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## **MARKETING DURING RECESSION: SURVIVAL TACTICS**

# Marketing during Recession: Survival Tactics

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**Abstract:** This study will analyze the marketing strategies and tactics that will be generally adopted by marketers during time of recession. The signs of recession usually decrease consumer confidence and the consumer spending in products and services. But for a marketer Recession is considered opportunity as well as difficult phase. Period of opportunity because it is the time to take an objective look at their brand portfolio and to analyze which brand in the portfolio offers more value to the consumer and difficult time in the sense that due to decrease in spending power of customer, marketing the product becomes difficult. A major step here becomes know the consumer- Know what they think and know where they are and how these economic times are hitting them. So marketing becomes a challenge for a marketer during time of Recession

**Keywords-**marketing, Recession, consumer, brand, Economic

## INTRODUCTION

In every recession, marketers find themselves in a dilemma because no two downturns are exactly same. During recession consumers set stricter priorities and reduce their spending. As sales start to drop, it becomes a challenge for marketers to manage their portfolio. Marketers need to understand the evolving consumption pattern and fine-tune their strategies accordingly.

During the period of prosperity marketers usually forget that rising sales are not caused by advertising and fancy products alone but largely depends on the disposable income of consumer. But then also based on consumption pattern, products and services are classified into 4 categories namely-Essentials-that are necessary for survival, Treats-indulgences whose immediate purchase considered justifiable, Postponables-purchases that are needed but can be reasonably put off, Expendables-perceived as unnecessary. So the marketer has to analyze the different categories and has to plan its portfolio accordingly that on which products a marketer has to pay more attention

## MARKETING TACTICS USED DURING RECESSION

In deciding which marketing tactics to use, it is critical to track how customers are reassessing their priorities, reallocating their budgets, switching among different brands and product categories and redefining values. In recession marketers have to stay flexible, adjusting their strategies and tactics on the slump period and respond quickly to the upturn when it comes.

The general tactics used during recession period are

**1-Get creative-**Effective marketing does not always have to be complicated or expensive. So, creativity is the key of attracting the customers

**-Blog.** The blog will inform current and potential customers that the company is planning to serve them even better in the future. Blog is a easy a way to communicate tips, reviews, announcements, press releases, news articles, and even video.

**-Press releases.** Free publicity through press releases, special event marketing, and community involvement are powerful market expansion techniques.

**-Internet advertising-**it is highly targeted and inexpensive way to market your product to the customer

**2-Prune your innovation portfolio-** Recession is a good period for marketers to take an objective look at their brand portfolio. When there is euphoria, value takes a backseat and consumers indulge. When the time goes tough, consumers tighten their purse strings and value comes to the driving seat.

This is the time to see which brand in your portfolio offers more value to the consumer. If your sales are going down like hell, it's the time to re-engineer the brand's value proposition.

**3-Plan the marketing budget-** Usually the initial reaction by marketers in respond to recession is to cut marketing cost. On the contrary it's time to invest in brands. Invest in building brand. Planning the marketing budget during recession is very important

**4-Trade Up or down-** Super Luxury brands are often less affected by the downturn. Those who can afford a Merc is not going to buy a Maruti 800. It's those brands aiming at the middleclass who are going to be

hit by the downward slide. So if the brand is somewhere in between super luxury and low-priced segment setting up of strategies according to the category becomes important

**5-Listen to your customers-** customers are the best source to beat recession, but asking them is very important as their needs and wants might be changed during these times due to decreasing disposable income. Analyse their behavior and plan your strategies accordingly.

**6-Manage your message** - When a downturn occurs, consumers are less likely to spend on items that aren't necessary. That means marketer need to rethink how they are communicating the message to the customers. According to studies, a successful recession marketing message will:

- Emphasize value and cost savings
- Demonstrate exactly what customers can expect for their investment
- Highlight free trials, special discounts, and loyalty offers
- Build credibility by displaying customer testimonials

**7-Manage current customer base-** customer database is gold. Communicating with current customers on a regular basis is good. Making special offers, and make sure they know marketer is appreciating their business and want to keep them as customers. This can be done through emails, mailings, and phone calls. All these activities are less expensive than bringing in new customers.

**8-Look for creative ways to extend your current products-** Adding value-added services to products, and finding ways to provide new experiences to customer. Experimenting other uses for the existing products. If customers know that products provide greater utility than those of competitors.

**9-Innovation beyond products, services-** It is best brainstorming with a cross-functional team on identifying and reduces areas of waste, which can uncover huge opportunities for cost savings during the time of recession

**10- Focus-** Marketer should concentrate spending where it can have the greatest impact. That includes: analyzing customer base, cross-selling and up-selling, reevaluating product mix, targeting messaging, letting sales objectives drive the spending decisions

## CONCLUSION

Recession actually provides opportunities for marketers, for it is a chance to invest to gain market share and market leadership, and attack timid rivals.

Even it is the best time to alter the product portfolios that which brands are profitable to keep. Customers always have problems to solve, even in a downturn.. Marketer should invest time learning how key customers' priorities have changed, and quickly realign business models to meet their changing needs.

As the global economy slowly slides into recession, marketers face new challenges and opportunities. In today's interconnected world, it's impractical for companies to suspend their innovation initiatives until the worst of the storm blows over.

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