

Marketing Strategies in a Potential Recession

by Barbara Riedel

If you are a marketing leader at a software company and believe that we are already in a recession or soon will be in one, don't panic. While no two recessions are the same, we have lots of historical data showing buyer behavior patterns. This article will outline the questions to ask to gather information and the steps to take to set your company up for success both during and after the economic downturn.

Before we outline these recommended steps, let's define a recession. The National Bureau of Economic Research (NBER) is recognized as the authority on US recessions. [NBER defines a recession as](#) "a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production, and wholesale-retail sales."

Fact: The United States has experienced three official recessions in the 21st century.

Strengthen Your Market Position

How does a recession affect sales of a B2B software? Businesses still need quality software to operate. However, the buyer journey will change during a recession. The prevailing wisdom is that buyers will conduct greater due diligence and look for added value, look for better deals on longer term contracts, may eliminate software that isn't meeting the business' needs or values, or may delay purchases or upgrades for up to 12 or more months so they will need additional rationale about why to purchase now, rather than later. So how do you respond to these changes?

Crafting messages that address these topics is key. Staying in front of prospects and current users by communicating these messages using the right channels is also important. These efforts will help your company maintain or even increase its share of voice (SoV). History shows that when companies commit to marketing at the same or higher level during a recession, the brand recovers more quickly with an [increased market share](#) coming out of the recession.

The holy grail of marketing – reaching the **right** people with the **right** message at the **right** time.

Concentrate on the Buyer Journey

Once you decide the budget, what are the next steps? The first step is to review your buyer journey. Even if you have defined it in the past, now is the time to reevaluate it. [With the change in the economy, the journey has likely changed](#). Ask your business development team what they are hearing from prospects. What is most important to them now? How have additional influencers and ratifiers entered their decision-making process? Do all purchases above a certain spend level require CFO approval and elongate sales cycles? What messages are resonating? What sources are they using to augment their own software reviews? Even if your software is the best solution in the marketplace, your messaging must address the current buyers' concerns.

Based on the intel collected, draft new messaging and define a go-to-market strategy based on the current market conditions. Test the message and strategy. Does it resonate with the buyers? Is it producing results? Don't skip this step. If you need resources, call in experts. Missteps can damage the future credibility of your company.

What about your lead generation program? Where are your prospects getting intel before making purchasing decisions? Consider all channels including paid advertising, earned media, digital ads, social

media, webinars, podcasts, and industry events. By combining your knowledge about the new buyer's journey, revising messaging, and tweaking the channels you can reduce waste and ensure success.

Enhance Your Brand

As you plan next steps, the following areas each deserve attention and focus.

Improve Your Brand Presence – How do current users perceive your brand and software? Are they satisfied with the software? Are there areas that need improvement? Ensuring your software delivers business value becomes critically important. Talking with industry analysts and reviewing reports can confirm its position but including customer testimonials of value proof points will make your marketing efforts more effective.

Optimize Your Website – How does your current website perform? Do you have a tracking system set up to monitor the number of visits? Where are visitors finding your website? How much time do they spend on the site? How many pages do they view? Do you need help improving your website and its search engine optimization (SEO)? This is a critically important marketing channel that you should evaluate immediately.

Hug Your Current Customers – The only source of customer lifetime value is current customers. Adding value to their experiences and keeping retention high may be easier than you think. Options might include extending the contract term, providing additional training, providing free trials of new releases, or inviting them to participate in a customer advisory board. Developing case histories to showcase current client successes when facing economic headwinds is a fantastic way to honor current customers and highlight success to prospects.

Inspire With Social Media – B2B buyers are human. They read and are influenced by social media posts. Do you have a well-defined plan to alter messaging to embrace new realities? Are your posts timely and relevant to the audience based on your buyer persona and journey refresh? Do they bring real business value? Are you tracking resonance and continually making adjustments? Using these channels to both listen and communicate will help ensure your messaging and real value delivery are aligned with your buyers.

Educate and Persuade – Now is an exciting time to highlight your software solutions and emphasize user benefits. Quality, concise, well-written articles will solidify your position as the “empathetic leader” within your market. This content is a great investment, not only for today but for the future.

Create Excitement With New Products – Even during recessions new product announcements have a place. If your company is ready to release an enhanced version of the current software or a new software, reinterview buyers to ensure your product-market fit is still optimized. And choosing to announce the product with messaging that embraces your buyers' economic realities can benefit your brand and enhance the long-term success of the software. History shows less products are released during a recession, but [new products that are released have better successes](#) during and after the downturn because there is less competition.

Stay Within Budget, Achieve More Results – Don't let the lack of resources stop you and enable you to stay ahead of your CFO. Allocate budget for outside resources and hold off pulling the trigger on hiring more FTEs. Many times, you can find contractors at a fraction of the cost of hiring full-time staff. Renegotiate your contracts with MarTech-stack providers. Sharp negotiators can help you pull 12-15% of savings out of your software costs. Reselect research partners that can provide more practical step-by-step blueprints that help your staff get jobs done at a lower cost, saving you time and eliminating costly mistakes.

Marketing Isn't Optional – It's Essential

Marketing during a recession isn't optional, it's an imperative investment. Keeping brand awareness high, messaging in tune with buyer realities, and marketing that influences sales wins will enable marketers to

emerge strongly from an economic downturn, but dollars need to be shifted and spent in the right place. A carefully crafted plan can support company growth during the recession and set up your brand to be the leader as the economy recovers.

While a recession can be a scary time, taking the right steps ensures your company not only survives, but grows.

Available Resources

SoftwareReviews

- [Creating a Buyer Persona and Journey](#)
 - Make it easier to market, sell, and achieve product-market fit with deeper buyer understanding. Develop messaging that resonates with buyers and enables you to close more leads.
- [Diagnose Brand Health to Improve Business Growth](#)
 - Intangible assets, such as brand recognition accounts for much of a company's value. Despite its intangible nature, the brand is at the heart of every business and has a direct impact on business growth, profitability, and revenue.
- [Build a More Effective Go-to-Market Strategy](#)
 - Maximize go-to-market success through deeper market and buyer understanding, provide competitive differentiation, and launch team readiness to deliver target revenues.
- [Diagnosis and Optimize Your Lead Gen Engine](#)
 - Quickly and easily pinpoint any weakness in your lead gen engine so that you stop wasting money and effort on ineffective advertising and marketing.
- [Social Media](#)
 - Ad hoc social media management causes wasted resources on ineffective social media channels, missed opportunities to capture customer insights, inconsistent communication to prospects and customers, and much more.
- [Creating an Effective SEO Keyword Strategy](#)
 - Update your on-page SEO strategy with competitive relevant keywords.

Info-Tech

- [Prepare for Negotiations More Effectively](#)
 - IT budgets are increasing, but many CIOs feel their budgets are inadequate to accomplish what is being asked of them. Eighty percent of organizations don't have a mature, repeatable, and scalable negotiation process. A good negotiation process can help: maximize budget dollars; improve vendor performance; and enhance relationships internally and externally.
- [Master Contract Review and Negotiation for Software Agreements](#)
 - Read our concise Executive Brief to find out how to redline and negotiate your software agreement, review Info-Tech's methodology, and understand the four ways we can support you in completing this project.
- [Negotiation Tips How to Save \\$ With Vendors](#)
 - Knowledge is power. Go into your vendor negotiations with these tips and tools in your back pocket.

- [Cost-Reduction Planning for IT Vendors](#)
 - Unprecedented health and economic conditions are putting extreme pressure and controls on expense management. IT needs to implement proactive measures to reduce costs with immediate results. Learn more about the critical steps.
 - [Top 10 Strategies for Reducing Costs](#)
 - Cutting costs can be an overwhelming and painful task. But knowing where to focus your efforts can make it easier. Take a look at our top ten favorite strategies. It doesn't have to be as painful as you think, and who knows, you could become the company hero in the process!
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