

Growing your business through the recovery

So you've weathered the storm that was the GFC. A relief, no doubt. But where to now?

Looking forward there is justifiable concern that uncertain consumer sentiment, combined with the absence of the 2009 stimulus package, will see sales will remain lacklustre.

And that's without factoring in a GFC mark 2 courtesy of Greece and friends!

In reviewing your marketing strategy there are three areas that are worth revisiting as part of your plan to get the sales graph going in the right direction:

- How do you deliver VALUE?
- What are you doing ONLINE? and,
- How are you approaching SALES?

Value is king.... more than ever

According to a 2009 Roy Morgan Research study, 41 percent of Australians go out of their way in search of a bargain. This will have no doubt increased during the last 12 months.



In times of consumer uncertainty shoppers are increasingly attracted to brands that deliver value – best shown in the growth of home brands and retailers such as Aldi and JB HiFi. And once they have experienced these sorts of products and retailers they are unlikely to return to previous brand favourites.

Businesses that want to survive need to ensure that their offers enable customers to get value, whilst making them feel great about the experience.

A great example of a brand that has done this well is Foxtel. They tapped into the consumer sentiment around the downturn in a non threatening way. Their offer communicates great value and makes people feel good about treating themselves to a smorgasbord of entertainment.



According to Foxtel 's published subscriber numbers they grew 8% during 2009 . Whilst it has slowed of late, in part due to the smokescreen that is Freeview, they haven't followed the script for a category normally described as highly discretionary.

As Foxtel have showed it's not about simply having the lowest prices.

Delivering value is more than being just the cheapest or running deep discount clearance sales. It's a way in which you do business – every time, every day – expressed in your proposition and how you position and sell your products and services.

Online is delivering power to the customer

Research from the Australian Centre for Retail Studies reported that 50 percent of shoppers now research online before they visit a store.

This finding is also supported by McKinsey whose study "The Consumer Decision Journey" (June 2009) showed that the consumer decision journey has fundamentally changed.

The so called 'purchase funnel', where a large number of brands are 'funnelled' to a smaller

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number, leading to final selection in store, is no longer valid.

Online means that the consideration or evaluation stage of the 'funnel' is greatly expanded, and no longer linear.

Consumers are able to consider, evaluate and re-evaluate a much wider number of options online before even visiting a store. The growth in search, customer blogs, comparison sites and online catalogues, such as Catalogue Central and Lasoo, is testament to that.

Consumers are hitting shopping centres with brand, product and price information that empowers them and this provides a significant challenge for sales staff.



Having an online strategy is not just about shopping online as some retailers have mistakenly thought. Even if a business doesn't have an online purchasing capability today, an online plan is still needed.

Some of the most successful online strategies deliver rich pre-purchase information and have also effectively extended the brand experience post purchase.

TV stations have led the way in this area with exclusive online only interviews, chat rooms, blogs and content not seen during the broadcast.

Business owners must choose the platforms that best support their customers as they research, purchase and, hopefully, become loyal to their brand.

But remember experience is key - competitors are only the click of a mouse away.

Sales is back in fashion

Sales people get lazy in when times are good. During boom times, consumers want to spend so it's

easy to get an order if you have a reasonable product or service.

The current economic landscape has changed requiring more effort from the sales team.

Customers know good service and will search it out, which is why it's crucial for your sales team to be providing a higher standard of service.

Apple is an exemplar. Their stores epitomise the brand experience in both design and useability, there's lots of well displayed products just waiting to be experienced and staff are helpful without being too pushy.

Apple staff are not so much sales people as expert helpers able to guide all levels of customer to the right Apple product for them. This is not so much a sales strategy but part of Apple's overall brand plan.



Sales staff who can't close a sale and deliver the brand experience should not have a place in your business. If they don't meet tis standard they either need to be trained up or shipped out.

Winning businesses will be those that deliver in new and innovative ways.

Whilst variable economic conditions will affect how businesses operate and the marketing strategy they employ, the fundamental elements of marketing remain the same.

Every business needs a razor sharp differentiated proposition, a clear target audience and an offer that meets (and exceeds) customer needs and competitor offerings.

While confidence is improving, uncertainty will no doubt continue thanks to the media, unexpected shocks and rising interest rates.

Being able to constantly finetune, innovate and react to market changes and consumer sentiment will be the distinguishing factor of successful brands.

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