

the power of seven
lessons from the recession





the power of seven

The *Fall of the House of Stearns*, in September 2008, was quite an opening act. In the months of economic recession that followed, Riggs Partners tracked changes in consumer behavior that we believe to be both significant and long-lasting. In an effort to help marketing directors make the most of the opportunities this market shift presented, Cathy Monetti authored this series of blog postings, which appeared on R-view.com in the Spring/Summer of 2009. Like much that happened during that time, we believe them to be important lessons today.



the power of need

In homes and businesses across America, decisions are being made with a heavy emphasis on “need” rather than “want.” This dynamic is impacting the marketplace so significantly it should be the first consideration in any strategic business decision, be it product development, realignment or marketing. What does this really mean? Begin every conversation in your organization with this question:

what does our customer need from us?

The answer must come from your customer’s point of view, which is — quite honestly — 180 degrees from a corporate point of view. And if you haven’t conducted consumer research since — say, last quarter — you may not know the answer because it may well have changed.

Spend the money to work with a good researcher. It’s one of the most important investments you can make in your marketing program. Today’s great researchers engage the right people, and they do it in an environment or a circumstance that results in truly meaningful (and potentially differentiating) intelligence. (The days of relying on focus groups and telephone surveys are over, thank heavens.) This rather tall

order requires working close to the ground, using new methodologies that result in honest and open communication uninfluenced by preconceived ideas or peer group dynamics. And it needn’t take months and cost tens of thousands of dollars.

Once you have hired the researcher, mined the insight(s) and put them in the proper context, begin every meeting with those realities in the forefront. Write them on the wall; make them a part of your organization’s vernacular. Then use the insights as your North Star as you develop new products/programs/promotions. You’ll wonder how you ever made a good business decision without them.

the power of simplicity

“Let’s make it more complicated.”

In 20 years as a creative director, I don’t believe I’ve ever uttered that sentence to my team or to a client. So it seems a little silly to spend time and energy writing here about the need to keep your communications simple.

Except that so few of us ever truly work the other end of the spectrum with **intent**. That is to say, how often do we look at a program and say “How can we make it more simple?”

In the daily rush of deadlines and wildfires, we develop solutions, integrate layer upon layer of “collaborative” input (usually to get it approved quickly and easily), and as fast as is humanly possible, we deploy.

And where do we aim? Right at today’s new economy consumer, a person so emotionally overwhelmed he or she can hardly process critical information, much less a complicated marketing message.

my advice is this

The next time you develop a piece of communications, add to your process a step in which you take a moment, step back, and say with intention: How can we make this more simple? Then start stripping away. I guarantee your properly targeted audience will not only be more receptive — they’ll consider your offering a welcome lifeline.



the power of control

A recent article in *Money* magazine says it all — *It's finally sinking in: No one is looking out for you but you.*

It's true. Self-security is the new entitlement, the article states, because we don't trust anybody anymore. We've been flat-out misled by accountants, regulators, rating agencies, stock analysts, mutual funds, hedge funds, mortgage brokers, banks, and CEOs, it says. So much so that in a recent *Money* poll, half of the respondents said they no longer trust their financial advisors.

I find that to be a startling statistic, and it's one you should carefully consider. In this age of distrust, "No one is looking out for me but me" is a powerful consumer insight. Can your brand address that need in a way that is differentiating and meaningful?

An obvious path is to demonstrate that your company/service is looking out for the best interest of your customer. (This is a SHOW, not a TELL.) But here's another direction that might be more relevant in this new economy: Do what you can to give your customer a sense of control.

Give your customer a choice.

By exercising choice, your customer will feel a sense of control over their environment.

But be careful not to overwhelm. Two options can be plenty.

Let your customer talk.

Open the door to two-way conversation, be it in-store, via telephone or online. Ask, and your customers will not only tell you what they need, they will feel relieved and more confident.

Give your customer something to do.

Nothing replaces a sense of vulnerability faster than taking action. What if you offered a free seminar on local vacation planning? Budget conscious meal options? Online selling?

Basic tenets of human behavior apply here. Give your customers a sense a certainty, as best you can, and they will repay you with their loyalty.



the power of humanity

One of the most thrilling aspects of my work is the opportunity to speak daily with leaders I respect in fields that cross the business spectrum. I never pass on the chance to ask how the economic recession is affecting their business and what they see happening in coming months.

Each answers differently, but together they form a chorus. Of late there has been a song in a slightly different key.

“It’s still tough. But people have grown tired of the recession. I feel movement again. I am hopeful.” Like these professionals, many of whom are entrepreneurs, I feel my own optimism is at work. I am deeply ready for things to change.

And yet I caution us all. We must remember nearly one in ten Americans is out of work and millions more have had their salaries cut. Uninsured rates are skyrocketing, and record numbers of people are behind on or unable to pay their mortgages.

The reality of daily life for countless families is a painful one, and a cavalier attitude by marketers who simply lose patience will result in

marketing’s greatest peril: a recognition by the customer that the marketer is out of touch. It’s a chasm that can never again be forded.

Instead, really listen to your customer. Uncover a need that may well have developed — or at least moved to the forefront — in the most recent weeks of this downturn. Then find a way to meet that need with an evolved product or new service. (Be open to the possibility that what your customer needs right now is quite elemental.)

As we move into the New Reality of this new economy, brands that are both **intentional** and **grounded in the human condition** will survive and ultimately flourish.





the power of purpose

In recent months I've made many, many trips along the same I-95 route. The need to “grab a quick bite” has sent me into a number of fast food restaurants, and the service has been so outrageously slow that when I finally had one decent experience, I started a “good exit” section in my sketchbook.

I tell you this story because it demonstrates two things:

1. the power of purpose in meeting consumer need, even when that need is very basic; and
2. how important it is to deliver what you promise.

Of course, building and sustaining a brand is difficult and delicate work with thousands of considerations. But its foundation is quite simple:

Our customers need (fill in the blank), so we (fill in the blank).

Now is a great time to reconsider this equation. The economy has

forced a redirection of energy toward goals that are extremely short-term and relationships that are much more transactional. Take the time to remind internal stakeholders why you provide the services or products you do. Give your employees a reason to come to work every day, aside from collecting a paycheck. How are they contributing value to the lives of your customers?

Then make sure your purpose is clear in all external messaging. Customers are reevaluating old shopping and purchasing habits every day. Make sure your company is on their radar.

the power of connection

According to Forrester Research, only 6 percent of American consumers agree with the statement: “Companies generally tell the truth in advertising.” No wonder Word of Mouth (in its many forms) has become the marketing rage of the recession.

Word of Mouth marketing, or WOM, is made up of countless subcategories that include viral, social, grassroots, cause, buzz, product seeding, and insider (or influencer) programs. A key tenant of WOM is that content or commentary is generated by the consumer rather than the marketer, thus the perception that the information that is shared is more credible. That information is shared consumer-to-consumer or consumer-to-marketer.

It goes without saying (so why do I feel the need to say it?) that WOM works for you, or your organization, when you offer something people want to talk about. The more “talkable,” the faster communications will spread. By its very nature, the great power in WOM is the fact that it is exponential; i.e., I told two friends, who told two friends... . Keep this strategy in mind as you build your

communications program, and add WOM components to it.

Start here:

To whom are you talking?
(It’s an ages-old consideration)

But then things take a bit of a new turn. With whom does he/she congregate? Where? What is it that links them? What is the basis for their shared interest? What do they talk about? What do they do?

Of course, many of these new communities are digital, so opportunities to intersect are endless. Just be sure you intersect with something that is “talkable,” and provide tools that make it easy for them to share their opinions. Then motivate your advocates to spread the word.

There is a new frontier out there, and it is fueled by interesting conversation. Go bravely toward it.



the power of authenticity

There is an episode of *Sex and the City* in which Carrie and the girls attend a baseball game at Yankee Stadium. This scene lives in my memory because Carrie sits there in a rather empty upper deck, rather decked out — in fur.

For you male NEC followers, this is noteworthy because 99.9 percent of women would have pulled a “sporty” outfit from the “this is what one wears to a baseball game” section of their closet. Cute jacket, sure. Hooded sweatshirt, yes, particularly if you are a serious baseball fan.

But fur? Outrageous. And absolutely, completely, unabashedly Carrie Bradshaw.

This scene inspires me because I believe it was not Carrie’s intent to be outrageous. She was simply being exactly who she is, unchanged by circumstance or surroundings. Strong and distinctive, true to her most authentic self.

There is a lesson here for all of us influenced by environmental dynamics. Last fall we awoke to a radically changed marketplace, with an economy in freefall, and we looked for ways to survive. We cut overhead and restructured; we reconsidered and repackaged. We diversified and discounted and promoted like never before, using every trick in the book (with good reason) to make a sale and stay afloat.

I suggest to you that this is a good time to take stock. For a moment, acknowledge what an accomplishment it is to simply be *still standing*. And then assess any damage caused by the compromises you had to make. Risks include:

1. Losing focus on your core business.
2. Confusing your customers and potential customers with inconsistent messaging.
3. Performing poorly in an arena that may not be your specialty.
4. Diluting the power of your greatest asset, your brand.

Deliberate experimentation is a vital component of any healthy business plan, particularly when environmental circumstances change. But the most authentic brands align those initiatives with an unwavering core truth their customers recognize and trust.

Is there anything more powerful than that?





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RIGGS PARTNERS
CREATIVE MARKETING CONSULTANCY

750 MEETING STREET
WEST COLUMBIA, SC 29169

803.799.5972
803.779.8447 FAX

WWW.RIGGSPARTNERS.COM

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