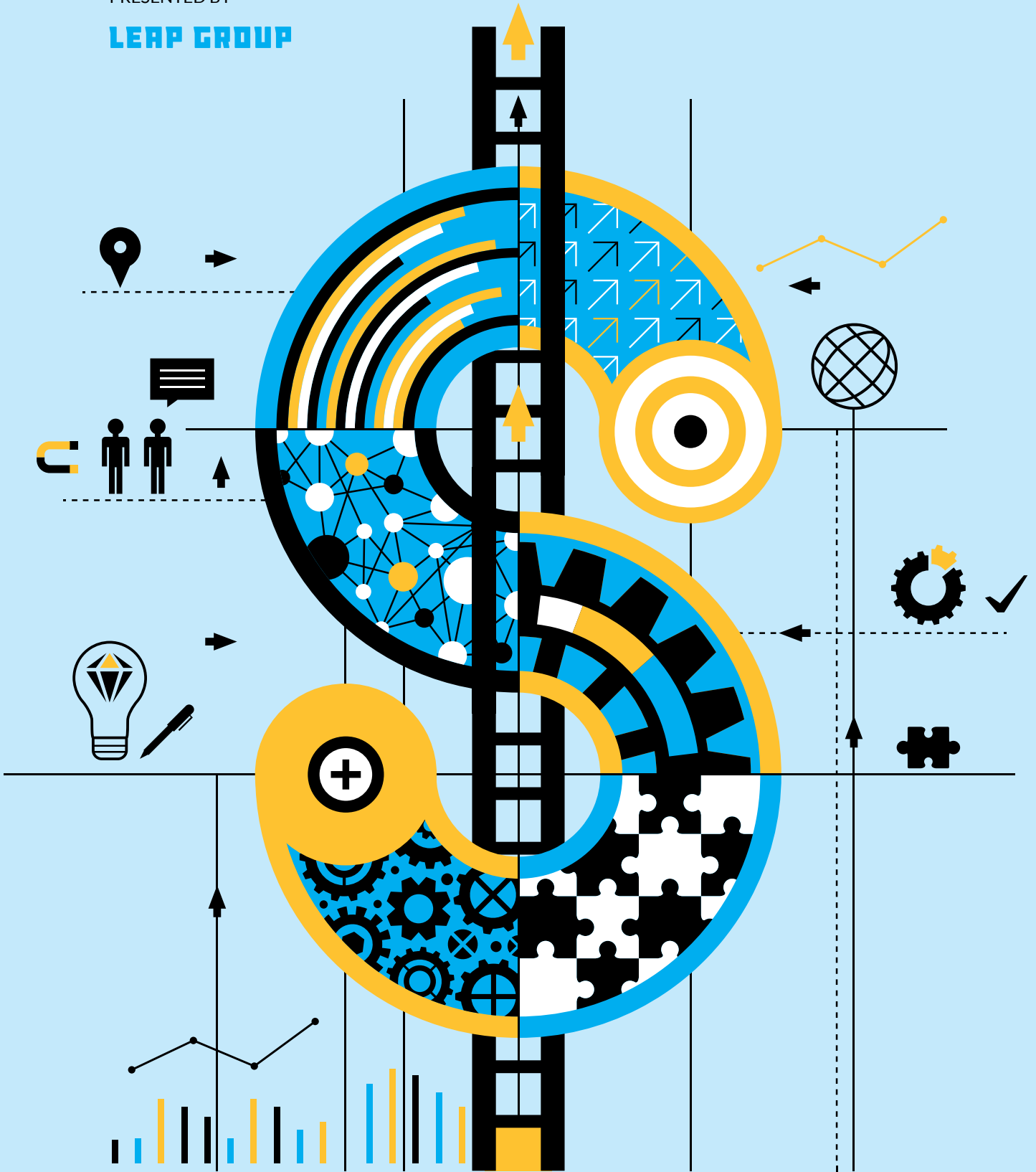


REVENUE STREAMS DURING COVID-19

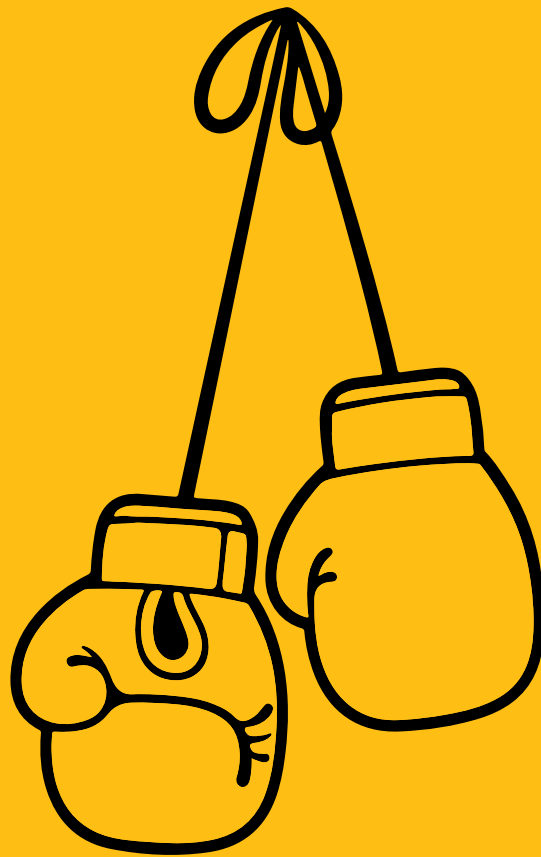
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“EVERYBODY HAS A PLAN UNTIL THEY GET PUNCHED IN THE MOUTH.”

As business owners and leaders, we attempt to plan for every eventuality that may impact our business. Economic conditions, physical circumstances, demand seasonality, weather variances, known potential pitfalls, etc. We adjust our forecasting with irregularities in mind and try to remember that every plan is just that – a plan.

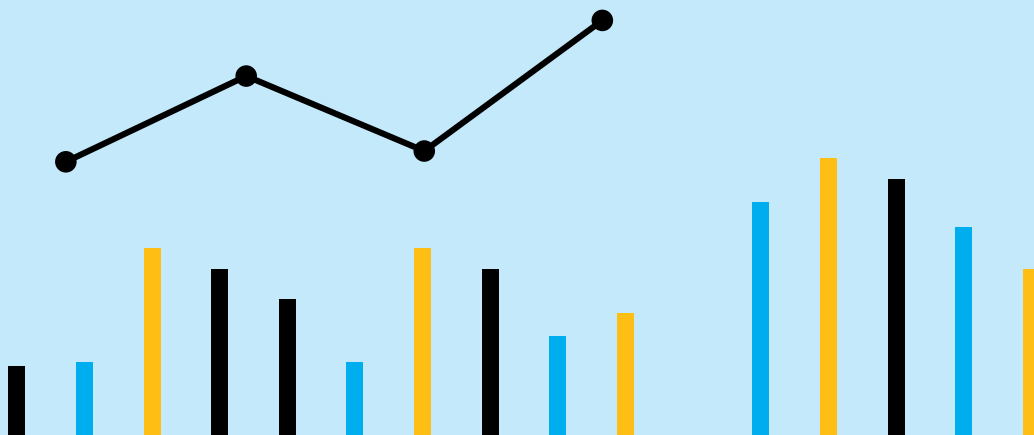


Some anomalies are so rare and so catastrophic, they can't possibly be predicted. A world-wide pandemic is one of them. These are the times when we go against what we preach — we must react instead of plan, mitigate instead of prepare.

Although we'd all like to think we're agile enough to weather any crisis, these are the once-in-a-lifetime events that can truly test our ability to innovate and pivot when needed.

As companies navigate the ongoing COVID-19 crisis, there are a number of vital issues leaders should be preparing. We've laid out steps you can take to not only react to severe shocks to your revenue stream now, but also reshape your business and plan for recovery in the future.

A silver-lining side-effect of being forced to diversify your revenue streams now is recognizing additional ways to profit in the future. What may start off as a way to tread water during an emergency could emerge as an entirely new source of income for your business moving forward. Steel is forged in fire — having to make these changes now could significantly impact your business in the long run — as long as you are able and prepared to make the necessary changes.



HOW DO WE INNOVATE?

Often the firms that are most able to be flexible in times of crisis are those that have a culture of innovation.

When crisis hits, being able to rely on the creativity of your entire team instead of a handful of leaders will empower solutions at every level.

Your sales team will have a much different take on how to pivot than your production team. Celebrating and encouraging innovation from your workforce keeps them in the mindset of always thinking of ways to improve, which is important no matter what you're facing.

Radical innovation happens when many self-organizing employees experiment profusely, then learn.



Those who work closest with your clients may have the best ideas.

The further a manager rises away from the floor, the more isolated they can be from what is really happening at an operational level, and therefore how it can be innovated – as well as how quickly change might be possible. Let those that work directly on the line, on the floor or with clients every day come up with ideas – most will already have an idea of where to start.

Listen to your clients

What are their pain points? What are they asking for? If you have clients you are close with, now is an opportune time to reach out. Have a frank conversation with them about their own struggles and how you can assist. These conversations may be the most eye-opening in terms of how to expand your current offerings and opportunities to add to your product line or service offering.



HOW DO WE KNOW IF IT'S WORKING?

In this environment, you have to take on the entrepreneurial mindset – be willing to test and be willing to fail fast.

If something doesn't show promise in the first quarter, don't wait for the whole game to play out to either tweak the initial offering or abandon and move to the next idea, if need be.

As counterintuitive as it might sound for those of us trained in the leadership model of the industrial era, iterating fast failures achieve a desired result faster than perfecting the solution, which is crucially important when your business may be hemorrhaging money from lost income.



SERVICE INDUSTRIES VS. PRODUCT INDUSTRIES

Service Industries

Service Industries will likely be the most impacted and will need to be the quickest to change, as well as the most flexible with what the end-product of those services might look like.

Transitioning to digital offerings might be the easiest method of continuing to remain in business, but those businesses that must interact face-to-face with a client may not have the option of going completely digital. In cases like this, offering complimentary products, discounts on gift cards for future services and creating a completely new revenue stream could be the only options.

This may call for a little brainstorming and dreaming. Try to think of the products that could be sold alongside your service – if you're a hair salon, could you sell hair care products to your existing client base on your website? If you're a dog-training business, what about pet care equipment and supplies? As a self-employed travel planner, could you craft and deliver kits that have the essence of being on vacation? It may only make up a small portion of the income you're used to but could be thing that saves your business in the short-term.



Product Industries

Product Industries will need to change how they're getting products into the hands of consumers, especially if the business is primarily a brick-and-mortar operation. How quickly you can transition to a digital platform may be the ultimate test of your agility – as well as the only thing that saves your business in a time where face-to-face operations aren't possible.



Depending on what products you offer, delivery isn't the only problem you could be facing – demand is probably changing. While an increase in demand seems like a great thing at first glance, this can also severely impact your supply chain, as well as your manufacturing capabilities. Take too long to deliver your product and you could turn off new customers as well as existing customers. Though some will be tolerant of wait times caused by something out of your control, others will become disenchanted by any delay, no matter the conditions facing your business.

HOW DO I DELIVER?

The method of getting your product into consumer's hands may have to change.

Even if you're already an e-commerce company, you are likely not 100% digital in your offerings — your production, shipping and delivery services may need to be reconsidered. You may have to shutter or drastically reduce a portion of your workforce, which will cause a butterfly effect through the rest of your business. Understand that you will need to continue to change and adapt, looking for solutions that can help ease the transition.



Switching to digital offerings might not be as easy as it seems.

Depending on your product or service, it may take longer than you think to update your website. Making sure that your website is consistently updated in the long run is always the best practice and will be less of a headache when trying to add any future information. If you're a larger business with a vast number of different SKU's, adding each product to your site may not be possible without the help of professionals. If you need assistance with your website that your team cannot complete, make sure to engage the help of a professional marketing agency with experience in your realm.

Also take into consideration the restrictions within your own team. Do you need imagery of each product to go on the website? How about tutorial videos? Technical specifications? Is your team versed in the legalities of adding product shots from the manufacturer or clients, as well as ADA compliance? If the answer is no, make sure to consult a professional marketing company before DIY-ing – or you may end up running in to more issues in the long-run.



What technology do I need to consider?

Moving from the physical to digital world takes a myriad of considerations and strategic planning you may have never considered before. Is your current website compliant in order to securely take payments? Are you storing client's data, such as personal information and payment details? Does your server have enough bandwidth to handle the additional traffic that comes from users making online purchases?

Make sure that you have a solid handle on the technology used to go digital in your offerings. And if you don't – [seek help](#).

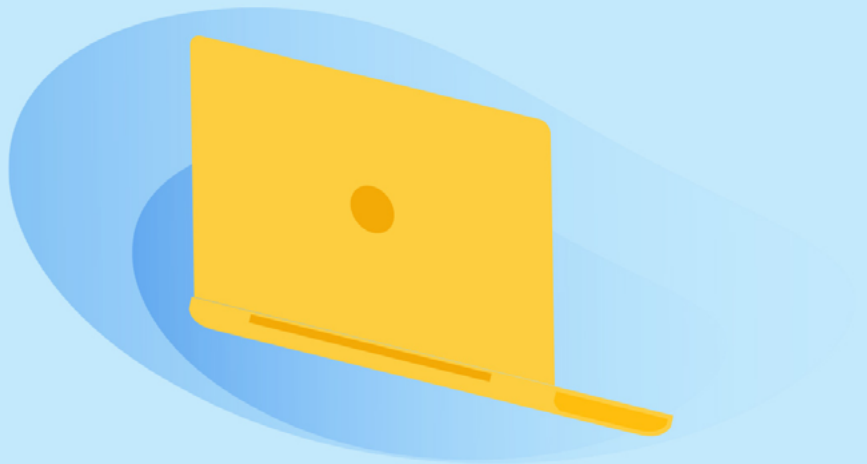


HOW DO I SELL THIS?

Find your client base online.

Adding an additional revenue stream likely won't be as easy as "if you build it, they will come." You're going to have to put the word out to your existing client base – and find new clients to make up for lost revenue. Decide which channels are best to communicate changes in offerings to your existing and future client base.

Evaluate how you are currently reaching your clients and understand that in the future, how your clients hear from you may look vastly different. If you're used to meeting enterprise clients twice a month for coffee, how are you going to make that personal connection digitally? If you don't like updating your social information, how can you start producing digital content that will resonate with your customers? Start making a plan of action now.



Be prepared to overcommunicate.

No, do not send out yet another email saying, “We’re here to help.” That message is being told so much, it’s now unheard. Be specific and targeted with your communications. If you’re offering new products and services, be clear when and where these will be offered and how to engage with your company in a new way. Be honest if something doesn’t work and you have to change again — your clients will appreciate transparency and will likely be understanding in a world that is continuously changing.



Trust a good story.

In an environment where 90% of what we hear is negative, see if you can shape the story of your new revenue stream in order to draw attention, either from viral social channels or media outlets. How can you spin this transition into something positive? Is this helping your community? Can you give back in some way? Goodwill marketing can be very impactful in a time when its genuine and when most businesses are looking out for themselves.



RELY ON RELATIONSHIPS.

Partner with other businesses to find solutions.

If you have other businesses you currently work with, reach out to see how you might partner together now to reach new or existing client bases. These could be businesses within your supply chain, your distribution chain, within your business ecosystem, or even in your neighborhood.

Figuring out a symbiotic partnership now could open new doors when everything returns to normal and potentially strengthen a bond you already had.

What this looks like is up to you – it could mean a joint marketing offering to utilize budgets, offering a discount for using both of your services in tandem, or simply joining your teams to problem-solve together, such as brainstorming how to find leads you previously sought out through face-to-face interaction.

Competitive collaboration.

If you have reliable connections among competitors within your industry, reach out to see how they are handling the crisis. Could they offer ideas you could utilize? What about working together in order to keep both of your businesses afloat? How about doing something to support the industry you both work in and sharing the benefits? Of course, it's important to establish clear boundaries when working with a competitor, but if you have the abundance mindset, a rising tide can raise all ships. Joining forces to draw some awareness back into the space you're competing in could be good for both of you – and foster a collaboration that might never have been considered prior to a crisis.



Though it's impossible to plan for everything, utilizing the outlined steps can help your company be prepared for any unknown crisis – as well as help impact your bottom line at any time of the year.