

The Secrets to Business Success in ever Changing Market Dynamics

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1.0 Introduction

The dream of every man and woman is to be successful. At times, one wonders: what is success? What is to be successful? There are as many answers as there are questions about success. The approach in this article is basically delimited to Business success (which inherently brings about financial sustainability) which a many associate with success. As such, take a note on the briefly discussed secrets to business success in ever changing market dynamics.

2.0 The Secret to SME Success

In today's tough markets with unpredictable market dynamics, not all small businesses (at times medium and large) make it. There is need to understand the secrets behind the success of any business venture. Various investigations have been conducted in the past to examine the secrets of SME success. For instance, London School of Economics conducted a study to investigate how and why key decisions made by Small and Medium Enterprises (SMEs) had contributed to some being significantly more successful than others. The study analyzed and compared some businesses, namely Last FM and the Body Shop.

Last FM: the internet radio and music community and one of the world's largest social music platforms which in May 2007 announced a £140 million take over by American media giant CBS.

The Body Shop: This was a cosmetics retailer business which was sold to French cosmetics giant L'Oreal in a £652 million deal.

Based on these cases, The London School of Economics study identified the following points as key to business success:

2.1 Being Different

The study found that by being able to distinguish oneself from competitors, one increases recognition. This can be done by setting up new business units across the world. Take an

example of the *Last FM Business* that achieved difference by becoming one of the first websites to allow artists to have their music streamed online. This made them to make profits through advertising and selling to affiliates.

There are reasons why people would buy from one business and not the other. It is not good enough to be the same as others in the market place. According to the study, *Body Shop Business* achieved a competitive edge by combining an issue, which people felt very passionately about, namely the environment with health and beauty products. By so doing, the company differentiated itself from the rest.

2.2 Collaboration/ partnership

Collaboration is a fundamental element for business success. According to the study, Last FM Company had to make the public aware of their website and find a way for people to listen without involving the music industry. The company realized it needed a partner to achieve this and by working with Audioscrobbler (a system that builds personal online music profiles by monitoring what users play on their computers) Last FM was able to boost awareness and its profile.

Under the old school of thought, companies recruited the best and the brightest, conducted research and development within their own walls. Whoever could get a new product to market first was the winner. But under the new Open Innovation Model, as Chesbrough (2006) observes, companies recognize that no one can possibly have all the smart people. In as much as one needs to have ideas based on inside the company, there is also need to have ideas from external innovators and entrepreneurs. This brings in more enrichment in the very company and forms the basis for enhanced performance in the market place.

In any business, the art of networking remains the hallmark of success. Entrepreneurs practicing the art of business success know the power of networks. They take the time to identify and build relationships with key peers, mentors, and advisors. This inner network provides support, direction, and an increased number of people to assist. Having an inner network of five people who have a network of five more, grows the network exponentially.

2.3 Getting help from others/ outsourcing

SMEs need to focus on their business, increase turnover, and improve quality. To do this, SMEs need to embrace outsourcing services. This allows SMEs time to concentrate on building their business and not worrying about various tasks that cannot be handled all at once.

The conclusion of the report showed any new SME has a number of factors to consider when analyzing how to become successful. Having a dynamic and original idea is important, as is using the help of others where necessary.

2.4 Adaptability to market dynamics

Business success requires the ability to adapt to changing situations. Nothing ever goes as planned. The world of business is full of surprises and unforeseen events. Using the habit of adaptability allows business owners to respond to circumstances with the ability to change course and act without complete information. Being flexible allows us to respond to changes without being paralyzed with fear and uncertainty.

Given that the market is a socially constructed institution for governance of economic activities, the market is an aspect of social order. As such, it involves a lot of dynamics / changes influenced by the very changing social behavior of market actors.

Michael Dell's success can be traced back to a brand new Apple II computer which, at the age of 15, he completely took apart, just to see if he could build it back up again. He could and he did, and then he went on to build something else altogether. The first thing to bear in mind is that, in an environment of increasing market forces, the survivors will be those who are able to unlearn and relearn. It is not about doing less or doing more, but it is about doing different, it is about being flexible, adaptable. When market circumstances change again, as inevitably they will, it will be about doing things differently again. Adaptability is all that is called for to keep up with market dynamics.

2.5 Being Client Centered

Business success requires an unwavering commitment to the client. This commitment encompasses a mindset of understanding the clients' world. Understanding the client wants and needs provides the business with a greater opportunity to earn a loyal customer base. The

survival of an entrepreneur in the market place basically depends upon customer. Thus customer relationship strategy is an approach that entrepreneurs should embrace for their own survival.

2.6 Being opportunistically engineered

Problems are a regular part of business life. This range from staff issues, customer misunderstandings, cash crunches, and list goes on and on. Thus, in order to achieve business success, an entrepreneur should take an optimistic approach. This is being in position to take opportunity in every business occurrence. Every problem has an opportunity. Being opportunistically engineered makes the crafting of business not only an enterprising venture but also an innovative and an exciting one.

3.0 Conclusion

Human beings live in time and space. Thus one does not live long enough to have all business experiences. The beauty of life lies in the ability to learn from the experience of others. The outlined business secrets are in written words but deeply based on the lived experiences of successful entrepreneurs. Learning and instilling these secrets in ones daily business life can have a dramatic effect on the level of success. These secrets are meant to be applied by individual entrepreneurs based on the platform of daily business experiences. He who applies these secrets in his/her life and business, success shall be upon him/her.

References

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