



Taking on a Larger Competitor and Winning

*By Oscar Mary**

Running a small business isn't easy. You probably wouldn't have it any other way. The ability to survive and thrive is a source of great pride for small business owners. So when a competitor moves in -- especially a big one -- it can feel like battle lines have been drawn.

Sharpen Your Edge

Before you do anything, accept the fact that you can't compete on the same level as a large national chain. But that doesn't mean you can't win the battle. Study what the competition does and how they do it. Then use that information to define -- and sharpen -- your company's competitive edge.

A large competitor will almost certainly have lower prices and a deeper inventory. But you can connect with customers in ways the competition can't. You can add value to every customer interaction by being attentive and providing expertise and personalized service.

Perhaps your biggest edge is your size. Being small means you can respond to market trends and customer requests more quickly. You can also change and adapt policies and procedures faster.

Rally the Troops

You have another big advantage; you have an established customer base and you know what they need. Establish a timeline to reach out to your customers directly via snail mail or e-mail (or both) with special offers. If you have a loyalty program, consider doubling rewards for a period of time that overlaps with the competition's opening.

Look for Advantages

Having a big competitor move in may have some unexpected benefits. The new company validates the need for what your business offers and may do a fair amount of advertising. If your marketing budget allows, this could be a good time to do some strategic advertising of your own.

The competition also may create some unexpected opportunities in the future. The new company will change the dynamics of the marketplace, which may lead you to steer your business in a new direction. Don't get left behind.



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