



WEATHERING THE STORM: WHY ADVERTISING THRIVES IN UNCERTAIN TIMES

As economic clouds gather, advertising budgets are often the first to get cut. Yet, history and research paint a different picture. Advertising during economic uncertainty can be a strategic advantage, not a liability. A well-crafted advertising campaign is a powerful tool for navigating economic uncertainty and emerging stronger on the other side. By embracing advertising as a strategic investment, you can stay visible and build trust while your competitors retreat.

Increased Competition, Decreased Noise

During downturns, many businesses pull back on advertising. This creates a unique opportunity for those who stay the course. With less competition for attention, your message can resonate more powerfully, reaching a more receptive audience. McGraw Hill studied 600 companies from over a dozen different industries, some of which maintained or increased their advertising spend, and others who cut or reduced it. They found that companies who advertised aggressively during the recession saw 256% higher sales¹ than their non-advertising counterparts.

Building Trust and Resilience

Economic uncertainty can breed anxiety and indecision. By demonstrating value, you can position your brand as a beacon of reliability in a stormy sea. During the 2008 recession, Domino's decided to embrace its "value" positioning by overhauling its recipe and launching new ad campaigns. This targeted advertising strategy resonated with consumers, leading to a 14.3% increase in sales². It was so successful that the company is still going strong today: their same-store sales have risen³ in the U.S. market for 24 consecutive quarters.

Strategic Targeting and Messaging

Economic uncertainty doesn't mean everyone's affected equally. By understanding which segments are most resilient and tailoring your message accordingly, you can maximize your return on investment. Facing financial difficulty in the 2008 recession, Del Monte appointed a new CMO who decided to increase advertising, launching memorable campaigns like "Fruit Undressed". Within a year, the company went from a loss to a profit⁴, showcasing the power of targeted advertising during a downturn.

¹ <https://knowledge.wharton.upenn.edu/podcast/knowledge-at-wharton-podcast/when-the-going-gets-tough-the-tough-dont-skimp-on-their-ad-budgets/>

² <https://www.campaignlive.co.uk/article/case-study-dominos-crispin-porter-bogusky-transformed-pizza-chain-tech-company/1422647>

³ <https://www.latimes.com/business/la-fi-agenda-dominos-20170515-story.html>

⁴ <https://www.adweek.com/brand-marketing/marketing-helps-del-monte-thrive-during-recession-106671/>

TESTIMONIALS:

The decision to advertise in [our BVM] magazine was a wise one. It has greatly increased my exposure and recognition in the local community. Sellers often reference my articles in the magazine at my listing appointments, which reaffirms my decision to continue our advertising campaign.

- Advertiser

Thank you again for your hard work and attention to detail with my business feature. It turned out beyond all of my expectations. I've received so many congratulatory calls, not to mention a huge influx of new clients because of this feature.

- Advertiser

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