlord or the small business calls the bank about getting a loan." Small-business owners may want to read their lease for a clause about circumstances beyond the tenant's control. One option is to have April and May's rent put on the back of the lease, Cohen said.

Source: www.startribune.com

■ **Use social media to promote other businesses.** We must continue to network online both for brand awareness as well as marketing. Go onto Facebook, LinkedIn, etc. and start referring businesses for services and products. The economy is taking a huge hit. That means we must work harder to support one another and refer business virtually.

Source: www.press8.com

Will c-virus make mobile payments take off?

To curtail the spread of coronavirus, more brick-and-mortar businesses are asking customers to pay electronically. As one deli owner put it, "Nobody wants to touch cash anymore. The less contact, the better. Cash is filthy."

Of course, everyone already knows this. A study by Mastercard and the University of Oxford once found that the average banknote was home to 26,000 types of bacteria.

Jordan McKee, an analyst with 451 Research, a unit of S&P Global Market Intelligence, thinks the coronavirus may be the "inflection point" that could help kick start the mobile payment industry. For now, mobile pay is still in its "early days," accounting for just 2% of U.S. in-store sales in 2019, he says. Apple Pay, which was first introduced in 2014, is by far the most heavily used, followed by Google Pay and Sam-

sung Pay.

Part of the problem is that there's a big education curve for the industry. "Just 29% of consumers think wallet transactions are very secure," McKee says.

Mobile pay is actually safer than a credit card because you're never sharing a card with someone who has the potential to write down your payment card credentials. You have to authenticate the transaction with your thumbprint, PIN or facial ID on the phone, something you never have to do with a physical credit card.

That said, the World Health Organization has not specifically said that cash can spread the coronavirus. Also, many current credit cards also have a tap-to-pay feature that ditches swiping the card or reading the chip.

Source: USAtoday.com, March 16, 2020

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time to negotiate. China is looking to ramp business back up just as we are beginning to bleed from the coronavirus. Knowing that things are going to take time to rebound, it's time to renegotiate by sourcing multiple quotes from other vendors to help save on costs for when you do ramp back up.

A good renegotiation exercise can save you thousands upon returning to business.

5. Solicit Google reviews. If you are a small business, you need to be on Google My Business. This is the time to solicit reviews from clients you know would leave stellar reviews. People are home looking to pass the time, and if you have built good relations over the years, they will be willing to spare a few minutes to leave a candid review to support you.

Acquiring Google reviews is an ongoing effort that gets neglected when you are busy operating. You will thank yourself for the extra organic SEO boost for your business upon things ramping back up!

6. Collaborate with other businesses. We are all in this together. If

your product and service complements or adds value to different businesses, now is the time to reach out and see if there are any opportunities to collaborate on a promotion. The strength and buying power of the two communities are better than one.

7. Seek the positive in the negative. We recognize that a lot of you are in dire situations. Remember what allowed you to get this far was the ability to figure things out and push through the impossible. This is just another obstacle that will pass in time, but you have to stay resourceful and get creative to keep the lights on. There are always positive outcomes in adverse situations, and we know a lot of you reading this think that's BS, but it's true. There is no sense in worrying about the worse case, figure out the opportunities, and celebrate those!

Best of luck and health!

Nibin Thomas is the co-founder of Maker Watch Company along with a childhood friend, Justin Alvares. Since 2017, Maker Watch Co. has been infusing unique materials with stabilized wood and resin to make one-of-a-kind watch cases from scratch. Each watch complements their client's personality and tells their story.



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