



BOOST BUSINESS BY CREATING NEW PRODUCTS AND SERVICES THAT MAKE A DIFFERENCE

This is one of a series of +points on The Journey – a route map designed to help you build a business that people value. Check out other +points on www.smallbusinessjourney.com

WHAT'S THE POINT?

You CAN create new revenue streams for your business if you ask yourself: 'What can we do that is commercially viable and socially responsible?'

WHY?

- Just asking yourself this question will help you innovate and come up with new ideas for products and services - often without diversifying.
- There is a growing demand for products that make a difference to the lives of others.

EXTRA BENEFIT TO YOUR COMPANY

- You can protect and improve your reputation if you show how your product was produced or that your service has a responsible purpose.
- You will attract the kind of employees who share your belief in your products.

LIVING PROOF

SHIELDS ENVIRONMENTAL

Shields Environmental has provided the telecoms industry with environmental

management solutions and recycling support for over 20 years. In 2002 Shields launched 'fonebak', the world's first mobile phone recycling scheme. Building on its recycling, logistics and global remarketing expertise, Shields has established a nationwide scheme supported by all UK network service providers and four major retail chains.

The scheme is already processing over 100,000 phones each month and aims to recycle as many as possible to minimise environmental impact.

Phones that are suitable for reuse are resold into world markets to help bring telephone communication to some of the remotest parts of the world.

THE RESULTS

The 'fonebak' initiative has further cemented Shields' business relationships with mobile phone network providers whilst also creating a £20 million plus business in its own right. Media interest in the project has had a positive impact on staff morale and the project has provided a foundation for expansion into other European countries.

WHO ELSE IS MAKING A POINT?

Many companies throughout the UK understand the real business benefits that can be gained from creating new products and services. Here are just two:

- For Chester-based **Loines Furnival** a willingness to explore new products and services has established the company as one of the UK's leading designers of corporate responsibility reports - both in print and on-line. This in turn has seen Loines Furnival work with leading UK businesses including United Utilities, Camelot, Centrica, EDF Energy and Wates Group.

The results: Working with FTSE 100 companies has given Loines Furnival an insight into how companies lever true business benefits from acting responsibly and engaging with stakeholders. It has also encouraged Loines Furnival to develop new web-based communication tools that can be integrated into clients' reporting solutions. These new products and services have brought tangible financial and business benefits and helped to propel Loines Furnival from being a regional design business to one with a growing national reputation.

- **Aesseal (MCK) Limited** was formed in 1990 in Belfast to supply mechanical seals and allied products to the manufacturing industry in Northern Ireland. Through the 1990s, the company successfully developed new products and increased sales by analysing customers' manufacturing processes and identifying appropriate solutions. Having begun with a specific solution to a

particular customer problem, Aesseal developed a new product range of innovative barrier systems for which worldwide patent rights were obtained.

The results: Aesseal has transformed itself into an innovative marketing and manufacturing operation with a turnover of well over £2.2m. Up to 60% of sales are now exported including a high percentage to customers in the Republic of Ireland.

WHY IS THIS IMPORTANT?

- 51% of the British public say they have chosen a product or service because of responsible reputation.
Source: The Ethical Consumer, MORI/The Co-operative Bank 2002
- 86% of customers have a more positive image of a company is seen to be doing something to make the world a better place.
Source: Business in the Community, the Ultimate Win Win Win 1999 supported by Research International
- 83% of rapidly growing businesses had introduced new products or services in the last three years, compared to just 17% of companies who had remained static.
Source: Design Council research in 2002

HOW TO GET STARTED IN A SMALL WAY

- Involve every employee in the 'innovation' process.
- Have brainstorming sessions to generate ideas.
- Encourage employee suggestions.
- Develop relationships with customers and learn from their ideas.

WHO CAN HELP YOU TO GO FURTHER?

Strengthening the performance of your business in this way is really just a matter of common sense. But if you are committed to achieving major business benefits, then it often helps to get help.

National Help

The Design Council helps businesses and other organisations understand the practical power of design and harness it effectively as part of their strategy. By working directly with businesses, the Design Council is aiming to demonstrate the methods and processes behind design success, making them easier for other companies to adopt. Details can be found on: www.designcouncil.org.uk.

Local Help

Most regions have universities that are interested in collaborating with businesses. And it needn't be expensive. Collaboration between small business and universities has often helped a product idea become commercial reality quickly and efficiently. But collaborations are not quick fixes and tend to work best as long-term relationships.

Online Help

The Chartered Institute of Marketing has a section on its site for small businesses. The main web address is www.cim.co.uk.

IT'S COMMON SENSE

This briefing paper is one in a series of +points that make up The Journey – a route map designed to help you build a business that people value. You need only do one if you like. It's your journey. It doesn't have to be time consuming or complicated. It's basically common sense.

SMALL BUSINESS CONSORTIUM MEMBERS:

The Small Business Consortium is a group of organisations who share a common goal:

