

Driving growth in a downturn:

How new thinking in sales and marketing can help you weather the storm and come out stronger.

It's getting tough out there

We may not (yet) be in full blown recession but the first few weeks of 2008 point to difficult times ahead. In such conditions, the pressure is on businesses, large and small, to sustain their growth performance in the face of declining demand.

The economic buoyancy of the last ten years has been a productive breeding ground for entrepreneurship. More players have entered the market in all sectors, spending freely on sales and marketing. It's been a competitive world but with plenty of demand to satisfy all. That may be about to change. Businesses will undoubtedly now face intense competition and will have to work hard just to stand still, some just to survive.

Where it hurts most

We're facing a downward spiral, with more firms competing for less business, of lower value, higher pressure on price, increased cost of sales and a longer sales process.

Three questions will be eating away at the peace of mind of business directors ...

- a) How do we continue to attract our share of prospective customers?
- b) How do we sustain our success rate in converting their interest into revenue?
- c) How do we protect margins?

Traditional remedies

The typical response to a downturn is a knee-jerk reaction ...cutting costs and battening down the hatches. Whatever is left in the marketing budget is frozen, recruitment goes on hold, training goes out the window and sales headcount comes under pressure.

In fact there's never a better time for sales and marketing effort. The old aphorisms still work ...when the going gets tough, it still makes sense for the tough to get going ...and the best form of defence is attack. The principal enemy of businesses in a downturn is more competition for less business and the best way to tackle it is to come out fighting. But how?

Alternative therapies

There are three things you can do at very little cost ...

- a) Make your brand work harder
- b) Focus marketing on sales support
- c) Take cost and risk out of the sales process

Brand power

“Make my brand work harder? How ...it’s just a name and a logo”!

But it’s absolutely not. Your brand is everything you have to offer your customers (and employees) ...product, service, packaging, price, people, reputation, experience, integrity, enthusiasm, trust ... Your brand is the set of thoughts that exist in people’s minds alongside the thoughts they have about your competitors. **People buy your brand** before they buy your product or service. They **compare** competing brands, and how they think about you defines their purchase decision. Just think about how **you** buy a car or a wine or a camera.

So, you can make your brand work harder simply by making sure that the messages you deliver and the impressions you make are clear, consistent and above all competitive ...they must help customers to understand how you’re different and why they should buy you rather than your competitors.

Oh, and if you’re not sure what your messages and differentiators should be, ask your customers. A little market research will quickly tell you what they think of you right now, how they see your competitors, how they’d like to see you change, what their needs and issues are and what factors they consider when making their purchase decision.

And brand power doesn’t stop at helping the sale. If your brand is strong, people will pay a little more for it ...you’ll be able to keep your prices up and protect your margins.

Marketing support for sales

It would take too long to describe how marketing can support sales. All I want to say is that too often marketing and sales run along parallel but separate tracks. They should be on the same track with an entirely common purpose. Marketing exists to drive up sales revenue and profits. It is not a sunk cost or a necessary evil or a bit of spin ...it is an investment that returns a direct contribution to business success.

Marketing works strategically by developing innovative and competitive products and services and by creating the brand foundations for successful sales ...by building awareness and positive attitudes ...by paving the way for the sales process.

It works tactically by providing the sales team with the physical and motivational tools they need to sell better and easier, whether they are your own people or retailers or agents.

Make sales and marketing work in total harmony and you will increase sales success and reduce sales and marketing cost ...you will get a better return on your sales and marketing investment.

Sales power

Demand is weakening, prices are under pressure, revenue per head is declining ...the big sales team you had in the good times is now struggling to fill its order books and even their day. It would be useful now to be able to reduce the overhead, merge territories, even pay by results. Outsourcing sales can make this possible.

Sales outsourcing is a well established and cost-efficient service, particularly in recession. It is usually highly skilled, flexible and specialist. You can test it on a small scale or go all the way. If there is a drawback it is that it is often very single-mindedly focused on sales, with marketing running along that parallel track. It doesn't have to be this way!

Winning through

Strong brands win business ...a pretty universal truth. When marketing and sales work together the outcome is greater than the sum of the parts.

Businesses that believe in these truths and put them into action have a safe, trusted, watertight vessel in which to face the storm. Those that simply batten down and cut costs may go to sea in a leaky bucket.

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