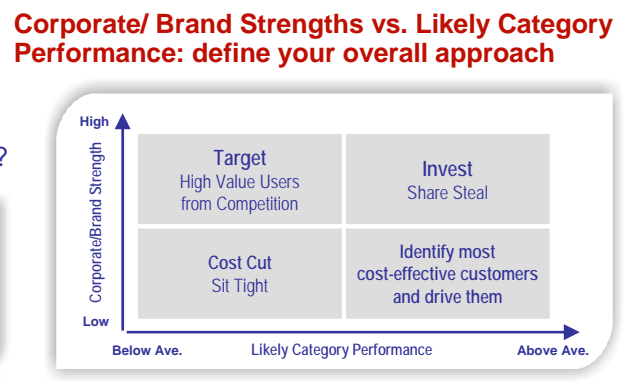
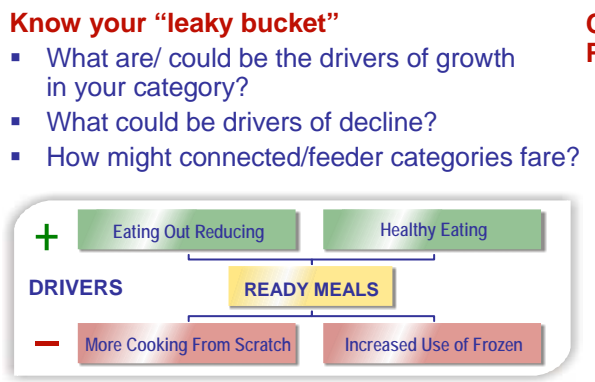


**Know the Bigger Picture**

- Think big before you think small**
- Why might this recession be different?
  - Review broader consumer/ PEST trends. How might the individual trends get exaggerated or collide in new ways?
  - Understand the broader impacts on consumers, shoppers and customers outside of your category/brand



**Know Your Target Audience**

- Who?**
- Any groups likely to grow/ decline?
  - Current users
    - Heavy, Medium, Light Users
  - Priority new users

**Don't generalise!**

- Thinking & Feeling**
- Broadly – What are their biggest fears?
  - Category – How they think/ feel about the category in the new environment
  - Brand – How they feel about your brand(s)
    - What positive roles?
    - What potentially negative feelings?

**DEEP understanding of broader thinking and category/ brand thinking**

- Doing**
- How are **buying** behaviours changing?
  - How is **usage** of product/ service changing?

**Watch the Competition**

- Has/ could any corporate competitive advantage change?
- How might competition react to the situation?
- How could our competitor set change? (Remember: BA thought business customers wouldn't consider Low Cost Airlines until business budget cuts drove behaviour change!)

**Implications by 5 P's**

- Product & Packaging**
  - Price** (& Sales Promotion)
  - Promotion** (Message & Media)
  - Place** (Channel)
  - People**
- What are our target audience thinking and doing differently in a recession?
  - What broader trends are happening that may impact upon your brand/ category?

**Smart Spend Review**

- What has worked? What is proven activity?
- Where have competitors spent/ won?
- What do our target audience/ retailers really value?
- Search and re-apply great ideas



1. **Get the right positive mind set – this is an opportunity!** (see Attitude in the OxfordSM Triple AAA approach)
  - a. In every recession there are winners and losers – make sure everyone has a winning mindset – leaders should set the tone
  - b. Set tangible winning targets
    - i. maintaining/building share is often seen as critical to survive recession/come out even stronger
    - ii. set and meet sales targets and be disciplined on spend
2. **Know who your priority consumers/shoppers really are and what they are doing, thinking feeling (both in their broader lives as well as specific to your category/brand)**
  - a. Who is or is likely to grow / decline (numbers or value)
  - b. What are your priority targets thinking/feeling doing and is it changing entering/during a recession – don't cut tracking & research, if anything increase- Don't assume they will behave as they did in the last recession.
  - c. Continuously assess - things will change as recession bites and as the market comes out of recession.
  - d. Review your research needs/approach – more syndicated research, less ad hoc, more short term expenditure. What information is critical eg gains/loss analysis (know your "Leaky Bucket"), price elasticity, behavioural panels, customer mindset research (broad and category specific).
3. **Don't assume your category will behave like everyone else** – you may have different challenges or it is often an opportunity eg Low cost airlines picking up business travel, camping gear taking off as more people down trade on holidays
4. **Constantly run "opportunity scans" then be able to move fast**
  - a. Anticipate customer mindset and revisit assumptions. Look for ways to meet or generate a new need
  - b. New product opportunities, revitalise an older product/service that now meets a need
  - c. Track consumers/shoppers changing behaviour in adjacent categories which you can turn to your benefit
  - d. Encourage practical creativity – find new ways to deliver value
  - e. Track the stages of recession for different opportunities particularly as recession starts to recede
5. **Watch competition even more carefully and act against them decisively**
  - a. Behaviours can become more erratic depending on how they fare in the recession
  - b. Sometimes new competitors can appear (including from outside of category as consumers look for creative ways to meet a need)
  - c. Know your competitors financial health – some will be more vulnerable and therefore an opportunity to take share
  - d. Keep an eye on Own Label
6. **Prioritise keeping current customers over getting new ones** (unless you genuinely have the funds to do both. Emphasis on:
  - a. Value For Money / Price
  - b. Product/service quality (particularly the core basics eg durability, performance, reliability versus "extras")
  - c. Loyalty / Churn initiatives

Watchout: don't get stuck on keeping your priority target audience if they are rapidly declining or inherently disloyal – nurture long term high value customers.

7. **Maximise the marketing mix** (See OxfordSM Triple AAA 5Ps approach) and adjust as necessary in line with your key objectives and strategies. In particular:
  - a. Optimise Product Portfolios ( eg different value offers, multipurpose products may win over specialist, B2B may un bundle products and services)
  - b. Pricing strategies
    - i. Engineer better customer value before lowering prices
    - ii. Critically watch out that, in the pursuit of share, that category profit is not eroded and pricing levels lowered across the board to no ultimate gain.
  - c. Channel strategy (where to focus, are shoppers changing habits eg moving on-line, how can you support / make life easier for key distributors to support you)
  - d. Communications –Think about messages relevant to the current situation. In some cases focusing on core product characteristics rather than peripheral value adds. Reinforce reasons to buy your product/service
8. **Spend and act smart – focus on the measurable**
  - a. Change your time horizon from annual to quarterly ie treat each quarter as a distinct plan
  - b. Where possible maintain or even increase spend ahead of competition to win
  - c. Have a clear focus on where and why you will spend (linked to clear objectives and strategies)
  - d. Invest behind proven activities and where you can measure success fast – ROI is king
  - e. Know what is important to your consumer and focus / value engineer as appropriate
  - f. Have clear business cases for your activities – talk the commercial language of the CEO/FD.
  - g. Look for "activity value opportunities" in the marketplace eg cheap media
  - h. Maintain frequency of comms – reduce spot lengths if necessary or move to a different media eg TV to radio, sales face to face to telephone call
  - i. Measure/evaluate/refine
  - j. Have a "What if Sales drop by 10%" plan – react strategically versus in panic/too fast
9. **Raise the game at "Point of Purchase"**
  - a. Strategic and insightful Shopper Marketing is more critical than ever
  - b. Clear rationale for retailers to support your brands over competitors
  - c. Understand how channel mix is changing, who is winning & losing (by channel eg Foodservice, on line, discounters; within channel ie customer X versus customer Y)
10. **Show Leadership**
  - a. Envision the role of marketing internally in the marketing team and the broader business
  - b. Cheerlead the troops through the tough times (sales or head/budget cuts!)
  - c. Encourage the positive attitudes to win (see Triple AAA attitudes). In retail / services give frontline staff the confidence to proactively provide service and sell (upsell/crosssell)