

Why Are Businesses In Business?

A Short Rant on Business 101

Looking back I can't believe how long it took me to truly understand what a business was for. I'd heard it repeated countless times, albeit for the most part by parrots and non-believers. I'd seen it portrayed in posters and articles all around me, but somehow I remained blind to the message. Like many of us, I was brought up believing that to make it in business you had to be ruthless and unfeeling at times. Clouded by this false perception I refused to believe the mantra all around me: "The Customer is Number One."

The Purpose of Business

What follows is, admittedly, a bit of a rant. It's important that you read it. Here's why. To understand what businesses do, you need to understand why they do it. To understand how to improve the business you are in, you need to understand its true purpose. That's what this is all about.

When it comes to business, you can look at things in one of two lights: Good or Evil. The evil view is that the heads of major corporations exist for the purpose of taking our money from us. If you're looking for a bad guy, few compare to the faceless evil of corporate America so often portrayed in today's media.

*The Evil Corporation:
Out to get your money!*

*The Good Company:
helping us fulfill our
needs and desires.*

If you bother to take a second look with the good light turned on, you will have to admit that successful businesses are there helping us fulfill our needs and desires at every turn in ways we could never achieve without them. Are they in it for themselves?

Absolutely! Are they also in it for you?
Absolutely again!

*Are they in it for
themselves? Absolutely!*

*Are they in it for you?
Absolutely!*

Fundamentally successful businesses are started for two reasons.

1. To help themselves
2. To help others

Yes, they can do both. In fact they need to do both to remain useful to themselves and to remain useful to others.

Think about your favourite store, maybe it's a stereo shop, a clothing store, or even a grocery store. What happens if they raise their prices so high, or hire such rude sales people that you and your friends stop going there? They start losing money and go out of business. You probably wouldn't care, but they would no longer be able to help themselves, at least not with that business.

Now what happens if that same business hires lots and lots of really nice people to spend extra time with you, and then lower their prices so you get everything at near cost? They start losing money and go out of business. The only difference is this time you care, because now you can't go back to that friendly store. Now you can't return that item you didn't want, or get it fixed under warranty. Because they didn't help themselves enough, they can't help you any more either.

So what's the solution? Simple, they help themselves by helping you. They want to do both. They need to do both. You also want them to do both.

Summary

What do businesses do? They help others achieve their needs and wants, and they also help themselves in the process. The business that figures out how to help others the most becomes the leader. It makes no difference whether the owner's motivation is for the money, or to help others. The only way to achieve long term success is to help others. There is no other reason for people to patronize a business, other than to get something they either need or want. If a business doesn't help you get that as much as their competitor up the street does then they go out of business. If a business helps you so much they can't make a profit, they also go out of business and are not much help to you in the long run.

Every successful business helps themselves by helping others.

Your Homework

Answer these questions.

1. What is your business trying to do? (2 sentences or less)

2. Imagine you are the customer and list 2 things you appreciate about doing business with your company.

3. Imagine you are the customer and list 2 things that frustrate you about doing business with your company.

These are the first seeds of what you must understand to make a difference that will be noticed.