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Recession marketing

Interesting chances in dark economic ages

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Summary

Including conclusions and recommendations



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Customer Insights Center research report

Less sunny economic times...
What do these implicate for marketeers?



Developments in times of recession

- Many companies are confronted with collapsing sales.
- Durable consumer goods are expected to be hit the hardest (Forrester effect/channel chain effect*). For example luxury goods, such as houses, kitchens, yachts and cars.
- Sales figures show the expectations: the sales of cars declined in 2008 to the level of 1982 **.
- Also non-durable consumer goods, such as expensive trips and leisure activities are expected to decline more than proportional..

* J.W. Forrester, Industrial Dynamics, MIT Press, Cambridge (1958).
** Clou, december (2008) pag. 38-39.



How recession proof are companies and marketeers?

Apple

DELL

citigroup

2M

FIASCO SYSTEMS

CRISISLER

Fail

Life's tough LG

Ferrari

NOKIA
Disconnecting People

DOWNJONES

BAD YEAR



Every recession asks for recession marketing

Changes in:	***lead to :***	***ask for:***
› Buying power › Willingness to buy	Customer behaviour changes	Recession marketing
› Production › Trade	Supplier behaviour changes	



Summary of recommendations for marketeers

- Keep innovating: offer new products- and/or service combinations that fit with the changing customer behaviour.
- Keep investing, for example in social network marketing, experiential marketing and loyalty marketing.
- Keep advertising, if needed only in media with less costs.

- Customize the supply focussed on specific customer groups.
- Take care of supply via multiple channels.
- Avoid price reductions, because in short term this expands the market, but finally it reduces the profitability.

Which recommendations are applied during this recession?

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Introduction

Frequent characteristics of an economic crisis

