

## Start-up Marketing Strategies for a Down Economy

In tough times often the first expenses slashed are marketing. Although an easy line item to cut, it's difficult to expand business without marketing. The trick for companies facing cutbacks is to figure out the right marketing tradeoffs that will still keep business growing.

At a recent Northwest Entrepreneur Network meeting, marketing specialist Therese Adlhoch Smith of The Adlhoch Group, shared the results of her company's 2009 survey of start-up CEO's who have survived the tough times. With a combined 148 years of ownership experience, the 41 business owners and CEOs explained what they've done right, and what they would do differently.

### Front Line Advice

To start-up CEOs marketing is all about visibility. The goal is to build awareness so that prospects understand the value proposition enough to make an informed purchase decision. This requires knowing your buyer. Done effectively it will drive sales.

In a down economy these CEOs cited 1:1 marketing as the most important. This included using Guerilla tactics, targeted email, search engine optimization (SEO) and public relations (PR). Whenever possible efforts were coordinated, and messaging focused on return on investment (ROI) and productivity. Shoring up customer relationships was also important, as were investor communications emphasizing transparency and stability.

High expense marketing efforts such as tradeshow, convention parties and print ads were cut. Marketing programs were also analyzed to uncover those with

### Executive Insights



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limited impact. Google AdWords and Chatchke giveaways were cited. From a messaging perspective, anything reeking of arrogance, bragging or overly promotional was avoided.

The most effective marketing efforts mentioned were:

- Educational campaigns: Including using email to survey customers; providing white papers and studies; using PR to gain a thought leadership position; writing an educationally-focused book; and building great presentation materials.
- Competitive campaigns: Focused on taking share from a weak or failed competitor.
- PR campaigns: To maintain visibility, gain access to the right markets/connections, and for targeted exposure such as visibility at tradeshow.
- Timely campaigns: Responding swiftly to market changes with current, timely messages.

The CEOs said that the least effective campaigns in a down market were advertising and entertainment-related. Specifics mentioned: print ad campaigns; online banner ads; general e-newsletter sponsorships; and expensive tradeshow-related entertainment or parties. Ferreting out and avoiding wasted expenses were also important. Some CEOs discontinued printed brochures; canceled unused

online research tools; telemarketing campaigns not providing ROI; and reduced travel expenses by holding meetings online or by phone.

When funds were really tight efforts shifted to a sales focus, using regional email and direct mail; leveraging current customers to find new ones; and improving online visibility through a website, SEO, and PR or viral efforts.

### Insider Tips

The CEOs also provided details about the most powerful tools they used for these common marketing efforts.

- Raising funds: Start with a well-structured website and use PR to build buzz and client testimonials to reinforce value. Back these efforts up with a solid, well-designed business plan. Include a term sheet, reinforced with solid industry data and market analysis. Learn how to explain the marketing strategy to investors. Focus on building revenue and achieving defined venture metrics.
- Early customer acquisition: Focus on proving the value proposition and ability to deliver. Fundamentals should include a website and datasheets. Using targeted email campaigns to drive up website visits are key, as is PR to build viral word of mouth and momentum. Enabling customer dialog was also important for building critical feedback loops.
- Business growth: Visibility efforts should include a robust web presence, SEO, webinars,

and building on and offline demand generation. Use PR to leverage success stories, white papers and ROI studies. Create customer care loyalty programs, face-to-face customer interactions, and customer education. Gain focus by identifying low-hanging marketing fruit and measuring effectiveness.

When it comes to in-house vs. outsourced marketing the CEOs advised using in-house marketing for direct customer touch activities and product decisions; marketing research; and easy

updates to established marketing programs. Outsourced marketing talent was used for building core marketing tools and PR campaigns; marketing and messaging strategy; and specialty work.

In tough times marketing is all about generating qualified leads and conversion. In good times, effort should shift to increasing response rates, and casting a wider marketing net. However, during all times it's crucial to define marketing goals and objectives upfront, measure results, and monitor everything. Remember, survival in a down market won't be achieved with just one

marketing activity so try to be nimble and strategic.

These "Executive Insights" are based on monthly presentations provided by leading entrepreneurs at the Northwest Entrepreneur Network (NWEN.org), a non-profit organization dedicated to helping entrepreneurs succeed. The column is written by Cheryl Isen, founder of Isen & Company, a strategic marketing and public relations firm that helps emerging companies increase corporate visibility and brand awareness. Contact Cheryl at (425) 222-0779, Cheryl@IsenandCo.com or on the web at [www.IsenandCo.com](http://www.IsenandCo.com).