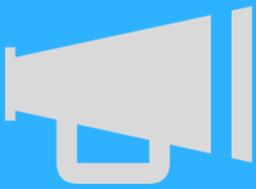




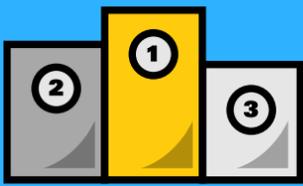
# REASONS WHY SMALL BUSINESSES FAIL

## LACK OF MARKETING



With so many competitors in the marketplace, you need to make yourself stand out from the crowd. Many small companies do not even create websites. According to a study by Clutch.com, only 54% of small business owners have a website. Web-sites increase the business's credibility, relay accurate information, and can bring in customers who are conducting searches online. To stay current, you can also considering offering special pricing or incentives, improve existing products, and create clever marketing campaigns.

## UNDERRATING THE COMPEITION



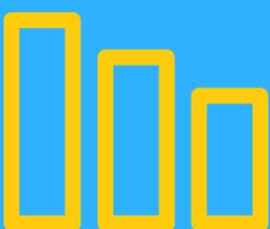
Whether large or small, there are going to be competitors in the marketplace. Even if you are the most successful company in your field, it is dangerous to underestimate the competition. Not anticipating a competitor's movements can cause a business to fail. It is also important to identify your company's specific strengths and weaknesses in order to know how best to out-maneuver the competition. Some examples on how to evaluate your performance vis-a-vis the competition include doing a Comparative Review to compare scores between best and worst performers across a number of categories. A digital performance report can provide you with a view into your online presence which will allow you to identify trends, make changes and thereby stay competitive.

## LACK OF PLANNING



Not taking the time to conduct research and planning can cause a business to fail. You need to have a strong business plan, financial backing, properly identify the competition, establish a relevant target market, and have a good handle on your sales and expense calculations. Many times someone starts a company without conducting proper research. They are not prepared for expenses that can arise. They might also have trouble obtaining enough customers to keep them afloat. Proper planning is needed to help the company succeed.

## SHRINKING CUSTOMER BASE



Customers are the lifeblood of a company. Without them, the business cannot survive. If a customer is unhappy with a service or treatment, they will take their business elsewhere. Therefore, it is essential for businesses to understand their customer's wants and needs, while providing the best service possible. Sometimes price and quality of the product can drive customers away. Customers will shop where they get the best value for as little money as possible. If a company treats their customers badly, or has overpriced low quality products, they will lose business. Therefore, it is important for businesses to establish relationships to retain customers, while ensuring the quality of their products and services.

## TERRIBLE LOCATION



While it may seem trivial, location is vital for a company's success. While the rent may seem cheap, low cost isn't always the best option. Sometimes, it is better to pay a higher price, in a spot with higher consumer flow. Nearby competitors also need to be taken into account. Even if the business is in an ideal location, there could be several competitors that offer the same product, at lower prices. Therefore, it is important to fully research an area before committing to that location.

## RAPID EXPANSION



While every business longs to grow, growing too rapidly can be a problem. If a company has a successful product, they may want to spend money to buy more equipment, a larger manufacturing facility, more materials, etc. If the company spends too much money early on, it could hurt them in the future. If the company racks up an enormous amount of debt, and their profits decline, they could be forced to close. Product quality could also cause the company to close. As consumer demand rises, production speeds up to try and meet the demand. Hastily made products can cause bad workmanship, which leads to unhappy customers. While expansion is good, rapid expansion can lead to costly mistakes.

## LACK OF CAPITAL



Lack of capital and cash flow can cripple a company. According to Hiscox's 2015 DNA of an Entrepreneur Report, 21% of US entrepreneurs have resorted to using their credit cards to fund their businesses. This can put the owner in significant debt, and unable to pay their bills and workers. Depending on the business, customers can also take a while to pay. So there might not be cash available right away to pay for expenses. If there is mounting debt, with no money coming in, the business will be forced to close. It is important to have capital available for unexpected expenses and needs.



## THE SOLUTION: HEALTH CONNEXIONS, THE NUMBER ONE SIDEKICK



Health Connexions offers many tools to help a business reach their customer base. One tool is reputation management, which helps monitor your online reputation with reviews, mentions, and more. Health Connexions also builds websites and helps with social media marketing, which helps grow the consumer base through social media and your online presence. We have three digital media service models which offer three levels of digital marketing support. We can provide you with the tools, and you do the work, all the way to completely handling all of your online marketing needs. And, you can always start small and grow things as you grow your customer base. Health Connexions also offers market research, which can help give the company insight into its operations and your customer's needs -- which can lead to product improvements and/or increases in customers.



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