

7 ways you can help grow your side hustle for success

Side hustles and small and medium-sized enterprises have almost blended into the same definition in the midst of economic strain, and they continue to face a business landscape that is simultaneously full of challenges and brimming with opportunities.



Alan Shannon, executive for sales strategy and Enablement at Nedbank Small Business Services | image supplied

A still-struggling economy, rising costs, high unemployment figures and an uncertain political future have created a business backdrop against which only the most resilient and innovative businesses will thrive.

At the same time, the business environment also presents countless opportunities for savvy and innovative business owners.

Now more than ever, it's critical for SMEs to harness all the information, tools and assistance at their disposal to avoid the pitfalls, harness the trends and capitalise on emerging opportunities.

Alan Shannon, executive for sales strategy and enablement at Nedbank Small Business Services provides insights into how SME owners can do that.

1. Embrace the digital age

The digital revolution is reshaping the business landscape at an unprecedented rate. For SMEs, embracing this digital progress isn't just about building a competitive advantage, it's also a necessity for survival.

"Digitalisation is essential for sustainable economic growth and SMEs must prioritise this component of their transformation," says Shannon.

"It's not only about adopting digital payment solutions but also about becoming flexible enough to scale and transform

operations rapidly."

2. Make AI and automation your new business normal

One of the most obvious components of digitalisation is the rapid rise and widespread adoption of artificial intelligence (AI)

AI and the potential for automation that it delivers, offer SMEs an unprecedented opportunity to scale their operations without proportionally increasing costs or staff numbers.



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Generative AI tools like ChatGPT, Llama and Bard have already made a significant mark on numerous industries, taking on many non-core business tasks from content creation to basic customer service.

While the uptake of these tools by South African SMEs has been relatively slow so far, the business-building potential is beyond measure.

"AI is here to stay, and SMEs must learn quickly how to leverage it to enhance their operations and secure their sustainable growth," Shannon explains.

3. Delivering the human touch in a digital world

It may seem contrary to the first two points, but Shannon highlights that, as AI and automation take over routine tasks, soft skills like emotional intelligence and problem-solving become increasingly valuable and important.

SMEs have an opportunity to stand out from their larger competitors by fostering these skills within their teams and integrating them into their customer service strategies.

"Sustainable and successful businesses are going to be those that stand out for their empathy and genuine customer centricity. It's all about anticipating needs and exceeding expectations," he says.

4. Navigate political and economic uncertainty

With a general election looming, SMEs must be prepared for the uncertainties that come with potential shifts in policies, taxation and funding; not to mention the possibility of at least some unrest and social turmoil.



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"Maintaining robust financial practices and a high level of liquidity until any post-election upheaval has subsided will help businesses stay nimble and ready to adapt to any changes," Shannon explains.

5. Balance competition and pricing

In a year where consumer spending is under pressure, effective and thoughtful pricing strategies are pivotal.

"Now is the time for SMEs to rethink their pricing strategies to stay competitive. Keeping prices stable or finding creative

ways to reduce them can be very effective in attracting increasingly cost-conscious consumers," says Shannon.

6. Build a trustworthy and resilient brand

Sustainability has become increasingly important for any business's public image.

Customers today want to know that the businesses they are supporting are supporting society and the planet.

In the same vein, ethical and honest business practices are becoming key factors that consumers consider when choosing a brand, they will support, so SMEs that demonstrate such commitments to ethics and sustainable practices not only earn respect but also pave the way for long-term success.

7. Capitalise on South Africa's township economy

The township economy holds untapped potential for SMEs.

Identifying local problems and needs and creating compelling and scalable solutions both offer massive growth potential and can give the smart SME a secure and sustainable competitive edge.

"As has always been the case in South Africa, the future belongs to those businesses that can find a way to blend innovation with practicality and leverage new trends and advances with authentic human connection," Shannon concludes.

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