4 Simple Things You Can Do to Stabilize Your Small Business Right Now

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The COVID-19 pandemic has completely upended our normal way of doing business. Stay in place orders have caused stores to shut their doors in many states. Other companies find themselves unable to fulfill shipments due to supply chain disruptions.

Even for companies that are remaining open, business is largely on the decline as more people try to stay home to mitigate the spread of COVID-19. In fact, *Quartz* reports that foot traffic at retail stores is down 97.6 percent compared to the same time last year.

Needless to say, it is a time of turmoil, especially for small and midsize businesses (SMBs) that don't have the cash reserves of larger corporations. Despite all the uncertainty going on during this time, however, there are still things you can do to keep your business afloat.

1. Keep your customers up to date.

With so much uncertainty, your customers will be wondering what changes you are making in your day-to-day operations. You might have to close your brick-and-mortar store or reduce hours to give employees time to sanitize your facility. You could be experiencing delays in fulfilling online orders.

Regardless of your operating changes, many people will be understandably worried about placing an order or coming into your store due to concerns about catching the coronavirus. This makes proactive communications regarding any changes or preventative measures you're taking an absolute must.

Most retailers have now added COVID-19 notifications at the top of their home page highlighting changes. Others are using email lists and social media profiles to spread the word. *AdAge* notes that brands ranging from Southwest Airlines to Quibi have increased social media ad spend, resulting in increases of up to 40 percent in daily impressions. Proactive communications can give customers peace of mind and help them remember your brand.

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2. Consider new products to replace unavailable services.

If you are no longer able to provide your traditional services to your customers, coming up with "replacement" products could prove key to maintaining a source of revenue.

Online coaching, courses and tutorials, video series and ebooks are just a few of the digital products you could offer to keep in touch with customers and drive revenue if you are unable to sell your typical products or services. Think creatively. Such ideas won't just keep you afloat now – they could continue to provide revenue once business returns to normal.

3. Shift as much of your focus

online as possible.

Even if you already offer products and services online, now is the time to be aware of how you can minimize in-person interactions to further slow the spread. Many companies have shifted to using Zoom and other video calling tools so meetings that were formerly held in-person can be conducted digitally.

Small brick-and-mortar retailers that rely on foot traffic to shift products must consider digital workarounds – especially in areas where state mandates have closed their doors. Providing local delivery or curbside pickup will allow you to continue to make sales when revenue might otherwise completely disappear.

Many grocers and major retailers like Best Buy and Dick's Sporting Goods have drastically shifted their operations to emphasize curbside pickup. In fact, according to *USA Today*, curbside pickup sales have increased by 87 percent compared to last year. Such changes may present a logistical challenge, but they will keep customers and employees safe.

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4. Be mindful of how you manage expenses.

With revenue dropping for many SMBs, managing cash flow has never been more of a concern. While the small business loans made available through the stimulus package can certainly help, business owners should give increased attention to inventory and project management, re-evaluating their current financing options and auditing fixed and variable costs.

In fact, an analysis from Deloitte recommends, "In times of

uncertainty, it’s generally a good idea to swap fixed costs for variable costs wherever you can – preserving your core business while increasing your flexibility on the fringes. Selling assets and then leasing them back is one way to raise emergency cash. You might also want to consider expanding your use of practices such as contract manufacturing, transportation fleet leasing, and third-party warehousing.”

Regardless of whether you are cutting variable expenses or taking out a loan, it is important to consider both the immediate and long-term impact these decisions will have on your finances. Getting through the next few months is crucial, but you don’t want to make a decision that will severely cripple your operations and cash flow later on.

Navigating an uncertain future.

Currently, there seems to be no telling how long the COVID-19 pandemic will disrupt our way of life, but the simple truth is that eventually, things will get better. Proactive businesses, adjusting to this “new normal,” will be the best equipped to ride out the storm and will be in a stronger position once the pandemic finally subsides.

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