



## Now's the Time to Really Beef Up Your Marketing Efforts

### *Here are some tips to keep your business booming*

Last year I began asking some of my clients and entrepreneur students if they were seeing a slow down in business. At that time, some reported seeing a downturn but they attributed it to the holidays or the time of year. Of course, not all my clients were in a slump - my restaurant and caterer clients were quite busy.

Now, though, the effects of a slowing economy and the aftermath of 9/11 are troubling a lot more companies, especially those that do business with the hospitality and high tech industries. What is your company going to do if it is hit with a real slow down?

### **What is a recession?**

Other than a slow down economically speaking, let's understand what a recession is. It is a period during which the economy not only stops growing but also actually shrinks for at least two consecutive quarters. Recessions play a recurring role in a drama that economists like to call "the business cycle," a circular process by which the economy moves from growth to contraction and back. It is important to remember that when the national economy goes into recession, not all areas of the country will be affected equally.

### **What can your business do to survive a recession?**

The key to surviving a recession is a combination of cost cutting, efficiency enhancement, customer retention and proactive marketing. Here are some tips you can implement immediately:

- **Cut internal costs wherever possible.** This is the time to cut unnecessary spending. Look at inventory levels. Ask yourself if you can survive with less. Could you renegotiate your lease? Can you renegotiate pricing or payment terms with some of your purveyors/suppliers?
- **Don't cut prices – reward loyal customers.** Often, as the economy grows sluggish and revenues begin to taper off, a business owner's first inclination is to cut prices. Resist the temptation. Lowering your prices may do irreparable damage to your company image. Instead, focus on rewarding the most loyal customers – the ones that will support you through the tough times. For example, during a recession you might want to mail out targeted discount coupons, introduce a frequent-buyer program, send handwritten thank-you notes, or host a customer appreciation party.

- **Build value.** Value means selling a selection of services or products, offering the utmost in quality of service or product and educating the customer as to why this is important.
- **Your best future customer is a past customer.** It is amazing how many businesses ignore this great potential. They continually go out looking for new customers when they already have an existing supply of satisfied customers ready to buy more.
- **Work your database.** If you have a list of past customers, you are sitting on a gold mine. Make sure to keep it updated. When calling to update your database, be prepared to talk about what's new. Talk about a super event you just did, what special menu items you created and how pleased the client was. What was different and unusual about the event? People are always intrigued by the unique.
- **Keep your company name "top of mind" with your customer.** "Touch" your customer periodically to remind them you're there and ready to help. A phone call here, a direct mail piece there, an article clipped out of a newspaper that you think might be of interest – all can help to keep you top of mind with your customer.
- **Market to companies that make the *Fastest Growing Company* lists.** Every major city has some sort of a Business Journal focusing on local businesses. Most publish an annual *Book of Lists* outlining a variety of the top companies. Look for those companies that have grown tremendously over the last year. They might be very good targets worthy of new business development.
- **Form strategic alliances with others in related fields who share the same target market as you.** This is an excellent strategy in good times, as well as bad. Doing co-marketing makes good business sense. Mailing lists and other marketing costs can be shared. Make sure you align yourself with others who have an excellent reputation. You don't want someone else's bad reputation to rub off on you!
- **Ask for referrals!** If your customers are happy with the work you have done for them, ask them if they know others who need your services – especially within the same company. For example, the Human Resource department may hire you regularly for the annual summer picnic, but the Marketing department could hire you to do a grand opening or other special marketing event. Be sure to always have more than one contact in the same company. In these days of high turnover and transition be sure to meet as many decision makers and influencers as possible within the same company at each of its corporate offices or campuses.

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