



# NECOG Development Corporation

RLF Newsletter  
May 2019

## Creating Loyal Customers

Excerpts from: Steven D. Strauss, Columnist and Speaker,  
[www.MrAllBiz.com](http://www.MrAllBiz.com)

Everyone wants to treat their customers well and have them coming back. But do we always understand what our customers want and how to keep them coming back? Or why they might go to a competitor instead? There are some (relatively) simple things you can do to keep customers coming back and even get them to become ambassadors for your business.

1. **Return phone calls, emails and texts promptly.** This one seems so basic but I often hear of businesses who don't get back to their customers so the customer goes somewhere else for what they need. The benchmark should be to return all inquiries within 24 hours.
2. **Help, don't sell.** When a customer comes to you with a need, help them solve that problem, whether or not that means buying your solution. Believe it or not, customers can become even more loyal when you recommend a competitor if you aren't able to help them with your solutions or products. They will know that you really have their best interests at heart and will remember that next time they need something that you do sell.
3. **Reward great customers.** Give your customers something 'extra' that the general public doesn't have access to. This can be a special sale, a discount or a customer appreciation event.
4. **Remember the golden rule.** I told you some of this was simple. This old adage we learned in grade school applies to all aspects of life. Treat your customers how you like to be treated by businesses that you buy from.
5. **Empower employees to solve problems.** If you are out of the office or otherwise tied up, it doesn't always make sense for a customer to have to wait until you are available to solve their problem. Empower your employees to swap out products, offer a refund, or whatever is needed to make the customer happy.

**(Loyal Customers cont. on Page 3)**

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## Federal Payroll Taxes

By: Alison Kiesz, RLF Manager

(compiled from information found at <https://www.irs.gov/businesses/small-businesses-self-employed/understanding-employment-taxes>)

When you have employees, you as the employer have certain employment tax responsibilities that you must pay and forms you must file.

Some of the best advice is to hire an accountant or bookkeeper who understands Federal payroll taxes to help you out if you are just beginning your business or are hiring an employee for the first time. The cost of their services will be far outweighed by the valuable service they provide.

Employment taxes include the following:

- Social security and Medicare taxes
  - Employers generally must withhold part of social security and Medicare taxes from employees' wages and you, as the employer, pay a matching amount yourself.
- Federal income tax withholding
  - Employers generally must withhold federal income tax from employees' wages. To figure out how much tax to withhold, use the employee's Form W-4 and [withholding tables](#) described in [Publication 15, Employer's Tax Guide](#).
- Federal unemployment (FUTA) tax
  - Employers report and pay FUTA tax separately from Federal Income tax, and social security and Medicare taxes. You pay FUTA tax only from your own funds. **Employees do not pay this tax or have it withheld from their pay.**
- South Dakota employers are also required to make quarterly contributions to the state's unemployment fund.

You will need to set up an account with the Electronic Federal Tax Payment System (EFTPS) to electronically remit your payroll taxes.

## Identifying Cybersecurity Risks

compiled from information provided by Great Western Bank

Most of us have received a spam email promising us millions of dollars if we just provide our bank account number. Those emails are easy to spot and weed out. More recently, fraudsters have started sending emails to look like they are coming from a person you actually know. If you receive an email that looks like it is from a customer or vendor with payment instructions; its best to call them using a phone number you have on file to verify the information in the email.

Cybercriminals also use other methods to target businesses in an effort to get bank account information. Using the phone to solicit personal information (vishing – voice and phishing). Fraudsters also use cell phone SMS/text messages (smishing – SMS text and phishing) that contain a fraudulent website link or phone number and ask that the business immediately reply to prevent their bank account from being suspended.

The best strategies against growing cybersecurity risks are to remain diligent, know the habits and business practices of your customers/vendors, and be skeptical of unsolicited messages. If you believe an unsolicited message is legitimate, contact the sender via phone using previously known contact information.

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## Reminder to Send in Tax Returns, Financial Statements

This is a reminder for NECOG-DC borrowers that as you complete your tax return for 2018, you are required to send a copy of your tax return and financial statements (Profit & Loss and Balance Sheet or similar statements) to NECOG-DC.

Looking at the tax returns and financial statements helps us determine how the business is doing financially.

## Celebrating Our Small Businesses

by Kelly Weaver, Small Business Development Center Regional Director

With National Small Business Week set for May 5-11, 2019, you might ask, "What's the big deal about small business?" Well first and foremost, small businesses are the heart of not just South Dakota but the nation as well. Small businesses represent 99% of the businesses in the state. What qualifies as a small business? While the Small Business Administration's definition of a small business is one with 500 or less employees, nearly 83,000 of South Dakota's 85,000+ small businesses employ less than 20 employees or have no employees. These small businesses employ nearly 210,000 employees, about 60% of the state's workforce. Small businesses are represented in every industry sector with the construction, retail and service sectors having the largest number of small businesses represented. Small businesses also represent 75% of the state's exporters, serving a global customer base.

"We are extremely proud to honor America's most successful small businesses during National Small Business Week," McMahon said. "These small business owners have shown tremendous dedication and perseverance. They are the job creators that fuel our economy and best represent the nation's 30 million small businesses."

The U.S. Small Business Administration and SCORE Association will host a free, 2-Day Virtual Conference during National Small Business Week. The conference will take place Tuesday, May 7, and Wednesday, May 8. This 2-day action-packed event will include educational webinars, business advice from mentors, giveaways, free resources from sponsor booths, and networking chat rooms for business owners and aspiring entrepreneurs. Webinar topics include online marketing, controlling cash flow, SBA funding programs, economic outlook, doing business with the government, and disaster preparedness.

All you need to participate in this virtual event is a computer or mobile device with an internet

connection and speakers/headphones. Registration information can be found at [www.sba.gov/NSBW](http://www.sba.gov/NSBW).

I can't think of a better time to celebrate local small businesses which are the backbone of our communities and state. They work hard every day to serve their customers and their profits support local jobs and many local organizations and activities. Stop by during small business week and expre\$\$ your appreciation!

*Kelly Weaver is the Regional Director of the Small Business Development Center in Aberdeen which offers free, confidential business consulting to start up and existing businesses. She can be reached at (605) 626-2565 or [kelly@growsd.org](mailto:kelly@growsd.org). The Center is hosted by GROW South Dakota.*

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### (Loyal Customers cont. from Page 1)

6. **Be friendly.** Nobody likes to do business with a grump. We all have bad days, but don't take it out on your customers. If they feel like you don't appreciate them, they won't return. If you take the extra step to be friendly and helpful, they will come back again and again.
7. **Under-promise and over-deliver.** A tried and true way to impress customers and get them to stick around is by doing more than you were asked, and more than you promised.
8. **Make it impossible for them to go.** The bottom line is that customers become loyal customers when your business shows its appreciation, and does its job so well that they would be foolish to go anywhere else.

# FOR SALE

**Gettysburg Bakery.** Located in downtown Gettysburg, SD. Known for their world famous nut rolls. Near turn-key operation. For more information, contact Alison at NECOG. 626-2595.

**Medicine Rock Café.** Located right on Highway 212 in Gettysburg, SD. Excellent location. Everything is there to start your own restaurant. For more information, contact Alison at NECOG. 626-2595.

## UPCOMING EVENTS

### **QuickBooks: The Basics | May 7 | 9:00 – 12:00 | Aberdeen**

Designed for those considering a computer-based system or those QuickBooks users who feel they would benefit from the topics covered (Chart of Accounts, Items, Customers, Vendors, Invoicing, Check Writing, Bills, and Reports).

### **QuickBooks: Inventory and Payroll | May 7 | 1:30 – 4:00 pm | Aberdeen**

This training will provide an overview of how inventory and payroll are processed and the basic concerns to be addressed when setting up and using these features. Topics covered include Inventory Items, Inventory Types, Purchase Orders, Payroll Items, Payroll Checks, Payroll Liabilities, and Reports.

#### **\$75 for one class or \$125 for both classes**

For more information contact Kelly Weaver at SBDC. 626-2565 or [kelly@growsd.org](mailto:kelly@growsd.org)

Register online at [http://events.constantcontact.com/register/event?](http://events.constantcontact.com/register/event?llr=roelqybab&oeidk=a07eg58by8s43685b06)

[llr=roelqybab&oeidk=a07eg58by8s43685b06](http://events.constantcontact.com/register/event?llr=roelqybab&oeidk=a07eg58by8s43685b06)

### **Leadership and Workforce Conference | May 16 | 8:30 – 4:30 | Aberdeen | \$80**

The Aberdeen Development Corporation, in conjunction with regional development partners, Advantage South Dakota and Northwestern Energy, is excited to announce that we will be hosting a Leadership and Workforce Conference at the Dakota Event Center (DEC) on May 16th, 2019.

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