

# How can Marketing help combat the Recession?

Article by Julie Watson BA(hons) MCIM from The Jast Partnership Ltd

## 2009 is certain to be a difficult year for everyone, but what will the pending economic problems mean for your practice and how can you ensure you survive the next year?

The UK is predicted to officially go into a recession during the early part of 2009. The third quarter of 2008 shows the GDP (Gross Domestic Product) contracted by 0.6%, giving the first quarter-on-quarter contraction in the economy since 1992. Economists are supporting the view that 2009 will be one of the worst year ever and the GDP could contract by 2.7% as suggested by Howard Archer of [Global Insight](#). The [British Chambers of Commerce](#) are even suggesting that the economy is set to fall by more than in the last recession in the 1990's.

Given all this doom and gloom, how will this affect your practice and how can you take active measures to combat the inevitable loss of existing clients and reduction in new client acquisition?

To understand the depletion in your client base, you need to identify where you will lose clients and for what reason. Obviously there will be businesses that will go bankrupt, due to their own financial circumstances. Is there any help and support you can give to these clients to help them through the next year before it is too late? There are many recourses on the internet with helpful tips to combat the recession that you can pass onto your clients, for example [New Business](#) have many practical articles including **Top Tips to Fight the Recession**. Have you communicated with your clients regarding the recession? Don't forget they are as worried about the recession as you, and any help and support you can give them will be invaluable. Being an important member of their team will secure them as long term clients and save them from falling foul of the downturn in the UK economy.

Other clients may change accountants due to their increased price sensitivity. Everyone is looking to cut costs, and often accountancy fees are seen as a 'necessary evil', so if they can get the service cheaper elsewhere they may switch. The main way to reduce the number of clients you lose in this manner is to **increase your customer service and added value**. Make sure you are doing everything you have promised and more. A simple courtesy phone call to see if they have any problems and need any help and advice from you, will show you care and will highlight you to any problems they are facing so you can tackle them together before it is too late.

Regardless of the measures you put in place to ensure you do not lose clients, some will go, due to the nature of the economy. Assuming the worst will not happen, is not an option. **Plan for the worst and hope for the best!** It is essential that you review your expenditure and cut costs where necessary, however businesses often make the tragic mistake of cutting costs in the wrong areas. One of the key areas to continue injecting cash to ensure you survive 2009 is marketing.

**Marketing can take two aspects; marketing to existing clients and marketing to new clients.** Both are equally important and should have budgets allocated. Up selling new services to your satisfied customers is a way of generating more revenue, but always be aware of their current status and what products might be suitable. Marketing to new clients is perhaps the most important area to allocate budget. As it has already been highlighted, you will inevitably lose some of your existing clients during the recession, so to prevent a decline in your GRF you need to actively replace these clients.

Without investing money in your external marketing, replacing lost clients will be very difficult, as there will be fewer businesses in the market place switching and more accountants vying for their custom. Staying ahead of your competitors is more important now than ever before. **You need to be winning a higher percentage of profitable clients than your competitors to survive the tidal wave that is the recession.**

It is important to act now and act fast by using direct marketing. **Telemarketing is the most direct and immediate form of marketing that will produce results quickly.** It will effectively find those businesses looking to change accountants and get you in front of them, ahead of your competitors. It will also allow you to concentrate

on looking after your existing clients, whilst trained specialists are identifying prospects to meet with, that are actively looking to change accountants. It is essential you use a telemarketing firm that have tried and tested methods and that produce results quickly and cost effectively. You need to ensure your budget is spent wisely, to maximise your return of investment, as well as reduce your time spent converting new clients.

**On the whole, marketing will be the key element in combating the recession.** Those practices that embrace marketing and in particular telemarketing will stay ahead of their competitors. It is of paramount importance that you identify areas you can improve your marketing before it is too late, thinking the recession will not effect you simply isn't an option!

For more information on how telemarketing can help your practice through the recession, email [combat-the-recession@thejastpartnership.co.uk](mailto:combat-the-recession@thejastpartnership.co.uk) . Or visits our website [www.thejastpartnership.co.uk](http://www.thejastpartnership.co.uk)