



SAM FROST

**MARKETING DURING A
RECESSION**

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INTRODUCTION

The jury is no longer out; it has returned to the courtroom, and the foreman is ready to read the verdict.

New Zealand's economy (much like that of the wider global economy) is poised to fall into a deep recession, possibly the likes of which have not been seen since the Great Depression.

There are grim projections out there of an economic apocalypse, sweeping the globe.

A cursory glance at the news headlines tells tales of seemingly unending redundancies and business closures.

It's not my place to dwell extensively on the economics of our current situation - there are others vastly more qualified to do so than I.

However, I'm sure that you will agree that the economy will suffer to a substantial extent, and there is near certainty of a recession or worse.

DO YOU HAVE SUFFICIENT ALTITUDE?

In a recessionary environment, the pressure is on for businesses to cut costs.

One of the first costs that is often cut is marketing. After all, marketing is generally one of the easiest costs to cut.

If you cut staff, there is the immediate effect on your business in terms of its ability to function correctly (for example if you don't have enough staff in logistics, then orders might be delayed, leading to a reduction in customer satisfaction and possibly even refunds).

If you cut your warehouse, or showroom, then when the lockdown lifts where will your customers come to purchase?

However, for most businesses, marketing is a lot more "nebulous".

The truth is that many businesses - especially those that are well established in their markets and industries - can often sail along for some time on the brand equity and awareness they have built up over the years.

Take a prominent company like Air New Zealand, for example.

If Air New Zealand stopped advertising, we would still likely remember who they are next time (if there is a next time!) we book flights.

McDonalds would be another strong example of this. Even if McDonalds stopped advertising, and we no longer saw the 'Golden Arches' day in and day out, McDonalds wouldn't disappear over night.

Even more modest enterprises can "coast" for a while on existing brand equity.

YOU CAN'T FIGHT GRAVITY

However, eventually this brand equity eventually starts to run out.

It's a bit like a plane that loses its engines during flight. Planes can actually glide for quite some time before their inevitable reintroduction to *terra firma*.

We cannot resist the laws of physics (or the laws of business) - we are mere passengers on the journey.

The newer your business, and the less established it is, the faster this brand equity is likely to wear out. You have less breathing room; less glide time available before crashing back down to earth.

To use the plane analogy again, many of us will remember the so-called 'Miracle on the Hudson', when Captain Chesley 'Sully' Sullenberger and First Officer Jeffrey Skiles successfully landed their Airbus A320 on the Hudson River following loss of both engines due to bird strike, all at an altitude of just under 900m (on a side note, *Sully*, featuring Tom Hanks is a must-watch film that covers the events).

Had 'Sully' been at a higher altitude when his engines were destroyed, it would have been possible for him to glide back to a nearby airport.

However, due to the low altitude, there simply wasn't enough time to do anything else other than put the plane down in the Hudson River.

If your business does not have sufficient brand equity or 'altitude', then you are not going to have much room to manoeuvre without marketing (your engines) to keep you aloft.

The other issue with cutting marketing too aggressively during a recession is that it can effectively act as a "double down" bet, but only in the wrong direction.

If the pie - i.e. the economy - is shrinking AND you take a smaller slice (because you are no longer marketing) then you could soon find yourself without enough to eat, as it were.

Instead, maintaining marketing pressure as the pie shrinks means you may be able to maintain the size of your slice, or at least see a slower decline, giving you enough time to wait it out until the rebound.

The effects of cutting marketing might not be felt immediately - but when they do become apparent it can be fatal for your business as you are forced to try and catch up from a position of reduced momentum ... and regaining that momentum in a recessionary environment is even more challenging than normal.

GETTING AHEAD OF THE COMPETITION

Finally, you may be able to leverage the power of marketing during a recession to get ahead of the competition.

Imagine you are running a race around a track, and you are currently in the middle of the pack.

If those ahead of you slow but you are able to maintain your pace, you will gain on them.

If those ahead of you slow and you are able to speed up, you will gain even faster.

That is why continuing to market and promote your business during a recession is so important. Not only can it help to keep your business alive, but it may also enable you to emerge in a stronger position relative to your competition.

Long story short, you should continue with marketing during a recession.

Unless your business is simply unable to trade in any capacity - or you predict the total annihilation of your industry/niche (in which case you probably wouldn't be reading this anyway) - you should continue to communicate your value to those who could best benefit from it.

Anything less is setting your business up for a suboptimal outcome.

With that in mind, let's dive in to the fundamentals of marketing during a recession.

NB: As a digital marketing consultant, my focus is naturally on the digital side of the equation - but much of what I write below applies equally to offline marketing as well.

VALUE IS MORE IMPORTANT THAN EVER BEFORE

One of the best marketing & sales phrases I have ever heard is:

“IN THE ABSENCE OF VALUE, I QUESTION THE PRICE”.

If a potential customer cannot quickly discern the value of your solution/product/service, then they are going to question the price.

In a time when money is scarce for many individuals and companies, the value of a product or service becomes an even bigger factor in the decision making process.

In recessions, customers are more exacting in their standards, and more precise in their priorities.

The likelihood of making a sale because your product or service ‘looks interesting’ (i.e. it’s worth a shot for the customer) is greatly reduced.

You must therefore understand your value proposition, and be able to articulate this in a clear, effective manner.

If you take only one message away from this report, I would hope it is this one.

Price, features, specs etc are all important but pale in comparison to the importance of value - does your solution solve the customer’s problem, and take their pain or problem away?

That is what you need to focus on.

Ask yourself the following question to help focus your mindset on this crucial concept”

“WHAT PROBLEM AM I TRYING TO SOLVE?”

I find that asking yourself this question on a frequent basis helps to re-align your thinking with that of your customers and market.

Ultimately, your solution, service or product probably exists because you identified a problem and decided to solve it.

Understand the problem, understand the pain that problem causes, and then work on understanding how you can best articulate the value of your solution.

I've copied below an excerpt of a LinkedIn post from a marketer I greatly respect, Damien Rossi, of Found MPR. You can view Damien's website at foundmpr.com

In my opinion, this is an excellent "elevator pitch" for the importance of understanding and articulating your value during a recession:

"In these uncertain times, customers are reassessing what they value and reacting accordingly. As the context changes, our perception of value changes. A quick scan of any supermarket shelf makes it clear just how real this basic human response is.

What were recently 'must have' product features or a sound investment may now be seen as something we can 'put on hold'.

Now, more than ever, firms need to know how their customers define value so they can respond appropriately with the right proposition."

Do you see now why a comprehensive understanding of your customer's problem(s), and the value your solution provides, is so critical to marketing success?

Your potential customers are going to be thinking harder than they have in a very long time about whether the purchase of your solution is going to solve their problem.

Make sure you understand this, and how to articulate it.

YOU MUST DEPLOY LASER FOCUS ON THE "WHO"

Once you truly understand your value, and how you solve the problem or answer the question, it's time to focus as intently as possible on the "who".

By the "who", I don't mean Roger Daltrey, Pete Townsend & co.

What I mean is - *who will benefit most from your solution?*

In the current climate, you want to hone in with laser focus on the absolute best match audience.

Now is not the time to go too broad.

Now is not the time for overly vague advertising.

Now is the time for relentless precision, working towards the aim of identifying those who are likely to be the best match for your business.

When questioned about who they are trying to sell to, in my experience business owners will often say "anyone who is willing to buy".

This statement is fine - if you're Amazon, with a broad enough offering, sharp enough pricing, and sufficient bandwidth to genuinely be something to everyone - but for most businesses you will need to acquire a far more precise target.

If you go too broad, you risk dilution of your message. This is especially problematic in a recession, as customers' ears will be listening for offers that have the closest match to their value perception.

DEGREES OF CLOSENESS

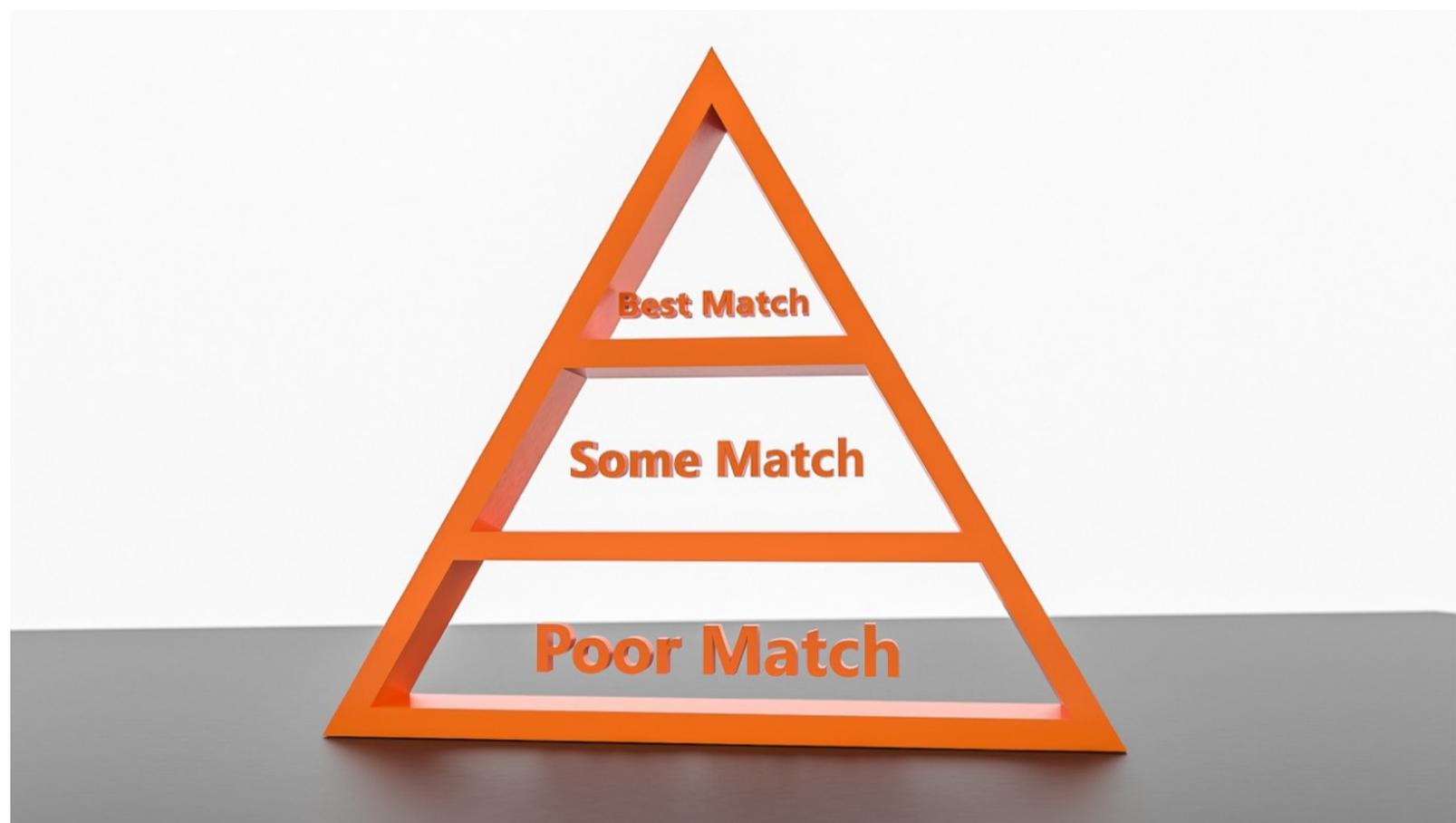
The truth is that there will always be varying degrees of "closeness" in match between your offer and your audience. Basically, there are different cohorts of people out there, some of whom are a better match for your business and value proposition than others.

Matching here is all about the closeness of alignment between your value proposition and your potential customer's perception of value. The closer the match, the more effective your marketing messaging is likely to be.

In normal economic conditions, you may well be able to go after not only the best match, but also win over the close matches (and possibly even fairly loose matches).

However, in a recession - when people are much more discerning in their appraisal of value - you want to zero in on the closest matches possible.

Think about a pyramid that is divided into three sections, a bit like a food pyramid:



Working from *bottom to top*, you have:

1. Those for whom your solution (product or service) provides little or no value, and who are unlikely to ever become customers. For many businesses - particularly B2B organisations or B2C with complex sales requirements - this is generally the largest tranche. These are 'poor matches'.
2. Those for whom there is some alignment of perceived value (what solves their problem) with value proposition (your solution). With the right approach, you may well be able to win these people over. These are 'some matches'

3. Those for whom there is a very close, or possibly even precise match between perceived value and value proposition. These are the people most likely to buy from you, because you solve their problem and take away their pain at this precise moment in time. These are 'best matches'

In normal economic conditions you obviously want to market and sell to the top of the pyramid, but also place some emphasis on the middle portion; there is not some impenetrable barrier between each tranche.

For example, it's possible for someone to move from the middle (somewhat aligned) to the top (fully aligned). This can be due to a change in their circumstances - and a subsequent change in value perception - or due to effective marketing that is able to achieve the same outcome by changing the customer's view of what they value.

People will move up and down the pyramid like an ebbing tide, either of their own volition or through encouragement from marketing or peers.

Now is the time to be focusing on the top of the pyramid. These are the people who have the greatest affinity to your business and offer, because you fix their pressing problem.

Here is where your marketing is most likely to resonate, and most likely to be effective.

PROFILING YOUR TARGET CUSTOMER

Think about the nature of this closest match audience. Who are they? What do they do?

Think about:

- Industries
- Company types (small, medium, enterprise - startup or established etc)
- Company revenue
- Demographics (age, gender etc)
- Job titles
- Geographic areas
- Interests
- Goals and aspirations

Understanding the makeup of your best audience by understanding those points above will help you to develop the laser focus required for effective marketing during a recession.

This is where you would often look at doing some form of customer profiling. I'm not going to go into that in this report, but it is something to consider. There are many resources online that will help you to build a strong, accurate customer profile that you can leverage for your marketing.

For example, I suggest this free resource on Hubspot's website about customer profiling:

<https://blog.hubspot.com/service/customer-profiling>

In particular, the Ideal Customer/Client Scorecard profile will be helpful for framing up your target customer profile and understanding the concept of 'matching' between your offer and the customer's needs.

RECESSION-BASED CUSTOMER PROFILING

While conducting some research for this report, I came across an article on Harvard Business Review, which was written in 2009 (at the peak of the Global Financial Crisis).

You can read the full article at the following link - it holds up incredibly well today, and you will find some invaluable information in there:

<https://hbr.org/2009/04/how-to-market-in-a-downturn-2>

There is a particular component of this article I want to draw your attention to.

The authors discuss the importance of not only thinking of customer profile in terms of the traditional segmentation via demographics (age, lifestyle, life events e.g. new parents) but also in terms of segmentation via "consumers' emotional reactions to the economic environment".

They outline four groups of customers that emerge during recessions:

- ***Slam-on-the-brakes*** - This group feels most vulnerable, and is often the hardest hit financially (either on a personal or business level). This group responds by slashing all spending wherever possible. For example, a hospitality business unable to trade at all may be an example of a 'slam on the brakes' customer - their revenue has gone to zero, so they need to stop everything immediately.
- ***Painted-but-patient*** - This segment tends to be resilient and optimistic about the long term but less confident about the prospects for recovery in the near term or their ability to

maintain their standard of living. Like slam-on-the-brakes consumers, they economize in all areas, though less aggressively.

- ***Comfortably well-off*** - This segment feels secure about their ability to ride out current and future bumps in the economy. They consume at near-prerecession levels, though now they tend to be a little more selective (and less conspicuous) about their purchases.
- ***Live-for-today OR business-as-usual*** - For this group, life tends to carry on with some degree of normality. In the Harvard Business Review article the live-for-today segment is seen to be younger people who are unlikely to change consumptive habits unless faced with unemployment (this would be more relevant for B2C marketing). Looking at B2B marketing, we might consider those for whom it is 'business-as-usual' - perhaps in industries that benefit from the downturn or are at least relatively well-insulated.

You may wish to apply elements of this model to your customer segmentation.

In particular, you may be able to overlay the recession-based customer profiling to your regular customer profiling to find the absolute best match segments of the market.

For example, within your target market (industry/personal demographics) there are likely to be businesses or consumers with a 'slam on the brakes' mentality, as well as those with a 'life for today' mentality; the latter being the segment you want to pursue.

DEVISE AN OFFER THAT SOLVES THE PROBLEM

Once you understand the problem you solve and how to articulate it well to demonstrate value - as well as who best benefits from this - the next component of marketing during a recession is to have an offer.

For B2C businesses (retail, hospitality etc) an offer will generally consist of some kind of discount or additional incentive with purchase. However, even here you have scope to be creative.

For example, if you are running a cafe, then a better promotion at the moment may be to offer free delivery on orders to counter the problem of nervous patrons not wanting to queue up in public for pickup. This may be more compelling than a straight-up discount.

For B2B businesses (e.g. service businesses) a good offer is one where you extract the true core of the problem you solve, and provide a solution.

Therefore, rather than discounting your full service package, you instead offer a laser-focused component that is more limited in scope, but more affordable for potential customers.

The key is to focus your offer on solving a problem that your customers have at this moment in time. Cut out all the extras, all the “waffle” and get to the heart of the matter.

A SIMPLE EXAMPLE

Let's use an accounting firm as an example.

Many of your potential clients are likely to have cashflow challenges. They may not be in the right mindset to look at a full accounting package from a new provider.

However, a potential problem-solving offer is a “cashflow analysis” where you do a review and recommendation to determine the most cost & performance-effective ways your customer can improve their cash position.

For example, “we will review your ‘financials’ to find the five best opportunities to immediately improve your cashflow, for \$1000 + GST”.

The problem: Your potential customer doesn’t have enough cashflow in their business.

The solution: A summary report that outlines the best opportunities to improve cashflow.

The value: Improved cashflow for their business ... the owner(s) can sleep easier with more breathing room in their business, are more likely to be able to retain staff, possibly even invest in growth.

If I can spend \$1000 + GST on your cashflow analysis product, but you find me \$5000 in immediate gains, then that is superb value and strikes right to the heart of what I need.

Now is not the time for fuzzy, opaque offers.

Pick a problem you know your potential customers have, tailor a solution, and then activate “laser focus” - utilising your knowledge and understanding of who they are to deliver the best outcome.

PRICING YOUR OFFER

As far as pricing your offer goes, this is something that is challenging for me to recommend without knowing your business and your value proposition. The key - in my experience - is to ensure that it is easy to demonstrate to the prospective customer that the value is greater than the price.

If you can convince me to spend \$1000 to generate my business an additional \$10,000 in revenue, then this represents excellent value and I am likely to take you up to your offer. Once again, this is why understanding your value and being able to articulate it is so important.

Another thing to consider is ‘bite sizing’ your offering. Cash-strapped consumers may be willing to dip their toes in the water for an offer that doesn’t require too much financial commitment. For example, a family member of mine pre-sold a new range of \$100 products through the Level 4 lockdown period (whereas a normal order would be in the hundreds/thousands). These sold like hot cakes, and created lot of buzz and even sales of more expensive products.

Can you take the essence of your core offering, and then repackage it into something more accessible that might be a good gateway for new, potentially nervous customers?

HAVE A BUDGET YOU ARE WILLING TO SPEND - AND THEN SPEND IT

Once you've got your offer, the next part is to allocate a marketing budget you are willing to spend.

I see a lot of businesses dip their toes into paid marketing, and then quickly withdraw because they are uncomfortable with the spend.

The secret here in my experience is to deliberately allocate budget, rather than undertaking marketing with a view of 'I'll try it and see where I get to'.

Without knowing your business, your market etc I can't tell you how much to allocate to marketing (although I do make some comments on this below).

What I can tell you though is to set a marketing budget and accept that you are going to invest that, and that it will be spent (obviously with a view to get a solid return on it!)

Mentally prepare yourself that you will spend this budget. Do not panic and hasten a retreat when you see the first signs of expenditure.

WHAT SHOULD YOUR BUDGET BE?

One of the most challenging conversations I will generally have with business owners is around budgeting for marketing.

It is music to my ears when a business comes to me and says "here's our budget - what should we do with it?"

Of course I am happy to advise on marketing budget recommendations when I know the specifics of a business, but what about some "rule of thumb" advice?

Statistics around marketing budgets (based on surveys of marketing executives) tend to indicate a broad range of around 8-16% of revenue, with around 50% of that figure going to digital.¹

¹ <https://www.webstrategiesinc.com/blog/how-much-budget-for-online-marketing-in-2014> - article updated for 2020.

The United States Small Business Administration recommends 7-8% of gross revenue for businesses with \$5,000,000 in revenue or less, and 10-12% thereafter.

Mature businesses with established customer bases and brand equity can often get away with less marketing, whereas newer businesses will need to spend more to establish their position.

I would encourage you to look around the 8-10% of revenue figure when it comes to setting your marketing budget.

As far as the percentage that is allocated to digital, this will depend on your industry, but I would look to allocate ~50%, if not more (as in the current business environment people are spending more time online, and less time in the “real world”).

However, as mentioned above I cannot provide specific guidance without knowing the nuts and bolts of your business.

If your business is short on cash at the moment, then remember you may be able to substitute paid marketing for free marketing that just requires a greater time investment - do not discount the potential of “free” marketing.

CONSIDER AUDIENCE & CHANNEL ALIGNMENT

Once you've got your offer and your budget, the next port of call is to think about your audience (your potential customers) and the types of marketing channels that make sense to deploy to try and reach them with your value messaging.

Not every channel or marketing opportunity makes sense for every business.

I see many businesses get themselves into trouble here by trying to chase every passing car.

Instead, work on identifying the closest alignment between your target market and channels.

Think about where your target market consumes information, or spends its time. What sort of websites would one frequent? What sort of social media platforms would one use? What sort of TV programs or magazines would one watch/read?

Once again, without knowing your business I cannot give particularly tailored advice here. However, looking at digital platforms specifically, I can give the following high-level pointers:

- **Google** - relevant to almost every industry under the sun. The biggest challenge is that you do not know much about the person making a search and clicking your link (whether that is organic or paid via Google Ads) other than what they are searching. For example, imagine you sell office furniture and your target market is large corporates doing office fit outs. If someone searches "office chair" are they looking for a single chair for their home office, or for a bulk fit out?
- **YouTube** - good for most businesses in my opinion. Regardless of what you do, there is probably a way to promote it well on YouTube.
- **LinkedIn** - excellent for B2B marketing, not as good for B2C (particularly mainstream retail and hospitality).
- **Facebook** - generally more aligned to B2C, but still great opportunities for B2B with the right approach. This is a 'bread and butter' platform for most businesses.

- **Twitter** - Good for startups, tech businesses, any business that has a political element.
- **Instagram** - great for businesses wanting to appeal to a younger demographic or with any heavily visual component. If you sell a lifestyle, then Instagram is a great place to be. Not the best for B2B, especially service-based businesses in my experience due to frequent lack of visual appeal.
- **Pinterest** - good for B2C, but also some B2B potential. Demographic is strongly skewed towards women of higher socioeconomic status ... high end retail, luxury items etc need to be on here.
- **Email** - ALL businesses should be building up a solid email marketing list. Email is essential for everyone.
- **Niche or demographic specific opportunities** - This is something that is massively overlooked, especially online. There are often all manner of focused niche/trade publications and websites (or publications or websites with very strong demographic and interest profiles) that you can potentially advertise on. For example, if you wanted to reach property investors in New Zealand, then you might want to look at advertising on the Property Talk forums - <https://advertising.propertytalk.com> (I have no incentive to post this, but simply thought it was a good example of a highly niche advertising opportunity)

Contact me to discuss directly if you're unsure of what digital channels would suit your business (or if you're concerned you've been focusing on the wrong channels and outlets).

AVOIDING SHINY OBJECT SYNDROME

One other consideration is the importance of avoiding shiny object syndrome.

Marketing platforms - especially online - change rapidly, and new opportunities are always presenting themselves.

Look at social media, for example, with the rapid rise of TikTok.

I have had a number of businesses in traditional, B2B industries, investigate the potential of pursuing TikTok as a marketing platform.

With the right approach, you may well be able to use TikTok to promote your B2B business, but it's unlikely come close to the potential of say LinkedIn.

The problem is that chasing these new opportunities can lead to you dropping the ball on the “bread and butter” of your digital marketing.

If you truly have the time and resources to invest in pursuing these new opportunities as they arise, then feel free to do so.

However, most businesses - especially at the moment - will be better served by sticking to tried and tested platforms and channels.

DON'T SPREAD YOUR RESOURCES TOO THINLY

On a related note, one of the biggest secrets to effective marketing in my experience is to not spread yourself too thinly (like too little butter on too much toast).

This tends to be a bigger problem for smaller businesses that are working with limited budgets and limited resources to create campaigns and do marketing.

Let's say you have a marketing budget of \$1000 per month. Split across Facebook and Google, for example, this might be a very reasonable amount to start marketing with.

However, try to add in a local paper ad that costs say \$750, and suddenly the remainder of that budget isn't going to stretch very far.

You need to test different platforms/channels to see what works best, but once you've found a winning combo it's important not to dilute that formula too much.

Of course this isn't just limited to monetary investment either. Even if you were looking at free or low cost marketing methods (more on this later in the article) you may find yourself trying to cover too many bases at once.

Be realistic - don't try and achieve too much with your budget or available time/energy.

You simply cannot be everywhere at once, nor do you want to be.

Pick what makes sense for your business and overall marketing strategy, and then focus your attention and investment there.

It can be immensely challenging to resist the temptation to try new marketing opportunities (refer to my comment earlier re: shiny object syndrome) or to try and market on every possible channel at once.

CUT MARKETING COSTS STRATEGICALLY

Perhaps the biggest mistake that businesses make while attempting marketing during a recession is cutting marketing too aggressively.

A “scorched earth” policy of eliminating all marketing investment and effort is very unlikely to be the best bet for your business.

Instead, you want to look at strategic opportunities to cut costs, while minimising any negative impact to performance, at least to the extent that it is possible.

Here are a few suggestions on how you can strategically cut marketing costs, without causing total annihilation.

1. If using any kind of marketing software (e.g. email marketing tools like Mailchimp) review your subscription costs and see if you can economise. You may be able to find tools that do what you need for less - or even no - cost. For example, I recently helped a client move from one marketing automation platform to another - saving over \$20,000 per year in platform fees without losing any functionality that they needed to do what they want to do. It amazes me how many businesses do not review their marketing tool kit on a sufficiently frequent basis. On a related note, you may be able to do things like eliminate underperforming contacts from your email marketing list in order to reduce your subscriber count to the point where you fall into a less expensive subscription tier.
2. For traditional advertising mediums like radio, print, and television, talk to your rep/account manager and try to arrange a discount. The worst they can say is no, but the truth is many will be willing to cut a good deal to secure advertising. It seems a bit mean-spirited to say it, but many media outlets are struggling to secure sufficient advertising at the moment, so you should leverage this to your advantage (not to mention it's probably better for them to sell advertising at a discount than not sell it at all).
3. For digital ad campaigns, go through with a fine tooth comb looking for optimisation opportunities. For example, if you're running Google Ads, then make sure you are frequently reviewing your search terms and adding negative keywords as appropriate so you don't wind up running ads on irrelevant searches, generating clicks that cost you

money but won't generate any benefit for your business. There are many resources on my blog at samfrost.co.nz about how you can find economies in your digital campaigns.

4. When outsourcing components of your digital marketing (e.g. graphic design, blog post creation and so on) look at freelancer sites like Upwork or Fiverr. If you just need a simple one off piece of work done, these platforms can provide access to good quality talent at fair prices. However, there is always an element of *caveat emptor* - the buyer must beware as there can also be low quality service providers on these platforms. Don't be tempted only by the price of any task - look at reviews, ask questions first, and focus on the value of what you're going to get in return.

LEVERAGE FREE & LOW COST MARKETING OPPORTUNITIES

Another component of effective marketing in a recession is to look to leverage free and low cost marketing opportunities.

Bear in mind that here I refer to free or low *monetary* cost - there is still a requirement to invest time and effort.

Here are some opportunities to consider. I haven't gone in to great detail on each; this is just to get your wheels spinning and provide a platform for further research.

- **Content marketing** - This is where you create content (think blog posts, articles, videos etc) and upload them to your website as well as other channels like YouTube. The easiest way to think of this process is to think of all the questions and problems your potential customers have (as they relate to your solution) and then go about answering those. I've blogged about this strategy a number of times, but for getting up to speed quickly I recommend you purchase a copy of Marcus Sheridan's *They Ask, You Answer*. This book does a great job of outlining an effective content marketing.
- **Organic social media marketing** - Invest time and effort into building a following on social media, e.g. Facebook/LinkedIn. Provide your audience with content they want to see and then leverage your growing organic reach for promotional purposes. This works well in tandem with content marketing. Much of my business - for example - comes from a mix of the two. The biggest challenge here is that social media platforms tend to throttle organic reach over time in an effort to get you to spend on advertising. Nonetheless, there have been many businesses build successful marketing on a bedrock of social media activity, with little spent on advertising.
- **Guerilla marketing** - This is the use of unconventional marketing techniques, generally free or very low cost, to make some buzz and grab some attention. For example, I was out for a walk the other day and saw a local cafe had done some chalk art on the surrounding streets and footpaths pointing towards their takeaway coffee and food options now we are in Level 3. The cost of this is next to nothing (beyond time and the talent to do so) but it certainly caught my attention. Just make sure that if you do guerilla marketing you aren't in contravention of any laws.

- **Email marketing** - As mentioned above, email marketing is something that all businesses should be doing. Email marketing isn't particularly expensive, especially if you go for a simple tool like Mailchimp or Active Campaign (on one of the lower priced plans). Start by thinking of a hook you can give away to your audience - whether that's a discount code, special offer, or even a white paper or report for B2B businesses - and then dangle that carrot to build your list. Email marketing is consistently rated as one of the most powerful and effective digital marketing channels; do not miss out on leveraging it for your business.
- **Cold email** - This is more strictly a sales strategy than a marketing one - but with the right approach, cold email can actually be rather effective. I have a couple of clients that get excellent results from targeted cold emails. There are many tools that make cold email easier than it ever has been from a technical perspective. For example, you could use hunter.io for finding email addresses of prospects, and then Mailshake for automating much of the sending and follow up process. These are inexpensive tools that can yield enormous results.
- **Participate in online communities** - When I first started my business, this is how I picked up some initial clients. I spent time in Facebook groups for business owners, answering people's questions about digital marketing. Over time, people would start contacting me asking for full services. There is potential here, but you do need to be careful as most Facebook groups, forums etc tend to have strict moderation guidelines.

There is an awful lot of marketing you can do that costs nothing (or at least next to nothing) in terms of financial cost. If you are in a position where you have lots of time on your hands due to reduced patronage/decline in business, then you may wish to focus your attention on these free opportunities.

TAKING THE LOW HANGING FRUIT

Another crucial component to effective digital marketing during a recession is to 'take the low-hanging fruit' wherever they can be found.

What I mean by this is look for and seize upon effective opportunities to improve the performance of your digital marketing, without having to invest incredible amounts of time, effort, or money.

Here are some of the best examples of low-hanging fruit, ripe for the picking:

Utilise Remarketing

If you are unfamiliar with the term, you will almost certainly be familiar with the outcome.

Remarketing (sometimes known as retargeting) is the practice of showing ads to people who have already viewed your website. Unless you are a fanatical user of ad blocking technology, chances are you have experienced remarketing first-hand.

You've probably even purchased a product or inquired about a service after being gently (and sometimes not so gently!) prompted to do so by remarketing. Most people need to see an offer multiple times before deciding to take action.

This is one of the most straightforward and effective opportunities you can leverage. Remarketing can be done on a number of platforms such as Google Ads, Facebook Ads, and even LinkedIn.

If you are not currently doing remarketing, then this is something you should definitely look into.

The simplest forms of remarketing involve showing ads to people who have viewed any part of your website. However, with the right approach you can be a little more technical and show your ads to people who have viewed specific products or services, or even those who have added a product to their cart but not completed their checkout.

Repurpose Content Across Multiple Channels

There is more to the Internet than your website.

However, it never ceases to amaze me how many businesses will only ever post content on their website (usually on a blog or news section).

This limits the reach and potential of your content.

Take a humble blog post. There is so much more you can do with it than just stick it up on your website.

You could:

- Create a video version and upload to YouTube
- Post to your social media channels

- Create a podcast version
- Create an infographic and distribute on image-focused social media platforms like Pinterest
- Create a LinkedIn Article under your personal profile (especially useful if you are interested in personal branding)

Different people like to consume content in different formats, and on different platforms. Don't limit yourself to just your website!

Optimise Your Ad Campaigns

Digital marketing campaigns on platforms such as Google Ads or Facebook Ads aren't 'set and forget'. It is important to invest time and effort into optimising your ad campaigns to get the best performance out of them.

How to optimise your campaigns is beyond the scope of this report, but I have many free resources on my blog at samfrost.co.nz that will help you to improve the performance of your paid digital advertising campaigns.

The main thing is to understand that you should not leave your campaigns to run on autopilot.

Check Your Website Actually Works

-Another low-hanging fruit is to ensure that all landing pages/pages on your website are working correctly.

It amazes me how many businesses don't check in frequently enough to ensure that all aspects of their website are working correctly.

For example, I recall starting a consulting project with a client a while back, who had been promoting their fledgling startup for almost a year by the time they came to me.

They complained they were not getting any leads or inquiries, despite consistent marketing since launch.

A review of their marketing turned up no reason why they shouldn't be getting any leads. The campaigns were solid, the website attractive and informative.

However, upon trying their product inquiry form, I noticed that I never received any confirmation. Even more disturbing, nobody received one their end!

Long story short, any message through their contact form - since launch - had disappeared into the ether. By some cruel twist of development fate, their form had no redundancy ... if the email didn't make it to the company, it wasn't backed up anywhere.

Therefore, one of the most critical things you can do to improve the performance of your digital marketing is to ensure that your website/landing page(s) work as intended.

There is no point in spending time, effort and money on marketing only for a prospective customer to be unable to purchase from or contact you.

Review all actions you want a customer to take (contact forms, shopping carts etc) to ensure they work correctly.

Do this on a regular basis as well, as sometimes things can break. This is particularly common on Wordpress websites where functionalities are often pieced together through the use of plugins.

Tailor Your Landing Pages

Most websites consist of more than just a homepage. However, many businesses seem to only ever drive traffic (whether that be from paid campaigns, email marketing or social media) to their website homepage.

Your homepage is often not the 'best fit' for traffic. For example, let's say your website sells an array of widgets, and on your homepage you provide some insight as to the range of widgets you sell.

Imagine you are running an ad campaign for 'blue widgets for children'.

Which page of your site is likely to work the best here - your homepage (which does mention blue widgets, and children, but not in much detail) or a specific "landing page" about blue widgets for children. I'm sure you can work out the answer!

Whenever you run any kind of campaign, think about what page makes most sense to direct your traffic to - if you don't have a suitable landing page, then create one.

If your website is limited in terms of functionality, then you could look at a third party landing page plugin like Instapage.

Track Conversions

Another important digital marketing opportunity to pursue is to track conversion on your website.

Long story short, you want to know how people are interacting with your site - and where those interactions come from.

Imagine a standard B2B website (non-eCommerce). Chances are you've got a bunch of different "action elements" on your website that you'd like people to complete, such as:

- Completing your contact form
- Filling out product demo form
- Clicking to call on your phone number
- Downloading a product catalogue or brochure

All of these would be examples of 'conversions' and almost invariably they can be tracked in a platform such as Google Analytics.

This will give you far more insight into how your website performs, what people are interested in, and even what channels work best for your digital marketing.

If you're doing any form of paid digital advertising, then conversion tracking is doubly important.

For example, with Google Ads you can feed in your conversion data and leverage that to optimise the performance of your campaigns. In fact, many digital advertising platforms now have the ability to algorithmically optimise campaigns based on conversion data - get on to your conversion tracking right away.

Update Your Email List

Another piece of low hanging marketing fruit is cleaning and updating your email marketing list.

Email lists - regardless of platform you use to send your campaigns - have a tendency of becoming bloated over time.

Chances are there are many emails on your list that have little interest in receiving or opening your emails.

Another unfortunate consequence of the Covid-19 crisis is that many people are losing their jobs, and companies are folding left, right, and centre.

For B2B businesses especially (who often have company email addresses, not personal ones, on their list) this poses a real problem.

An uncleaned list is possibly going to have a number of emails that are no longer relevant, because the recipient company has closed or your recipient no longer works at the company.

This is generally not such an issue for B2C companies, as there is a higher likelihood that recipients have signed up using personal email addresses.

Whatever your business and industry, you should periodically tidy up your email list.

In particular, look to:

- Identify contacts who have been subscribed for some time but have never opened any emails
- Identify contacts who bounce frequently
- Identify contacts who are no longer with their job, or work for companies that no longer exist.

You can then look to remove these redundant contacts from your list, or possibly even reach out to them via a regular email or phone call to see if they remain interested in your email communications.

A tidy email list will result in fewer unsubscribes, fewer bounces, reduce risk of spam complaints, and possibly even better deliverability and performance.

Now is a perfect opportunity to tidy up that list and improve the performance of your email marketing.

SELL TO EXISTING & PAST CUSTOMERS

Marketing to customers who have already purchased from you is something that a lot of businesses seem to overlook.

However, you shouldn't ignore this opportunity - it's generally much easier to get repeat business than it is to get new business.

It also costs - on average - five times as much to acquire a new customer as it does to retain an existing one (source: <https://www.invespcro.com/blog/customer-acquisition-retention/>)

From a marketing cost perspective, it is a no brainer to try and deploy at least some of your resources to retaining current customers/clients, as well as winning back some of those who have purchased from you in the past.

Therefore, consider how you can market effectively to current customers/clients, as well as those who have purchased from you in the past:

- What sort of offer/promotion would make sense?
- Is there anything you can cross-sell/up sell?
- Do any of your products or services have a 'lifespan' and potentially require repeat purchasing?

Far too many businesses seem to focus on fresh acquisition to the detriment of retention - doing both is critical for success, especially in a recession.

Don't neglect the value and potential in your customer database - it may be that your current and past customers/clients are enough to see you through this difficult time, even if winning new opportunities is proving difficult.

Remember that with budgets (both personal and business) under pressure, people are more likely to buy from those they trust already.

If you are under personal financial pressure, or your business is facing declining revenues, you are less likely to want to try a new product or service that may not satisfy your needs or solve your problems, as you have a heightened awareness of wasting any money.

RECAP

To recap, let's revisit the key points of marketing during a recession?

1. Understanding your value (and being able to articulate it) is more important than ever. You must understand the key problem(s) your potential customers have, and how your solution solves them.
2. Focus with intent on identifying the best possible customers for your business - who are they, what job titles, what industries etc. Unless you're Amazon, you don't sell to everyone (although *anyone* is free to buy).
3. Make sure you think about where your customers are at in terms of buying decisions. Some may be ready to purchase, others looking for inspiration or motivation.
4. Have a clear, concise offer that you can go out to market with. Now is not the time for vague offers with vague benefits.
5. Allocate some marketing budget - whatever makes sense for your business and cash position - and be willing to spend it. Accept that this money will leave your business - plan for it to come back (and then some).
6. Ensure the channels you are marketing on align to the "profile" of your customers. Not every marketing opportunity suits every business.
7. Don't spread your marketing budget too thin. It's better to do 2-3 things well than a dozen poorly.
8. Look to cut costs, but do it strategically rather than slashing and burning. For example, if you can move from an expensive email software to a less expensive one that will give you the features you need, then this is good, strategic cost-cutting. Stopping all advertising is not!
9. Leverage free and low cost marketing opportunities wherever possible, e.g. content marketing, social media etc. Also look to take advantage of 'low hanging fruit' opportunities to increase the performance of your digital marketing, such as remarketing and conversion tracking and optimisation.
10. Negotiate discounts where possible with existing suppliers e.g. print/radio

11. Don't neglect your existing and past customers - think about what you can offer them and how you can market to them.
12. Maintain momentum - if you stop now it will be harder to restart.

THANK YOU

I hope you found this guide helpful - now get out there and promote your business to the best of your abilities.

If you follow the steps in this report, you will be better placed to market your business during a recession.

I cannot guarantee that your business will succeed; but I can assure you that following these steps will help improve the likelihood of success.

Thank you so much for taking the time to read this report. I value any feedback (positive or negative) so feel free to email me at info@samfrost.co.nz and I will endeavour to reply, and possibly even revise the report!

Finally, if you found this report helpful, please consider sharing it with any other business owner or employee you know.

DIGITAL MARKETING ASSESSMENT

Digital marketing can be opaque, confusing and costly on a good day. During these extraordinary times, it is more critical than ever to have absolute confidence that your digital marketing is working hard to deliver your business quality exposure, leads, and sales.

Your business could well be haemorrhaging money on digital marketing activities that are unlikely to lead to positive sales outcomes.

You probably don't need reminding that now is not the time to be burning cash on marketing activities that aren't working.

A **Digital Marketing Assessment** helps to “stop the bleeding” by identifying what parts of your digital marketing aren't working, and are costing you money while not improving the health of your business.

Included in your **Digital Marketing Assessment** are the following:

- Pre-assessment questionnaire for you to complete
- Assessment consulting session via video call to discuss your digital marketing and identify the pain
- Review of your website, analytics, and digital campaigns
- Creation of an executive assessment report that outlines - with priority grading - where to fix your digital marketing
- Recap consulting call to cover any questions

For your investment of \$1650 + GST, will enjoy greater confidence in your digital activity - you can sleep soundly in the knowledge that your digital marketing isn't a gaping black hole into which your hard-earned cash enters, and out of which nothing escapes.

Email me on info@samfrost.co.nz for more information, or call +64 21 027 81721 to discuss further.