

# 13 Marketing Tips to Survive This Recession

By Claudia Temple

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On the Pacific Northwest island I call home, we endure occasional power outages. They're inevitable, but I'm always surprised when the lights go out. I reluctantly drag the candles out, wondering how long the darkness will last. Sitting in the quiet candlelight hour after hour, I'm sure the electricity will come back on any minute. Board games replace TV, music is supplied by a transistor radio (if I happen to have new batteries around) and I cook on the woodstove. When I stop waiting for things to return to normal, the anxiety disappears. We adapt and survive.

Recessions are just like that. You spend the first months in denial, grow to accept the changes you must make, and wonder when it will ever end.

When the economy drags, most businesses suffer from sinking revenues. Does that mean you have more time? Probably not, if you've had to cut staff to reduce expenses. Figuring out how to cap the cash outflow is probably at the top of your 'to-do' list. But, what do you do when you get to marketing? Too many business owners stop marketing during recessions and pay a stiff price when they do.

Here are thirteen marketing tips, most free or low-cost, that should help you boost business until the recovery we're all pinning for builds some steam.

### 1. Offer value

In tough times, price becomes a major decision factor. No one can afford to spend money carelessly. You can minimize perceived risk of buying by stressing your money-back guarantee, your liberal warranty and your deep commitment to service. Instead of reducing prices to attract new business (though who doesn't love a sale?), add value to your existing products or services. Offer a free-dessert coupon to dinner

guests for their next meal with you. Be sure to define time and dollar limits carefully, though. Throw in a branded windshield-scraper with purchases over \$10. Value, value, value.

## 2. Get closer to your customers

The best protection against a downturn in business is an active list of happy, satisfied customers. Even if you haven't been in touch with past customers on a regular basis, start today. Remember, the cost to acquire a new customer is six times higher than selling to an existing customer.

Your customers trust you. They identify with you. They will be happy to check out that new product or service they didn't know you offered. They know what to expect from you and will be delighted to purchase from a company that they have patronized previously.

Here are a couple of ideas to connect with your customers:

- Collect customer email addresses and ask permission to send an e-newsletter or occasional emails. Email is inexpensive, fast, lets you prove you care and strengthens customer relationships. Did you know that about 150 million Americans now use email – and that 50% are online several times a week checking mail?
- Send postcards. Announce one-time offers, promotions or special events with a postcard. Postage is only 23 cents, printing costs can run pennies per card. You get best results when you send cards regularly over several months. Don't forget the 'call to action' – call today...come in for a free gift... reserve in the next 5 days.

## 3. Create some news

One of the most underused marketing tools is the press release. Many small business owners give up on press releases, complaining that they never get printed. There's a simple reason for that. News is in the eye of the beholder. That new product line you picked up – news to you, but not to the editor. To get publicity, you must have news, invent news, or tie your business to current news.

For example, a gift store is adding several new greeting card lines. This is not news. The same store is introducing a selection of greeting cards designed by local school children where proceeds will be donated to local charities. The junior artists are being feted at an open house on Saturday. This is news and will probably be covered, including a photo. In the release, the store owner mentions the addition of greeting cards and welcomes the hordes of new shoppers on the weekend.

Press releases can be added to your Web site, handed out to clients, or included in periodic mailings. Don't limit them to

the local press!

#### 4. Target (relatively) recession-proof niches

Weddings and family reunions still happen, even when business is slow. Budgets might be lower, but brides still want a special day. Repair services (cheaper than buying new), resume writing (all those job seekers), and administrative services (for small businesses with reduced staff) all thrive in down times.

#### 5. In a word, diversify

Be on the lookout for new products or services that will result in added revenue. A web designer anticipated the impending slowdown and launched a short-run CD replication service. He designs the labels and sleeves, makes sure he has top search engine rankings and specializes in sub-1,000 CD orders. A custom boat builder with years of fiberglass experience uses that skill to design and manufacture fiberglass bagpipes ...the orders are rolling in.

#### 6. Would you like fries with that?

Everyone knows McDonalds trains its cashiers to up-sell at the point of sale. Take a look at your point-of-sale area for opportunities to increase your revenue with each sale. Do you have last-minute essentials, souvenirs, and local books available for purchase? Customers buy what they want and need, so make it easily available at a time when they are in a mood to purchase. I can't remember the last time that a barista asked me, "Would you like a cookie with your latte?" Sometimes all you have to do is ask.

#### 7. Invest in your product

Business may be slow now but the glory days will return again. Be ready when they do with the proverbial new coat of paint. Take this time to upgrade your product or service. Improve your skills with online classes. Spruce up the storefront. Develop a customer service training program that's ready when new staff comes on board. Research lower-cost suppliers. Update your marketing materials. The list is almost endless.

#### 8. Repackage your products or services

Professional service providers (the attorneys and accountants out there) command hefty hourly fees in a robust economy but are not immune in a downturn. This is a great time for service providers to approach companies too small (read: too under-budgeted) to afford them. How? Repackage information and expertise at a lower price-point. A private 2-hour end-of-year tax consultation can be repackaged into a 3 hour seminar

affordably priced for small business owners. Expertise can be repackaged almost endlessly – as special reports, books, audio tapes, how-to-manuals, teleclasses, etc. Consider partnering with a complementary professional and sharing your mailing lists for an extra marketing boost.

#### 9. Find marketing partners

Co-marketing. Fusion marketing. Whatever you choose to call it, two heads are better than one. Find non-competing businesses and bundle your product or service for a special offer to both your customer lists. Carpet-cleaning and window-washing. B&B plus restaurant for an off-season getaway. Deck contractor and landscape designer. Take advantage of each other's competencies, share the marketing burden, and reap the rewards of new business.

#### 10. The price is right

If you bid for projects, setting prices is tricky in a down economy. Reducing prices to rock bottom levels is dangerous – you may have trouble raising them later. Better to bid toward the middle or lower end of your fee range instead. A recessionary rule of thumb is to bid 15-20% lower than you would charge in a healthy economy. Your customers get the break they're looking for, you are perceived as fair, and it isn't a total revenue killer. However, don't tell customers they are getting a special break. If they sense you are lowering prices because you are desperate, they may try to force your prices even lower.

In some circumstances, you can make up the lost revenue by cross-selling your customers with a smaller add-on product or service. They get added value for their money and your revenues are relatively unchanged

#### 11. Use the phone

A blessing and a bane – the phone is central to most business operations. You'll improve almost all marketing efforts with phone follow-up. You can also use the phone to check in with customers you haven't heard from in a while. If you're looking for a reason to call, update your customer records or conduct a brief survey. Use the information you collect to upgrade your product or service offerings.

#### 12. The Internet is more than just Web sites

Love it or hate it, the Internet offers many low-cost (even free!) marketing opportunities. While business wallows in the doldrums, new users are still flocking to the Net and researchers are predicting 24% sales growth during the online 2002 holiday season compared to last year (BizRate.com 11/02).

Here are just two examples of how to use the Internet to bolster your marketing efforts.

- Explore discussion lists and forums, join up and express your opinion. It's free, easy and a widely-known practice of adding a "sig" file to your name lets you promote your business. By adding a few lines of copy below your name, you deliver your marketing message to the forum roster. Add a live link (<http://www.yourwebaddress.com>) and readers can jump right to your Web site. This works...I've found two new clients this way in the past few months.
- Testimonials help build trust on Web sites. When you visit a site you like, email your feedback to the webmaster. Your comments may end up as a testimonial with a link (and increased traffic) to your own Web site.

### 13. Reach for expert advice

You don't have to recreate the wheel. Many innovative business people are experimenting with new methods, ideas and practices that you can adapt to your own operation. Use the Internet to find out what's happening elsewhere and what ideas apply to your operation.

Web sites I recommend:

[www.businessknowhow.com](http://www.businessknowhow.com)

[www.yudkin.com/marketing.html](http://www.yudkin.com/marketing.html) - click 'articles'

[www.businesstown.com/internet/marketing.asp](http://www.businesstown.com/internet/marketing.asp)

[www.wilsonweb.com](http://www.wilsonweb.com)

For a great lesson in small business PR:

<http://sprite.netnation.com/~greenbri/ABCPublicityFAQ.html>

Networking, the hallmark of marketing and sales, is also one of your best strategies in tough times. It's natural to hunker down and ride it out, but realize that we're all in the same boat. Mutual support, brainstorming, comparing battle scars, and generating new ideas are all benefits of the process.

Here's hoping the lights go on soon.

Claudia Temple is a 20-year marketing veteran who creates marketing copy, content for Web sites and helps businesses profit from successful e-marketing campaigns. She operates <http://www.WriteWerks.com> from her home office on Orcas Island in Washington. Contact her at 360-376-2437 or by email <mailto:claudiat@writewerks.com>

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