

HOW TO THINK ABOUT THE RECESSION

A marketer's guide to survival in today's economy

One of the great myths about marketing is that management will see the logic of increasing marketing efforts during periods of economic turndowns. A client, who had a Harvard MBA, once told me, that under these circumstances he knew he should increase marketing. But, he said, he just didn't feel like it. He just fired people to cut costs. It was like throwing one of the kids overboard when an overload starts to sink the boat.

There are, indeed, things to worry about when the reality, and the news about the reality, is fraught with danger. If you manage your firm, and watch clients retrenching, you worry about your firm's viability. If you're an employee, you worry about job security. If you're responsible for long or medium range planning, taking to strong drink will certainly pass through your mind.

And if you're responsible for marketing, you may be facing a real problem. If you're part of management, should you spend the money? If you're a marketing consultant, or marketing staff, you may have a different point of view, in that you know instinctively (or by experience or training) that when business is slow, you should be increasing your marketing effort. The danger is that, like my former client, management just doesn't feel like it. Management of any enterprise tends to be short-sighted about things like marketing, that are not part of their core business. And so, many managers, in this environment, just don't feel like it. What's a poor marketer to do?

As futile as it may sound, there are some things you should do, on the off chance that you may be persuasive enough to have your management or client transcend short sightedness. These are things you should propose to management under any circumstances, but certainly now, despite the low probability of being persuasive. Low probability, but still possible.

For example...

- There may be real opportunity in that competitors may be retrenching, which means that if you attack where competitors retreat, your normal marketing impact may be magnified.
- Refocus your marketing efforts to emphasis strategy. For example, if you've been concentrating on the catalogue of marketing tools, shift emphasis to market analysis and an abrupt strategy change. By demonstrating your ability to focus on markets for your firm's services, you might bring management to better understand the firm's markets. If you can do this effectively, you might get the firm to prune efforts in weaker services, and on weaker clients, and refocus on services and clients that give greater return on investment.
- Analyze the firm's clientele in terms of the number of clients in each of the declining, static, and emerging industries. Focus strategies on prioritizing on clients and prospects in emerging industries, next on static of stable industries, and least on companies and clients in declining industries. By designing programs in this context, you increase potential return on investment, and by making your total marketing efforts more effective, you even may save money.
- Without minimizing efforts to build name recognition and reputation, focus on demonstrating your firm's professional capabilities. If you do this, the name

recognition and reputation will emerge on their own.

- Minimize marketing efforts to sell the whole firm, and focus instead on individual practices. Again, focus on practices in which you have greater strength, or are in industries in which you have greater experience.
- Think target marketing. A well-devised direct mail program, for example, is not only effective but cost effective. Make a list of ten companies your firm would most like to have as clients, and hit them with a full follow-up program.
- Don't worry too much on esoteric problems like firm differentiation. In professional services marketing, competition is won not by showing that your firm is better than their firm, but by demonstrating competence and superior performance industry by industry and practice by practice.

At the same time, it's important to keep your firm apprised of your value to them. For example...

- Aggressively demonstrate what you have contributed to the firm since you joined or since they have been your client. Remember, you know that what you do is not ancillary to the firm, but an integral part of their functioning as viable professionals. Make sure your firm or client knows what you're doing and what you've accomplished in their behalf.
- And finally, seize the initiative. Be positive and assertive. Keep to the point.

Now, if you do these things, and do them effectively, you will not only improve your firm's viability in the market, but keep your job and your client. Guarantee? No. No such thing. But likelihood? Better than average.

Of course, these are things you should be doing in the best of times. In times like these being focused is the best chance you and your firm have for survival.

[HOME](#)