

Marketing in a Recession – Can you afford not to?

“Recessions create opportunities but only if you are prepared to take them”

In a recession period, marketing budgets are being slashed as businesses aim to ride out the turbulent storm ahead. Whilst reducing spend wherever possible helps boost quarterly figures, when sales are becoming scarce quietening your voice in the marketplace makes little sense.

In fact, all the evidence suggests that you should be marketing more, rather than less, during a recession

Why you should be marketing more

Over the years research has shown that increasing your marketing during a recession puts you in a much stronger position after it has passed. When comparing the figures of those who continue to invest with those who haven't, it's the businesses who continue to spend that gain market share from their competitors during tough periods and position themselves to prosper afterwards.

Some of the reasons why you should market more:

- If your competitors reduce their marketing then there's less noise to compete with, and your campaigns will gain a louder, clearer voice
- Customers will be looking for those businesses who are still actively engaging with them, and delivering messages that are relevant to their changing needs
- Lowering brand awareness loses market share that's hard to win back
- With customers spending less, every sale will be harder to win. Therefore it makes sense to market more rather than less

The problem is that some business decision makers see marketing as a variable cost that can be cut without immediately harming sales. However, the evidence shows that this is a short sighted view. So how do you convince those too worried about their bottom line to invest in marketing? You have to change its perception to that of a revenue generator, and an essential activity for survival and future growth.

Marketing is a revenue generator

Marketing is at its most effective when it understands and responds to people's individual needs and aspirations. You can achieve this by using your website and the internet to deliver campaigns that more closely reflect your customer's mindset and are more compelling than your competitors.

The Internet makes targeted marketing more cost effective than ever

When investment is tight you need to ensure you're making the best use of your budget. With the internet you can launch targeted, personalised campaigns that are more cost effective than traditional advertising and measurable to every click.

Websites, email and managed pay-per-click campaigns can be tracked and data captured on your prospects' needs, preferences and desires to help you understand what messages to deliver and to whom. You can then segment and profile your customers so that you're able to deliver true one-to-one marketing that's more relevant and precisely targeted to trigger a response.

The effectiveness of 'one size fits all' mass marketing is starting to wane. Customers now expect your messages to be relevant and personalised if they're going to reward you with their time. And the internet makes it easier and more cost-effective than ever to run campaigns tailored to your niche target market.

Market smarter, rather than less

Based on the evidence and just pure common sense, a recession presents an opportunity to gain market share from your competitors if they have given in to the fear factor. And with the internet you can now deliver campaigns that are more cost-effective, measurable and targeted than ever before.

So before you cut your marketing budget, present the case for marketing as a revenue generator rather than a cost, and how you can use a downturn to gain customers from your competitors and a head start when the storm clouds pass.