



## Succeeding in a Recession How DDW Can Help You Position Your Brand for Success

The current economic climate has seemingly weakened consumer confidence and spending here in the U.S. and abroad. Perhaps even more importantly to us as marketers, it has changed consumers' attitudes towards spending and brand value. As has been the case during other similar situations, several recent studies indicate that frivolous spending is out and that consumers are redefining value and looking for things that last.

The good news is that the economic downturn has created new opportunities for companies that know how to market smartly during a recession.

In his article, "Marketing Your Way Through a Recession", in Harvard Business School's faculty research journal, Working Knowledge, Dr. John Quelch shares key strategies for recession marketing that work. In addition to maintaining advertising, he urges companies to keep in mind the following as they are developing their marketing plans.

**Research the Consumer:** Now more than ever, instead of cutting research budgets, you need to understand how consumers are redefining value and responding to the recession. Whereas before the recession, purchase decisions were more impulsive and emotional, consumers are now researching and carefully weighing their purchases. Consumers are looking for stable brands that are dependable and deliver against the claims they make. Marketing messages that emphasize the logical reasons that your target needs your brand will resonate and be motivating.

**Maintain Marketing Spending:** It is well documented that brands that increase advertising during a recession, when competitors are cutting back, can improve market share and return on investment at a lower cost than during good economic times. Uncertain consumers need the reassurance of known brands, and more consumers at home watching TV can deliver higher than expected audiences at lower cost-per-thousand impressions.

**Adjust Product Portfolios:** Marketers must reforecast demand for each item in their lines as consumers trade down to items that stress good value. Reliability, durability, safety and performance are key. New products that address the new consumer reality, and thereby put pressure on competitors, should be introduced.

**Adjust Pricing Tactics:** Price elasticity curves change during a recession. Customers will be shopping around for the best deals. You may not have to cut list prices, but you may need to offer more temporary price promotions or create smaller pack sizes for consumers who are living paycheck to paycheck.

Data Development Worldwide offers proprietary approaches that can help you maximize marketing investment during a recession: **LineDeveloper™** and **PriceDeveloper™**. These approaches give you the insights you need to address the issues mentioned above and succeed in this environment.

**LineDeveloper™** allows you to efficiently streamline your product/service line-up to avoid losing SKUs to competitive products. It identifies new product offerings that will broaden the appeal of your line, and for services, it provides the most powerful combination of options or bundles to help attract key consumer targets.

**PriceDeveloper™** identifies the optimal pricing strategy in a competitive context for both new and existing brands, ensuring that you are maximizing revenue and maintaining your brand's status.

For more information on how these and other approaches can help you succeed in this volatile environment, feel free to contact us at the numbers listed below.

**New York Headquarters**

120 Fifth Avenue  
New York, NY 10011

p: 212.633.1100  
f: 212.633.6499

**Albany**

426 State Street  
Schenectady, NY 12305

p: 518.631.2585  
f: 518.631.0109

**Chicago**

401 N. Michigan Avenue  
Chicago, IL 60611

p: 312.840.8577  
f: 312.840.8201

**Indianapolis**

8888 Keystone Crossing  
Indianapolis, IN 46240

p: 317.575.4137  
f: 317.575.4180

**Kansas City**

110 W. 9th Street  
Kansas City, MO 64105

p: 816.527.0228  
f: 816.527.0229

**Long Beach**

400 Oceangate  
Long Beach, CA 90802

p: 562.980.1800  
f: 562.980.1515

**Orlando**

533 Versailles Drive  
Maitland, FL 32751

p: 407.645.3611  
f: 407.645.3577

**Philadelphia**

1055 Westlakes Drive  
Berwyn, PA 19312

p: 610.727.4158  
f: 610.727.4001

**San Francisco**

120 Montgomery Street  
San Francisco, CA 94104

p: 415.421.7800  
f: 415.421.7076