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## *What changes now for marketers*

I'm not a prophet, so I'm not going to make predictions about the new administration or the economy. My philosophy is that tomorrow will be pretty much like today. More often than not, I'm right. When I'm wrong, I find that just about everyone else is as surprised as I am.

I can tell you what's happening now and what it means for marketers. I can tell you how I'm planning to take advantage of the current trends.

Different business categories will have different challenges. And where you fit in your category is important, as well.

Financial institutions are having difficulty gaining credibility right now. However, credit unions and smaller, regional banks are in a much better place than large, national players. Furthermore, the message they send should no longer be about borrowing — and maybe not even about investing — but rather saving. Savings accounts were boring a year ago. Now they sound like financial nirvana.

While carmakers won't be doing as much advertising, you can be certain that when they do, they will be emphasizing economical cars more than big SUVs. GM is pinning a lot of its hopes on the Chevy Volt, its electric car coming out in 2010. Carmakers have always sold their products emotionally — perhaps giving customers a few good reasons to buy the Volt will help those customers feel better about the product.

Even if you do nothing differently, customers may re-think your product. Wireless providers that also sell land-line services, like Verizon and AT&T, will need to walk a fine line. Customers are already wondering if they can get along without a land line. It won't take much of a push to get them to drop the service altogether. It would be smart to consider how much a land line adds to the value of a customer — and what it's worth to the provider to be sure the customer keeps that line.

Thrift is the new black: Consumers are spending less. Even the wealthy are slow-

### MARKETING WISE



Spyro  
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ing down their spending. Conspicuous consumption is out. Value for the dollar is hot. Some businesses will benefit from this. It was good to see Puget Sound Business Journal note recently that Costco's sales jumped 13 percent in 2008 compared with 2007.

Without a lot of new credit out there, more people are (perhaps sud-

denly) living within their means. It wasn't long ago that owning a vacation home was becoming an inalienable right. Now, if buying a home is difficult, buying a second home has become nearly unthinkable.

Some things remain the same. Human nature, for one. People buy based on emotion first, reason second. We spent our money irrationally because it was fun. We're now saving money out of fear.

As marketers, it's our job to make the emotional and rational case for our products.

A savings message is rational: Buy these fluorescent light bulbs and you'll save money on electricity. If you talk about what to do with those savings, such as spending them on something fun or important to the buyer, you're getting to the emotional reasons. The emotion doesn't have to be positive — for example, you could provide a reminder that these light bulbs are better for the environment, so the buyer can salve some of their guilt or reduce their fear of a collapsing ecology by using them.

Marketing is looking more like a luxury than a necessity: Companies are spending less on advertising.

Car companies already have said they are cutting their advertising. So has Procter & Gamble, the largest advertiser in the U.S. after the combined Big Three automakers. And so has Verizon, the third-largest adver-

tiser in the country. As of this writing, AT&T — the one in between P&G and Verizon — hasn't admitted it will cut its ad budget, but many people suspect it will.

Retailers are already spending less. Financial institutions? They have other things on their minds right now.

I'm biased, but it looks like there should be huge media opportunities for those bold enough to invest in marketing right now.

Here's a little more confirmation that media opportunities abound, coming from the Dec. 24 issue of the Wall Street Journal:

"Web sites have started letting marketers create bigger, more intrusive ads that take up more space on the page. Video sites are accepting more 'pre-roll ads,' or commercial time sold before short video clips, a model often shunned for fear of annoying visitors. Blogs are creating more content that doubles as advertising. Minimum ad spends are being waived."

There's no time like the present to make some good deals on media — and start selling aggressively. Buying some market share at a low cost is a very smart move.

On the other hand, if the price of acquiring new customers is too high, the last place businesses can afford to cut corners is with customer relationships. Cross-selling new products to current customers or getting a bigger share of their business is going to be the most productive place to put your marketing dollars. And just keeping those customers happy and buying your product is a worthy goal.

The new year is going to be as slippery a ride for marketers as sledding down Seattle's Queen Anne Hill after a snowstorm. My advice is to keep your eyes open for opportunities and go fast over the bumps. It's a real thrill to be in business right now.

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