20 small business ideas for small towns

Plus seven ways to make your own ideas

By Becky McCray

Author of Small Biz Survival
The ideas you’ll find here are collected from Small Biz Survival, the small town and rural business resource. The ideas came from all over, inspired by comments from friends, businesses I’ve seen, and ideas especially suited to small towns and rural areas. They are grouped into three broad strategies that you can use to create more ideas that may better suit your town. At the end, you’ll find seven more ways to creatively come up with your own ideas. You’re invited to take any of these ideas and prosper.

For more updated ideas, check the Rural Business Ideas category at Small Biz Survival.

Becky McCray

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20 small business ideas for small towns

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Strategy #1: Be uniquely local

Lead tainted paint, safety problems, and environmental issues have created another local opportunity for all types of products. This is a way of thinking that exists right now in your market.

General ways to build ideas that take advantage of this trend: **Evaluate your marketing.** Are you promoting the heck out of your "localness"? It's time to start.  
**Be more local.** Don't hide your local flavor, your accent, all the things that make you, your company and your product feel local. Flaunt it!  
**Promote the environmental benefit.** Buying local products reduces the transportation costs to the environment.  
**Promote your local advantages:** high quality local workforce, safety procedures, and strict standards. For once, be glad of the regulations you must comply with, because they help make your product more safe.

Part of surviving in a small town small business is competing with the world. This is one trend that gives you an advantage. Use it!

**1. Local pride clothing**

Create clothing that promotes local pride, and your place in the state or the region. Go beyond the usual high school mascot items, and promote your own local flavor. Get some ideas from Neighborhoodies (<www.neighborhoodies.com>). Expand this idea with related local pride items, like tote bags, kids' wear, hats and visors.
2. Local jewelry

Customize jewelry to your state or city. State of Mine (www.stateofmine.com) uses state shapes with stones marking home towns. Extend this concept to keychains and other jewelry items. Look for local jewelers to help with manufacturing.

3. Local photos

Make local photos into postcards, posters, or mounted and framed art, as suggested by the Photopreneur photography business blog (http://blogs.photopreneur.com/marketing-local/). You can target tourists, students or other part-time residents and visitors. The photos can be your own, or licensed from local photographers. You can market in existing local stores, or even create a roadside photo stand!

4. Local postcards personalized with your photo

Customize local photo postcards by adding a personal picture of the buyer to photos of local landmarks. German company Cosmocard (www.cosmoproducts.de/e_index.html) makes this easy with free standing vending machines. This type of business would be great at your local festivals, in your downtown business area, or at the local souvenir shop.

5. Local hospitality in a family summer camp

Create a summer camp for the whole family. Take advantage of your area's unique climate and culture. Incorporate the local heritage. Make it special. Laura Fitton
(http://pistachioconsulting.com/) told me about Red Pine Camp (www.redpinecamp.org), a success for over 75 years. They offer camping for the whole family, with the option to join in any of the activities planned for all ages or just relax.

6. Add value through local and organic foods

Local food and organic food are two ways to make a more profitable small farm, restaurant, cafe, food market, or other food business. Food-borne illnesses have made headlines from huge commercial production and from imported foods. It's better for the environment because of the lower transportation distances. Local food producers of all kinds should capitalize on this opportunity.

If you grow produce, get certified as organic or dedicate more acres to organic items. Focus on local markets, promoting your local advantage. Develop direct marketing methods to go direct to consumers or consumer groups. Restaurants can seek out local partners and organic sources. If you serve local and organic items, promote it in all your marketing.

7. Cater to local outdoor sports

Target the changes in outdoor sports. Rural small business expert Jack Schultz (http://boomtownusa.blogspot.com) said, "The fastest growing spectator sport in the USA is bird watching. Geo-caching, biking, hiking and extreme water sports are also growing in importance." Almost any type of business could expand to cater to the new types of outdoor sports bringing visitors to small towns.
Strategy #2: Use what you know

You have unique experiences and skills. No one else is quite like you. The difficulty sometimes is just stepping back to realize what marketable information and abilities you have. So how do you capitalize on what you know? Here are some ideas.

8. Create reference guides

Share your knowledge with students, professionals, or people new to your field. Laminated guides like those created by BarCharts (www.barcharts.com) could be customized and marketed to college bookstores, to business associations, and directly to students. A great idea for recent students, teachers, and ex-teachers.

9. Be a tour guide in online worlds

Offer guided tours of online virtual worlds, like SynthTravels (www.synthravels.com) used to. Share what you know about Second Life or World of Warcraft. This is a business or sideline you could operate from anywhere you can get online. You could set up your own business, or possibly sign on with an existing firm. Consider targeting parents or business branding executives.

10. Fix things and resell

Use your skills to buy damaged items from online auction sites, repair them, and then resell them. Specialize! Focus
only on items you can repair well, and that have a strong resale market. Track your time, and carefully evaluate your profit potential. Be absolutely honest about repairs when you resell the finished items.

**11. Buy local items to resell in larger markets**

Take a local resource into a larger market. Find local sources of overstocks, scraps or by-products. Add some value by cleaning, researching, matching or improving. Then take it to a larger market such as a larger city, an online auction, or on consignment in larger stores. It could be something as simple as buying local garden produce to resell in big city farmers’ markets.

**12. Buy global items to resell in local markets**

Bring your international experience to your local market by importing hand crafts. Those who have spent significant time in a different country and returned home, have a unique perspective on items that could be good sellers. To learn more about the challenges and regulations, talk with others who are currently in the business, such as Salvatierra (www.salvatierraimports.com).

**13. Share your skills as a taxi**

Be more than a coach, be a taxi. That means to take students and learners out of the classroom and into the culture. Author Robert Fulgham (www.robertfulghum.com) reports that in the world of tango, these special coaches are called taxis. In small towns, we take our way of life for granted. Cowboys,
fishermen, traditional musicians, crafters, farmers, and more all have a valuable way of life. Take your guests out in the world, and help them enjoy the deeper dimensions of the experience away from the classroom.

14. Paint business windows

If you can draw, start a business painting windows of small businesses in your town. All you need is a vehicle, paints, brushes, and some talent! An online resource for window painters is WindowPainting.org. They have a great page of tips to get you started, a photo gallery, a directory of window painters, patterns and a video for sale.

15. Share your space and your creativity

Take old buildings or structures, in town or out in a rural setting, and convert them for creative conference space and artistic residences. Probably an ideal project for a creative type struggling to decide on a business. Entrepreneur Evelyn Miller said, "There are lots of hidden assets in small towns, including inexpensive living space, peace and quiet, and the room to be creative." You could implement this as either a development project or as a for-profit business.
Strategy #3: Look at existing businesses

Review any list or directory of existing businesses, or especially of businesses for sale. This can be something as simple as a phone book or an online business directory. By looking at existing business, you may find inspiration for your own business. Several sites also list businesses for sale, and you can also subscribe to their RSS feeds for regular updates. Then, tear apart existing businesses to find parts of ideas that you can adapt. Can you take an essential element and build a new business around it?

16. Build a Lending Tree style market

Take the idea of a Lending Tree market, and run with it! What other services can you build into a simple, easy competitive market space? Every customer can identify with the Lending Tree slogan, "When banks compete, you win!" Apply that to insurance, legal services, accounting, web design, or any thing else you can think of. Don't have the technical skills to build the web platform? Hire it out! Put your good business skills to work on it! Credit C.C. Chapman (www.cc-chapman.com) with this idea.

17. Create a Netflix style exchange

What if you could easily exchange business books? Steve Rucinski (www.smbceo.com) suggested this idea. "You subscribe, choose from a selection as many as you want, return them when you want. Would that work for used business books? They are like DVD's in that they are usually used once, read in a few weeks and almost never looked at again."
18. Use memberships to support any business

Use memberships to support your small town business. One independent book seller using this ideas was profiled on NPR's Marketplace (www.smallbizsurvival.com/2006/12/idea-use-memberships-to-support-your.html).

19. Leverage government contracts

Securing government contracts can help build or support your business, even if you are located in a rural or small town area. Just looking at the list of products and services requested can give you ideas. Locally, we also have a government contracts specialist who consults, at no charge, with small businesses. The program is called Bid Assistance (http://www.hptc.net/bis/bidassistance.asp). Look around your area for training and support.

20. Target the small town market

Make small towns your target market, and rural problems your specialty. The small town market is a smaller market, but radically under served. Just off the top of my head online banking, business coaching, accounting, and business signs could all be targeted specifically to rural and small town markets. Dana Wallert targeted the small towns around Lawrence, Kansas, for her virtual assistant and website design business. Farmers Only (www.farmersonly.com) targets rural residents for their dating site.
Seven more ways to create your own small business ideas

Those 20 ideas may not have been for you, so how do you come up with more ideas on your own? Here are two additional resources, and 7 specific tips, to inspire your creative business thinking.

Resource #1: Use someone else's research

You don't have to invent something new. You can license research done by universities and others, and you can use ideas that are now public domain. Where do you dig up the research? In very specialized search engines.

When you search the academic papers, you have to plow through some difficult academic and legal language. But the ideas are out there.

1. Use academic search engines
Both Google Scholar (http://scholar.google.com/schhp) and Microsoft Academic Search (http://academic.research.microsoft.com/) offer searches of academic publications. You'll find papers relating to a wide range of topics. Most of the ideas returned in these engines could be licensed from their universities.
2. Search open access information
Globally, an Open Access movement is sweeping the science communities. The push is on to make more scientific research openly available, with no restriction. One result is the OAIster (www.oclc.org/oaister/) search for digital resources. Despite the OA (Open Access) in its name, OAIster includes both public domain and licensable ideas.

3. Search research sharing sites
Two research sharing resources are iBridge Network (www.ibridgenetwork.org) in the USA and Flintbox (www.flintbox.com) in Canada. Universities can post standardized explanations of their potentially marketable results. Anyone can go and search the papers. Most of these are available for license.

4. Search Patents Online
After 20 years, US patents usually expire, and the ideas become public domain. You can look at patents as sources of ideas, by searching at Google Patents (www.google.com/patents). It is also now integrated in their Scholar academic search that I mentioned above. Remember that most patents never make it to the market as real products. Some just never got funded, and some are not marketable products to begin with.
Resource #2: Search idea sites and feeds

5. Monitor business idea feeds
Springwise New Business Ideas (www.springwise.com) and Cool Business Ideas (www.coolbusinessideas.com) offer RSS feeds, or you can go directly to their sites to search. You never know what business idea they will profile. You may find an inspiring idea, or more likely, an opportunity to license an existing business idea from a global source. 60 Second Ideas (http://60secondideas.typepad.com/) is now dormant, but still has terrific ideas in their archives.

6. Participate in idea sites and forums
One forum where people publicly post ideas is Cambrian House (www.cambrianhouse.com), at the Idea Explorer. You could use the ideas for inspiration, a springboard to another new idea. As an entrepreneur, you may choose to get involved with the Cambrian House projects, where there is at least a potential for money benefit.

7. Watch other business sites for ideas
Many business writers come up with occasional new ideas. I've especially noticed business author Seth Godin (http://sethgodin.typepad.com) freely sharing ideas. You can set up and save searches for new business ideas. Most search sites will send you results by email or RSS feed.
Whose idea was this?! 

Becky McCray is an entrepreneur and rancher in a small town in Oklahoma. She writes about small business and rural issues at the Small Biz Survival website (www.smallbizsurvival.com), based on her own success and failures as a small town retail store owner, antiques dealer, and consultant.

Becky is a frequent speaker on small town business and rural entrepreneurship. Her special topics are social media marketing and tourism.

She and Barry Moltz wrote the book Small Town Rules about how all business must now face the conditions much like a small town.
Also by Becky McCray

Small Town Rules

Download a free sample from Small Town Rules, and learn the epic changes that make the global business environment much more like a small town.

More importantly, learn the rules that successful small town business use to survive in this connected economy.

“Small Town Rules is not an intellectual masterpiece of thought that leaves you floating. Instead it’s a brass and tacks, bread and butter, hammer and nail MANUAL for succeeding when you’re small…It’s a survival guide for a solo entrepreneur who wants to do big things or for the big company who needs to continue to be and act small.”

Ramon Ray, Small Biz Technology