



Staying on Your Toes: Hows & Whys of Marketing When Times Are Tough

By Dana Kader Robb

There's a very old joke about a farmer with a leaky barn. One rainy day his neighbor asks why he doesn't fix the roof. The farmer replies, "It's raining. The roof is slippery and dangerous. I'm not going up there." The next sunny day the neighbor asks again. "Well," replies the farmer, "the roof's not leaking today."

And so it goes with marketing your business. During economic downturns, small business owners say, "Times are tough. I don't have extra money to spend on promoting my business." When the marketplace swings back up again, we hear, "Who needs to market? I have all the business I could want." At first glance, it almost makes sense. Don't "waste" money when money is tight. Don't spend money when you don't need to. But that type of thinking is terribly short-sighted. After all, eventually the roof is going to cave in!

"In a dog-eat-dog economy, the Doberman is boss," said author Edward Abbey. Here are some tips on how to be the top dog in marketing effectively, and cost-effectively, during all of your business cycles:

\$ Reduce operating costs instead of cutting marketing expenditures.

A recent study found that firms that

scaled back on their marketing budgets saw losses more than double during a recession, while companies that reduced operating costs maintained only steady losses. Companies that pull themselves off their customer's radar screens invariably speed up their own demise.

\$ Adopt a long-term marketing strategy. Develop a plan that will see you through the good and bad times. You may need to adjust the plan along the way, but you will be able to leverage your marketing dollars through-out the highs and lows.

\$ Make better use of the information you have about your customers. Target your marketing to specific segments, based on what you know about their needs and values.

\$ Revisit your loyal customers. Offer existing clients opportunities to increase the amount of work they do with you. It's always more cost effective to "trade up" an existing client than to go fishing for new business.

\$ Combine your marketing dollars. Who do you know who would be a good fit for a strategic alliance or shared marketing effort? Find a company that offers a product or

service that is a natural companion to yours. Develop direct mail pieces or advertising that promotes both businesses. Share your mailing lists and hit twice as many people for half the cost!

\$ Try something new. As marketing guru Alf Nucifora says, "If the old revenue streams are drying up, where is the risk in experimenting?"

\$ Make the most of PR opportunities. Sponsor an event, take on a high-profile pro bono project, make yourself available as a public speaker, suggest story ideas to the media... Get yourself some ink and take advantage of the free publicity. For excellent tips on getting great, low-cost PR, visit www.publicityhound.com and sign up for the free e-zine.

\$ Use technology. Follow-up on completed orders by phone and e-mail, direct folks to your Web site, market electronically at almost no cost.

\$ Credibility doesn't cost anything. Reduce the perception of risk with a money-back policy or warranty and stress your commitment to service. People are looking for value. Let them know that *you know* that their dollar is more valuable now than ever.