

**MAGNETIC PULL BY SMEs TO ACHIEVE SUSTAINED GROWTH IN THE U.A.E.**

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**ABSTRACT:**

*Small and Medium Enterprises have always been facing the challenge of attracting new customers. There is a churn that happens because of which many customers leave and thus there is a dire need for constantly adding new customers into the business. With intense competition and frequent changes happening in the business environment it is extremely difficult to have a constant flow of new customers in order to sustain and grow the business.*

*The roller-coaster ride of having huge growth in one year followed by a steep fall in the next year can disturb the rhythm of operations for SMEs. It can also demoralize the business owners and managers as these huge fluctuations in the level of business is not easy to handle. Downsizing and upsizing of business in short time may be easy for SMEs but it can severely affect the momentum and thus lead to operational hick-ups and failures. The solution to avoid these huge fluctuations in the level of operations is to have a consistent growth in business with a regular flow of new customers.*

*The author with more than three decades of experience has come up with a formula for attracting new customers for SMEs and this formula is called the "Magnetic Pull". While attracting the new customers the SME owners/managers have to be very careful in ensuring risk management.*

**Keywords:** *Small and Medium Enterprises; Business Growth; New Customers; Business Performance; Risk Management.*

**1. INTRODUCTION:**

Every business whether it is Micro or Small and Medium Enterprise would aspire to have consistent growth. The opportunities are increasing and so is the competition. The cost of operations is increasing with inflation and various other factors. Thus, growing the business becomes inevitable to stay profitable and to stay relevant at all times. While growing the business would mean either selling more to existing customers or selling to new customers. Selling more to existing customers is possible only to an extent and for further growth it becomes extremely important to find new customers. Finding new customers in the same market or into new markets is very challenging as it involves lot of efforts, cost, time and risk.

SMEs have to be very clear about the Business Model particularly in light of the recent technological advancements and Industry 4.0 (Safar.L, 2018). Business Model simply put is the answer to the question "why would customers seek your products or services". Past experiences and learning from experiences of other organisations in the same industry will help grow the business even during recession. A learning organisation will always do well by leveraging on the learnings from the past which will strengthen the internal capabilities and at the same time allow easy identification of opportunities (Gyanwali, M. 2019). SMEs are nimble footed and can adjust themselves very quickly to scale up or scale down the organisation. This flexibility helps the SMEs to quickly grab the opportunities in the market.

SMEs have grown step by step by expanding their operations in an organic manner to achieve the desired growth over a period of time (Adomako, S., 2018). The Organic growth has proved to be a very systematic and structured growth for the business.