



# NDSU Extension

## Small Business Newsletter

### *Business Owner Tips and Resources*

August, 2013

I shop at places where I receive good customer service. And I am not alone. In my conversations and confirmed by research, customers are drawn to stores that service their customer.

So what is customer service? It entails a broad number of elements from a smile when you enter the store to helpful staff to great follow-up, sometimes long after you leave.

Although it has always been this way, our view of consumer service is impacted by the stories we hear from others. Today there are many more stories coming through social media and review sites. There are lots of examples of both negative and positive customer services. This recent story will influence your view of this chain: [http://www.cbsnews.com/8301-505143\\_162-57598047/a-slice-of-absolute-customer-service-perfection/](http://www.cbsnews.com/8301-505143_162-57598047/a-slice-of-absolute-customer-service-perfection/)

Of course one review or comment doesn't completely form our opinion, if we hear the same story over and over, slowly our view shifts. Look at TripAdvisor or Yelp. The first positive view is great but if I see 50 positive views or 150 and only one negative, what impression do you think I might have about the business.

Bottom line, service is a key factor. It is a part of your brand and something you can build your business on.

Till next time,  
Glenn Muske  
[glenn.muske@ndsu.edu](mailto:glenn.muske@ndsu.edu)

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### Quotes of the Month

Become aware of how you are experiencing or not experiencing your life, and identify the changes that will make your life better - Gladys Edmunds

Smart business owners realize that even if they have the best product in the world, they won't be successful if they don't effectively excite and convince prospects - John Follis

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### New section – For Your Comment

#### Simple Marketing – Post-It Notes

<http://en.teamtissa.com/zBqo> I would love to hear your comments.

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## Guest Articles

### **FARRMS NEWS PODCAST NETWORK GOES LIVE**

(August 15, 2013 – Medina, ND) – FARRMS has a new outreach and education tool for staying in touch with the growing population of small diversified farmers and consumers seeking to purchase and learn more about local foods.

The new FARRMS podcast network can be found at [www.farrmsnews.com](http://www.farrmsnews.com). Consumers, farmers and other interested folks can find FARRMS programs, events and national topics of interest discussed by the staff at FARRMS through Weekly Wednesday Podcasts.

The news will be brief – podcasts are less than 10 minutes each and feature special guests and commentaries on agriculture, local foods, seed breeding, garden markets, CSAs and a special Friday Food File with recipes and tips to eat local all year long. Events, special speakers and in-depth topics will also be added as the network grows.

Be sure and book mark [www.farrmsnews.com](http://www.farrmsnews.com) and come back often as we extend our outreach and education through this social media platform.

If you have topics you wish to discuss and would like to be a guest on our podcast network, contact FARRMS office at [info@farrms.org](mailto:info@farrms.org) or call 701-486-3569.

### **Going Local Newsletter** –

Part of ND Dept of Agriculture's Local Foods Initiative. Most recent issue found at: <http://www.nd.gov/ndda/program/local-foods-initiative>

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## **This Month's Tips**

### **IRS Summer Tax Tip – 2013-2 – Provided by the IRS**

## **Tax Tips if You're Starting a Business**

If you plan to start a new business, or you've just opened your doors, it is important for you to know your federal tax responsibilities. Here are five basic tips from the IRS that can help you get started.

1. Type of Business. Early on, you will need to decide the type of business you are going to establish. The most common types are sole proprietorship, partnership, corporation, S corporation and Limited Liability Company. Each type reports its business activity on a different federal tax form.

2. Types of Taxes. The type of business you run usually determines the type of taxes you pay. The four general types of business taxes are income tax, self-employment tax, employment tax and excise tax.

3. Employer Identification Number. A business often needs to get a federal EIN for tax purposes. Check [IRS.gov](http://IRS.gov) to find out whether you need this number. If you do, you can apply for an EIN online.

4. Recordkeeping. Keeping good records will help you when it's time to file your business tax forms at the end of the year. They help track deductible expenses and support all the items you report on your tax return. Good records will also help you monitor your business' progress and prepare your financial statements. You may choose any recordkeeping system that clearly shows your income and expenses.

5. Accounting Method. Each taxpayer must also use a consistent accounting method, which is a set of rules that determine when to report income and expenses. The most common are the cash method and accrual method. Under the cash method, you normally report income in the year you receive it and deduct expenses in the year you pay them. Under the accrual method, you generally report income in the year you earn it and deduct expenses in the year you incur them. This is true even if you receive the income or pay the expenses in a future year.

For more information, check out the "Business Taxes" page on [IRS.gov](http://IRS.gov). From there, review the special section on Starting a Business. Publication 583, Starting a Business and Keeping Records, may also help new business owners with the tax aspects of running a business. The booklet is also available on [IRS.gov](http://IRS.gov) or by calling 800-TAX-FORM (800-829-3676).

#### **Additional IRS Resources:**

- [Business Taxes](#)
- [Starting a Business](#)
- [Employer ID Numbers \(EINs\)](#)
- [Small Business and Self-Employed Tax Center](#)
- [Publication 583](#), Starting a Business and Keeping Records
- [Publication 538](#), Accounting Periods and Methods

#### **Video Use Keeps Growing**

More and more businesses are using video in their operation. Certainly it is growing in its use on social media. But it also is growing as a content item on websites. Great how-to videos and testimonials are possible. It is also growing for in-store use. If you can't tell someone how something works, perhaps you are busy with another customer, a video can provide basic information. And it never needs a break and is always there.

I recently heard someone describe the use of video as a great way to get customers to a basic level of understanding. Then he could begin working with the client knowing they have seen the basics.

So think about video in your business. What are the opportunities? If you can't be there, video can.

<http://www.entrepreneur.com/article/226538?hootPostID=d22d415ce7c7492d33236225653d6263>

**Where's Your Video** – Video tells who you are and what you do -  
<http://smallbizsurvival.com/2013/05/wheres-your-video.html>

### **Face-Time**

I am surprised, probably shouldn't be though, by the 3<sup>rd</sup> paragraph where the author indicates he didn't really believe in face-time. Now I think the online world has some great things to offer but if I want to establish a real bond, a tight relationship, in my mind it needs some face-time. Finding time to get together is difficult with our busy schedules and it is expensive. But a well-planned event is worth it. Just my 2 cents but glad to see someone else agreeing.

<http://blog.intuit.com/employees/in-the-trenches-the-value-of-face-time/>

### **It's Not the Plan, It's the Process**

Short article but drives home the point that your business plan needs to be done in short bursts. Think of it as a process of discovery. Not as the huge task you have to toil through. Good thoughts. <http://www.susansolovic.com/2013/05/make-your-business-plan-a-process-not-a-project/>

### **Are Business Cards Still Relevant?**

YES!!! And they aren't going away anytime soon. For all we hear about other forms of marketing, make this one of the first tools you develop. Don't believe me? Check out the Frugal Entrepreneur - <http://frugalentrepreneur.com/2013/05/are-business-cards-still-relevant/>

### **Video, Video, Video**

If you listen to the marketing you have heard by now that having some video in your marketing mix is strongly encouraged. (and you sigh and go, "just one more thing."). Take a look at this helpful information on the possibility of YouTube. Video can be a real great tool but it is just that, a tool. <http://www.simplybusiness.co.uk/microsites/youtube-for-small-business/>

### **Two Lessons for Entrepreneurs – Learn From Your Failures AND Solve Problems**

This Harvard Business Review blog is focused on how entrepreneurs need to learn from their failures and not lose their ability to stretch themselves. Yet there is also a second message of building a business around a problem that exists and not on something that looks and sounds good to everyone but your intended audience. Two good lessons for someone trying to get started. [http://blogs.hbr.org/cs/2013/05/for\\_entrepreneurs\\_failure\\_isnt.html](http://blogs.hbr.org/cs/2013/05/for_entrepreneurs_failure_isnt.html)

### **Bottom Line for Marketing**

Although this quote comes from a story on content marketing, it really is the bottom line for any marketing effort – "Content marketing can't make people love you if there is nothing there to be loved." Why should someone talk about your brand or product or business? There needs to be a reason. So your marketing starts with building something that people can enjoy.

<http://www.fourthsource.com/general/content-marketing-can-it-ever-make-consumers-love-your-brand-14336>

### **Do Ads on Social Media Sites Work?**

Admittedly this was a small test but it provides some information to small business owners. The test was one of Google Adwords versus Facebook Ads. They aren't exactly the same but you can read about how it was done and what the results were. What were the results? You need to check it out - <http://smallfoodbiz.com/2013/05/16/google-adwords-vs-facebook-ads-the-results/> . And read the earlier blog to see how it was set up.

### **Small Business Marketing Tips**

Everyday my computer brings me a lot of information regarding how to better market your small business using social media. If you get the same type of information, don't automatically dismiss it if you are not online. The ideas fit just as well with your traditional marketing campaign. For example, this article suggests:

Free advertising – You can get business briefs in the paper and can be the local expert, sometimes with a regular TV or radio spot.

Get your website in order – Get your store in order. Nobody wants to dig for things. We like signs helping us find what we want.

Start a blog – Why not just put up a story about one of your customers each week.

Just some ideas. <http://thewebshoppe.net/top-eight-small-business-marketing-tips/>

### **Your Business Card**

Having a business card is a start. Having **an effective** business card is even better. Here are some tips. <http://blog.uprinting.com/the-psychology-of-business-cards/> Other ideas include:

- Using the back side
- QR codes
- Trying some of the new formats – size, shape, medium, etc.

### **Unusual Business Cards**

Not saying these are good or bad, but they are different - <http://mashable.com/2013/05/16/crazy-business-cards/>

### **Making Bad Decisions**

It is inevitable, you will make some bad decisions as a business owner. Yet some of these bad decisions are made because we don't think about our decision-making behavior such as always doing things the same way or wishful thinking. See what 12 behaviors humans often use when making bad decisions -

[http://www.ideachampions.com/weblogs/archives/2011/01/the\\_idiot\\_savan.shtml](http://www.ideachampions.com/weblogs/archives/2011/01/the_idiot_savan.shtml)

## **Don't Hurt Your Business**

I skim a lot of material each week trying to find good ideas, solid advice, and good ideas. There is a lot of information out regarding what entrepreneurs need to do to build their business and things to avoid so as to not slow things down. The tips I see are generally good but many don't get to the basics. This article does just that with 5 ways to avoid hurting yourself such as "be realistic" and not bringing in help when needed. Read the rest of the article for more good ideas. And send along your ideas. <http://under30ceo.com/5-ways-entrepreneurs-are-hurting-their-business-and-how-to-fix-them/>

## **What I Had Wished I Had Known – Tips From Owners**

No one can best outline what would have been helpful in starting a business than those who have been there and done that. Check this article out for the 7 tips business owners wish they would have done such as get an accountant, and early), get a mentor, don't be afraid to change plans (nothing can be static) and keep your existing customers. See more at: <http://www.nerdwallet.com/blog/small-business/2013/05/13/seven-tips-successful-entrepreneurs/>

## **Is It Time to Hire a Manager?**

You had a good idea. You knew what it would take to get it going. You worked tirelessly to make sure that your company got started and is now on the right track. *Could it be time to step aside?*

This question faces small business owners every day. At some point it may be the best thing for the business if the person who built the business should step aside. We are not talking about a transition into retirement. There are many other times when a new leader at the helm can do much more for company growth and development. An example of when that time might be here are when your passion is so blinding that you don't see other opportunities or that a slight course correction is needed. Another example could be if you don't like parts of the job. Or maybe you are just tired and need to recharge the batteries.

This article addresses these and other reasons and offers ideas on making a transition. *It need not be selling or retirement. It may mean just letting you get back to the part of the business you enjoy.*

## **Branding – It's Important for Small Businesses**

Want your business to be known. Then building your brand is an important step. Here are 10 steps to help make that happen. Think about what you do and what makes you different. Also what do you want to be known for. See more at: <http://heidicohen.com/small-business-branding-what-is-your-super-power/>

### **Creating Your Brand in Three Steps**

Your one brand message must include three perspectives – the customer, an internal, and a marketplace. For more information, go to: <http://www.entrepreneur.com/article/227072>

## **Social Media and Irate Clients**

Social media has changed the capacity of an irate client to tell their story to so many people. Business owners need to keep this in mind. Ant it isn't just the first person I tell but it is the network of people that each of them have in turn. One of my Facebook posts has a potential audience of over 90,000 people just going that one level out. This article talks about an irate client who has 1.2 million people who follow his tweets directly. Think of the potential damage to one's reputation with that kind of reach. And recently we heard the story of the social meltdown of Amy's Bakery (<http://socialmediatoday.com/node/1474701>). Business owners need to put and keep social media high on their priority list. Read more at: <http://www.business2community.com/social-media/social-media-the-new-customer-service-channel-0500137>

## **Good Writing Means Editing**

If you are developing any written materials for your business, then spend some time editing it. Here are some tips that can help you in that process. I really like the first one, write first and then edit. Simple but not something we typically do. Get more help at: <http://socialmediatoday.com/sandra-miller/1491576/10-tips-help-you-edit-your-own-content>

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## **Upcoming Events**

Pride of Dakota

Dickinson showcase – 9/21-22

Williston showcase – 10/12-13

Contact Bonnie at 701-328-1974 or [bsundby@nd.gov](mailto:bsundby@nd.gov) to get registered!

Holiday showcase information is available. Contact Bonnie for that information.

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More Information

Website: [www.ag.ndsu.edu/smallbusiness](http://www.ag.ndsu.edu/smallbusiness)  
Facebook: [www.facebook.com/NDSUextsmallbiz](http://www.facebook.com/NDSUextsmallbiz)  
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