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THE STATE UNIVERSITY
OF NEW JERSEY

Economic Considerations to Keep Your Business Relevant?



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New Jersey Agricultural
Experiment Station

A Clear Mission: An Authentic Purpose

- “Why do we do what we do?”



WHY?

Vision
Mission
& Values

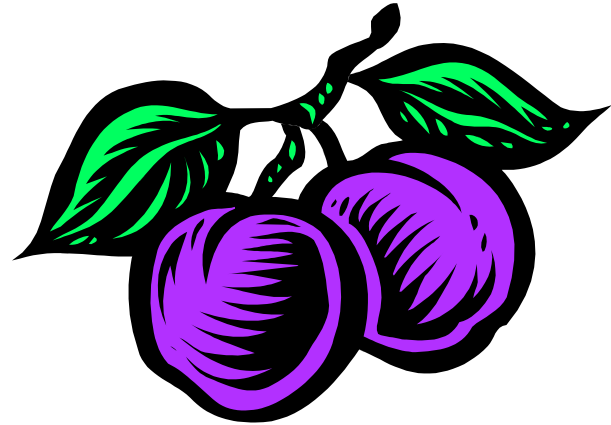
A Mission Statement

- Is a concise statement describing your business's core purpose.
- Looks at the future and defines what kind of business you want.
- Focuses less on business activities and more on what you will accomplish for customers, employees, and owners.
- Is a measuring stick for making decisions.
- Sets goals and standards.
- Is a source of inspiration.



Example Mission Statement:

Jalma Farms is committed to a sustainable Native Fruits Orchard while preserving open space and protecting sensitive fresh and salt water ecosystems.



Use our Factsheet/Worksheet

<http://njaes.rutgers.edu/pubs/publication.asp?pid=FS1172>



The image shows a screenshot of a PDF viewer interface. At the top, there is a toolbar with various icons for file operations and navigation. Below the toolbar, the main content area features a red header with the title "Developing a Mission Statement for Your Agricultural Business" in white text. To the right of the title, it says "Fact Sheet FS1172". Below the header, there are three photographs: a man in a white cap and shirt holding tomatoes in a greenhouse, a close-up of various fresh vegetables including a purple eggplant, a red bell pepper, and a yellow squash, and a man in a red shirt holding a corn cob in a field.

Cooperative Extension

Stephen Komar, Agriculture and Resource Management Agent, Sussex County

Robin Brumfield, Extension Specialist in Farm Management

An authentic and inspiring purpose allows for:

- A constant, consistent sense of focus
- Strong engagement within the business and with its customers
- Continuous, pragmatic innovation



A Strong Mission:

- Drives growth and profitability.
- An investment in the [Stengel 50](#) (the world's 50 highest-performing companies) over the past 10 years would have been 400% more profitable than an investment in the S&P 500.



A Powerful Brand

- Building a brand is about developing and sustaining relationships with customers over time.



Connect, shape, influence, and lead with your brand



Be Innovative and willing to change

- Routine can kill innovation.
- Low debt means you can adapt easily.



Choose your target audience.

- The surest road to product failure is to try to be all things to all people.



Connect with your customers.

- Make your customers feel an emotional attachment to your brand that's grounded in confidence in your products.



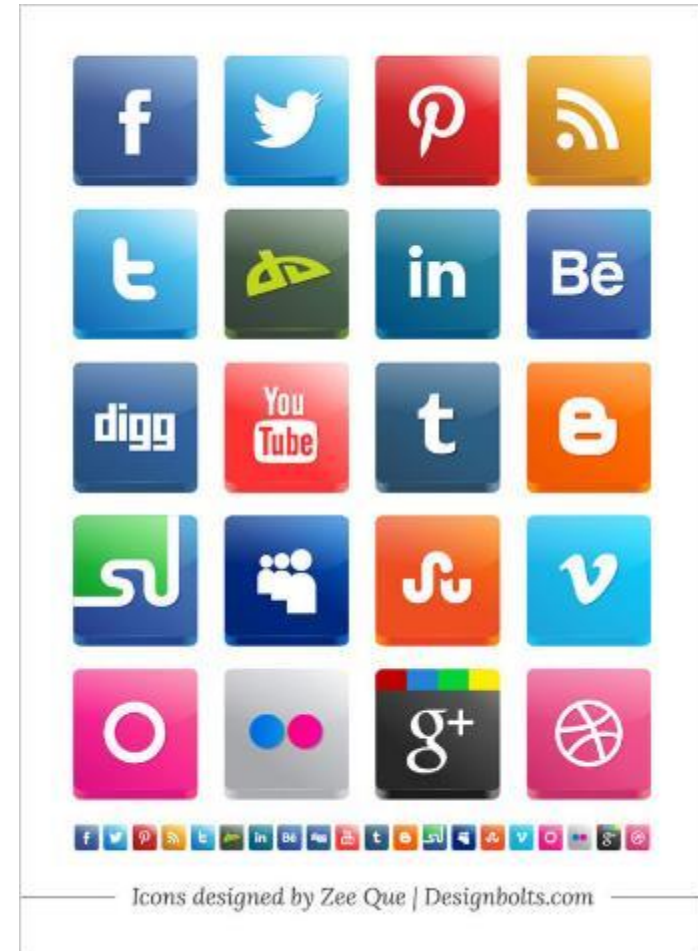
Inspire your customers.

- A simple, inspirational message is far more influential than one that tries to highlight too many product features, functions, or ideas.



Don't have much marketing budget?

- Create compelling content for promotional materials and social media sites to start generating awareness among target customers
- Your products are visually appealing.
- Your company story can inspire loyalty.



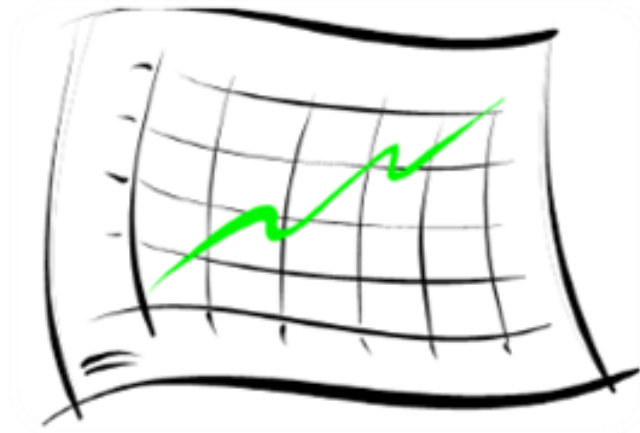
Partnership And Collaboration

- Doing everything yourself can be tempting when funds are few and ambitions high.
- Hands-on is good, but...
- Taking on more than you can handle can be damaging.
- In the era of the global freelance economy, it isn't difficult to find talented expertise,



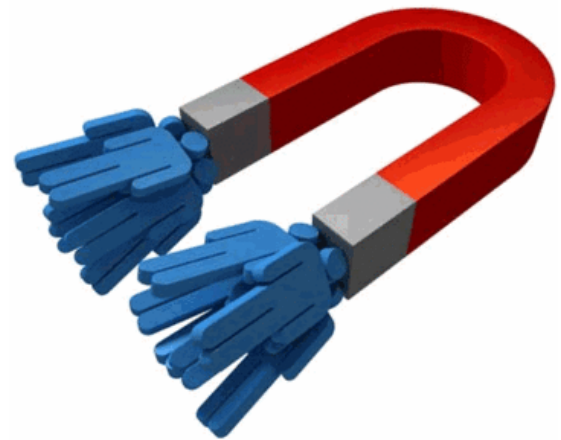
Customer Retention

- Acquiring new customers can cost 5 times more than retaining current ones.
- A 2% increase in customer retention can have the same effect as decreasing a company's costs by 10%.
- Reducing customer defection rates by 5% could [increase profitability](#) by 25% to 130%.



Customer Retention

- The average business loses 50% of its customers every 5 years.
- Companies are 4 times more likely to do business with an existing customer than a new customer.
- The likelihood of selling to an existing customer is 60-70%, whereas it's just 5-20% for a new customer.
- a 10% increase in customer retention is equivalent to a 30% increase in a company's value.



Community

- A business ecosystem is an economic community of organizations and individuals that interact in countless ways.
- These ecosystems encourage companies to evolve their capabilities competitively.
- They can be your customers, your local community, your business support system including organizations, extension, trade journals, etc.
- Ecosystems are crucial to sustainable growth because they provide the structure that surrounds and supports the businesses within them. They connect the business to society.



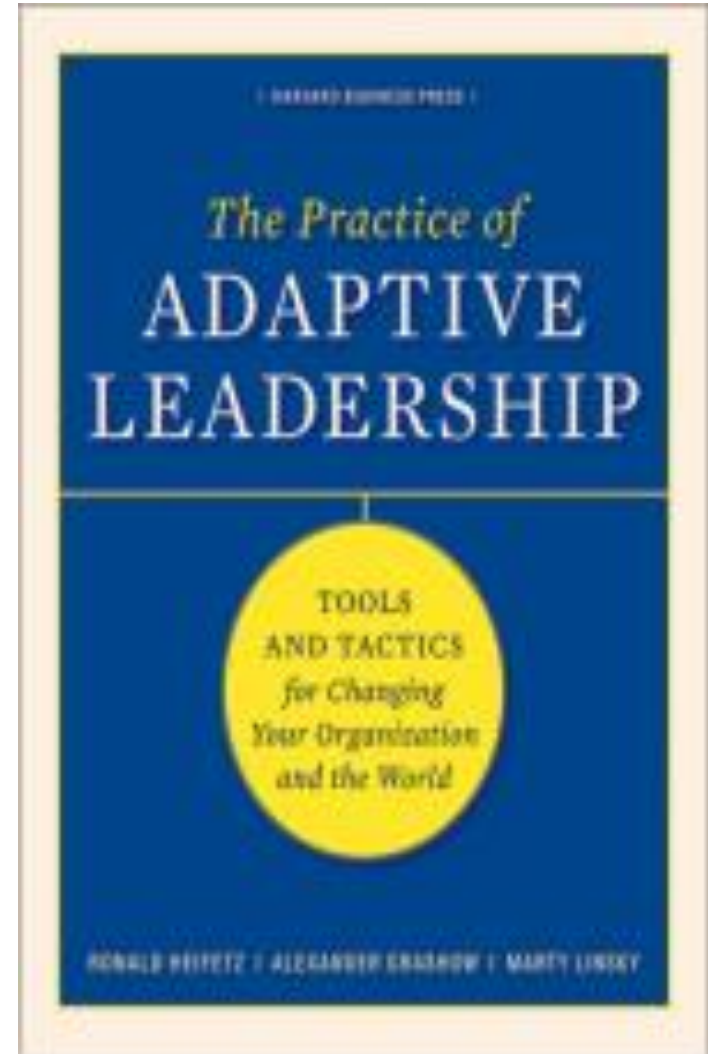
Keep employees (and yourself) learning.

- It's not about learning a set of skills and then being "prepared" for life. Look for lifelong learners.
- Don't worry if what your employees are learning directly relates to their work.
- Learning is a skill that requires practice
- An unrelated skill may help down the road.
- Help your employees to figure out the skills they need to develop based on business goals.
- Encourage and reward quick adaptive learning cycles.



Flexible, Adaptive Leadership

- Business needs change at each state of a business, so leaders must change too.
- Leaders need to be:
 - Introspective
 - Self-aware
- Have a keen sense of short-run and long-run strategy.



Flexible, Adaptive Leadership

- Use an adaptive, flexible, creative leadership style.
- Continually invest in your capabilities and those of the business.
- Be mindful of yourself and others - Everything is Connected.



It's All about People



- Yourself
- Your customers
- Your employees
- Your community



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Questions?

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