



Crunch PR – musings from Mr PR - Barry Walker

What is crunch PR?

Ensuring your profile is raised sufficiently high enough to be seen as a leader in your field when your competitors are struggling to find market share.

Are we in a credit crunch? Is the media overegging the pudding? Or are we doing what we do best in the UK, talking ourselves into a recession? My opinion is all three. Hey, whoever told you business was easy. If business was easy “by this time next year we’ll be millionaires”, to quote Derek Trotter.

Whilst I am an eternal optimist, I also tend to embrace the worst case scenario. I remember the last recession at the end of the 80s and the start of the 90s when the construction industry crashed and when, as a director of a major construction company, my world evaporated. That’s when I started to row my own boat and began working as a freelance PR consultant. God, those times were tough, but to me, that was a natural battlefield in which to do business, one that I remember to this day and continue to respect. To me that was the norm: for 5 years nothing in the UK was built, interest was running at 15%, negative equity was rife and architects were the highest candidates for bankruptcy and suicide. Forgive me for being alarmist, but this is fact and fact is fact.

Anyone reading this communication for the first time and not benefitting from BlackChilli client status may need a number of pointers as what to do in what is perceived, for some, as tough times. Here’s a handful of BlackChilli rules to get you going.

Rule 1 - Know Your Product

This may sound like a silly rule but it’s fundamental: be sure you know your product. As businesses grow, and the coalface becomes further away from you, it’s possible to become out of touch with the detailed elements of your business: after all, that’s what staff are for. Whilst you are working on the business, you may not be working in the business. Don’t let this trip you up: when markets shrink and it gets tougher, you may become involved in working in the business again. Yes, we all know you set the business up, but you may have become a dinosaur. Getting involved in marketing, sales, proposal and presentations makes sure you are up to speed.

Rule 2 - Research the customer

You need to know now more than ever how customers are responding to economic downturn. Consumers take more time searching for durable goods and negotiate harder at the point of sale. Customers are more willing to postpone purchases, trade down, or buy less. Must-have features of yesterday are today’s can-live-withouts. Trusted brands are especially valued and they can still launch new products successfully but interest in new brands and new categories fades. Be sure you know what it is your customers want and even more importantly, be sure you can supply it.

Rule 3 – Don't Run Scared

Business is going to get tougher. However, business is tough, get used to it. A business associate once told me (you know who you are as you read this), that business is called business for a reason. If it wasn't, it would be called play and then everyone would want to do it. In the coming months you are going to become more diligent in your marketing, prospecting and sales strategies, without giving off those telltale 'running scared' signals. Never run scared: stand firm with an air of confidence and sell well. People like doing business with confident individuals.

Rule 4 – Don't Fail To Plan

In scuba diving, there is a saying – 'Plan The Dive – Dive The Plan'. If you do this nothing can go wrong. Yet in business how many of you are failing to plan for all eventualities? Write a simple business and marketing plan. This may even be a 'back of a postcard' scribble that says "make 10 new cold calls each week". Once you have done this, stick to it and keep sticking to it. Write down all the things you can do to market your business and form a monthly strategy. Look at the strategy each month and if you can improve on it do so, especially as increased sales will give you a bigger marketing budget. These serve as a guide and should be reviewed on a regular basis as markets change. Be adaptable to market trends, be prepared to be flexible and certainly be inventive. This doesn't mean you have to be reckless, just structured and firm. Take into account all possible contingencies.

Rule 5 - Never Cut Your Marketing Budget

I hear you thinking, 'yeah right, typical advice from a PR consultancy', but this is one of the fundamental rules in a soft market. I'll explain why. Never under any circumstances cut or do away with your marketing budget. A marketing initiative is like a snowball; hard to get going, but builds momentum the more you roll it. It is well documented that brands that increase their marketing in a soft market when competitors are cutting back can improve market share and return on investment at lower cost than during good economic times. As consumer purchasing declines, the consumer will purchase prominent brands. Are you a prominent brand? If not, you must become one. Moreover, your investment in your marketing has a value, as you have been investing in the budget for many years. Stop suddenly, and the tens, even hundreds of thousands of pounds are wasted.

Rule 6 - Advertising Must Pay

If you are spending money on advertising, and you are convinced that continuing to spend money on advertising is the right strategy, then give your old campaign a makeover. Replacing the old ad image with one that's designed to produce bottom-line results and has a strong call to action is a must. I bet your current message is too wishy-washy. Get tough – you need business and you need it now. Create strong messages designed to attract customers. Track the results of your marketing efforts by placing response codes in all your ads and lead-generation tools. The adverts in media that don't get results get the chop, whilst the ones that do work, you must continue with.

Rule 7 – CRM is a vital tool

If you haven't got one, invest in a database package that is capable of running a customer relationship marketing programme (CRM). By listening carefully to your customers, you'll gain insight into what they want most and how you can provide it. Train your staff to always ask prospects where they learned about your company and use contact-management software to record all the information you get from them.

Rule 8 – Never discount your prices

Cutting your prices is like driving down a one way street. It's hard to turn around and go the other way. Whilst your competitors may reduce their prices, you need nerves of steel to maintain yours. Once cut, it is difficult to justify raising them again. Rather than cutting your prices, now is the best time to offer additional value, products or services. Try segmenting your customer base now that you have a CRM package - set up a multi-tiered programme of telephone contact and mailings, and offer special support or additional services to the customers who generate the greatest sales or profits.

Rule 9 – Wave the Flag

Get in the press and get in now! Get up on the battlements and wave that flag. How else are people going to know both you and your products exist? Currently, does your business rely on word of mouth recommendations? Are you trading on your reputation? Well, these will be the first sales generation mechanisms to evaporate in a downturn market. Why would anyone promote your business right now? They've got their own business to promote. Media relations and special events are essential tools. Intensify your media relations with article ideas tailored specifically for your market audience and the readers of key publications. Editorial is far more powerful than advertising, and a lot cheaper. Identify specific journalists or editors to receive your information and find out if they prefer releases via fax, e-mail or standard mail. After sending your initial information, follow up with phone calls and a polished press kit.

Rule 10 - Don't Be A Stranger

Keep in touch with your clients, prospects and lapsed purchasers. Remind people that you are still around and open for business. E-mail newsletters are cheap, cost-effective, efficient and very powerful. Printed newsletters are also excellent, however, they are more expensive to produce and mail. Plan to send out a client focused communication on a monthly basis with a host of messages. For example: tips, deals, bargains, added value, stock clearance, incentives, news of your business, new clients, etc. Keep in touch – always.

Rule 11 - Dig Deep

When you are looking for new ways to persuade prospects to take interest in your company, stay abreast of the latest research and published articles to discover your target market's current needs, desires and buying preferences. Put customer feedback forms on your website and take steps to make your online presence more interactive. To increase your company's visibility, associate with a charitable cause or community-based group for a special event. Take a high-profile position rather than melting into the crowd.

Rule 12 – Make sure your website is working for you

All businesses have a website – don't they?? Let's assume they do. Your website is your 24-7, 365 days a year shop front, with lights on which bangs out your message. It works when you are asleep and it allows customers and prospects to look at your business at any time of the day.

Here are a few tips to ensure your website works effectively for you:

What do you do? Many companies have stylish websites that have no clear messages of what they actually do on their home page. If your home page does not contain a clear message of what your product, skill or service is, in simple to understand terms search engines like Google (the most popular) will not be able to categorize your site. Make your content engaging, current and topical. Keep up to date with what is happening in various markets, predominantly your own, as this makes your site a reference point. This means people will keep coming back to you, linking to your page, again bringing Google back and pushing you up the Google listings. Content needs to be current. For an example see Times Online, or the BBC news website. What makes good content? Compelling case studies, white papers, news, blogs, commentary, tools that people will want to link with, top tips and free downloads.

In the construction industry the Holy Grail is the Olympics in 2012. We all want a slice of that prestigious project. Post messages and news on your website regarding 2012, your views, your part of the project (if you are fortunate enough to be involved), products or services you have that would match 2012 and so on. This will ensure Google comes back to you, elevating your position in the rankings and proving your credibility with this project.

By blogging and using social networking sites you are keeping things 'live' and informative. As with your web content, keep things up to date and current and in line with the topical affairs that rule your industry. Set up a Facebook account for your business. It is an ideal way of piling content onto the Internet. While it will appeal to a younger audience, the youth of today are tomorrow's decision makers.

Publish and share information. This will lead traffic to you via searches. Surfing the latest news on your industry and putting this on your own website will ensure you are up to date, current and topical ... and it is guaranteed to drive more traffic to your site.

Write and publish articles relevant to your business. These can be sent to online versions of printed media titles, online forums, and news sites. Online publications are hungry for content. You can provide it. Also share links with trusted affiliates. Publish links to your site in forums, journals and blogs. Publish as many as possible, as long as they are relevant.

Rule 13 - Be Seen

During an economic downturn, get back to basics by beefing up your networking activities. Designate several members of your company to get out and attend different groups, assign goals for follow-up and regularly add contacts to your database. Hold events of your own at your offices or a suitable venue. Invite clients to attend and ask them to bring guests of their own. This will further your reach and expand your contact base. Hold briefings designed to educate and help the attendees. Subject such as 'Closing More Business' or 'Crunch PR', or even 'Selling In A Soft Market'. The subject matter could be driven by changes in legislation, new regulations and so on. Communicate with your entire prospect database about once every four to six weeks by e-mail, phone or in person, and you'll come out of this downturn with a strong and loyal customer base.

Rule 14 - Diversify Before Times Of Trouble

One of the greatest self publicists and entrepreneurs of all times is Richard Branson. We can all learn a trick from Mr Branson. One of his strategies is to diversify in a down market. Branson has a global brand and brands like Virgin calculate market share by the percentage it takes from each pound in the consumer's pockets. In a soft market he looks for alternative consumer needs that can be branded a Virgin product. Do the same. Look for markets that are strong. For example – if you are supplying into the private house builder market, which is depressed currently, don't be content to just lick your wounds. The government has been warned that an extra 60,000 council and housing association homes are needed to tackle the full reality of England's housing crisis. Diversify – target the public sector and local authority housing sector.

Rule 15 – Are you selling or telling?

Selling is not about telling folks how good your product or service is: it's not about 'browbeating' customers into submission. Selling is about finding out what the client's problem is and showing them you can solve it. Most organisations struggle with this part of their business and in a downturn this issue is especially highlighted. Make sure you are selling. Sell yourself first, your business second and your products and services last. Remember, people buy from people they like. In a down market loyalty can be a lifeline.

Rule 16 - Are you a farmer or hunter?

This is linked to the previous rule, no 15. When the chips are down being a farmer isn't sufficient. Managing the relationship with a client isn't guaranteed to generate any business. If you are a hunter you must bring home the bacon. Try to be both.

Rule 17 - Become A Closer

In the UK we have a stiff upper lip, a reserve that is built into us. We are generally uncomfortable talking about money and certainly may never ask for the business. As a consummate pitcher and closer, I have no problem with asking for the deal. The number of times I have been in a pitch and my competitor has sent his proposal by email... how are you going to close the deal from behind a PC? Get to see the client, pitch and pitch well and at the right moment ask for the deal. The client will be formulating his opinion of you and will respect you for going for the close.

Rule 18 – Don't be too English

If you meet an American, he will inevitably introduce himself by saying, "Hi, my name is Bob, from Orlando, and I work in print consumables". In the UK we will probably say "Hello, I'm Robert". You don't have to turn into a Yank, but be prepared to talk about your business and exactly what it is you do. Try to always think about your business and be prepared to give your ten second 'elevator speech' wherever possible. The elevator speech is when you get in the lift with someone and they ask you what you do for a living. By the time you hit the basement they should know exactly what it is you do and be holding your business card.

Rule 19 - The '80-20 rule'

80% of your business will come from 20% of your clients. True. Don't be afraid to either lose or ditch a bad client who doesn't pay well or won't deliver good clean business. It means you now have room to bring on board new and more profitable business to take the place of the culled clients. You may also increase your price point at this stage. Remember, you can work too hard for too little return.

Rule 20 - Carry the card

Always, always, always carry your business cards with you. Be prepared to give them out, even at social functions (but do tread the fine line between being a business bore and an innovative networker). Those cards that you are given, write on the back where you met the giver, and a memorable thing about them. Put them onto a database package on your PC and ensure you ring the individual within a couple of days. Arrange to meet up for a drink, or meet at one or the other's office. Ask how 'we' can do business together. You will be surprised how quickly the recommendations come flooding in, but ensure the flow of business is not just one-way.

Rule 21 - Everyone is a salesman

If your budget is tight, set incentives for your clients and staff, rewarding them if they look for, and procure, business for you. Everyone knows somebody who may want to do business with you. If you have a delivery driver, when he delivers to a customer, ask him to go into the two businesses either side of the customer. He can then introduce your company and leave some promotional literature explaining what it is you do. Get him to ask for a business card and put that info on a database. This can be used at a later date. Ask clients to recommend others, and reward them with a discount off the next purchase. Now you have a larger sales force working for you.

Rule 22 – Call in a favour

Who is your biggest supplier? Ask the accounts department to print off a spreadsheet of the top ten companies you have paid in the last 2 years. Now it's payback time. Contact them with a simple proposition. Over the last 2 years you have given them a lot of business. If they want to continue to enjoy your business, can they introduce you to any of their contacts who could become a client of yours? This will ensure that you survive and as a result you can continue to provide your suppliers with your good business. You'll be surprised, but it works.

Rule 23 - Be different

What is your USP, your Unique Selling Point? The more specialised you are, the less competition you have. The more products you offer, the less easy it is for your clients to make a choice. Look for a cash cow. This is the product that keeps your lights on, where there is a lot of stability, but perhaps little chance of development. Avoid cash dogs. These are products or projects that have little future, are a cash drain and can be ego driven. Do what you do best at all times.

Rule 24 – If you can't be different, be first

Who was the second man to walk on the moon after Neil Armstrong said 'That's one small step for a man, one giant leap for mankind?' Who came second in the long jump in the Mexico Olympics behind Bob Beaman? We never remember who came second. If you can't be first in your market, invent a new market where you are first. BlackChilli is a PR company, in a market that is saturated with PR companies just like BlackChilli. We are now promoting ourselves as the leading PR company in the construction sector: it's early days but it's working. We specialise in construction, architecture, building products and specifier products and to our knowledge we are the first specialists in this arena. Watch this space, while you are inventing yours.

About The Author

Barry Walker is the founder and Managing Director of BlackChilli Media, a public relations and marketing consultancy based in Hampshire. Barry is an effective networker, self publicist, and regular contributor to a host of titles who, say his peers, would turn up at the opening of an envelope, others say he is a 'networking slut' whatever that is!

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