

# Marketing through the downturn

Precise messaging helps bring  
order out of a chaotic marketplace.

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Economic downturns are a normal part of the business cycle. But the crisis in the global financial system is making this recession particularly challenging for technology marketers. Industry analysts generally see the IT market as growing slightly or staying flat—but not declining.

### **Align messaging with long-term strategy**

Even in a downturn, the wide range of strategic technologies demanded by customers offers rich opportunities to drive sales. These technologies also provide a strong foundation to build messaging as you position your company for the eventual recovery.

Focusing on areas of future growth provides the best long-term strategic direction. Taking the right competitive stance—balancing the marketing resources available in this economic downturn with long-term strategic objectives—helps you implement a communications strategy that makes sense now.

### **Determine your best stance for messaging**

To continue driving revenue in this tough environment, marketers will likely pick one of three stances to base their customer messaging on: retain, convert, or expand.

**Retain**—We can make it a priority to maintain relationships with our current and most profitable customers. This requires us to identify who they are, what their key concerns are, and which marketing programs are most likely to help sellers retain their business.

**Convert**—Or we can make it a priority to not just preserve our existing core customers but also try to convert known, high-potential prospects. We can make it easier for interested customers to search for and find us, and convert that interest into desire and then into action. By making the marketing message relevant to customers' needs, we can enable sellers to advance the opportunity.

**Expand**—Or we can use the downturn to gain new customers and take market share away from weaker competitors. Even with limited resources, the current environment provides an excellent opportunity to expand the market, sustain the business and strategically position the enterprise for the recovery. Value-based messaging helps sellers dominate the market.

Precision in marketing communications—now more than ever—avoids wasted effort, drives marketing ROI, and positions your enterprise for a brighter future.

*“The rapidly changing market conditions create a challenge for technology vendor strategists, who must balance their near-term recession objectives with their need to invest in long-term, strategic initiatives.”*

*—Forrester Research<sup>1</sup>*

## Develop a relevant message

Making the message relevant means addressing the right customer needs, using the right tone, leveraging influencers and taking advantage of interactive marketing tools.

**Address customer needs**—Home in on the needs that are top-of-mind for almost all customers:

- Value
- Cost savings
- Business process efficiencies
- Greater productivity
- Measurable ROI
- Stability and security

For example, projects that implement new technologies may have the highest profile but don't necessarily represent the largest revenue opportunity for vendors. Forrester Research notes, "If just 20% of the IT budget is earmarked for new investments, then the reciprocal 80% is spent for 'lights-on' IT."<sup>2</sup> So it might make sense to focus on marketing maintenance-related products or offerings—at least for the present—but not at the expense of marketing strategically for the future.

**Set the right tone**—Demonstrate an understanding and empathy for the position your customers are in, both their challenges and their opportunities. Meet them where they're at.

**Leverage influencers**—Objective third parties help you tell your story. Customers, especially in a downturn, look to authorities they trust for guidance and to help them secure permission from key stakeholders.

**Use interactive tools**—The most effective marketing tools are not a luxury in a downturn. Interactive marketing enables you to have an ongoing, targeted conversation with your customer. You can avoid nonproductive initiatives and help your sellers drive more revenue, more quickly and with less effort.

*"B2B companies that maintain/increase spend in a recession achieve higher growth both during the recession and for three years thereafter."*

—Ogilvy<sup>3</sup>

## Measure results to determine effectiveness

One thing is clear, marketers must deliver a quick ROI to demonstrate the effectiveness of their marketing initiatives. Just as we need to communicate how our offerings will provide measurable results to our customers, we must also demonstrate the ROI of our marketing efforts to our own management.

Although cuts in the marketing budget are all but inevitable in a recession, there are many ways we can demonstrate our impact on business value creation.

- Measure revenue growth that's attributable to specific marketing activities.
- Measure pipeline yield improvements that are attributable to specific marketing activities.
- Measure sales cycle acceleration.
- Measure market penetration speed—how quickly does the market adopt your new product/technology?
- Gather qualitative feedback from sellers, partners, and customers.

- Note any price premium or price protection your company is able to maintain despite the recession. Commanding a higher price—or discounting less—is often a reflection of the strength of your marketing program.
- And be sure to capture the metrics provided by tactical execution: the number of Web views or downloads, the click-through rate for your Web site, and the response rate to direct mail.

## How Leopard can help

Leopard helps B2B companies get the message right. We can help you market to your customers with value-based messaging that's on target for what your prospects are facing. We help you:

- Put the emphasis on advising customers based on their pains and needs, instead of just pushing products.
- Demonstrate the value you add to your customers' business.
- Prove the ROI of what you're selling.
- Overcome obstacles and hurdles.
- Nurture customers through the longer sales cycles and negotiations inherent in a downturn.
- Spend less time prepping and more time selling.

Our strategic storytelling enables you to take your unique position or your technical innovation in the market and translate it into a nontechnical narrative that is understandable, relevant, and inspiring to prospective customers, investors, partners, and employees. We help you design and build sales programs and tools that facilitate alignment between marketing and sales, and that facilitate conversations between buyers and sellers, so that your sellers can drive more revenue, more quickly, and with less effort—during the downturn and beyond.

## For more information

To learn more about Leopard's views and capabilities for helping you market strategically through the economic downturn, contact your Leopard representative or visit:

[www.leopard.com](http://www.leopard.com)

- 1 *Five Strategic Priorities That Change In A Recession*, Chris Andrews, Forrester Research, February 18, 2009.
- 2 *Four Steps to Optimize Your Application and Project Portfolios in Volatile Economic Times*, Phil Murphy and Margo Visitacion, Forrester Research, January 2009.
- 3 *A Point of View on Marketing in a Recession*, Ogilvy North America, 2008.