

5 REASONS WHY YOU NEED THAT LOAN FOR YOUR BUSINESS.

Hello friends

, I want to share with you all ten (10) reasons why you need the BOI loan for your business, and I hope this article will motivate you to take every necessary step to apply for that loan and make that business of yours a dream come true.

Firstly, a loan is the lending of money by one or more individuals, organizations(financial), or other entities to other individuals, organization etc. The recipient or lender incurs a debt and is usually liable to pay interest on that debt until it is repaid as well as to refund the principal amount borrowed.

Not everybody can indeed risk going into debt for their business or has an excellent reason to take such risk. It doesn't mean that good reasons don't exist, or taking a loan doesn't work out well and perfect for your business. You've probably must've heard this saying that " you have to spend money to make money " yea it's true. Every entrepreneur wants their business to grow; that's their main focus and priority. If you want your business to grow, you have to be able to invest in the expenses of growth like equipment, advertising and property. However, the major challenge is running all those costs in addition to the expenditure of running your business can be subtle, and paying upfront for your business needs is often impossible until your business sees more growth. It's a circular problem. Your business can't grow unless you invest, but how can you invest in your business while keeping money in your business for operational cost? For some business owners, there's this phobia of collecting loans, which they think could be harm or they could lose their business in the long run, but then a loan can help you finance changes in your business that can result in a high return on your investment.

Here are five (5) reasons why you need a loan for your businesses:

1. **BUSINESS EXPANSION.**

Notably, this is one of the primary reasons why you should consider a small business loan. This can create an expansion opportunity for your business. When your business is booming, continual growth on your business can help ensure that your profits don't plateau or shrink. Of course, the expense of further growth has a huge cost such as advertising, new properties, building renovations and increasing staff sizes.

It's unlikely you should have the cash at hand to cover these expenses unless you take it from the funds that keep your business operational. Loans can help you cover the costs of expanding your company without squandering your operational funds so that you can continue to impress your customers tremendously while growing your business.

2. TO UPDATE AND UPGRADE YOUR BUSINESS EQUIPMENT.

Every business has equipment (s) that's necessary to do the job, such as machinery or equipment like a treadmill. But even if your machinery is working correctly, the rate at which it completes its task may be significantly decelerated than a newer model. Broken or faulty equipment can also increase your liability, and you tend to chase off customers who need reliable service, costing you more money in the long run. Loans can help you manage the costs of equipment that will allow your business to run efficiently, smoothly and provide a better experience for your customers. They can help you keep your business up to date with new technology that will better your services and interactions with customers.

3. CASH FLOW.

Cash flow and revenue is always a challenge for a small business, and if not properly observed, can be a disaster for your business. According to a US bank study, 82% of business organizations fail due to poor cash management. It's very OK building your business, at the end of the day what sustains the organization is all about the money coming in. A short term loan provides money to be used for your regular operational cost and can keep your business stay afloat when profit. With this, you can continue to bring in new customers to drive revenue while making up for other losses.

4. TO MOVE YOUR BUSINESS TO A NEW LOCATION.

Your business might have been doing well enough at your current/present location, but as they say "the grass is greener on the other side ". The current location or demographics of your business may have to be re-established in another area where there are better prospects. This, however, comes with loads of expenses; the cost of a new location, wages/salaries of new workers, also, the cost of building infrastructures. That's where business loans can genuinely come in handy.

5. TO IMPROVE AND EXPAND YOUR MARKETING STRATEGY.

Providing quality service is essential, but if you're only attracting customers from within a mile radius, you'll struggle to keep relevance in your business. Marketing plays a massive role in generating more business opportunities as well as establishing a recognizable brand that will attract more customers/clients through your doors. Of course, in today's digital age, you'll likely consider incorporating social media marketing strategies into your overall marketing campaign. There are plenty of advantages to this, including the fact that it's free to sign up, you have a massive audience at your disposal, and you can come up with creative and personalized approaches to engaging with potential customers.