

Getting It Out: The Rules of Distribution

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Small business owners face challenges getting their products into their stores and ultimately into the hands of customers. Whether you are managing inventory for multiple stores at a central warehouse or shipping directly to your customers, there are five simple rules any small business manager should keep in mind.

1. *Be small but think big.* Small businesses have the advantage of being more flexible than their larger competitors. You can respond to changes in customers' desired products more quickly because you operate with lower levels of inventory. Your response time should be faster because there are fewer layers of management you need approval from before making changes. A small business can also provide service on a more personal level. You have the opportunity to "get to know" your customers.

2. *Focus on the customer.* As you develop your plan to manage your inventory and distribution, keep in mind how your decisions will add value to your customers. For instance, one question you may need to answer is the length of time customers will wait for you to ship their products. As a small business manager, you need to listen to your customers and strive to meet their needs. Try to base your decisions on the "Voice of the Customer."

3. *Maintain your reputation.* Most people have at one time or another had a complaint about bad service or poor product quality from various companies. It is much less often we hear someone singing praises about a company. Your reputation in the marketplace is frequently determined not by satisfied customers but rather by the dissatisfied. As problems crop up with customers it is vital to your future that you handle these concerns immediately. It is far cheaper to keep a customer than to find a new one. A small business manager should make every effort to keep a customer happy and buying. It is not just the loss of one customer you face but also the damage to your reputation.

4. *Improve, improve, improve.* As you gain experience, you will undoubtedly find ways to improve your operations. The good news: You are not alone in looking for ways to improve. All employees can offer suggestions about how to develop the business. This is more than just putting a suggestion box outside your office. As a manager, be proactive in stimulating the thought processes of your employees. Develop some ideas of your own and schedule monthly meetings with different departments. Your meetings should focus on ways to serve your customers better and faster. Your staff are the people fulfilling the needs of the customer, why not ask them?

5. *Think about the future.* Set achievable goals and communicate them to your staff. For example, you can measure and improve upon the accuracy of your order fulfillment or the time it takes to pack and ship an order. As you achieve these goals, your service level will improve and your customers will thank you for it by giving you more business. The future of your company can be determined by how well you and your employees set and reach goals. Plan for success.

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