WHAT THE EXPERTS SAY

Nine2Three

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Build a strong brand to offset competitive threats

Ross Cameron
Chief Executive Officer,
Cameron Research Group
Kathryn's story is a
beauty; she has a business
that makes immediate
sense. In fact, I can't help



but feel she has only scratched the surface of the market opportunity. A high proportion of SMEs we speak to would welcome exactly the kind of staff Kathryn offers: experienced, mature and reliable. Flexible working hours are not necessarily a problem for SMEs since many business owners work flexible hours themselves.

My main concern about Nine2Three's business model is around the question of barriers to entry. What would stop a competitor from doing precisely what Nine2Three does, but undercutting the price due to its larger scale? This might not be a problem if Kathryn doesn't want to grow much further; she could just work on maintaining good working relationships with her existing clients. But given she wants to grow the business, Kathryn really needs to work on building a strong brand.

I don't share Kathryn's concern about educating the market. Her business model is sensible and the prospect of mature, reliable staff who work flexible hours is compelling. That said, she should develop case studies and continue to seek client testimonials to generate momentum in the sales and brand building processes.

Work toward traditional marketing vehicles

Paul McKeon
Corporate Communications
Manager, Dell Australia
It's always great to see
people who have identified
a niche market and gone

on to build a successful



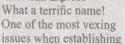
business that takes advantage of it. Kathryn has done an excellent job of both recognising a workforce in strong supply and building employer demand for its services.

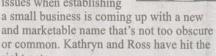
Kathryn has already solved some of the greatest small business challenges: managing risk, time management and receiving payment. The remaining hurdles will not be difficult. I agree she shouldn't solely focus on Web marketing, though addressing the problem of frames on the website is a good step. In the recruitment industry, you still find people referring to the Yellow Pages and more traditional sources of information. She shouldn't ignore these avenues and might also consider frequent but small advertisements in publications read by employers in her target industries. There's no reason why she can't use the same strategy for recruiting additional mature employees at

Kathryn's free time should be directed toward networking with complementary businesses. This can generate mutually beneficial word of mouth referrals as well as providing feedback on what technology solutions similar colleagues have found most effective and easy to set up.

Observe competition to build strategic thinking

Rajarshi Ray Head of Small Business Services, American Express





Kathryn's dilemma to move from 'doer' to 'manager' is common among many small business operators and there is no shame in having to struggle through it. In fact, one of the main reasons for small business failure is the owner living out the cliché of 'working in the business rather than on the business'. Kathryn's approach (and in particular, discussing the role change with her staff) is absolutely the right way to go about managing the transition - and it's something others could learn from. To this, I would add taking some time out to review her competition. Spending a few hours reviewing what competitors are doing is a great strategic management tool and can help businesses generate some fresh ideas.

Finally, a small suggestion: a recruitment agency is in essence a mobile business. What about ditching the landlines and replacing them with e-mail capable mobile phones? These are easy to use, easy to transfer, easy to share and would stop all the messing about with wires.

Engage a preferred supplier for organic growth

David Dandie
Head of Business Advisory
and Training, Westpac
All businesses should have
a business plan. Kathryn
should identify her
objectives over the next



12 months, three years and five years, if she hasn't done so already, to make sure she is meeting her goal to maintain growth.

Nine2Three could grow its business organically through existing customers. For example, Kathryn could sign agreements with her best customers to ensure she is their preferred supplier by offering them incentives such as discounts. She should also continue growth by acquiring new businesses.

To expand her customer base, Kathryn could target business that have the history and understanding of providing flexible working hours. She could also target the events and networking groups that these businesses are involved in.

Kathryn should ensure the content and layout of her website appeals to clients and job seekers. She could create dedicated sections for both customer groups clearly explaining what Nine2Three offers them. Interested candidates could apply for positions online by completing a form and attaching their CV. Similarly, firms could register on the website. This could help Kathryn identify who is accessing the website and allow her to collect basic details before arranging face-to-face meetings.

Become a public speaker to educate target markets

Carolyn Stafford Director, Connect Many small firms have difficulty managing their business systems and processes, so the demand for Nine2Three's



services has the potential to grow. While its current focus is on book-keeping and administration, in the longer term Nine2Three could consider expanding its services and moving into other industries such as human resource management. It could set up separate divisions within the company that specialise in these services.

Educating the workplace and being a catalyst for change is really a marketing task; it involves raising the profile of the business. To do this, Kathryn could become more involved in public speaking engagements and host seminars or events. She should develop relationships with industry bodies such as Certified Practising Accountants of Australia and the Financial Planning Association of Australia and directly communicate what her business can offer these target markets. Similarly, she should build alliances with recruitment firms that might be interested in the options her business provides. Kathryn should consider employing a public relations expert to help her develop a PR program.

Finally, in addition to testimonials on the website, Kathryn could develop case studies that explain in detail how Nine2Five has helped businesses and job seekers.