

STRATEGY: MARKETING TIPS FOR ANY ECONOMY

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Some sources say there is a whiff of economic recovery in the air. The Federal Reserve says to give it a few more months, despite improving job statistics. Monitoring the economy is vital to any service firm. In the past year, many of us have been asking: How deep is this recession? What started it? And what effect does the current economy have on professional sectors wishing to market their services?

Assessing the Current State of Things

From any vantage, it is clear the economy has changed considerably since the late '90s. Most obviously, certain regions continue to weather the after-effects of a national tragedy. Global uncertainties affect every sector. Yet although there has been extensive talk of the "post-9/11 marketplace," market decline began long before that. Clear indications surfaced as early as 1999, and forecasts preceded that. The events of September 11 were catalysts that sped up a predicted downturn.

In a world governed by continuing economic cycling, downturns are to be expected. The question for people in the design professions, as in any sector that requires marketing, is how to proceed during a downturn? Are there special marketing strategies that allow us to weather the unexpected, keep clients, and move forward on projects?

Many newer design firms may find themselves in unfamiliar territory. The economic boom of the middle and late '90s contributed to a desire for both quantity and quality, by most measures to the point of excess. The rapid turn of the economy-instigated by the collapse of businesses built of dreams and housed in cards-has led to dramatic rises in commercial and corporate vacancies and corresponding drops in real estate costs. All this has culminated in a sharp decline in marketplace demand.

As a result, there has been a noticeable increase in the number of projects put on hold, almost always because of funding difficulties. This makes sense: Clients don't move forward without confidence that their projects will reach completion. They don't intend to waste time-theirs and others'-by working on projects that are not going to proceed.

Weathering a downturn is a difficult process. Yet there are strategies that might make it easier. The first lies in assessing how a recession affects your market. An economy is less a unified entity than a series of interconnected niches. Different markets demand different approaches: a disruption that affects one

sector may have less affect on another. In more constant market sectors like education or specialized health care, the high demand of the past couple of years continues.

In other sectors, like retail or hospitality (more easily understood as luxury markets), the situation is always more opportunity than need. The two- "demand" markets and "opportunity" markets-require different approaches. It is vital to understand a client's emphases when tailoring a marketing approach.

Secondly, no matter what sector you cater to, it pays to follow the age-old adage attributed to advertising baron David Ogilvy, founder of Ogilvy & Mather: Clients don't care what you know, until they know that you care. Clients in any market want to know that the consultant understands their firm's resources and needs. No matter the economy, it is always good practice to stay close to clients and understand their hardships.

Thirdly, use your own position as a design professional as an opportunity: You are uniquely poised to help your client move beyond the current stall. Stay attuned to local changes and regional economies. Develop related areas of expertise based on demand. Rather than expecting commissions, assess and anticipate market conditions. Use your expertise in design and development to shape alternate funding strategies and construct new programs. Monitor where downturns can be used to an advantage. Seek openings. For instance, while construction costs have generally risen in the New York region, bids for a project in the mid-South recently came in more than 10 percent lower than the estimates. By aligning your skills and knowledge with your clients' needs, you will make for a lasting relationship.

Marketing Tips for Any Economy

Of the many wisdoms of marketing, some advice becomes more relevant during a downturn. Right now, design professionals should approach their markets with renewed initiative and increased involvement with client needs. And keep in mind that the wisdom that rises to the surface in tough times invariably makes for good client practice even in the best economy.

- **Focus on well-defined markets.** Trying to cover too many markets results in either achieving success in none or achieving marketplace success through competitive (read "low") fees where the value proposition falls short.
- **Understand your client's world.** Become conversant on issues that increase your sense of understanding and your commitment. Draw on resources beyond the client's own immediate arena. Be willing to challenge existing dogma about the market, which is often requisite to helping clients think about their futures.

- **Spend time in direct contact with clients.** Forego marketing and selling tools, if the effort associated with preparing such things overly restricts personal connection time.
- **Concentrate on the *relationship* more than on the project.**
- **Emphasize *value* rather than *effort*.** Talk less about how much time you spend and how hard you work; instead, talk about how much insight you bring and how successful your clients are because of your contributions to their built environments.
- **Stay in touch with clients** even when their projects go on hold. Some will come back to life, possibly with your assistance. Either way, and even if no projects surface, your commitment to serve will not go unnoticed.

Today's hard times require increased diligence, more patience, and greater fortitude. Isn't this common sense about marketing and selling? Absolutely. You were probably doing the right things before the recession. Drawing on the sports-world metaphor, "Don't change your strategy when you get to the championships."