National
BUSINESS CAPITAL & SERVICES

7 PROFITABLE
Opportunities You Could Miss
Without More Business Funding

National.biz Info@National.biz (888) 488.GROW

7 Profitable Opportunities You Could Miss Without More Business Funding

However, businesses that exclusively view additional funding as a way to cover expenses only see half of the big picture. As a result, they undermine their growth and profit potential, and put themselves a path that could cause serious cash flow problems down the road; or in some cases, lead to a sell-off or shut-down. What is the understanding that often separates businesses that consistently thrive from those that struggle to survive? It is that additional funding is not just necessary to cover expenses: it is vital necessary to take advantage of opportunities!

Indeed, the business adage “you have to spend money to make money,” is as true today on the digitaldriven landscape as it has been for decades. And this wisdom is even more valid for small and mid-sized businesses during economic downturns and recessions, since that is when they can put themselves in a position to dramatically increase their market share and surge past competitors — including large enterprises that typically take much longer to adjust processes, supply chains and workflows. As noted by Harvard Business Review:

During recessions, progressive companies develop new markets and invest to enlarge their asset bases...these companies also judiciously increase spending on R&D and marketing, which may produce only modest benefits during the recession, but adds substantially to sales and profits afterward.

Paradigm Shift: From Expense to Investment

For many businesses, the need for additional funding is often triggered by one or more unexpected (and sometimes unwelcome) events. For example, there may be an urgent need to cover building or vehicle repairs or a long-term supplier may raise prices or cease operations. Uncle Sam — or any of his family members at the State or Local levels — may hike tax rates or send through a reassessment, and the list of unavoidable and inevitable expenses goes on. Indeed, regardless of the industry, sector or marketplace, it is not a matter of whether it will be necessary to write a check or make an online payment, but when and how much. That is just reality on the business landscape.

Missing the Opportunity - and Falling Behind

Regardless of whether your industry or marketplace is experiencing a downturn or enjoying an upswing, taking advantage of golden opportunities before the clock ticks down is not just about having clear vision: it is also about having enough cash to turn today's smart investments into tomorrow's substantial profits. With this in mind, here are seven opportunities that you may be unable to take advantage of without additional business funding.

1. Hiring New Staff and Retaining Key People
2. Opening New Locations
3. Acquiring New Businesses
4. Adding New Product Lines
5. Renovating Existing Space
6. Launching Marketing & Advertising Campaigns
7. Adding & Upgrading Technology

Keep reading to learn more about each of these opportunities!

1. Hiring New Staff and Retaining Key People

Additional business funding can help you target two critical workforce issues that drive bottom-line growth: hiring new staff and retaining key people.

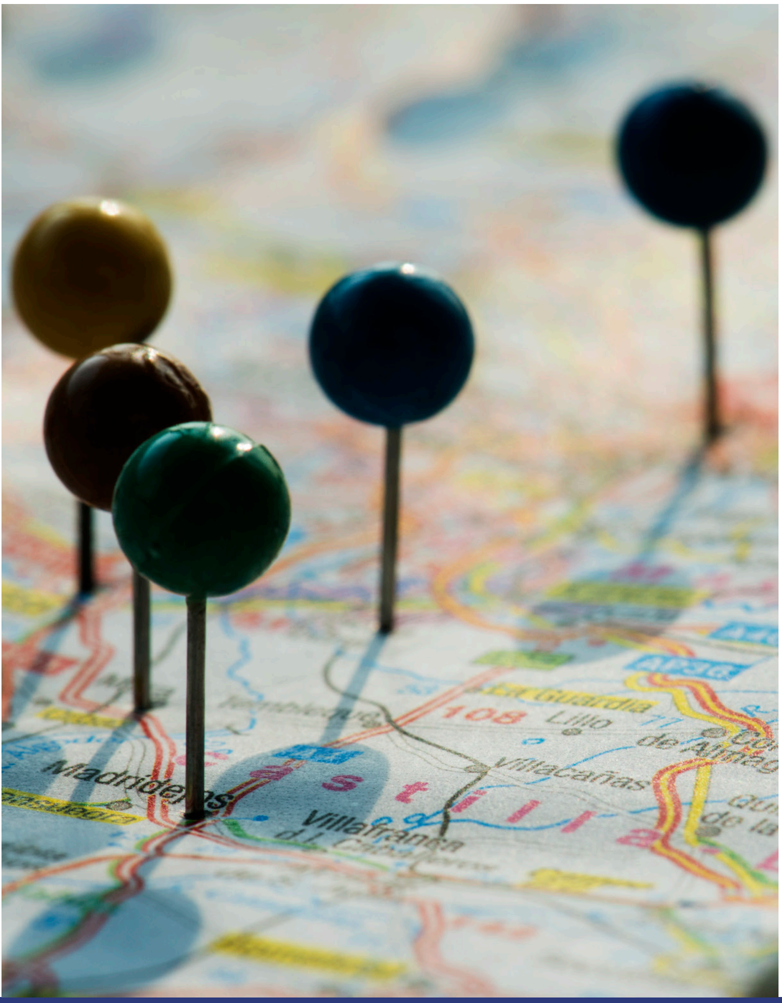
With respect to hiring new staff, funding allows you to cover the costs of recruiting, which can include advertising, interviewing, background checks and onboarding. Without enough cash to cover these areas, it is inevitable that some steps in the recruiting process will be shortened or circumvented — which can, and usually does, lead to hiring the wrong person.

With respect to retaining key people, business funding allows you to ensure that your top talent is appropriately compensated in a manner that is commensurate to their contribution, and to prevailing benchmarks in your industry and marketplace. This does not necessarily mean that you must match salary and benefits dollar-for-dollar with your competitors; especially if they are large enterprises with deep pockets. However, you must be in the ballpark, or else it is only a matter of time before key people start to head for the exits.

Furthermore, the costs of turnover add up to far more than just replacement costs. As noted by Inc Magazine, the hidden costs of turnover fall into four costly categories: slippage (work by a departed employee is not being done), ripple effect (remaining employees are less effective), customer loss (loss of knowledge capital), and lost credibility (remaining employees can be demoralized and decide to move on).

2. Opening New Locations

Expanding into new markets is not just a strategy to generate more customers at the local level.



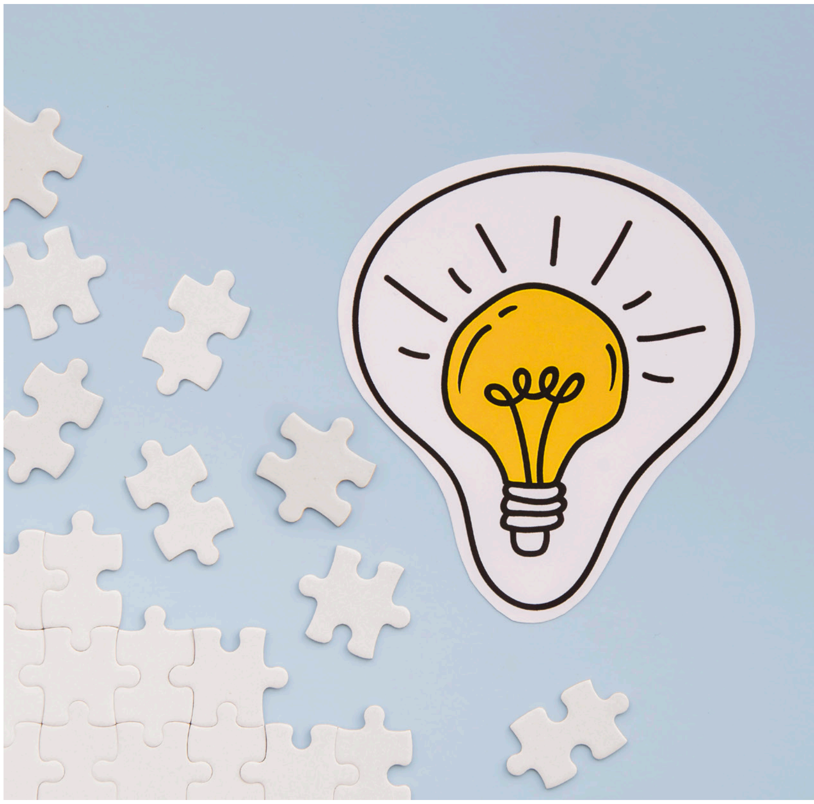
Increasingly and perhaps surprisingly, it is also a key factor for generating online customers (both B2C and B2B). In other words: even if they never meet face-to-face, customers value the fact that the business they are dealing with is part of their community (which can be defined as a large metropolitan area, a region, a smaller community, and so on). Indeed, according to research by SCORE, a nonprofit association dedicated to helping small businesses get off the ground:

More than eight in 10 consumers currently use local businesses, and in the next year, 48 percent plan to patronize local businesses even more often. In fact, consumers use local businesses more often than national chains. In the last 12 months, local businesses accounted for 56 percent of total business use, compared to 44 percent for national chains. Consumers also use local businesses a lot — 83 percent of respondents have done so in the last week.

Of course, opening new locations is a significant investment. For example, there are building costs, moving costs, furnishing and design costs, staffing costs, equipment costs, and of course, advertising and marketing costs. While most small and mid-sized businesses — and even many large businesses — do not have the capital reserves to cover all of the above, adequate business funding makes it possible.

3. Acquiring New Businesses

There are several reasons why acquiring a business and integrating it within your current operations could be both strategically wise and highly profitable — especially in the long run.



Known entity: the first and most obvious benefit is that you will be purchasing a known entity with a brand, assets and infrastructure; all of which can rapidly — and in some cases, immediately — be brought into your operations.

Economies of scale: acquiring a business will significantly increase your economies of scale and negotiating leverage. This can drive down input costs (e.g. inventory, supplies, services, etc.) for all of your locations, which ultimately makes your path to ROI even shorter & faster.

Faster market penetration: an acquisition enables you to penetrate into a new market and increase your reach and visibility. It is important to appreciate that this "new market" may not just be geographic. It can also be demographic, if the acquired businesses catered to a different customer persona or clientele.

Regardless of whether your acquisition strategy to exploit one, some or most likely all of these benefits to some degree, accessing the right amount of business funding at an affordable rate is the difference between moving forward and making it happen — or pulling back and letting a more assertive competitor seize the advantage. After all, suitable acquisitions can take months or even years to materialize. There is no guarantee that a missed opportunity today will be replaced by another in the near future.

Especially as new competitors enter the marketplace and aggressively try and cut into your market share and mindshare, you want a strategy in mind to stay ahead. According to noted consultant and entrepreneur Robert Cordray writing for Business2Community.com, the key benefits of enlarging your roster include:

Staying relevant: by adding new products, your business will remain relevant for your target market instead of getting lost in the crowd as new entrants compete for market share and mindshare.

Meet evolving needs: your current customers are also your most profitable and loyal. Adding new products helps keep them on-board, engaged, and ready to both buy and recommend.

Reach new audiences: adding products helps you continually attract new customers, which is critical given that a minimal amount of existing customer churn and attrition is inevitable, regardless of your marketplace positioning.

Keep your product life cycle alive: the product lifestyle is comprised of introduction, growth, maturity and decline. If your existing products make it to the final stage and your business has nothing to replace them with, then you risk a major and rapid decline in market share, customers, revenues and profits.

Generate buzz and attention: every new product launch is an opportunity for you to send out a press release, run an advertising and marketing campaign, create excitement across your social media platforms, and more. Not only does this increase engagement with existing customers, but it introduces your brand to profitable new customer as well.

Diversify to mitigate risk: adding more products helps you offset risk if demand for one or more lines wanes due to seasonal cycles, changing customer trends, or other factors.

Attract top talent: as noted earlier, finding and keeping top talent on your team is critical to success — and in the long-run, for survival. Adding new products clearly demonstrates that your business is dynamic and focused on growth; both of which are very attractive to high-performance talent that want to be part of organizations whose best days are always ahead — never behind.

4. Adding New Product Lines

Even if your current product roster is in-demand and highly profitable, leveragingbusiness funding to add new product lines canensure that your business continues growing and remains profitable for years and decades to come.

5. Renovating Existing Space

Using business funding to renovate your existing space is not merely about improving aesthetics and appearances: it is a strategic investment that delivers a wide range of benefits that directly contribute to the bottom-line.

For example, according to interior solutions firm Key Interiors, even a relatively minor office renovation can:

- Improve employee efficiency, productivity, performance, and engagement.
- Increase customer service, quality of work, and competitive advantage.
- Optimize environmental systems and make them less expensive to operate (HVAC, air filtration, lighting, and so on).
- Establish a business as an "employer of choice" — which can be valuable when recruiting and retaining and top talent.
- Allow a business to promote its demonstrated commitment to reducing environmental footprint in proposals, in marketing material, across social media, and so on.

In addition, both B2C and B2B customers are impressed by an office renovation — even if their experience is only through pictures and videos on the corporate website or through social media — because it gives them the sense that a business is dynamic, growing, and constantly improving in its current and future capacity.

6. Launching Marketing And Advertising Campaigns

Whether you currently have a sizable marketing and advertising budget, or you refer primarily on word-of-mouth marketing or inside referrals and leads, the worst fate that can happen to your business is becoming the "best kept secret" in your marketplace.

If that happens, you will be leaving an enormous amount of revenue and profit on the table, and your less capable and possibly higher-priced competition will, nevertheless, serve and satisfy what should be your customers — not theirs.

Using business funding to escape this most destructive pitfalls is smart and proven; especially if you allocate some or even all of your budget spend to digital and online marketing. This will allow you to ensure that your website is optimized for mobile visitors, that you have inbound marketing (ebooks, blog posts, etc.) to generate leads, and that you are showing up on Google and in other directories when customers are actively searching for solutions that you offer.

At the same time, strategic investments in marketing and advertising help you reach current customers and keep them engaged and informed. Remember: just because your current customers are making purchases does not mean that they are buying everything that they want! Many times, current customers would gladly buy more, if they only knew that additional products, services or solutions were available.

7. Adding/Upgrading Technologies

To stay competitive and "do more with less," all away, businesses — especially small and mid-sized firms competing with large enterprises — must continually invest in technology systems and solutions.

Furthermore, this strategic focus is not limited to software purchases, but often includes hardware upgrades as well.

Without business funding, covering the costs of these necessary additions and upgrades is challenging; and for some businesses, it may be prohibitive at the current time. However, with business funding getting much-needed — and probably overdue — solutions in the environment is weeks, if not days These solutions may include (but are not limited to):

- Project management software
- Accounting/bookkeeping software
- Marketing automation software
- Human resource information systems
- Payroll systems
- Employee benefits management systems
- Ecommerce fulfilment systems
- Employee collaboration tools
- Data analyses and business intelligence tools
- Hardware investments (servers, desktops, laptops, tablets, smartphones, routers, etc).

Not an Exhaustive List

While the above covers many of the ways your business can use funding to stay successful for years and decades to come, it is by no means an exhaustive list. The key takeaway, as noted at the outset of this ebook, is that funding is not limited to covering expenses. As you can see, it is also the best way to exploit a golden opportunity — and surge past the competition.

However, there is more to the story there that many business owners — and possibly you — have experienced. It is the undeniable, verified fact that all banks in general, and big banks in particular, have dramatically dialed back their funding and support for small businesses over the last decade.

When Opportunities Say YES -but Banks Say NO

Essentially, there are 10 reasons why big banks turn down somewhere between 80 and 90 percent of the small and mid-sized business loan applications they receive, and smaller banks and even credit unions are not too far behind that dismal "approval" rate:

1. Low personal credit score: banks insist on exceptional personal credit scores. What makes this requirement even harder to understand, is that according to a breakdown of credit bureau Experian's data, nearly one-third of Americans have bad credit.

2. Low business credit score: banks also insist that borrowers have high business credit scores —which is even more of an obstacle, because according to a survey by the small business owner community Manta, 72 percent of such owners do not know their business credit score, and 60 percent do not even know how to access their business credit score!

3. Not enough business history: banks typically insist that borrowers have at least two — but sometimes more — years of established and verifiable business history.

4. Inadequate cash flow: most banks will nevertheless reject a small business loan application if the business does not have a strong record of consistent positive cash flow.

5. Not enough collateral: all bank loans are secured loans which means you must pledge business and/or personal assets, which will be liquidated by the bank in the event you fail to meet the loan obligations.

6. Business plan issues: banks scrutinize business plans as part of the loan application package, & will typically delay or reject an application if documents are missing, inaccurate, or if any submissions are deemed incomplete (e.g. lack of detailed financial records, etc.). This is a very time-intensive process, and a study by the Federal Reserve Bank of New York found that the average small business owner must spend 33 hours — or roughly a full week — applying for a small business loan from a bank.

7. Lack of owner investment: banks typically view owner investment as an indication that a loan application is “faith in their own success.” However, the real reason is less lofty, and more pragmatic: banks believe that owners who have “skin in the game” are safer bets.

8. Too much debt: banks are wary of loan applicants that have what they determine as too much debt, including personal debt.

9. Industry or marketplace deemed too risky: banks have a list of industries that they deem risky, and applicants who hail from such spaces typically find the application process is over before it begins. For example, restaurant owners often face major obstacles because banks are aware that the industry is highly competitive, and demand can be hard to predict and secure.

In light of the above, millions of small and mid-sized business owners like you can get stuck in a vicious cycle: you need funding to take advantage of profitable opportunities before the time to act expires, but banks will not give you funding because “you really do not need it”.

In the real world, this is absurd. In the world of bank funding, it makes perfect sense when you realize that banks truly do not want to deal with small and mid-sized businesses in the first place. Their real profit center is heading upstream and serving large organizations and enterprises. Putting up obstacle after obstacle and barrier after barrier is their way of saying “get lost” to small and mid-sized business owners, without having to incur the public relations wrath of saying “get lost.” Fortunately however, this is NOT where the story ends: because where banks have pulled back, several professional, reputable and client-focused alternative lending firms have leaned forward to fill the gap. And leading the way for years is the team at National Business Capital!

The National Business Capital Advantage

• Unlike banks that turn their backs on small and mid-sized businesses, we specialize in serving this neglected — but essential — market. We also understand as clearly as our clients that when an opportunity to surge ahead becomes available, it does not stay open for long; sometimes, the time to act is measured in hours and days, not months and weeks. That is why:

• We understand that time can be even more valuable than capital, and as such our application process is rapid and streamlined, and can be completed online in about 2 minutes. Whereas banks can take several months to assess an application, we render a decision within 24 hours, and our approval rate is consistently around 90 percent — compared to 10-20 percent at big banks.

• We provide short-term or long-term financing for clients with excellent, good, fair, poor and bad credit. We understand that personal and business credit scores are not the "end all and be all" of a borrower's creditworthiness so we look beyond credit scores to see the big picture.

• We do not insist that you have 2 or more years of business history, or that your business must be cashflow positive.

• If you have a past (discharged) bankruptcy or even a tax lien, then be assured these are not automatic deal-breakers for us. We are much more interested in where you are today and where you are headed tomorrow, than what transpired in the past. Like you, we look forward, not backward.

• Unlike banks that impose strict rules on how you can spend loan funds, we give you complete freedom to allocate your capital as you deem best. After all, you are in a much better position than we are to do what is best for your business. Just as nobody likes a back-seat driver, we are not a back-seat business owner. You are in charge, which is how it should be!

• We offer multiple business funding solutions that do not require any collateral, such as working capital loans, merchant cash advances, and business lines of credit. Or if you have sufficient collateral, we offer solutions such as purchase order financing, equipment financing and leasing services, commercial mortgage financing, and more.

• We never push or persuade clients to borrow more than they need. The last thing we want is you to have "dead money" sitting in your account being eroded by inflation.

• We are not reluctant to support clients in (so-called) risky industries or marketplaces. For example, many of our most successful clients are in the restaurant sector — including some of whom would have been forced to go out of business if we did not step in to fill the funding gap.

• We consistently treat our clients with respect and dignity, regardless of whether they need to borrow.

• $20,000 for 3 months, or $2 million dollars for 5 years. We never lose sight of the fact that we exist to serve our clients, and the best thing we can do is help them succeed and thrive.

• We have earned an outstanding reputation and invite you to read testimonials from our satisfied customers across the country. We are one of the nation's most established, acclaimed and recommended alternative lenders, and we have earned this stellar reputation by consistently doing the right things the right way — without compromise. We also maintain an A+ rating with the Better Business Bureau, and are available to help 24/7/365.

Watch a Client Review on Youtube

Next Steps

To learn more about getting funding when banks say NO, contact the National Business Capital team today. Your consultation with us is free, and there is never any obligation to move forward. We are one of the nation's most established, acclaimed and recommended alternative lenders, and we have earned this stellar reputation by consistently doing the right things the right way - without compromise.

Get started now by connecting with one of National Business Capital's Relationship Development Experts.

WE ARE HERE TO SERVE YOU 24/7/365.