



By Richard D. Czerniawski

## HOW TO MARKET DURING AND POST THE COVID-19 RECESSION

The coronavirus is devastating lives and an economy that had been the most robust in our lifetime. This brings me to the question: What's the difference between a recession and a depression? A recession is when you are out of work. A depression is when I'm out of work. What this means is that if you are hurting financially, then it's a depression. It's all a matter of perspective.

So, are we in a recession? According to Goldman Sachs, a global investment banking and financial services company, the U.S. will officially be in a recession during this second quarter. A recession is when the economy declines for two quarters in a row. Regardless of the broader economy, I believe many companies are experiencing a business recession. Those that are the verge of going into or currently declaring bankruptcy are experiencing an economic depression.

Whatever term you choose, there's no doubt we are in economic decline as a society and company level. It's anyone's guess how rapidly the economy will recover, regardless of when a proven vaccine and remedy is made available. Importantly, no one knows how quickly individual industries and companies will return to business as usual. We may be slogging for years to come, despite government intervention with significant levels of monetary stimulus and aid.

Accordingly, we need to understand that our marketing funding will come under intense scrutiny. If it doesn't, then senior management is not demonstrating sound fiscal stewardship—which I doubt is the case. Instead, they will demand, and rightfully so, that every unit of currency for marketing be justified; otherwise, they will cut your budget. It doesn't matter that the broader research shows that spending on marketing during a recession contributes to growth. What matters is what your marketing support funding does to profitably boost sales and market share for your brand and company. We need to practice smarter marketing and avoid marketing errors to make our marketing matter (more).

So how should we market during and post the COVID-19 recession?

1. **Pressure test your marketing strategies:** Start with the brand positioning strategy statement as it's "the mother of all marketing." Do you have relevant, meaningful differentiation than your competition that compels preference for your brand? There's a mouthful in the phrase "relevant, meaningful differentiation." "Relevant" means it is appropriate for your target customer. So, we marketers need to revisit who are and who are not our target customers as we cannot be all things to all people. We must concentrate our resources to achieve critical mass with the appropriate target customer-segment.

"Differentiation" is about, well, being different; however, not merely for differentiation sake but relevant and meaningful to our chosen target customer. Finally, the word "meaningful" demands that the differentiation is ample to lead to preference. Evolve (i.e., "proposition" not "reposition") your brand positioning strategy as appropriate. The same goes for your messaging and marketing "behavior" strategies.

2. **Generate BIG, juicy ideas:** Ideas fuel your marketing. BIG, juicy ideas deliver significantly higher incremental sales. A downturn in business is not the time for doing the same things in the same ways that fail to give you the outcomes you need and desire. The goal is to drive more bang for the buck (or whatever your unit of currency). As the late Peter Drucker, father of modern management, pointed out, "innovation," along with marketing, is the primary function of the enterprise in creating customers. Marketing and innovation are not mutually exclusive. We marketers need to contribute to creating innovation. Every brand and organization should have a pipeline of proven marketing ideas they can utilize to boost sales and increase market share. Keep in mind, as the late, great adman, David Ogilvy said, "It's not creative unless it sells." This brings us to the next point for marketing in a post-COVID-19 recession.
3. **Engage in evidence-based marketing:** Marketers need to demonstrate line-of-sight sales from proposed marketing strategies and tactics. If we can't do it, then we are gambling precious financial resources. You don't get out of a recession by gambling, and senior managers should never allow marketers to put them in that position. Start by identifying those actions that have worked in the past to drive incremental sales and share growth. Then analyze to determine what made them work. Importantly, gauge the likelihood of their effectiveness in the new environment. A second approach, to run concurrently, is to begin conducting "adaptive experiments" of select strategies and actions and measure their impact on stimulating customer behaviors and sales growth. We must develop an arsenal of proven, evidence-based initiatives. It's SMART marketing.
4. **Avoid critical marketing errors:** When it comes down to equally matched sports teams or performers, the ones with the fewest (unforced) errors typically win the game. The same can be said for the game of business and winning and maintaining customers. During market growth periods, companies, blessed with an abundance of resources, can afford to spill money. They experience sales growth, make their bottom-line, and everyone is dumb and happy. However, in any market downturn, marketing errors of omission and commission can bleed precious resources, raise opportunity costs, inhibit sales and market share growth, and damage business and brand health. So, we must avoid and fix (unforced) critical marketing errors—many of which we are unaware we are making.

We need to be smarter about our marketing and avoid critical marketing errors to win post-COVID-19. Our business and brand lives depend upon it.

***Take your marketing to the next level.*** Check-out my new book, AVOID CRITICAL MARKETING ERRORS: How to Go from Dumb to Smart Marketing. It can help you achieve success during and post the COVID-19 recession. Learn more here: <http://bdn-intl.com/avoiding-critical-marketing-errors>

Stay safe and be well.

Peace and best wishes,

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