

5 areas of growth SMMEs should focus on in 2021

By [Trevor Gosling](#)

20 Jan 2021

Business owners remain confident that the economy will slowly start to stabilise in 2021 despite the series of blows it took last year. This was reaffirmed with South Africa's Sacci business confidence index rising to 93.4 in November of 2020 from 92 in October, above pre-pandemic levels.



Trevor Gosling, co-founder and CEO of Lulalend | image supplied

Despite the impact of the Covid-19 pandemic, the remarkable ability of these businesses to adapt to change has helped them evolve and ultimately survive. Companies were resilient, optimistic and innovative, trusting that, although the situation will not improve considerably in 2021, it will be able to at least start stabilising.

The start of the new year should be used by business owners as an opportunity to prepare and start leveraging off some of the changes brought on by the pandemic to drive growth in 2021.

While there has been a massive surge in e-commerce in South Africa, SMMEs should also capitalise some of the other mechanisms that can enable growth for them.

The top growth areas that SMMEs need to plan for in 2021:

1. **Sales and marketing alignment** - If you want to see effective results, your sales and marketing teams should not be working in silos.

When you align these two areas, you enable our business to increase conversion rates, generate higher revenue, and retain more customers through streamlined sales and marketing funnel.

A collaborative sales and marketing team will not only convert more leads but also generate higher quality leads too. When a strong sales team informs the marketing team on what a 'good quality lead' looks like, they are far more likely to find them.

2. **Customer experience** - You may think you understand your customers, but you still have to constantly ask yourself how well you know your customers.

People are constantly changing, and so are their needs. In order to retain your customers, you have to constantly put them first. You can do this by understanding what it is they enjoy about your brand, and what they don't.



4IR: How the subscription economy is changing the world of CX

Charlotte Adelgaard 13 Jan 2021



Focusing on creating a memorable and positive customer experience goes beyond just making the sale. Having a follow-up journey and personalised added extras will show your customers that you value their business and will go the extra mile to keep them coming back.

3. **Digital transformation** - The world was catapulted into a full-scale digital revolution in 2020, with individuals and businesses alike having to rapidly adapt to an online world.

Despite many people having an apprehension to shop online, recent industry stats estimated that online retail sales grew by around 40% during South Africa's initial lockdown last year. This mirrored the types of loan applications by SMEs, with an increase of 20% in loan applications coming from online retailers.

These were mostly used to capacitate these businesses as well as expand their e-commerce offering. The power of technology has allowed any type of business to seamlessly fit into our lives.



Digital transformation: Separating the ordinary from the extraordinary in 2021

Shaune Jordaan 21 Dec 2020



Going digital has also made it easier for businesses to simplify and streamline their internal processes for a more efficient way of working. For example, using online tools to store your data like accounting or human resource documents can free up your time and physical space to do more.

4. **Data-driven transformation** - The great thing about the digital age is that most of the data you need is readily available at your fingertips. However, the biggest factor that should inform any decisions you make within your business should be based on customer feedback.

Using data from sources such as your cancellation feedback, customer reviews, and even your customers' behavioural patterns on your website to inform what changes you need to make to your products and services, will

add greater value to the growth of your business than a decision made by one person.



How to deepen customer connection using data

Valde Ferradaz 20 Jan 2021



-
5. **Training** - Ongoing training is essential to the growth of any business and should always be a focus area year after year.

Whether it's technical training for machinery, customer service, or sales training, any form of educational improvement will spark new life into the quality of work your team pushes out. In turn, this will ultimately lead to increased profits. By investing in your people, you are directly investing in your business as well.

ABOUT THE AUTHOR

Trevor Gosling is the co-founder and CEO of Lulalend.

For more, visit: <https://www.bizcommunity.com>