

Recession Proof Marketing

Article 4 ~ Relationship Marketing

One of the key elements of marketing during a recession is the type of marketing activities and strategy you choose to implement. Several of our clients have commented that the marketing activities they used to do no longer seem to be working for them. This is because customers have changed, their perceptions, habits and buying patterns have changed due to the recession. Customers have become nervous and need more reassurance when making buying decisions. Consequently, personal, emotive and relationship-based marketing is vital not only to survive but thrive in the current market place.

So what is relationship marketing and how does it differ from more traditional forms of marketing? Relationship marketing is a marketing strategy whose aim is to establish and maintain a profitable, long-term relationship with a customer which goes beyond the initial contact. The focus is on establishing and maintaining relationships with potential and current customers. What makes relationship marketing different from traditional forms of marketing is firstly, the methods of delivery are different and secondly, it involves a two way process between you and the customer.

When planning your relationship marketing strategy the first thing you need to do is establish the emotional hook and buying process that customers go through. A study in America sought to find the top five reasons why people buy and price did not feature in the list at all! Many of us focus too much on price and in particular, being the cheapest. The key to successfully marketing to customers is to understand the emotional buying process that they go through. No matter how mundane the purchase is we all go through an emotional buying process that we then rationalise. In marketing, we are looking for the emotional hook - the core emotional need the client has. For example, one stock exchange based company we recently worked with found that the emotional hook for their customers (environmental managers) was the desire for promotion and to be recognised within the company as an effective manager. It had nothing to do with price as the client had previously assumed.

Having established the emotional hook for your customers, the next step is to implement your relationship marketing activities. The core feature and aim of these activities is to establish a two way process between your customer and your business. For example, market research is a greatly undervalued sales tool. To get the most from your market research I would recommend doing qualitative research where you are speaking to potential customers rather than taking the easy option of sending out a survey. This will enable you to find out what your customers needs and desires are, as well as giving you a valuable sales opportunity.

Social media is also an excellent relationship marketing tool and one that is being highly recommended by marketing experts in the current recession. Social networking sites, newsletters and blogs all help to establish and maintain contact with customers. Just remember that the information you send out must be relevant, of interest to your customers and offer value.

Keeping in regular contact with customers by sending seasonal cards, personal emails and even buying your best potential customers dinner all help to build the relationship. Finally if you do nothing else, rather than emailing contacts and clients, pick up the phone and talk to them. Just last week I called a client I had worked with two years ago and through that conversation an opportunity arose for me to tender for a substantial project. This would never have happened if I had just sent them a newsletter.

In summary, relationship marketing is not dissimilar to dating someone. You need regular contact, open, honest conversations and an understanding of what their emotional needs are. Achieve this in your marketing and you'll see your sales results increase.