

Beat the Recession By Going Back To Basics

by Alf Nucifora

This is not a column about gloom and doom. There's enough of that going around already.

It strikes me that we have two available options... buckle with fear or be imaginative, aggressive, and fight back. The clarion call is for common sense, not panic. In football parlance, it's the fundamentals, the blocking and tackling, not the long ball.

The Basics As We Forgot Them

Revenue is the door opener: In most environments today, particularly B2B, the demand is for more sales. That's what they want to hear. If you have a legitimate, credible story as to how you can help a company generate revenue, management will clear the calendar with great haste to hear what you have to say. This message is a particularly strong door opener for consultants and service providers.

Don't cut marketing: Particularly advertising support. It's the first thing that most companies do in an economic downturn because it is the easiest course of action. But all it does is concede the playing field to the competition. Statistics clearly show that marketers who increase their spending during a recession experience sustainable long-term gains in market share and profitability.

Market to your base: Revisit your loyal customers, the ones you have probably taken for granted and ignored of late. And now is the time to consider instituting a workable CRM system that will help you identify and nurture that loyal base by maintaining an ongoing communication channel with them.

Start sponsoring: In times of stress, consumers gravitate to the familiar. Your job is to be there as a touch point. That means event promotion, cross-promotion, cause marketing, all of the in-the-trenches, one-on-one, hard-working marketing labor that many companies forsake for the ease of an advertisement or commercial. It's not a matter of either/or, but both.

Try something new: Consider test markets, new products/service introductions, and any new revenue stream that got put on the back burner when times were flush. If the old revenue streams are drying up, where is the risk in experimenting? Remember, no guts, no glory.

Think vertical: For small businesses in particular, understanding and mining a vertical segment makes good sense. Dig in and dig deep. Capitalize on the credibility that you have built up and sell it aggressively, particularly through referral and word of mouth. Don't be afraid to leap frog from segment to segment when you think you have a translatable story to tell.

Client retention is key: The importance of "the relationship" with the customer never diminishes. For most small businesses, developing and exploiting the relationship is the one major advantage they have over the big players who don't have the time and energy for it in the first place. And, don't forget the added value. Customers crave it but don't get enough of it. When was the last time you gave serious thought to providing the value-added

premium in a customer transaction? (Customer service comes to mind.) It's a failure that comes from taking our customers and clients for granted. And, on that point, the best way to gauge the value of your customer relationships is to seek feedback, anything from third party evaluations to mystery shopper programs to written surveys.

Be the "Terminator" of new business: Now is the time to undertake that aggressive, long-term new business program. Segment the prospects; maintain a disciplined follow-up program (monthly touches, telemarketing, e-newsletters); and remember that it is a process of water torture... consistent and persistent approach and attack. Don't hesitate to contact prospects out of the blue with an idea as to how you can legitimately impact their business. In focus groups, prospective buyers quite often remark on how little they get called on or approached with a legitimate, new perspective about their business.

Don't forget self-promotion: When times are tight, most small businesses tend to give up on self-promotion. Now more than ever we should be super-aggressive about telling the world how good we are by seeking high visibility clients, taking on select pro bono assignments, hitting the speech circuit, and chasing "ink."

The best line on the subject comes from Kevin Roberts of Saatchi & Saatchi, "Consumers don't stop buying when economies go through down cycles. They look harder for value." The job of the survival marketer in '08 will be to identify that value, proclaim it loudly, and go after the thinning customer herd where others show fear and give up. To keep the sports analogy alive, now is the time to know the playbook and never, never take your eyes off the ball.

Reprinted with permission from Alf Nucifora.

About the Author:

Alf Nucifora is one of America's leading marketing consultants. As an acknowledged authority, he is in constant demand as a professional speaker and seminar leader on sales and marketing related subjects, with particular emphasis on branding strategy, marketing communications, and luxury marketing.

For more information, please visit: <http://www.nucifora.com/index.html>.