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The Little Startup That Could: How to Think Strategically and Grow

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Small business success is rarely overnight. The time and commitment to bring a great idea to life takes immense amounts of sweat equity and support from people you trust. While launching a successful product can be exhilarating – the work that follows to generate growth can be daunting.

Once your product is launched, how can you make your brand stand out from more established players?

New research titled “[Charting the Growth Journey](#)” from GS1 US, an information standards organization that helps brands identify their products for commerce, offers some insightful tips and considerations for startups like yours. Ask yourself these three key questions to be sure you are on your way to steady, sustainable growth.

Do you have something unique to offer?

Many small brands are successful because they have found a niche.

Unique products not found anywhere else are likely to resonate with consumers and retailers. Many of them are launched to make a positive impact on society. For example, foods that are made with clean ingredients or a line of organic body care are popular with emerging generations of conscious shoppers.

“I created Simply Smita because I couldn't find products that were clean, ethical and also sustainable,” said Smita Kishore, founder of Simply Smita, a wellness brand founded in 2017. “I created my own because I was exhausted looking for what I wanted. Younger generations in particular are looking for these types of products that represent their unique values and I think retailers big and small are going to continue to pay attention to this trend. It's an opportunity for small brands to compete.”

“In retail, there are two different buckets,” said Kait Flynn, former senior vendor manager at Amazon. “There are big brands that have their market share, and then there are little niche brands that support a cause. I see huge opportunity for these brands. Unless you have one of these more niche products, it's very hard to launch a successful brand.”

Despite the existing opportunity to stand out from the big brands, the GS1 US study found more than one-third of small brands surveyed (36%) find difficulty filling a gap in retailers’

product selection. Small brands should have a clear understanding of their audience and unique offering prior to launching to increase the chances of winning retailer acceptance.

Will retailers and customers be able to trust you?

Customers want to do business with brands they can depend on and retailers like working with brands that demonstrate they are ready to go to market. One crucial way a small brand can do this is to use universal product codes (UPCs), which help provide consistent shopping experiences regardless of whether the product is purchased in store or online.

UPCs, issued by GS1, are the identification numbers most widely accepted by retailers. Some small brands may opt to purchase barcodes from a third party, which may not properly link the product with the brand. If your product ends up being linked to someone else's brand, it can have serious consequences. Online marketplaces may hide product listings with improper UPCs and the process to re-label products can be costly and time-consuming.

According to the GS1 US study, growing small brands (those who have experienced 25 percent or more sales increases in the past year) find value in UPCs. Forty-five percent of growing brands said UPC are a primary driver of business growth, compared with just 14 percent of brands whose sales have declined in the past year. Additionally, 57 percent of growing brands said UPCs make their products more discoverable online, compared with 24 percent of declining brands.

"It's critical to have UPC codes that work in the big retailer chains," says Steve Lange, CEO of personal care brand It's All Good. "You might be able sell via an online marketplace with your own internal code to track things, but once you get out into the retail world everything is based on UPCs."

Will you be able to continue growing?

Imagine what it would feel like if your business is successful enough to become your main source of income. To get to that point, you need to think like a company, which means seeking expert assistance. Outsourcing can help owners move beyond the daily struggles of just keeping the lights on and grow.

For instance, many business owners turn to consultants, retailer brokers, and software companies that specialize in preparing product information in formats acceptable to retailer partners. These partners can help demystify the retail world. According to the GS1 US study, more than half (55%) of growing small businesses agree that partnering with a retail broker or consultant has been critical to growing the business.



“If you do not have a retail background, bringing a product to market is challenging,” said Isabel Baudrey, founder of Bag Bug, an accessory company. “My advice would be to get some outside help from an expert to tell you how it all works and what you need to do to prepare for conversations with retailers.”

“Small brands are saddled with many challenges, including providing product information in the format that the retailers want,” says Michael Hauck, director, product management at Salsify, a product content provider that partners with small brands to help them sell online. “A solution provider can take all of that initial heavy lifting and leave small brands to focus on leading their business.”

Many small businesses work with partners through the GS1 US Solution Partner Program, a network of certified solution providers that provide guidance and a range of services to support retailer requirements. More information can be found at www.gs1us.org/what-we-do/partners.

Starting a business is an exciting adventure that can pay off in many ways. Attaining your financial goals can be deeply satisfying and yet, growth can also be defined by pride from knowing you created a product and put in significant work to bring it to market. Think strategically now in these three ways to ensure your brand goes the distance.

About the Author:

Angela Fernandez is the Vice President of Community Engagement at GS1 US, where she oversees programs designed to support growth for companies of all sizes. With more than 20 years of retail supply chain experience, she is an expert in helping companies understand retailer requirements and achieve source to store supply chain visibility.



About the International Council for Small Business (ICSB)

The ICSB Gazette is a weekly edition of a key topic that ICSB will showcase. The content is varied from research, practice, policy, and education. The editor of the ICSB Gazette is Mr. Kyle Lyon, ICSB Junior Project Manager. He will be soliciting ideas and articles from ICSB members world-wide.



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Kyle is the Junior Project Manager at the International Council for Small Business (ICSB) in Washington, D.C. and the Editor of the ICSB Gazette.

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