

4

Great Ideas

To Improve Your Marketing and Boost Sales
in Tough Times

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Adams Jette Marketing + Communications

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Introduction

A lot of companies have chosen to downsize, and maybe that was the right thing for them. We chose a different path. Our belief was that if we kept putting great products in front of customers, they would continue to open their wallets.

STEVE JOBS, CHAIRMAN AND CEO, APPLE INC.

Mr. Jobs is right. On two fronts.

First, people aren't going to stop buying just because the economy has weakened. They might, however, be a little pickier when making the purchase, choosing to buy only great products that offer solid value.

On a more salient point, if you don't put your great products and valued services in front of customers, how will they know to buy them?

Stand out from the crowd

There is no denying that things are tough out there. The economy has slowed to a crawl and economists can't agree on when it will turn around. *But it will turn around.* And you want to be around when it does.

With the strategy we offer in this four-part series, we believe you can take advantage of a quiet marketplace to gain real ground on your competitors. And we believe these ideas will help you gain momentum for the long haul.

As always, if you have any questions or you would like to ensure your marketing efforts are working for you and not against you, call us anytime at **613.235-5445**, drop us an email at info@adamsjette.com or visit us on the web at www.adamsjette.com.

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PART I: Fewer sales? Then turn up the volume!

Admittedly, things are tightening up out there. Job losses are mounting and although *business* bankruptcies are down a little over the past year, *consumer* bankruptcies are up 9 percent across Canada according to our client, the Office of the Superintendent of Bankruptcy. The result, of course, is that sales are dropping in almost every sector.

If you are like many business people, you might be considering laying off staff because current revenues can't support them. You may be keeping a smaller inventory and stretching payments from 30 to 45 days. And you've probably looked at every budget line in an effort to determine where you can cut back.

Understandable.

And, if you are like most, one of your first cuts was to your marketing and public relations budgets.

That is not so understandable. Why? Because it defies logic and, more importantly, flies in the face of the evidence.

First, let's look at the logic by asking a simple question. Why, during a time when you need the sales most, would you stop telling people about your products and services and the benefits they bring? If anything, *now* is the time to step up your marketing efforts. *Now* is the time to remind people that you have what they need.

Now, the evidence. During the recession and gas shortage of the 1970s, Toyota couldn't make its small cars fast enough. Because sales were good, the temptation to cut the marketing budget was excruciating. But Toyota executives had the foresight to realize that with a quieter landscape, they could be heard more easily. They also understood that when the recession—and gas shortage—ended, they would still have to sell small cars. They wanted to be remembered.

Toyota's decision to continue marketing through the recession paid off handsomely. When the recession ended, Toyota beat out Honda and Volkswagen as the country's number-one import—and it's never looked back. The momentum they created continues today.

Remember FedEx's fast-talking executive? That extremely successful marketing campaign was launched during the height of a recession in the early 80s (remember 22% interest rates?)—and rocketed FedEx to market dominance. Miller Lite beer (Everything you wanted in a beer—and less)? Same thing.

Marketing legend David Ogilvy looked at marketing during the recession in the 1970s and discovered those who maintained marketing spending, thereby maintaining their presence in the minds of

consumers, out-performed those who didn't. And that performance continued well into the years following the recession.

Need more evidence? During WWII, margarine was not allowed to be sold under brand names in Britain. Thinking ahead, however, Unilever continued to market its product, even though you could not distinguish it on the grocery-store shelf. When brands were allowed back on the market, guess who killed the competition? Unilever.

Remember, in a recession, fewer businesses are "out there" and it's easier to be heard. *This* is the time to steal market share and gather momentum for later. And you don't have to spend a lot of money to do it.

So, what are you waiting for? Get out there and grab some market share!

PART II: **Cater to your biggest source of revenue: Current clients**

Here's the question of the month (although, given the current economic environment, it may well be the question of the year): How will I survive this recession?

Here's the answer: Dance with the one that brung ya.

I was astonished recently when, during an email exchange, Harvard Business School Professor Earl Sasser told me this about his research into customer loyalty:

"As a customer's relationship with the company lengthens, profits rise. And not just a little," he wrote. "Companies can boost profits by almost 100% by retaining just 5% more of their customers."

Boost profits by 100% by retaining just 5% more of their customers? I wrote back to ask him if it was a typo. I was assured it was not.

Those numbers, even to someone familiar with customer loyalty issues, were quite eye-opening. But hey, the guy's a Harvard professor.

Why are current customers such a great target? For starters, you are not a stranger to them. They already know you and have already purchased and used your products and services. You have already started to develop the relationship with them and there is a certain level of trust that has been achieved. With this crowd, you're already halfway to another sale. And the opportunities to up-sell and cross-sell are incredible.

So how do you reach out to these people? Well, let's step back a bit. First of all, do you even know who they are? Do you have names, addresses, email addresses and other contact information that will allow you to keep your products and services top of mind with them? If not, get started collecting them—NOW. Don't let another sale pass through your cash register without at least attempting to collect this information.

Some clients—especially in the retail sector—simply place books near the cash register that encourage people to sign up for a newsletter. Others collect business cards and offer a monthly gift or freebie. Still others look to mall kiosks just to collect names. Perhaps the most effective method of collecting names is the simplest of all: ask them for it when they make a purchase.

Then, recognize that list for what it is: one of your most valuable assets.

Now that you know who they are, the opportunities for direct and email marketing will unfold before you. Use that path wisely.

PART III: Marketing with a conscience

Master marketer Terry O'Reilly was recently quoted as saying you must have more than just a good value proposition in a 21st century recession.

But, but, but... Value is what it's all about, isn't it?

Well, yes. Mostly.

So, what else must you have?

A social conscience. Here's some evidence from a recent Edelman goodpurpose™ global study of consumer attitudes:

- 68% of consumers would remain loyal to a brand during a recession if it supports a good cause;
- 48% say that if two products are of the same quality and price, commitment to a social purpose trumps factors such as design, innovation and brand loyalty when choosing one brand over the other;
- 52% are more likely to recommend a brand that supports a good cause over one that does not;
- 54% would help a brand promote a product if there was a good cause behind it;
- 87% feel it is their duty to contribute to a better society and environment;
- 82% feel they can personally make a difference and 83% are willing to change their own consumption habits to help make tomorrow's world a better place; and
- 76% like to buy from brands that make a donation to worthy causes.

“Clearly, putting meaning in marketing is more important than ever,” says Mitch Markson, president, consumer brands and founder of goodpurpose. “These findings present brands with an opportunity to engage in ‘mutual social responsibility’—brands and consumers working together to effect positive social change for mutual benefit—and to realize a ‘return on involvement,’ a new metric that looks at participation and involvement as true builders of brand loyalty.

“When a brand acts as a ‘citizen brand,’ contributing to community and society beyond its functional benefits, ‘doing good’ can translate to ‘doing well’ and the brand can forge a stronger emotional bond with its consumers.”

So, not only is promoting a good cause seen as positive, but it can help spark sales in a recession, a time during which a lot of your competitors are much quieter than usual (oh, and the ad rates are often lower).

Part IV: Email marketing: Your most efficient, cost-effective choice

The very best marketing is focused in every way. The target is specific, the message is specific to that market and the method of delivery takes that message right to where they live.

There may not be a better way meet those criteria than through a highly focused email marketing campaign.

For less than half the cost of a single, 3" by 4" black-and-white advertisement in the back section of the local daily newspaper, you can promote your products and services directly to those who already know you, already trust you and who have shown they are already qualified to buy.

A strategic email marketing plan can help you stay in touch with your best source of potential revenue and keep those customers coming back. It can also help you increase your lead generation, cross-selling and up-selling as well as increase the lifetime value of your clients.

Perhaps as importantly, it opens up a two-way dialogue with clients and prospects and provides instant, measurable results.

Isn't that exactly why you are in business?

And here's the bonus: An effective and regular email campaign can hypercharge your existing marketing efforts, allowing you to leverage your exposure to the market.

"In a difficult economy, marketers of all types are turning back to email; they see it as the eye in the raging economic storm," states the 2009 Email Marketing Benchmark Guide distributed by marketingsherpa.com. "Low cost, targeted, and able to move the needle with prospects as well as current customers, email is front and center among marketing tactics in the current downturn."

Let's look at the benefits of email marketing. The fact that it is highly personal is a real advantage. In fact, it's about as close to one-to-one marketing as you can get without sitting in your potential customer's home or office. And the low cost, of course, is considerably better than just about anything this side of sandwich boards.

There is also a relatively short sales cycle, with return on investment realized in as few as one to three days.

Email marketing is also much simpler than other forms of marketing. Where media or direct-mail advertising campaigns can take weeks to roll out—and even longer to provide a return on investment—email campaigns can be done in days, if not hours.

Other benefits include the fact that they can reach globally, they are interactive, operate around the clock and are highly measurable, making email marketing an attractive approach, especially when money is tight.

Want more?

If you want to learn more about how you can take advantage of this effective and cost-efficient way to market your products and services, call us today at **Adams Jette Marketing + Communications** at **613.235.5445** or email us at info@adamsjette.com.

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