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A DEMAND GENERATION AGENCY

Marketing Rules to Follow During Uncertain Economic Times

While uncertainty is reigning during the current global pandemic, economic indicators are pointing to a coming storm: recession. The speed and depth of a recession vary depending upon which talking head TV pundit you choose to listen to, but for marketers, there are certainties to which we can all cling.

Put a laser focus on existing customers, clients, and partners

Now is not the time to ignore the business you have. Place more emphasis on "inside sales" to your current customers. There are a million studies that show the higher cost of acquiring a new customer relative to nurturing an existing relationship. Remember that those "clients" are people, and they're struggling with the same business challenges and decisions that you are facing.

THRIVE AFTER A RECESSION:

Reduce costs by focusing on operational efficiency while investing in growth strategies

So, speak to them. Reach out and see how they're doing. Find out what is keeping them awake at night. Crisis is not a time for selling products and services. Crisis is a time to be a partner and a friend. Those relationships will strengthen as a result and will bear fruit when the market returns.

Remind management that a recession doesn't mean a retreat from marketing

As **Henry Ford** once said, "A man who stops advertising to save money is like a man who stops a clock to save time." When recessions hit, marketing is often among the first budget line items to get reduced. Doing so could potentially cause long-term damage to the brand and allow smaller or weaker competitors to do so and steal market share. There are countless studies going back more than a century that show that the brands that maintain or increase advertising during a recession gain market share over time.
A March 2010 study from **Harvard Business School and Kellogg School of Management** tracked the performance and recovery of 5,000 companies through the 2008-2009 recession. Of those companies, 17% went bankrupt, private to acquisition. Roughly 80% did not reach full recovery until three years after the recession ended. But, 9% thrived. Why? It turns out that the companies that reduce costs by focusing on operational efficiency while investing in growth strategies, such as marketing and R&D, are best poised to beat a recession.

Additionally, the lower costs during the economic difficulties mean that more marketing can be done for less, pointing to better return on investment compared to good economic times. That brand continuity will create long-term brand loyalty. Not to mention that in the better economic times to follow, it will be that much more expensive to go out and fight to reclaim that market share.

Be nimble and open-minded to new technologies, tools, and platforms

Suggesting that companies shouldn't cut their marketing altogether doesn't mean maintaining their status quo. Marketing decision-makers need to look within themselves and their customer segments to determine which emerging marketing channels should be tested and embraced.

Procter & Gamble came out of the Great Depression as a much stronger brand than it was when the stock market crashed in 1929. Instead of cutting back its advertising in cost-cutting efforts, the company shifted its marketing dollars into new marketing channels, including radio. In ten years, P&G produced 21 so-called "soap operas." This was the original content marketing plan execution. During the last two recessions, new means of reaching target audiences have emerged. Think about the advent of social media in the early 2000s after the dot com bubble burst. Some marketing change agents saw the opportunity to use these platforms to reach audiences quickly and in targeted ways. Imagine being the first person to make a media spend on Facebook.

Use the time to focus on strategy, build content, and an analysis of your customers' behaviors

Acknowledge that customer behavior is going to change as a result of the changing environment. Use data to anticipate what you believe your customer will be looking to do and use marketing to be there waiting.

One of the most successful businesses during the 2008 recession came as a result of a wholesale business model change. While the shift was aided by advancements in technology, at the heart of the change was a careful analysis of customer behavior. This sort of careful reexamination of customer behavior, as indicated by the Harvard Business Review, is critical to controlling the company direction in the recovery.

Long before **Netflix** began producing award-winning movies like "The Irishman," Netflix ran a profitable video rental by mail business for years. When home Wi-Fi access coupled with high unemployment in 2008-2010 created demand, the company shifted its model to provide video-on-demand services through Comcast or Apple. Netflix gained 3 million members during the peak of the recession in 2009. However, even as the business has grown into a movie production behemoth, the company still provides DVDs by mail service. Who knew?

Shift from trade shows and conferences to more targeted approaches

Trade shows bring you and your customers together. You can speak directly, which establishes a more genuine relationship.

With events off the table, think of other ways to keep that personal touch as part of your outreach. Investing in webinars, upping your organic engagement through social media platforms, smart video content, and even one-to-one phone calls may pay better returns than a 20-by-20 trade show booth when postponed or canceled conferences and tradeshows return.

Use the time going into a tougher economy to build assets, materials, and programs while you have access to resources

Remember those few marketing assets or creative materials that you've meant to get to? Now is the time to push them through. Use them while you have them to build tools that your marketing program will need to ride out the tighter period.

Longer term, there is no doubt that spending on virtual events and advanced digital engagement capabilities will increase. Plus, as remote work increasingly becomes the new norm, expect a dramatic rise in effective content in virtual reality (VR) and augmented reality (AR) and similar digital technologies.

BE A CONSTANT:

Psychologically, brand consistency during uncertain times can gain brand loyalty

Provide certainty when people are overwhelmed with uncertainty

Psychologically, brand consistency during uncertain times can gain brand loyalty. By being one of the constants in a world that is variable, your audience will begin to associate brand attributes like stability, consistency, commitment, and longevity to your brand. Don't believe me? Half of the top ten most trusted brands are nearly a century old, according to Morning Consult.

In marketing, as in life, certainty is a scarcity in this world. As marketers and people, if we can provide just a bit of level-headed thinking and stability, we will find that we will have a community and following cheering us on when the skies clear.

And clear they will.

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About Movéo
Movéo is a demand generation agency that focuses on three drivers of growth to help healthcare and B2B clients attract, secure, and retain more customers.
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