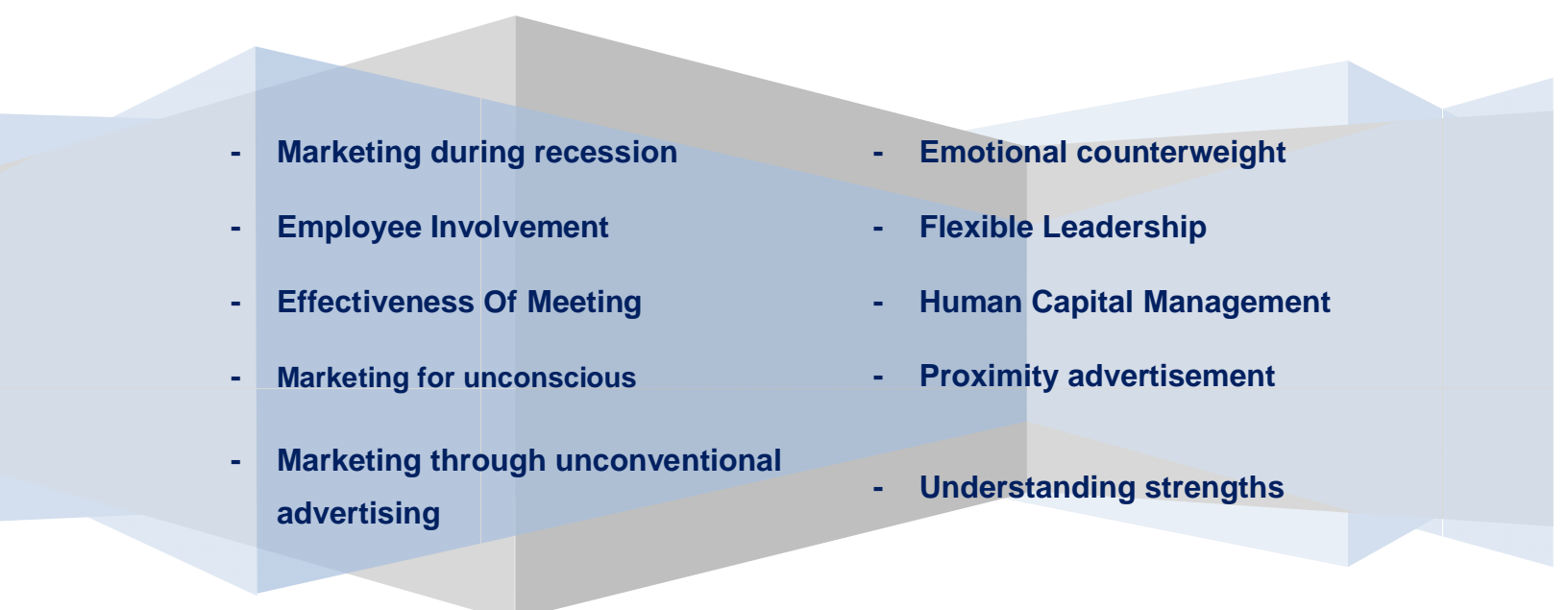


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MARKETING DURING RECESSION

Marketing during recession can be extremely challenging, especially, when one has to make effective use of scarce marketing resources. It is most likely for organizations to completely slash down their marketing expenditures during such times. However, recession may be an important time to maintain or even increase the level of marketing activity, since it becomes even more effective when competitors are reducing their marketing expenditures.

Another aspect organizations need to focus on is “*Value Engineering*”. Any cost decreases should be more than any resulting loss in customer value and any cost increases should be less than any resulting gain in customer value. The firm must give its first priority to its current customers, since it becomes very difficult to replace any customers lost, with new ones. Increasing the loyalty rate of existing customers has an even larger increase in customer contribution. Marketing efforts during recession should be targeted more at customers who are relatively price-insensitive and those that buy large volumes. Thus, effective marketing can be a major contributor in helping the firm to sail smoothly over the tides of recession.

EMOTIONAL COUNTERWEIGHT

Ethics is a set of moral principles that is to be followed by each and every individual to lead a valuable life. Ethics is a ‘gold’ that lies inside the soil of human’s mind and refined through the process of ‘balancing the emotions’. Emotions play a vital role in making decisions and leading ethical life. When we tend to feel so much for others, at their position it may shake us of our efforts to be stable and it can doom our efforts to be impartial and consistent. But in the business world, the decisions are based on pure rationality and there is a need of an emotional counterweight for us to make ethical choices. It is believed that ‘guts’ takes more ethical decisions than our brain. So, if you are in an ethically loaded situation and your guts talks, it is advisable to listen to it.



EMPLOYEE INVOLVEMENT

In today's competitive world, change is inevitable. Change needs to be carefully planned to avoid employee resistance. Therefore to overcome this resistance, it has become essential for companies to improve employee involvement. This can be achieved not only through monetary terms, but by providing them with career growth and work life balance opportunities. The various techniques such as suggestion boxes, work teams, continuous improvement congregations, events, remedial action process and periodic discussion with the seniors can be used to involve them in decision making activities. These steps taken by the company will help in building employee's morale and/or involvement. Hence all the employees (including outsourced) should be valued and their potential input recognized for effective Management.



FLEXIBLE LEADERSHIP

Leadership is all about influencing people towards goal achievement. The two sides of leader would be task accomplishment and human relationship. Various factors affect the choice of specific leadership style in an organization. Autocratic type of leadership would possibly be more suitable to large organizations, through which leaders can exercise control over huge population and direct them towards organizational objectives. In small organizations, participative leadership would be effective, wherein leaders themselves can involve in daily activities with employees, thereby motivating people to greater extent. But in some organizations, leaders delegate several tasks. A flexible pattern of leadership style would help an organization in tactfully dealing with any temporary / emergency situations.



HUMAN CAPITAL MANAGEMENT

Human capital being important of all the assets is worth considering as the competitive advantage of an organization. Human Capital Management considers people management as an important strategic issue and seeks to analyze, measure and evaluate how people, policies and practices create value. HRM focuses on employees

whereas HCM focuses on diversified workforce, irrespective of where they are placed in the value chain. HCM involves crafting a strategy by focusing on people capability, discovering measures to evaluate the strategy, benchmarking, implementing and finally reporting the success to the stakeholders.

Strategic domains of HCM includes : Leadership capital –where formulating growth strategies involves human decisions, Structural capital – where it is plays key role in structuring the organization board, forming leadership team and defining management roles, Workforce capital – it is involved in formulating strategies for choosing the workforce and evaluating the efficiency of strategy, Cultural capital – market value of a firm is greatly influenced by the ethics and values of the organization, Intellectual capital- it is all about leveraging both human capabilities and ideas to achieve business goals. Thus, HCM assumes greater significance by holding a holistic perspective on business.



EFFECTIVENESS OF MEETING

In many organizations, meetings breakout suddenly and ends in waste. So in order to conduct an effective meeting the following guidelines can be followed in an organization:

The first and foremost thing is that a plan should be laid out for conducting a meeting. A clear agenda about the things to be done at the meeting should be prepared in advance. The meeting should be started on time with members presented. So that the members who have arrived late will realize the loss of important points and know not to be late from the next meeting onwards. The meeting should be an interactive one and it should not be a dominating session. Unnecessary arguments and side tracking can be avoided.



MARKETING FOR UNCONCIOUS

During the current economic slowdown the marketers are increasingly trying to understand how and why consumer behavior and buying pattern has changed. It has been found that the people are now more anxious and uncertain about their future, which psychologically affects their conscious by creating fear which results in a more pronounced desire to save more. This change happens because majority of the buying decisions happens at an unconscious level. Therefore to satisfy its desire the strongest basis to influence buying decision is justified as means of savings. By studying the consumer behavior, marketers can also get a clue as to which other products are likely to appeal consumers. With this information they can promote their existing products or reposition them.

Therefore, studying consumer behavior ensures the survival of the company, helps to find opportunities and strategies their marketing activity which makes the organization to grow even during hard times like this...



PROXIMITY ADVERTISEMENT

Marketing is the most dynamic activity of any organization. The latest revolution in marketing is called 'Proximity advertising' which uses technologies like infrared and Bluetooth to transfer advertising content to people's mobile phones when they are in the vicinity.

Proximity advertising involves marketing of messages to only those who are willing to be exposed to a brand. It is gaining relevance as point of sale promotion in retail shops (eg. cookie man, Adidas, Titan), restaurants, universities, business exhibitions etc). some of the advantages of sending via Bluetooth are that the content is transmitted free to the users making it affordable and one can keep a track of messages accepted and rejected by the customers. However there are some challenges, such as users may be unaware of how to switch on the Bluetooth, or they may find such messages to hamper their privacy. Moreover , the ad content must be focused so as to attract the attention of

the customers without irritating them. Once these challenges are effectively overcome, proximity advertising could be the ideal next generation marketing model, overtaking print ads, mobile ads and bill boards.



MARKETING THROUGH UNCONVENTIONAL ADVERTISING

The current economic recession is having a negative impact on the marketing spend of the companies. But a decrease in marketing spend will have an adverse effect on their brands in long run. Therefore to overcome this, companies can modify their promotional activities. They can think beyond the traditional form of advertising and find unconventional promotional activities which are more suitable for the times like this. One form of advertising which the companies can follow is Below The Line Advertising (BTL). This involves the use of non media advertising such as sales promotion, price reductions and guerilla marketing. Such forms of promotional Activities are cost effective and they can be customized as per the customer's requirement. Another form of promotional tool can be Bluetooth marketing. Here Bluetooth enabled devices are used to pass the required information.

Hence the companies are suggested that they should not abandon their marketing strategies. They should find innovative ways to exploit the opportunities as well as to prove their mettle in the market.



UNDERSTANDING STRENGTHS

Many know not their meagre might
Their pride breaks up in boastful fight...
- *Thirukkural (Verse 473)*

Ignorant of their strengths, many plunge zealously into projects, only to miscarry midway. An individual or organization should weigh their core competencies before getting into any new venture, instead of risking oneself to thrash and/or trash by overvaluing.