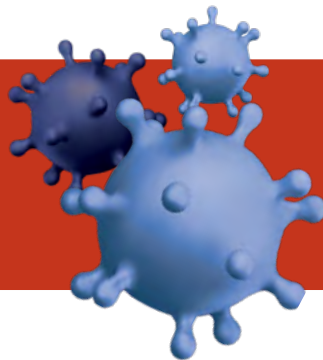


SME DIGEST

ADVICE FOR SMALL & MEDIUM SIZED ENTERPRISES



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PREPARING FOR THE FUTURE

SHOUT IT FROM THE ROOFTOPS

Coronavirus has stopped normal life in its tracks. While some are still working normally, such as those in 'essential' sectors, life for others has become very difficult. And for firms dealing with the fallout, struggling to stay afloat, it's only natural, indeed logical, to seek to cut costs as they fear for their future.

But while nothing should be ruled out from a cost cutting exercise, with an eye to the crisis coming to an end at some point, firms should try to keep some semblance of their marketing going.

It was President Roosevelt, during his 1933 inauguration, who made reference to the power of fear when he said: "... let me assert my firm belief that the only thing we have to fear is fear itself - nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance..."

In a business context, this means fear in relation to how the business will survive, how employees are to be treated and whether customers will return.

The harsh reality is that with heightened competition now, more than ever, firms need

to ensure that their message, brand, goods and services are kept in the public consciousness. When normality returns – which surely it shall – businesses need to be uppermost in the minds of customers. Continuing to market shows customers that a firm is able to function in tough times; engagement builds long term confidence.

To reiterate, there is logic in cutting marketing spend now, but there is just as much logic in being very careful in the changes you make

Businesses must market to make sales

No business can exist without a decent level of sales to cover both costs and profit, and the only way to drive sales is to market. To an extent, everything, a business does markets a brand. From service and logos, to advertising and social media, the whole point of marketing

activity is to let customers know that (a) you exist, (b) what you offer, and (c) you are reliable. If customers don't know you exist once the world restarts, it's guaranteed that they will not beat a path to your door and your business will most certainly grind to a permanent halt.

With a nod to the sensitivities of the economic turbulence affecting the sector, the reality of the matter is that it's going to be very hard to maintain a presence if others push their businesses into the consciousness of your customers.

Will rivals still market?

Fear affects people in different ways and they too may be suffering as a result of the Coronavirus slowdown. They too may be looking to cut marketing spend. But this presents a great opportunity to those who are willing or able to keep promoting their businesses. If you can find a way to keep a marketing budget,

you're bound to find yourself with greater market share at the expense of those that have turned the taps off.

Of course, not every business is seeking domination of their (local) market, but those who shout loudest, and more frequently, are more likely to see custom return once a form of normality returns. Hold your nerve – the good times will return.

Think about TV advertising – it hasn't stopped. Partly it's down to campaigns booked in advance, partly it's down to deals that are being done, but it's also in the mind of the advertisers that when buyers are in a position to return to the market they will have the seed planted in their mind as to who they're going to buy from.

Information is everything

Just because the majority of the population has been told to hunker down save for essential trips out for food, healthcare, exercise or work, that doesn't mean that they're not consuming information. Indeed, the 'marvel' – if it can be called that – is that the disease broke out now and not in 1970 where we relied on TV, radio, the press and the post for information.

Modern technology allows the propagation of information via the web and social media in ways that would have been considered pure science fiction back in 1970. People are now actively searching out what interests them from the comfort of their home. Facebook, Instagram, WhatsApp and LinkedIn are now the places to be, in addition to business websites – if there's ever been a good time to go online, pushing a business message, it's now.

But before changing tack on how the business is promoted, it's important to understand how customers consume information and where they're frequenting and then target any marketing spend accordingly. As with any business spend, it's important to draw up a plan where results can be measured.

A note of caution: Without delving too much into the world of social media, be careful to not look as if you're trying to capitalise on Coronavirus; in other words, don't weave your marketing around the disease. Any misstep here will cause far more reputational harm than marketing could ever correct – you don't want a negative message going viral.

Spend carefully and change your focus

As noted before, the knee-jerk reaction in times of economic difficulty is to rein in all spending. But before cutting marketing spend look to see if the focus can be changed.

For example, it's easy to assume that an advert placed in a local business booklet – the type often posted through letterboxes – that fails to bring in business means that all paper-based advertising is a waste of time. Common sense dictates that the business should look at why the campaign didn't work. Was it down to the delivery of the publication, a poorly designed advert, or one that was placed in the wrong position in the publication?

Similarly, just because a social media campaign works for one firm doesn't mean that it will work for another.

So, don't admit defeat and try not to cut marketing spend. Think out of the box and carefully target what you want to do, who you want to contact and the message you want to put over. It's all about strategy so that you maximise budget while not disappearing into a void.



Look to the future

It's easy to write this, and hard for the sector to execute, but hold your nerve and try to keep your marketing spend going. The crisis will pass and those that promote themselves will outlast those that don't precisely because their brand will be in the mind of customers. Remember that in times of adversity new opportunities arise that those that are forward looking can exploit.

Problems create opportunities to disrupt and innovate; problems take businesses out of their comfort zones and force change. Look to the future.