

Small company vs. Big corporation

“ Think Big! ”

A saying familiar to many of us... Big car, big house, big salary, just BIG. So it doesn't come as a surprise when it's time to choose a company/vendor to satisfy our needs, bigger is better. In this day and age many decisions are based on popularity. Why go with Gino's insurance when GEICO has the best commercials? Why choose Lori's Boutique when you can shop at Macy's? Brands and labels are more appealing than reliability and credibility. In today's society many of us tend to want it now! Quality isn't as important as how many can I have and how fast can I get it. Why wait 3 months for something that you can get in two weeks else-where? It is this impatience that can lead to business decisions that can affect the success of a companies' future. Ultimately companies will purchase their products/services from the com-pany that is to their liking, but in doing so all factors should be considered.

The Big Dogs!

Larger corporations have many things small ones lack. There are numerous 'pros' of purchasing goods from a larger corporation that include:

- Resources - some customers define a company's success based on how many resources a company has. To a prospective customer if the company has 5,000+ employees than the customer service must be wonderful? Wrong! Research shows that it is usually these larger companies that have the worst customer service.
- Variety- larger corporations usually have more variety when it comes to the goods be-ing sold. A large well known insurance company may have over 100 different insurance plans, while a smaller company specializes in boating insurance specifically. If you need home, car, health, and boat insurance that bigger company may be a good fit for you, as you can bundle the services.
- Mass Production- Larger companies have to the resources to distribute larger quanti-ties than a smaller one. Your company needs 25,000 promo items for an upcoming tradeshow? Of course your best bet may be to go to the company that can provide them within that two week time frame, and in most cases that will be a company with enough resources to make that happen. On the other hand, say your company needs a dozen specialized items. You may want to look to a smaller business for those items. Big companies like big orders. Your one dozen personalized clocks is chump change to them.
- Security- customers feel good knowing they are buying from a corporation with many offices around the country. This makes them feel as though the product or service they are purchasing must be credible or reputable based on the name and various locations. Why go to a small auto shop when you can go to a larger one and get a warranty that can be used at any of their 10,000 locations.

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The Small Fry...

Smaller companies, while not big in size, are big on customer satisfaction and retention. There are many advantages to soliciting the business of small companies and those include:

- Personal attention- the longevity of most small businesses is determined by customer retention. Follow-up plays an important role in maintaining a good relationship with customers. Customers want to know that their questions or problems are important to their vendor.
- Customer service- customer service is key with small businesses. All employees are active in supporting customers from the customer service representative to the president. All members of that organization are hands on when it comes to helping customers. They tend to appreciate their customers more because as opposed to larger corporations who have millions of customers, they only have a certain amount that they must retain.
- Customer relationships- A staff at a smaller company makes it a point to get to know their customers on a personal level. When a customer calls in and are addressed by their name it makes them feel important. Customer support members familiarize themselves with the individual customers so that they are aware of past and present situations as well as future endeavors.
- Customization- smaller companies treat each customer as individuals and try to satisfy those individual needs. Instead of mass produced, most, smaller companies individualize their product to fit a customer's needs. In simpler terms... would you rather eat mass produced foods made at chain restaurants or an authentic meal prepared by a grandmother in a family owned restaurant? While grandma may not have the quantity of restaurants to rival the chains, she definitely can provide a quality meal.

What Now?

Ultimately the decision is up to the purchaser. While smaller companies are not necessarily big in size, employees, and quantity, they are definitely 'big' on customer service, satisfaction, building relationships, and loyalty. When researching a small company look at certain key factors: how long have they been in business? Gyrus Systems, while small, is one of the oldest LMS vendors in the industry. How about their customer retention? 90% of Gyrus software purchasers have been loyal customers for over a decade, thus answering the next question: how is their customer service? Finding the right vendor to supply your need can be an exhausting and challenging undertaking so, be sure to choose the one that is best suited to your needs and wants.