

Published in the **Valley Business Journal**
March 2009

Marketing in an Economic Downturn

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Marketing budgets have historically been one of the first casualties on the chopping block when times get tough. The current economic downturn will give new meaning to the term “survival of the fittest” as demand for goods and services continue to show signs of instability. Businesses affected by the challenges of today’s new economic realities should consider reexamining their marketing strategy with an eye to adjusting and reinventing their marketing plan to work in this troubled economy.

-- **Know your customers.** The reality is that in an economic downturn your customer’s needs are changing. Determine how they feel about your product or service and then develop strategies as to how your business might accommodate their changing situation.

-- **Know what your competition is doing.** Conduct a competitive analysis to examine factors designed to answer the question, “How well is my business doing compared to competitors?” The analysis should go beyond sales and profit figures to include assessing where your company is positioned on such factors as price, product, technical capabilities, quality, customer service, delivery, and other important factors as compared to major competitors.

-- **Create a unique selling proposition.** What makes your product or service different than your competitors? Your message should include features and benefits of your product or service. Above all else, your message must explain, connect and resonate with your audience.

-- **Establish a marketing budget and follow it.** Don’t over commit resources, but expend marketing dollars wisely. Be smart with marketing dollars and pursue those channels that reach your target audience and yield the highest return on investment.

-- **Create strategic alliances, sponsorships and partnerships.** Turn complementary businesses and organizations into ambassadors for your business. Consider it the same as you would a sales team entrenched in circles outside your typical area of reach and influence.

-- **Use publicity to get the word out.** If you have a great story, public relations can help you get it told and retold over and over again. A public relations campaign is perhaps the most cost effective, powerful message tool a business can utilize.

-- **Get people talking about you.** Viral marketing, especially through social media, is a growing commodity. Getting your best customers and others to talk about you through referrals or word-of-mouth is powerful communication. Depending upon your business, sampling or influential seeding can create notoriety for your business and garner some well-placed media coverage.

-- **Use slow time wisely.** Take a fresh look at your website and marketing collateral and make necessary changes. Regularly send out press releases to get your name in front of the media and leverage news coverage by posting on your website and mailing it out.

Whatever you plan to do, do it now. The importance of strategy and careful planning to make sure scarce resources are used wisely cannot be overstated. During slow economic times it's especially critical to engage in marketing and public relations efforts to differentiate yourself and keep your company top-of-mind. If you need help with individual tactics or a comprehensive marketing strategy, seek advice and counsel from a qualified professional.

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