

Marketing savvy: Nine Strategies for Staying Strong in a Soft Economy

by Carolyn Merriman, BFA, FRSA and Catherine Baumgardner, BS, MHA

When the economy slows down, we all experience the pain: there are fewer calls from companies to expedite a new hire physical; the number of appointments drops off; and your staff starts to worry about the future of your business.

The challenge is what to do about the situation. How do you maintain the current level of business? How do you adapt to the shifting market so that you continue to provide a necessary service to your clients? How do you stay equipped to handle the upturn when it comes?

As we experience today's softer economy, there are a number of important considerations for keeping your business strong and viable. Keeping your focus on nine basic strategies will ensure that your program continues to thrive.

Staying Viable in Uncertain Times

We've all heard the old adage, "The best defense is a good offense," and that wisdom certainly applies to running a business during an economic downturn.

In a soft economy, remember that your clients are feeling the downturn, too. You may lose customers as they pay more attention to whose services do, or do not, bring them value. It's important to show them how you play a part in their long-term success.

① **Stay focused on your strategy.** In a downturn, it's tempting to shift your business strategy to stay afloat. There are certainly times when shifting is appropriate, for example, if you were still making vinyl records when everyone else had switched to CDs. For the most part, however, there's no need to panic with the first sign of a downturn. Instead,

- Step back and evaluate your strategy.
- Make sure your assumptions and goals are still valid.
- Make changes if necessary.

If you lose your focus, it's difficult to recover it when the economy rebounds. You may need to make some short-term adjustments, but in all likelihood, your long-term strategy is still sound. It's better to evaluate your strategic goals with the help of your team to decide what's still valid and what might need to change in the interim.

② **Stay connected with your clients.** Use the time you spend with your clients to validate that you understand their changing needs as well as to demonstrate that you're meeting their service needs.

- What business changes are they experiencing as a result of the economic downturn?

- Are they experiencing a change that may require you to do business with them a bit differently?
- Can you add value to what you do for them so that they see you as a partner during a downturn, not as excess baggage?

Ask the questions and make certain that your clients recognize how working with you is an advantage for them.

③ **Assess your operations.** When we're busy, it's easy to get sloppy. We may stop thinking about how to be more efficient. Use slower times to ask your staff how you can be more streamlined, more efficient, and hence more cost effective. You might be surprised how much wasteful activity has crept into your business. Make it your job to keep services lean and effective. Set goals to measure your progress and reward your staff each time a way is found to be more efficient without compromising service to your clients.

④ **Set the pace for the market.** Constantly look for gaps in the market that you can fill.

- Use your client connections to identify service gaps.
- Decide if the gaps you identify are for services you can provide.
- Plan how you will fill the gaps.

A shift to this kind of proactive thinking will allow your business to lead the market rather than play catch up. You might end up offering a new service that you'd never previously had the time to consider.

⑤ **Don't play the "me, too" game.** While it can be tempting to follow suit, don't do what your competitors are doing in the market just because they're doing it. If your competitors' financial situations are less than solid, they may be taking greater risks than they should, perhaps diversifying into business offerings that are inappropriate. If a competitor deeply discounts flu vaccines to bring business through the door, counter by offering reasonably-priced vaccines combined with unparalleled service. Some clients may leap to low pricing initially, but superior service will win over the long term.

⑥ **Be flexible.** No one knows how long a downturn will last. What will most surely guarantee your long-term survival is your ability to adapt to changing demands. Perhaps you will discover a new type of service or a new method of service delivery that your clients prefer. Be flexible enough to hear their needs and search for a way of filling them that creates a win-win situation. You may find that filling a new need replaces the parts of your business that lagged when the economy turned. Such discoveries may help you grow during the downturn and beyond.

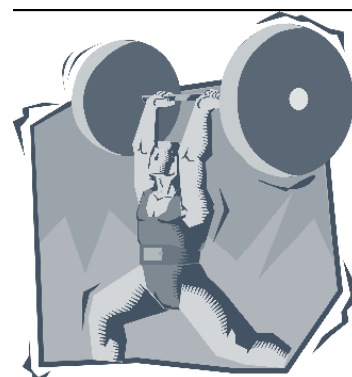
⑦ **Keep your team motivated.** You don't want your team to lose heart during a downturn and look for employment elsewhere. When staff leaves, your service declines and, with it, your value to your clients.

- Involve your team in looking for ways to operate more efficiently.
- Ask staff members to find ways to add more value to the client experience. Consider holding an "added-value" contest to identify new ways to help your clients.
- Use slow time to conduct the training and educational programs you never seem to have time for when business is booming.

Being creative and allowing employees to have a hand in the future of the organization means they'll be more likely to stick with you through the bad times as well as the good.

9 strategies to focus on the fundamentals and stay strong

Business fundamentals are important regardless of the state of the economy. When a business fails, it's usually because it forgot the fundamentals and took its eye off the ball. Don't let that happen to you! During difficult economic times, staying focused on the fundamentals is the most important thing that any business can do. It's this focus that keeps a business strong, relevant, and viable.



⑧ **Do the important things.** Take a hard look at what you and your employees do every day:

- Identify the tasks that you would have to discontinue if you cut staffing in half tomorrow.
- Of these tasks, identify the ones that are highly important in supporting your clients' needs. All too often, programs take on more and more activities without ever stopping to evaluate whether it makes sense to undertake them.
- Assess the services you offer. Do any of them lose money?
- Do these services lose money because they aren't needed, aren't valued, or aren't known by your clients?

Take this time to determine what is essential to your program. While you wouldn't cut services that are critical to your customer, you may be offering services that your clients wouldn't miss if they went away. Performing the necessary triage on your service offerings not only helps you weather the tough times, but also makes your business stronger by helping you focus on the services that really matter.

⑨ **Stay positive.** As scary as a downturn may be, the good news is that it's always followed by an upturn. Therefore, it's important for you, your team, and your clients to be optimistic. Do what you need to do to make it through the not-so-good times and continue to provide outstanding service to your clients. Invariably, your business will be the one people turn to again when prosperous times return. .



*Carolyn Merriman, FRSA, President, and
Catherine Baumgardner, BSBA, MHA, FACHE, Consultant,
Corporate Health Group, www.corporatehealthgroup.com, 1-888-334-2500*