

How SMEs can drive growth in 2022

Employing over half the workforce, driving significant growth in the private sector, and representing some 98% of all businesses, SMEs are the lifeblood of the South African economy. Experts speculate that digital transformation, Covid-19 awareness, shifting supply chain trends, and operational optimisations, are among the key areas where SMEs can drive improvements, and thrive in 2022.



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Tom Stuart, CMO of Lulalend, says that having already commenced some level of digitisation pre-Covid, many SMEs are now looking to complete their digital transformation in earnest.

“These businesses are implementing expanded digital marketing tools, decentralised remote work, e-commerce capabilities, cloud-based data centres, and improved cyber-security measures,” Stuart explains.

He observes that shifts in global supply chain trends, the principles of sustainability (both financial, material and socio-economic), and the circular economy (which encompasses notions of zero-waste, decarbonisation, and renewable-energy generation), are now widely accepted within the supply-chain space.

“To ensure resilient, stable supply chains, SMEs must cultivate an ecosystem of trusted supply chain partners, and the agility to pivot between various suppliers and strategies. “Have contingencies for common hurdles and disruptions in place,” he adds.

Stuart notes that focusing on the operational efficiencies that their smaller teams allow, SMEs may be able to achieve quicker turnaround times than their larger counterparts.

“While larger operations can become sluggish under their own weight, SMEs are driven by small, specialised teams that can remain agile, and consistently deliver their top-quality products and services.”

Stuart says that at the broader business level, differentiation is essential for SMEs.

“Your unique selling proposition (USP) is the heart of your brand identity, informing every aspect of your overall marketing strategy. Harness the power of your USP, and make sure you stand out,” he advises.

Stuart says that keeping abreast of Covid-19 pandemic developments is also an essential component of any SME's strategic considerations for 2022.

“SMEs should closely monitor the local, national and regional Covid-19 situations, be responsive and adapt fluidly to new developments and challenges as they arise. Rigorous adherence to safety protocols will protect your staff and customers and demonstrates your business's values and professionalism.”

“SMEs hold the key to our economic growth. They are responsible for most of the employment in SA - especially among the chronically underemployed youth - and much of the innovation that we've seen in recent decades. The prospect of accelerated SME growth is a great thing for the economy and all the people of SA, but it will take decisive strategy and concerted action on the part of SMEs,” he concludes.

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