

Blips, Snips & Tips on advertising

Published by Harold Warner Advertising, Inc.

Vol. XV No. 1 • Summer 2009

It's the Economy, Again!

Companies are dumping workers and cutting expenses just to stay in business - so they're not buying your products. Government is spending billions - but you're not seeing any of it. So what can an honest, hard-working company like yours do to survive these tough times?

The experts have the usual answers

Authoritative studies of recessions from the 1970s through 2003 affirm that companies that increase their advertising during economic downturns gain market share on the cheap. They look like leaders. They reassure their customers, and they get prospects to take notice in a suddenly less crowded field.

It's easy for us to advise you to boost advertising. But it's hard for you to justify spending more when you are faced with cutting back salaries or have to lay off workers who are like family members.

The danger of doing nothing

In a market down 30% (not so uncommon lately), a company with 40% market share needs to boost its piece of the pie to nearly 60% just to keep even on sales.

If you try to weather this storm without a solid marketing presence your prospects will forget about you and your aggressive competitors will go after your customers.

No doubt about the data, just the dates

What has so many worried, however, is that this "Great Recession" is different from those we've survived during the past generation. What about the Great Depression? Was being more aggressive the answer?

Post was the market leader during the 1920s in the relatively new industry of packaged cereal. When the Great Depression hit, Post pulled back on advertising and stalled new product introductions while the upstart Kellogg's burst forth by increasing its advertising and rolling out Rice Krispies. Kellogg's quickly became the market leader and has never looked back.

Seven strategies for success over survival

1. Keep close to your customers.

Use email and email newsletters, direct mail, phone calls, personal notes...offer value-added for re-orders or trying new products. Provide solutions that help them get their



Attention to die-cut for

Milward Alloys, a manufacturer of metal alloys and JTM Foods, a manufacturer of snacks and treats are using specialized direct mail to keep in touch with their customers and key prospects.

Both companies are sending an oversized postcard, custom die-cut and laminated. The creative approach makes the mailer stand out and gives recipients a "tactile" experience handling the card.

Only 250 to 1,000 pieces are mailed each time to names on highly qualified, proprietary lists. The campaigns are designed around multiple mailings to leverage the cumulative impact of frequency.

customers through the recession. And keep an eye out for customers that may not survive so you don't get stuck.

2. Be "on the shelf."

Where do buyers in your industry look when they are ready to buy? If they need to find a new supplier or just get three bids, they look in their files of known sources. Then they head for the Internet.

They use comprehensive online directories, broad-based

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as well as industry-specific. They use search engines (unfortunately). Maybe you are lucky enough to be ranked “organically” on the first screen of Google (for now), but it also pays to advertise on Google.

3. Look for new opportunities.

There is no such thing as a “recession-proof” industry, but some markets are growing. (Can you say, “Alternative Energy” or “Green?”) Maybe this is the time to launch a new application or get into a market you’ve been holding back on. New products and other innovations help companies get through recessions.

4. Stay strong and consistent.

Keep advertising. If you have to make cuts, then be smart about it. Can you reduce the size of your ad (whether in print or online)? Can you cut back on the number of publications if there is market overlap? Frequency is the last thing you should cut.

5. Pump out the PR.

The trade magazines still in business have fewer pages and fewer new product announcements. But a world of opportunity is opening up online. This includes feature articles about new technology and problem-solving results.

6. Solutions over specs.

If it’s too costly to update your

catalog, produce White Papers and Case Studies. These can be publicized and offered on your website.

7. Try new stuff online.

There are several trade publishers providing “full contact leads” instead of solely “clicks” to advertisers in their email newsletters. Break ground on using social networking media. Can you partner with someone to host a “Webinar?” Your ad agency should be up-to-date on these opportunities.

When will it end?

It never ends. Capitalism is cyclical, and that’s not necessarily unhealthy. Although recessions seem to hit suddenly as a news event or stock market crash, segments of the economy (notably OEM suppliers) feel the crunch before anyone else notices. It then takes time for the rest of the market to “slow down to catch up” so to speak.

Likewise, an economic recovery doesn’t take place when a lifeguard blows his whistle and yells, “Recession’s over everyone - you can go back in the pool now!”

Companies have to fight and grind their way out of it. They have to become smarter in providing products and solutions for their customers - and more savvy and efficient in letting them know how they can help their customers.

But if we have to pick a date, let’s go with June 8th.

Our Clients Mean Business-to-Business

Batavia Engineering (Batavia, NY) - Foundry ladles and skimmers

Buffalo Metal Casting (Buffalo, NY) - Non-ferrous metal castings

Emblematic Co. (West Seneca, NY) - Decorative magnetic emblems

Envirospec (Getzville, NY & Mississauga, ON) - Paver stone pedestals

Infinitech (Clarence, NY) - Wastewater filtration systems

JTM Foods (Erie, PA) - Snacks and treats

Kee Safety (Buffalo, NY & Concord, ON) - Safety railing components and systems; steel-to-steel clamping systems

Milward Alloys (Lockport, NY) - Aluminum, copper and custom alloys

Neutrex (Houston, TX) - Purging compounds

Niagara Fiberboard (Lockport, NY) - Fiberboard panels and products

Niagara Transformer (Buffalo, NY) - Power and distribution transformers, rectifiers and reactors

Pentalift Equipment (Guelph, ON) - Lift tables and loading dock equipment

Phinney Tool & Die Co. (Medina, NY) - Custom tools, dies and fixtures

Polymer Molding (Erie, PA) - Plastic caps and plugs; custom molding

Revvo Caster (West Seneca, NY) - Casters and wheels

Strong Forge & Fabrication (Batavia, NY) - Machined forgings, weldments and fabricated parts

Titan Tool Supply (Buffalo, NY) - Microscopes, borescopes; micro-finishing tools

Ttarp Industries (Buffalo, NY) - Die cutting presses, laminators, band saws and splitters

Unidex (Warsaw, NY) - Manipulators, work positioners, mobile tables, workbenches and lifts

VanDeMark Chemical (Lockport, NY) - Specialty chemicals and custom phosgenations

Vent-A-Kiln (Buffalo, NY) - Source-capture fume ventilation systems

Wanner Engineering (Minneapolis, MN) - Positive-displacement pumps

WSF Industries (Tonawanda, NY) - Autoclave pressure vessel systems

W.T. Hight (Weymouth, MA) - Leveling mounts, carts, casters, wheels, and other material handling products

Contact us for a free marketing analysis.

Whether you need a fresh new look at your strategic approach or have a project that requires sound planning from an objective point of view, contact us today for a no-cost, no-obligation analysis and estimate. Call (716) 852-4410 or email: extra@haroldwarner.com.

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