

To thrive, your company needs more than organic growth

Thursday, October 5, 2023 06:00 AM EDT
By [Deborah Daily](#), Co-founder & President, Buckaroo Marketing | New Media



Running a business literally has its ups and downs, as in how revenues and other critical figures can fluctuate from month to month. That’s why you’ll often hear owners sigh and happily report, “We’re doing just fine where we are.” If you’ve been saying things like that, don’t get too comfortable.

As any kid with a sled can tell you, if you’re coasting, you must be heading downhill. I’ve seen it happen all too frequently: business owners tire of the stresses associated with growth, so they settle down and hope to take work a little easier. Best of all, even though the owners may not be working as many hours, their companies are continuing to grow!

What they’re experiencing is known as organic growth. In simple terms, it means steadily growing your business by doing a good job of whatever it is you do for your customers. Organic growth comes in the form of increased business from those customers, along with new customers and business resulting from their referrals. If your customer service continues to meet expectations and demand doesn’t dwindle, you’ll likely find that organic growth tends to produce fairly steady — if modest — and predictable increases in business over time.

As an owner, you may be completely satisfied with that organic growth. But if you want to start seeing significant growth in your business — for example, if you’re starting to think about funding your eventual exit strategy — you need to add some “inorganic” growth to the company’s diet.

Why? It’s simple: organic growth, with consistent demand, will never provide enough resources to support anything beyond slightly more aggressive efforts. Even the most well-run companies will only produce a set amount of organic growth, and relying on that alone to provide resources for additional growth severely limits their options.

If we think of inward-looking strategies like customer service as part of organic growth, it’s easy to recognize inorganic growth strategies as any concentrating their efforts outside the everyday way you do business. The most obvious example of an inorganic strategy is growing by acquiring other companies. Another involves opening new locations in markets where you haven’t done business. Perhaps you’ve relied on “word of mouth” to promote your business. That can be effective, but you can use inorganic marketing strategies to encourage more people to talk about you. The goal of inorganic growth is bringing significantly higher revenues into the business.

Story Continues Below



A common question is when is the right time for companies to consider expanding their efforts into inorganic strategies? If your infrastructure can handle an influx of new business without negatively affecting performance, then the answer is as soon as possible. Have you invested in research to get an objective take on your position in the marketplace and what the market wants to see from you? Before you make a large investment in change, you may want to make a much smaller investment to get those answers.

Don’t leave your growth plans to chance. Each plan needs a champion, and you may be surprised by where you’re likely to find the best candidates: among your project managers (or whatever their equivalents are called in your industry). Why? We all know change can be painful and difficult, but project managers live and breathe change. They expect it, and they know how to keep the unexpected from derailing plans. Most important, they focus on facts over feelings and seek quantifiable results.

The right marketing partner will also be an invaluable resource when you start thinking about inorganic growth opportunities. Beyond helping you identify the most effective channels for your efforts and expertly crafting your sales messages, a good marketing partner will dig deeply into available data to provide a realistic projection of how much additional business you can expect. As outsiders, they’ll also be better able and more willing to challenge your assumptions and guide you through needed changes that may be uncomfortable or complex.

When you’re ready to proceed, your marketing partner can help you create an in-depth strategy, with recommendations for the most effective and efficient tactics. Skilled marketing partners will also create measurable performance indicators so you can track your performance.

Structuring your business in this way will improve your ability to capture the positive impacts of change instead of letting it erode your competitiveness and suppress your growth. You’ll continue to enjoy the benefits of organic growth, but you’ll add resources that support the kind of growth you’ve dreamed about. It may not be as relaxing as coasting, but it’s a whole lot more rewarding.

Deborah Daily is co-owner of Buckaroo Marketing | New Media, a Fishers-based advertising agency established in 1999. She can be reached at dddaily@gobuckaroo.com.



MOST POPULAR STORIES

- Chamber names ‘Best Places to Work in Manufacturing’
- Architecture firm relocates to New Albany
- Purdue board approves president performance metrics, AD contract extension
- Where Indiana leads, too many workers don’t follow
- Compass Rose Academy breaks ground on expansion
- Auto workers stop expanding strikes after GM battery plant concession

PERSPECTIVES



Indiana needs more and better supported entrepreneurs

The names of Hoosier entrepreneurs—Eli Lilly, Clessie Cummins, James Allison—continue to live on through companies that employ thousands. Our entrepreneurial ecosystem frequently receives national attention. Yet, at the same time, various measures of startup activity indicate room for improvement to bolster Indiana’s entrepreneurial landscape....



Inside INdiana Business
A division of IBJ Media

1 Monument Circle, Suite 300
Indianapolis, IN 46204

PHONE: (317) 634-6200

FAX: (317) 263-5060

NEWSLETTER@IIBNEWS.COM

