BIZCOMMUNITY

Tough times require better hit rates

By Gillian Rightford

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In times like these there are two things that are not in that kind of abundance: money and time. Oh, and lost sales opportunities while the redesigning and refinement of strategy is taking place.

In times of economic gloom such as now, two things happen. Marketers look to batten down the hatches, cut costs and incentivise consumers to buy, with any means at their disposal. Agency MDs panic, as history has shown that one of the first places that their clients look to, for a bit of extra cash in their systems, is their advertising budget.

So the agencies also start looking for ways to cut costs, batten down their own hatches and aggressively market their relevance to clients in a tough market place.

They have some powerful data on their side. A study conducted in the US, by McGraw-Hill Research, proved that companies that maintained or increased their advertising during the early 1980's recession, showed both short-term and long-term increases. Incredibly, through the analysis of 600 companies from 1980 - 1985, it was seen that those companies who chose to advertise aggressively throughout the recession had sales of 256% higher than the ones that cut back on advertising.

Realistically

Realistically though, most companies in a recessionary climate find it well nigh impossible to retain or increase their advertising budget. This is why it's so critical for companies to get the most return on their marketing investment.

And how exactly might they go about that, you may ask?

It calls for sharp thinking and sharp pencils.

It calls for a hard cold look at the advertising mix being used and how efficient it is in terms of delivering volume, sales, feet through the door, bums in seats.

It calls for a return to strong Reasons to Believe advertising; giving consumers something tangible on which to assess value. It's not all about price discounting. Consumers will continue to buy the best perceived value, not the cheapest.

Research has shown that premium brands don't always decline radically in a recession, although luxury brands do. Why? As Jason Knight, head of strategy of agency Ireland/Davenport, says, “Luxury can be forgone as it is just that, ‘a luxury', while ‘premium' denotes some inherent product value which justifies the price difference. Communicators need to stress that value in the brand more and the expediency associated with luxury, less.”

It also calls for clever negotiating of terms and discounts from your agency and their suppliers.

Getting it right quicker

But most of all, it calls for getting it right quicker. For getting the right advertising, whether it be a promotional t-shirt or a TV campaign, into the market quickly and cost-effectively.

I heard a story this week about a marketing manager who briefed in a poster design, then dithered and tweaked until the design fee for the poster was close to R500 000.

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The hit rate needs to go up, to reach, as near as dammit, 100%. Whose hit rate? All parties - better briefs, better thinking up-front, better work, the right solution first time. These things are not mutually exclusive. A bad brief gets bad work.

So, what needs to happen?

1. Crisp, clear, insightful briefs need to be written. This can be a collaborative process between client and agency, which can speed up the creative process through better mutual understanding of the task at hand.
2. The agency needs to make sure that the task, urgency and business importance is understood by the strategic and creative team; and they need to deliver work that is bang on strategy, bang on delivering the business objective at the first presentation. Work needs to be routed in deep insight of the business problem.
3. Clients need to be bold and decisive in their assessment of the work. The work needs to be evaluated against the brief. Is it on-brief? This is not the time to wonder whether to squeeze in another product message. That's for another brief. If there is to be a revert, the debrief must be clear, unambiguous and aim to move the work forward.

Basically - keep it simple; execute it well; and get to market quickly. Do more things well, than fewer things that take longer and end up half-camel-half-horse.

And here's a wild idea - reduce the reliance on research. Do some quick and dirties and ask some simple questions if you must. “Do you understand this ad? What does it say? Does it interest you? Would you do something as a result of this ad? Thank you for coming, enjoy your day”. Research costs money and adds precious time to timelines. Most importantly, it provides a decision-making crutch. Sure it's good to be safe, but in these times, bold decisions and speed to market will win.

Keep your brand busy and active, and saying the right things in cleverly thought-through places and ways. We know that well-planned marketing activity in tough times works now and bears additional fruit in the future. But, speed and quality of thinking are of the essence. Quality of thinking saves time and time is money.

ABOUT GILLIAN RIGHTFORD

Gillian Rightford's CV is a mix of marketing, advertising, and management. A former group MD of Lowe Bull, she started Adtherapy (www.adtherapy.co.za), a company that aims to improve the quality of advertising out there through better skills and better client/agency relationships. Contact Gillian on tel +27 (0)21 761 2812 or email gillian@adtherapy.co.za, read her blog at http://adtherapy.blogspot.com and follow her on Twitter at @grightford.

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