



Business as Unusual

Don't Return to Business.
Rethink Your Business.



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The COVID-19 pandemic has not been without its challenges, particularly for small and midsize businesses across North America.

Fortunately, many business owners have used this time as an unprecedented opportunity to hit pause, examine their companies' strengths and weaknesses, and re-evaluate the path ahead. This time has led to a greater understanding of their customers and pushed them to innovate faster and smarter.

Through the pandemic, we've learned that no business is too big to fail, but also that no business is too small to disrupt. Companies like Shopify have experienced sensational growth, becoming one of the highest valued businesses in the country

and growing even stronger during the pandemic. There is great potential within every SMB and with the right tools and support, you can be positioned for even greater success.

High achieving entrepreneurs are constantly looking for new ways to adapt and grow their business. If you haven't taken this approach, now is the time to get started — and if you have, focus on actions that will help you stay ahead.

This how-to guide is designed to help you embrace challenge, take advantage of this time of change and come out stronger on the other side. FedEx is here for you every step of the way — let's do this together.

Rethinking **three aspects** of your business

When you hit a wall, you can stop, or you can pivot. One way that business owners have managed to stay afloat and even thrive during a time of uncertainty is by rethinking their business model. This strategy allows SMBs to weather the impact of the pandemic and adapt to the “new normal” as it forms, strengthening their ability to continue generating revenue. Here are **three strategies** to inspire your own transformation.





Rethink How You Reach Your Customers

When your customers' needs change, your business must follow suit. For many SMBs, change stemming from the ongoing pandemic has involved building or strengthening online sales channels and direct-to-home purchasing options. For others, it's meant refocusing on services or the community, or leap-frogging your competition to earn a greater market share. Here's how to re-think your customer strategy.

Prioritize Direct-to-Consumer (D2C)

If your business had an existing online sales channel (for example, a Shopify or BigCommerce website), you may have utilized it in response to the temporary closure of your brick-and-mortar space. This was a sensible decision, as the development or expansion of a direct-to-consumer (D2C) channel is a strong long-term strategy for any brand.

If you don't have a D2C channel yet, it's still not too late to consider building one now. Not only will this give your

business flexibility in a variety of economic situations, customers have grown to expect the opportunity to buy directly from your business without third-party retailers, wholesalers, or anyone else in the middle. The pandemic has fostered an even greater increase in the e-commerce industry and has changed the way consumers behave and think. Even as the economy recovers, there is decreased foot traffic in physical stores, an increase in online shopping and a high demand for home delivery. D2C isn't a temporary fix; it's a long-term operational solution.

If you can't run your business online, pursue a strategy that includes actionable pivots to offer convenience while responding to customer demand. This may include contactless pick up or home delivery strategies in a local market. By building or expanding your D2C strategy, your business can deliver exactly what customers want and need: safety, convenience, quality, and reliability.

Mastering the customer experience from order and fulfillment to returns can do wonders to create satisfied, loyal customers.



To optimize your D2C channels, consider the following action plan:



Engage with your customers and learn what they need and want



Take control of your brand, reputation, marketing, and sales tactics



Focus your marketing efforts on consumer pain points



Allow easy returns



Build shipping costs into the price of items to avoid charging a separate delivery fee to customers — an optic that may increase sales



Encourage your customers to rate and refer your business



Nurture and leverage your customer relationships by doing more for them — this creates a long-term connection and value for the customer and for you

Think beyond services

Products and services will always be at the core of your business, but it's important to offer consumers an experience they'll remember. This doesn't just extend to exceptional client service or a user-friendly website; it means offering something unique and memorable that helps consumers feel good when connecting with your brand.

A great example of this strategy comes from an American swimwear brand that

introduced an SMS-based hotline that promised to deliver good news to anyone who needed it. If customers wanted a pick-me-up, all they had to do was text the hotline to receive a positive message from the brand. These messages included news links to feel-good stories, meditation videos, self-care suggestions and wellness ideas. The brand even sent out puppy GIFs to lighten customer moods and brighten their day. It was an optimistic, comforting interaction that asked for nothing in return — just what many customers needed.

Invest in your business now to get ahead of the competition — and stay there

When times are tough, it can be tempting to pull back on expenses across the board. But if it's feasible for your business, it may make sense to invest during an economic downturn — especially when your competitors are moving with caution. A significant financial investment may be out of reach, but your time and effort can be just as valuable.

There's a great anecdote about Post and Kellogg's, two breakfast cereal giants that were still relatively new to the market in the late 1920s. When the Great Depression hit, Post froze their advertising budget to save money. Kellogg's, on the other hand, pushed ahead and doubled their advertising budget. Not only that, they moved into radio advertising and delivered a brand-new campaign around Rice Krispies, introducing mascots Snap, Crackle, and Pop. Customers loved it, and the confident move paid off. By 1933, even as the economy struggled, Kellogg's had grown their profits by nearly 30%.

If your small business doesn't have a Kellogg's sized budget, you can still get ahead in a downturn. A FedEx small business customer, Soapstones Natural Skincare, pulled their team together during the pandemic to implement low cost, high impact growth strategies. They clarified their brand message and offerings, focused on client service, and pivoted their business model to increase online sales to maximize profits. They made sure marketing dollars they were spending had optimal impact and were able to recover losses in sales and remain relevant to customers. These primarily non-monetary investments offered an immediate return, and the company was able to maintain both profit and morale during a challenging time.

Investing in your business shouldn't be limited to highly profitable times.¹ Before cutting costs at your SMB, consider redirecting costs strategically toward making sales. Marketing is an excellent investment in any economic climate, particularly when your competitors are more quiet than usual. When they pull back, you have an opportunity to pull ahead and stay there.

¹ [All Weather Marketing; 2020; Peter Weinburg](#)



Focus on your community to build lasting relationships

Here's a FedEx client story that illustrates how community connection can lead to lasting consumer loyalty. When the pandemic hit, a small, family-run business, The Fix + Co in Toronto adapted their sales model to offer food delivery with a charitable twist. For every meal that was purchased, another was donated to vulnerable populations in the city. This "buy one, feed one" program quickly led to over 100 meals being donated in just one month. By focusing on giving back while pivoting their business, this client was able to demonstrate commitment to the community and build lasting loyalty from like-minded consumers. Their reputation and brand image were strengthened simply by making people feel good — and especially in times like these, that's a feeling they'll remember and seek out again.

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Rethink Investing In Your Most Important Asset: **Your Team**

In times of transition, it's more important than ever that your employees feel valued, encouraged, and empowered. In turn, they will help your business become the best possible version of itself. Here's how to make that happen and watch your team thrive.

Recommend implementing a virtual commute

If your employees have moved from in-office positions to working from home, they may be struggling with a change in (or lack of) routine. The lines between professional and personal time may have blurred, which can decrease productivity and engagement. To combat this, suggest that your employees create a personalized “virtual commute” that signals the start of the workday. This may include taking a morning walk, getting in the car for an early morning coffee run, or simply showering and getting into work clothes before logging on. Your virtual commute

can be structured any number of ways, but it should be achievable on a daily basis and succeed in focusing and energizing you.

It also helps to have a dedicated workspace in your home. Ideally, this would be a closed-door area such as a dedicated home office, but you can also create a simple work corner in your dining room or living room (vs working in bed). Just make sure you have a desk, a comfortable chair, and good lighting. And at the end of the day? Create a routine for logging off and transitioning back into personal time, like closing your laptop and going for a walk. You'll be glad you did.

Turn feedback into fun

As remote communication systems like Slack and Microsoft Teams grow in popularity, so has the gamification of feedback. There are plenty of opportunities to use GIFs, emojis, and other features in online channels to deliver praise in a fun, engaging way. When a member of your team performs in a manner that stands out and aligns with company values and goals, publicly congratulate them while sparking engagement amongst the entire team. Instead of just saying, “good job,” add an enthusiastic GIF or series of emojis to complement the message. When this approach takes off with your employees, you may find that praise between coworkers becomes more frequent — a trend that’s bound to boost spirits while motivating staff to perform at a higher level. Keep it clean, keep it professional and have a good time!

Offer skills training — and let your employees lead the way

A changing economy requires a different approach and, in many cases, the acquisition of new skills. Your team has a valuable opportunity to expand knowledge across multiple functions using third-party resources. Consider looking into free web tutorials from relevant, reputable sources or exploring paid opportunities through a local college or university continuing education program. You can also explore course or certificate offerings through industry organizations, private skills training companies or a national marketing association. Technology is a great area to focus on within skills acquisition efforts. Start by talking to your team — oftentimes, they’ll have unique perspectives on what’s needed and why.





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Rethink Production And Operations

Early in the pandemic, a number of SMBs pivoted to manufacturing PPE, hand sanitizer, and other in-demand products. Others transformed or expanded their services to reflect what was wanted and needed at the time. This was a valuable lesson for SMBs — focus on what your customers need, when they need it. Here’s how to shift gears and succeed.

Pivot production or service offerings to focus on current demand

The pandemic has caused a significant shift in how companies manufacture goods and provide services, and FedEx clients have been no exception. In the spring of 2020, we saw a clothing manufacturer quickly pivot to producing cloth face masks and other PPE. Meanwhile, a liquor distillery started producing hand sanitizer. As these items were suddenly in high demand with limited availability, it was an incredibly successful endeavour.

If you have manufacturing capacity, ask yourself if it makes sense to shift gears

to where demand currently exceeds local supply. If you currently have an extensive list of service offerings, consider the impact of paring those back to a few select options while operations return to pre-pandemic levels. In these times of rapid change, it’s important to produce products that consumers want and need. By streamlining your core offering while pivoting to high demand products, you can make use of available resources most effectively. And, as you reassess your strategy and align it with current customer needs, an opportunity emerges to unlock your full business potential.

Update your supply chain for greater resilience and agility

It won't surprise business owners to hear that effective supply chain management is critical to operational effectiveness and the success of your business. If your supply chain has been negatively affected by the pandemic, there are ways to create resilience and come back stronger than ever.

In a recent Gartner survey, only 21% of respondents stated that they have a highly resilient supply chain.² Criteria used to define resilience in this situation included strong visibility and agility to shift sourcing, manufacturing, and distribution quickly.

Whether your supply chain is struggling or carrying on as usual, consider revisiting your current strategy with the goal of balancing resilience and efficiency.



Start by re-thinking these key areas of your supply chain:



Strategically plan inventory and capacity buffers

Buffer capacity is a simple way to build resilience, although it comes with added cost. Many companies use buffers in the form of surge capacity for new product launches or areas of expansion.



Expand your supplier ecosystem – both onshore and offshore

Many companies have started to diversify their sourcing in order to maintain a steady supply of materials in times of disruption. To avoid potential interruptions to manufacturing, consider diversifying your suppliers. This may entail finding additional international options while also exploring options closer to home. Gartner offers some excellent guidelines for measuring your operation's resilience with respect to supply chain and expanding your supplier base. Risk appetite, the focus of your protection, trade-off decisions, financing/cost burdens and incentives are all important considerations.



Explore fast-ship services from overseas suppliers to reduce time in transit, moving to just-in-time inventory management

In business, time is money. Receive your inventory faster from overseas suppliers to move towards just-in-time inventory management and limit overproduction and stock outs. Learn about [FedEx Logistics](#) services.

² 6 Strategies for a More Resilient Supply Chain; 2020; Gartner

How FedEx SMB Customers Have Been Able to “Re-Think” Their Business

Becky Overbeck



A fitness instructor in Alliston, Ontario, Becky Overbeck, had to pause all indoor classes during lockdown but quickly pivoted to live streaming fitness classes. Not only did existing clients attend these new online classes, the studio saw participation grow above and beyond their wildest expectations. Individuals from all over the province were joining their livestream with some videos exceeding over 200,000 views on social media. Their client base was retained, engaged, and significantly grown in a matter of weeks. Now, live streamed classes have been made a permanent addition to the studio.

Sugar Society



When an esthetics business in Pembroke, Ontario, Sugar Society, had to temporarily stop offering facial services including eyelash extensions or other treatments, they lost a huge percentage of their monthly income. Employees knew that their livelihoods were in danger, both from a lack of tips and from direct income from the salon. When the owner applied for grant funding, the intention wasn't to transform the business — it was to pay her staff during this interim time of change, knowing that the restrictions wouldn't last forever. The business was able to keep their staff, regroup, focus on services that could still be offered and take advantage of social media to engage with their loyal following. Now, the employees are as dedicated to their boss as she was to them.

Good Times Running



A sports organization, Good Times Running, that held popular annual races for charity had to cancel all events in 2020, but they still found a way to give back. The team ran a national COVID-19 fundraiser that individuals could participate in in support of frontline workers and hospitals across Canada. In a very short time, over \$30,000 was raised! The organization has fostered engagement and community loyalty despite the restrictions limiting their operations.

Autonomous Furniture



A family-run furniture business in Victoria, British Columbia, Autonomous Furniture, saw an increase in online sales from the United States during the pandemic. They used FedEx to ship from their warehouse in BC to California, Texas, Tennessee, and New York. The company relied on a broader North American market to grow their business during the sudden economic slowdown. Understanding the changing landscape of retail during the pandemic, they introduced a successful online advertising campaign to bolster sales.

Anzie



A Montreal-based jewelry company, Anzie, with over 20 years in the business had existing D2C channels, but their primary source of revenue had always been the wholesale market. When this came to a halt during the pandemic, the company refocused their efforts on making online sales, increasing their monthly orders by more than double. Within three months, they had taken their e-commerce segment to another level. FedEx continues to support their scale, having served as their shipping provider for over a decade.



Don't return to business. **Rethink** your business.

The COVID-19 pandemic has provided a number of challenges for SMBs and will continue to test their strength, but as the months go on, we're seeing more and more success stories emerge. SMBs are coming up with creative ideas to reposition themselves and navigate a world in flux. Decision-makers used to take time to develop new corporate strategies, but the sudden changes brought on by the pandemic have pushed the boundaries of innovation and created a need to think outside the box and act quickly. It's inspiring, and the results signal a bright future ahead.

The economy will grow stronger as more business owners pivot, recover, and thrive. And as we continue to navigate uncertainty, remember your *why* and keep going. Prioritize your team's mental health, celebrate small victories, and create consistent opportunities for fun. Every challenge can be treated as an opportunity, and SMBs have proven to be both adaptable and incredibly resilient. Let this knowledge motivate you as you move forward.

You became a business owner for a reason, and your passion has never been more valuable to your team or your brand than now. Use this time of change to adjust your strategy, expand your knowledge, and prepare for what the future holds. No matter what lies ahead, FedEx is here to support you.

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