



## THINKTHINK!

### When the going gets tough the tough get marketing



“There’s no easy money to be made unless you’re prepared to leave town.”

If you listen very carefully, perhaps in the dead of night, you can hear a strange leathery, creaky, tinkling noise. You will hear it louder near estate agents, banks and financial institutions and it will be almost deafening the closer you get to the Square Mile, which is the City of London. It is, in fact, the sound of many stout belts being tightened. Actually I was making that bit up about being able to hear them; these belts aren’t really making a noise – they are metaphorical, of course, or in modern jargon, perhaps they are virtual belts, either way they don’t exist. But, if you rely on the

popular media as your news source, you would be forgiven for thinking otherwise. You might also believe that there were purse-strings that needed tightening and shoe-strings to be lived upon.

In fact not since the Second World War has there been so much scaremongering, entreaty to thriftiness and make do and mend. Buy all your clothes in charity shops, have your boots repaired instead of getting new ones, do all your shopping at the cash and carry, turn down the heating, batten down the hatches – there are tough times ahead. Before long we’ll all be living on spam and powdered egg and there’ll be a man in the pub with a dodgy moustache offering you some nylons and a length of parachute silk, no questions asked.

All this doom-saying by the media would have a slightly comic edge if it wasn’t becoming a downward spiral of self-fulfilling prophesy. And it is hard not to be sucked in, whatever the reality of your own business. The overwhelming message is ‘if you’re not feeling the pinch now, just wait, you will.’ But is this really the case?

There are many who are not convinced. ThinkThink is not in the business of being an economic analyst but there are plenty of people out there with bigger financial brains who are prepared to say that yes, there are those who will be caught by the economic downturn, however, they may have already been heading that way. ‘The bigger they are, the harder they fall’ – in other words if you were riding very high you have a long way to come down. If, however, you were cruising at a reasonable height you are unlikely to be so badly hit. Banks, estate agents, hedge fund managers and the like are in for a rough time but the rest of us need not buy into the prophesying. We can ThinkThink ahead and look at the reality of our situation **and** – this is the best bit – actually come out of the so-called recession in a stronger and more powerful position than when it all began. **How? By marketing, that’s how.**

You may be thinking in the words of Mandy Rice-Davis ‘He would say that wouldn’t he’. After all my friends at Clear Focus are in the business of design and marketing so we may have an axe to grind. But what we say is backed up by hard facts. If you advertise correctly during a recession you will not only increase your market share during that period you will be ahead of your market when the dust has settled.

“When other companies simply battened down the hatches, seeing only risk during the recession, the more successful competitors found opportunity and pressed their advantage... “ [ Source The McKinsey study; an independent report, that studied nearly 1,000 companies over an 18-year period (1982–99) including the US recession of 1990 to 1991, which showed that companies who increased their spend in a recession were the only ones whose profits rose substantially when the economy recovered.]

The Financial Times is at present running a campaign that reads 'Global downturn; what's the first mistake most businesses make?' The FT's marketing director Frances Brindle, says the campaign "...supports the argument that cutting back on advertising spend in recessionary or turbulent times hands a significant advantage to your competitors. There is considerable evidence to suggest that companies that continue to invest in advertising in tough times emerge stronger than those that don't."

The people at McKinsey and the FT aren't the only analysts to have studied the effect of a recession or economic downturn on various businesses. Professor Patrick Barwise of the London Business School conducted an extensive review of the evidence about different advertising strategies in recessionary times. He advocates three positive strategies for coping in a recession:

1. Look for new creative, targeting or media opportunities. Slower market conditions can create new possibilities.
2. Strengthen your market position against weaker rivals, through your marketing strategy.
3. Keep going. The advantages of maintaining or increasing marketing effort are greater than the short-term benefits of reducing spend. Maintaining or growing 'share of mind' is much less expensive than trying to rebuild it later on.

The last of these three is most pertinent to the mind-set of many business-owners. The panic-inducing economic statistics (many of which are incomprehensible even the keenest brains) will have many executives in charge of advertising budgets reaching for the phone to cancel the campaign they were about to run. 'Let's put it on the back burner', they will say. But this is a big mistake. If you are brave enough to pick up that phone and call the marketing agency and say 'Right, what can you do for us to make sure the business grows over the next year' you will already be ahead of the competition. If you spend money (wisely) on advertising when others are tightening their virtual belts then they (and the consumers) will wonder what edge you have and what you know that the others don't.

If this sounds like psychology then we put our hands up – it is, but then who said that advertising wasn't a psychological science that relies on skilled designers and copywriters to make it work. And this is very important; when you are advertising in a recession you need to do it right. At Clear Focus they know you always need to get it right and that is what they do; but there is no time when this is more important than right now.

In this internet age when even your granny has her own blog, we have been lulled into thinking that everyone can write – good grief every footballer and his wife has a book out, how hard can it be? The truth is that writing for advertising can be very hard indeed and unless you know exactly what you are doing you might as well get your granny to write it for you because it will have the same effect. You need hard, edgy, tight copy that is set against strong, focussed design. You are going to get people to spend money they are being told they don't have – you have to get it right. Bad design and weak copywriting will elicit little or no response but a well thought-out campaign run by professionals will more than pay for itself.

Companies must show the consumer that they are stable enough to withstand hard times, it is this feeling of confidence that will give your business the edge and make it stand out because the competition will be hiding under their desks waiting for it all to go away. You will become the market leader because you look like a market leader, your slick and well-thought out campaign will convince the consumer that you must be ahead of the competition because you have such high visibility.

And there is more than one advantage to advertising in a recession – not only will you stand out from the competition but you will pay less for the space than you would do at normal times. A good agency will be able to negotiate rates that will mean you get a lot more for your money at a time when you can stand out and make a much bigger impact.

Clear Focus Design and Marketing is an agency with the talent and experience to help your business to succeed. They employ talented designers and copywriters who will think, research, plan and act. Can you afford to be without them?

Give them a **call** today on **0845 225 0325** and see how they can help you succeed in trying times.