

# Online Marketing Can Recession-Proof Your Business

## Inside You Will Discover:

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## Why Online Marketing?

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Why should you even consider using the Internet to help you and your business to survive and even thrive in this recession and beyond?

There are many reasons why the Internet should be a significant part of your overall marketing strategy. We'll touch on 5 of them.

### Reason #1 People are Already Looking Online for your Product or Service

The biggest reason by far is that every day, more and more people are searching for your products and/or services online. They've got money in hand and are ready to spend it. They are looking for you and you may not ever know it. The fact is, they're going to spend their money somewhere if they need the particular product or service you offer. Will they find you or might you just as well have your business located in the middle of the Mohave Desert? It is predicted that, by the end of the decade, those that don't have a strong Internet presence won't be in business.

You may wonder what's up with all this talk of having an "Internet presence?" Is it worth it? How much is being spent online? What is at stake?

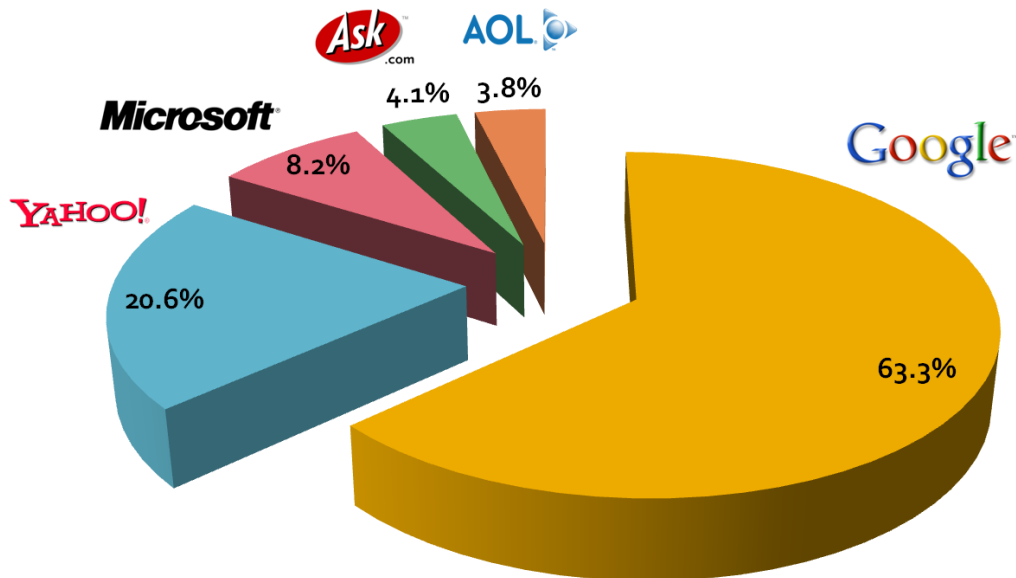
A comScore study reported that US e-commerce spending in 2008 reached a staggering \$214.4 billion – a 7% *increase* over the previous year. Final and verifiable figures for 2009 online sales have not yet been released however; the good news is that [holiday figures](#) show an increase over last year's numbers. A conservative

prediction is that 2009 online sales had a 21 % increase over 2008. This is evidence that more people are spending money online and not just searching for information. Is your business getting a piece of the pie?

### Where are people searching and how can they find you?

As you can see in the following pie chart, Google is the most popular and significant search engine – by far.

The comScore study in February 2009 revealed that the top 5 search engines were Google, Yahoo!, Microsoft, Ask and AOL. Google gets 63.3% - nearly two thirds – of all searches in the US. Yahoo! gets 20.6% of the searchers – just over a fifth with Microsoft, Ask and AOL scrambling for the scraps. To get the most exposure, focus your efforts on Google and then Yahoo! if you have the resources.



COMSCORE

Businesses have been lead to believe that all you need is a website. You may have already hired someone to design one for you only to find that you are not getting any traffic to the site and thereby no addition clients, customers or sales for your business. I am sad to report that this happens more often than not. The truth is, most web designers aren't skilled in SEO. SEO is what either makes or breaks whether your site is successful and on the first page in Google's searches results for any given keyword.

Whether you appear in the search engine rankings is not left up to chance. There are specific things that can be done that will help you to greatly increase your visibility and thereby your sales. SEO experts use keywords both within your website (on-

page) as well as using other promotional efforts on the internet (off-page). These methods collectively are called SEO or Search Engine Optimization.

### **A few notes on SEO.**

- SEO is not magic, it's actually very strategic. It takes expertise. SEO's use highly developed skills to do SEO work and, since the rules are continually changing, continuing education is mandatory. There will be a shortage of SEO's in the coming decade.
- Do you want to rank for 10 words/phrases or 10,000?
- Some words are harder to rank for than others. Some will take time and some will work immediately.
- It's important to know who your competition is and what they are doing.
- What keywords or keyword phrases are people searching Google for to find you? Have you ever given it any thought? What would you type in if you wanted to find your kind of business?
- Do you know HOW to be found for the terms that people are "Googling" when looking for your businesses products or services? And, how does social media fit into all of this?
- Do you want to offer your products and services locally, nationally, or internationally?
- Backlinks are what's really at the bottom of it.
- Measuring results: How do you track where your sales are coming from? The answer is Analytics.

### **Reason #2 Your Competitors Are Marketing Online**

**Keeping up with the competition.** Will those searching online for your product or service find you or your competitors? If you already have a website, where does your company website appear in the search rankings for the typical phrases that your prospects and customers are using when searching? If your company website doesn't appear, you're effectively invisible and, in essence, don't exist on the Internet.

### **Reason #3 Return on Investment**

**Greater Return on Investment (ROI).** As marketing budgets come under more pressure, businesses are now looking for methods that have a proven ROI. Strategies such as search engine marketing and email marketing are proven to outperform

traditional media advertising. Notice how small the phone book is getting? Not only are fewer businesses advertising, but because of fewer advertisers, the ad prices have actually gone up! Traditional advertising of any kind is expensive and your marketing budget can be used up quickly. Consider what it would mean to you if you could market to your targeted customers directly and consistently, over and over again for the price of doing it once? That's what online marketing can do for you.

A Sapient survey in 2007 found that 38% of online marketers ranked online search as their #1 marketing channel for providing ROI with e-mail marketing second at 24% and digital advertising at 15%.

According to a study by the Direct Marketing Association, the ROI from email marketing in 2008 was \$45.06 for every dollar invested while direct offline marketing had an ROI of just \$15.55 for every dollar spent. (Source: The Power of Direct Marketing Economic Study 2008 by the Direct Marketing Association).

In yet another study by McKinsey of 340 senior marketing executives in June 2008, they found that 91% were using online advertising and over half said that they plan to maintain or increase their current online spend. More importantly, 55% said that they are cutting expenditures on traditional media to be able to increase their online efforts.

So, the trend for savvy businesses is to shift their marketing dollars from traditional offline advertising methods to online marketing methods that have greater ROI.

#### **Reason # 4 More People Research Before They Buy**

**Online Marketing influences offline sales.** One of the key things to understand is that people's buying behavior has changed as a direct result of the Internet. People are increasingly likely to do a search for a product or service online and then either purchase it online immediately or use the information they found later to influence their purchasing decisions in the offline world.

#### **Reason # 5**

#### **If you Don't use Social Media, You'll be left behind**

There are many people who say that 2010 will be the year of social media. Those people are mistaken. If you aren't clear on that, let me clear that up! Social Media has ARRIVED! It is at the forefront of Fortune 500 companies' 12 month business plans as well as their marketing budgets! If you aren't already using it, you will be left behind. The statistics below are from the [Center for Marketing Research \(Massachusetts University\)](#) that studied the use of social media in the fasted growing U.S. companies.

These statistics indicate that...

- A whopping 91% of the companies used at least one social media tool in 2009
- 52% of the companies are using Twitter for business.
- 36% employed a formal policy for employees that blog or use social media
- 68% are monitoring their brand terms in social media
- 48% used social networking tools to recruit employees

Something to think about. A joint Google and comScore study on “*The Role of Search in Consumer Buying*” found that immediate online sales accounted for only 16% of activity and a further 21% of sales came online at some point later after the search. More strikingly, a whopping 63% of sales came from activity done offline at some point after the online search was conducted. (The study was conducted in March 2006 and examined activity across 11 product categories over a 60-day period).

This holds true for business-to-business sales as well as just business-to-consumer sales. For example, in their Business to Business survey of 2007, Enquiro discovered that 36.4% of respondents found vendors online but then completed their purchase offline later. (Source: Enquiro “*Business to Business Survey 2007*” May 2007)

So, the buying decisions of your prospects and customers are being greatly influenced online and will lead to offline sales. If you are not available to influence them online, then they are not likely to buy from you when they go to purchase offline later.

### **The Bad News (If You’ve Been Living Under A Rock)**

There’s no doubt that we’re in a severe recession worldwide. In fact, here’s a recent statement from the World Bank:

*“The world economy will contract by 1.7% and the richest countries by 3% in 2009. What began six months ago as a massive deleveraging in financial markets has turned into one of the sharpest global economic downturns in recent history.”* **Robert Zoellick**, President of the World Bank (Source: *The World Bank*, March 31<sup>st</sup> 2009)

So we’re in a recession – that’s a given. The next question becomes how deep is it likely to be? There are a lot of different views out there which is not surprising considering the unprecedented nature of this particular downturn. We’re in relatively uncharted waters. I AM however optimistic that there is light at the end of the tunnel.

Here’s what two of the world’s most respected financiers had to say on the subject recently:

*“The current global recession will surely be the longest and deepest since the 1930’s.”* **Alan Greenspan**, former Federal Reserve Chairman (Source: *Reuters*, February 17<sup>th</sup> 2009)

*“It’s an economic Pearl Harbor. The recession will be longer and deeper than most people think. This will not be short and shallow.”* **Warren Buffett**, World’s Richest Man and Most Successful Investor (Source: *Reuters*, March 9<sup>th</sup> 2009)

Given that we’re in recession and it’s likely to be deep it makes sense to learn effective and proven strategies for surviving and thriving in a recessionary environment because tough times are going to be around for a little while longer. In true Darwinian style, only the fittest and strongest will survive.

But where to start?

## **Change Your Behavior in This Changing Environment**

It’s important to understand how people’s behavior changes in times of recession. Not only the behavior of your prospects and customers, you also need to appreciate how the behavior of your competitors is likely to change as well. Only in this way can you respond and not react to these behaviors. Your suppliers and even your bank have likely drastically changed their behaviors in response to the increasingly tough times as well.

Let’s take each of them in turn...

**Prospects and Customers Want More for Less** - In times of recession, people tend to look for ways to save money on their current expenses in an effort to make their money go further. They may even expect you to lower your prices and give them even better offers than before.

**The Competition** - Of course you are not exempt from the effects of the economic downturn. Everyone is feeling it. However, many of your competitors will react without too much thought as to how to best to keep their heads above water and, as a result, they respond in ways that only increase their company’s already troubled bottom line. When you know what they don’t, this can actually be used to your advantage if take action on this knowledge.

In tough times, most business owners look to cut costs wherever possible. For example, they look to cut staff, limit working hours and minimize business expenses.

One easy target in the cost-cutting exercise is to slash the marketing budget to the bone. This my friends, is one of the biggest mistakes that your competitors will likely be making in this recessionary environment. They’ll likely cut their marketing budget

and it's understandable why they do this. They just don't know what they don't know.

But this is a huge mistake and here's why...

According to Ogilvy and Mather, an advertising agency serving many of the top Fortune 500 companies, a recession is not the time to be cutting your marketing budget:

*“Companies that continue to spend through the recession recover faster than those that reduce their budgets. In fact, companies that increase their marketing spend in recessions recover up to 3 times faster in normal times.”* **Ogilvy & Mather**, Ad Agency to Fortune 500 Companies

(Source: *Optimizing Production Expenditure & Creative Assets*, White Paper by Ogilvy & Mather)

So whilst some of your competitors short-sightedly cut their marketing budget and unknowingly sentence themselves to slower recovery when the good times return, you can “outperform” them and maintain or increase your marketing spend to recover much faster.

*“The recession is an opportunity to put weaker competitors out of the market and decrease their market share and decrease their capacity when growth returns.”* **Ogilvy & Mather**, Ad Agency to Fortune 500 Companies

(Source: *Doing More with Less*. White Paper by Ogilvy & Mather)

Also, because fewer of your competitors are willing to advertise in a recessionary environment, you get higher concentrated exposure. It's a fact that your prospects and customers are still out there looking for your type of product or service so they're more likely to find and buy from you if you're still marketing to them.

**Suppliers Are Feeling the Squeeze Too** - As your suppliers are businesses too, they're feeling the squeeze from multiple directions as well. You may have already noticed that your suppliers are more strictly applying their credit terms and chasing overdue invoices more anxiously as they experience their own cash flow challenges.

**Even the Banks are Short of Cash!** - Despite the massive bank bailouts, the banks are still nervous about lending to each other – let alone you and me as business owners. In fact, many business owners are complaining that their banks have reduced or even eliminated their credit line even though they can prove that they have a viable business. All this adds further pressure on your already shrinking reserves for cash flow.

While the current economic times are tough and hard for most people, every crisis brings with it tremendous opportunity... for the well prepared.



## The BIG Difference in This Recession

In contrast to previous recessionary times, the current downturn has an additional element – **The Internet**. Used well, the Internet can be your recessionary life raft to provide you with an effective way to outsmart, outmarket and outperform your competitors.

However, not many business owners know how to use the Internet as a powerful tool to really effectively market their product or service. Sure, a lot of businesses are throwing money towards marketing themselves online but fortunately (for you!) most of them are not doing it that well at all.

### **Social Media – What is it and how does it fit into all of this?**

#### **The “F” words...Followers, Friends, Fans & Forums**

Twitter – a targeted audience or everything goes?

Facebook - Personal or Fan Pages

LinkedIn – Professional networking

Friendfeed – tech info

Forums – Do others see you as the “expert” in your field?

#### **Websites**

Web 2.0 & RSS Enabled Websites – Not your granddad’s websites.

### **But What Can You Do?**

If you are asking yourself “But how can I possibly learn and implement all of this?”

If your current marketing methods are not producing the results you want, then we can help.

We know it can be overwhelming, but don’t let information overload stop you.

We offer services from consulting, website design and email marketing, to full service “online presence” management. Take action now and take advantage of our team’s skills and talents. We can help you to increase your online presence so that online prospects and customers find your business.

We can show you how to get a much higher ROI from every cent of your marketing budget by helping you to use online methods with a proven and greater ROI.

Call us today and find out more.



## What to Do Next

### Schedule Your Complimentary 30-Minute Consultation...

I invite you to schedule a 30-minute *Consultation*.

Here is what we'll accomplish together in this session:

- **Evaluate Your Current Internet Strategy:** We'll look at what you're currently doing online (if anything) and evaluate both the strengths and the weaknesses of your approach.
- **Benchmark Your Competitors:** We'll look at what your competitors are doing online and more importantly, how you can better compete for online dollars.
- **Suggest ideas for your Internet Strategy:** Once we know what both you and your competitors are doing on the Internet, we'll then be in a better position to identify the best steps for you to take in order to leverage the power of the Internet. There's no one-size-fits-all. Every business owner we work with has different needs. This is why we need discuss this together so that I can discover more about your business and what YOU really want to achieve.

To arrange your complimentary *Consultation*, call my office at (843) 771-0422 or send an email to [Leigha@e-edgemarketing.com](mailto:Leigha@e-edgemarketing.com), and we'll schedule your consultation. Email me or call the number above now! I look forward to hearing from you soon.

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