



How to Market in a Recession

Introduction

With word of a recession on the horizon, companies are desperately trying to figure out how to adapt to the new economy. Rather than becoming panic-stricken, Spotlight Communications urges you to stay focused. Shifting your marketing tactics during a recession can help you hold onto your clients and gain new ones. The best and brightest companies remain strong during low times by skillfully adapting to a recession with simple yet innovative marketing techniques.

This white paper outlines ten strategic ideas to successfully integrate the best marketing practices during a recession, and ways to position your company as a leader. These tactics offer practical solutions to help your company evolve during a rough economic period, including:

- Deciding where to spend your marketing dollars
- Identifying ways to successfully target your clients
- Creating ideas for a strong brand image through increased visibility
- Implementing cost-saving practices and positioning your company against its competitors

Resist the Temptation to Cut Back

Cutting market spending is one of the worst things to do during a recession. Although the advertising sector is responsible for less than 25% of overall media industry spending, it accounts for more than 90% of news media coverage. Studies have shown that increasing advertising when competitors are cutting back can improve your market share and return on investment at a lower cost than during a strong economy. Unsure clients need reassurance of known brands, and thorough market spending can keep them convinced of your product's advantages.

Emphasize Your Core Values

Instead of focusing on your marketing budget, redefine value and figure out how your clients are responding to the economic downturn. During a recession, research shows that customers are more willing to delay purchases and scale-back on spending. Emphasize your company's core values and amplify your brand recognition. Trusted brands are highly valuable and can launch new products successfully, as a result of their recognition.

Make Your Message Multi-Purpose

Shift your marketing campaign from luxury and status to efficiency and value. Reflect the client's mindset of getting the most for their money by emphasizing quality. Show new uses for your brand, so clients will notice how your product surpasses the competition. Switch your Ad campaign from images of your product to warmer images of people and families. This will help demonstrate the effectiveness of your product and attract new customers.

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Make Them an Offer They Can't Resist

During a recession, clients shop for the best deals they can get. A recent study shows that 67% of U.S. consumers are more likely to use coupons during an economic recession. Persuade your clients to continue their marketing by offer temporary price promotions, sweepstakes, mail-in orders, or reward those who have been longstanding. For example, cut your product's price by 20% while emphasizing that the price reduction will only last six months. Such price cuts will keep your current clients loyal and appeal to new customers. A successful marketing plan will help you determine the best strategy and outcome.

Make Your Values Known

Solidify client loyalty by guaranteeing that your company can overcome economic hardships and maintain quality as opposed to cutting corners. Spend more time with your customers and employees. Don't let managing your company's budget undermine managing your customer relationships. With the help of a successful marketing campaign, you will show clients how to successfully adapt to the recession.

Keep Your Eyes on the Marketing Prize

On average, U.S. consumers spend 9% more after each recession. Create and implement marketing recession plans, and make sure they meet long-term objectives for company growth and revenue (even after the recession). Modify and adapt your company's marketing accordingly so you can plan for the present and the future.

Know Your Plan Inside and Out

Despite the recession, marketing is expected to grow to \$272.6 billion. Figure out who is responsible for monitoring the implementation and success of your company's marketing recession plan. Contracting your marketing to a professional marketing firm can be a strong asset and allow for smooth sailing through a recession. You will have higher profits and less to worry about by working with a thriving marketing company you trust.

Create a Sense of Urgency

Give an immediate incentive to clients who utilize your brand ASAP. Include phrases such as, "Sign up now for limited time" or "Offer valid this month only" in your promotions. Despite the recession, people will feel motivated to buy your product or services through this created sense of urgency. Clients always want to find the best value, and providing a special discount for a limited time will make your product more appealing.

Explore New Territory

In order to strengthen your marketing during a recession, it is wise to invest in growing market segments. For example, if you are currently only marketing to people ages 18 to 35, try expanding your target audience to include people ages 35 to 44. Help your company distinguish and utilize these growing segments, and you will gain a return on investment that beats the competition. Whether you are already selling to these segments or not, focusing on them will help you gain stronger profits.

There is Nothing like Good Old Fashioned Press Coverage

Let's face it—getting good press is no cost to your company, not to mention it's free! Craft your pitch and spread the word out to the press. You look more credible when your company is broadcast through the media's lens. PR is an excellent marketing tool that can raise your brand's image and awareness, influence brand positioning, and place your company's executives at the top, as industry leaders.

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Conclusion

With the right marketing recession plan, you can help your company stay at the top (or get it there if it isn't already). Spotlight Communications supports all ten strategies listed to benefit your organization and offers a wide range of marketing communications approaches to utilize each strategy. To learn more about Spotlight Communications and how we can help you implement your marketing recession plan, visit our website at www.spotlightcommunications.net or contact our marketing team directly at 617.423.0040.

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