

White Paper 001

Advertising In A Tough Economy

Companies are facing tough economic times across the board. Many consultants say that with the right planning you can not only survive but thrive in this economic downturn if you look at this time as an opportunity. An example of this occurred with two prominent companies - Kellogg and Post. Bill Abromovitz, CEO and Creative Director of Ideopia, states in his “slightly soiled white paper” **Grow in the Dark - Build Your Brand During the Recession**, that it is important to maintain your marketing during a recession.

According to Abromovitz,

- Advertising in a recession must be viewed as an investment in current and future profits, not a drain on resources.
- Failure to maintain brand awareness during a recession is a threat to current and future sales.
- Companies who suspend advertising during a recession will have to invest more in the future to build brand awareness.

Abromovitz further states the acquisition of some goods and service will naturally drop off in a recession, but that doesn't mean that customers want or need those products any less.

“When the recession ends, the companies that have managed to stay top of mind win”

Studies show that the advantage gained by keeping your brand in front of consumers, “is easily sustained for two or three years.”

A good example of this is the case of Post vs. Kellogg's. In the 1920's these two cereal manufacturers were equal in the market. During the depression Post cut advertising while Kellogg's maintained their advertising. At the end of the recession the Kellogg's brand was top of mind and helped the company become the dominant player where it remains today.

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“Grow in the Dark - Build Your Brand During the Recession” can be found at <http://www.ideopia.com/wavybrainy/2008/02/grow-your-business-during-a-recession/>