

ADVERTISING DURING CHALLENGING TIMES

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What are the benefits of advertising through a downturn?

When the going gets tough, most people simply run and hide. Any time our economy takes a downturn, the need to cut costs can lead to hasty decisions. Like cutting your marketing budget.

The findings from an important study* of recessions provide clear evidence that cutting advertising budgets during an economic slowdown can cause both an immediate and long-term decrease in profit levels and brand awareness.

By maintaining your ad spending,

However, what seems like a crisis can turn into an opportunity to increase market share, even dominate the market.

Hey world, look at me. While your competitors reduce advertising, you can seize the moment. If you continue your marketing efforts, brand awareness stays constant. In fact, it can even increase. In a less cluttered media environment your message stands out as never before. Almost by default, you are top of mind. And consumers start to see your brand as a winner, as enduring,

as somehow above the fray of current market conditions. You gain market share, brand awareness and sales.

The study cited earlier shows the effect lasts, too. Gains won during hard economic times are leverages in the eventual upswing. Companies that prosper during a downturn are more likely to prosper afterwards. As for companies that cut their advertising, the attempt to rebuild brand awareness later may simply be too costly, even impossible.