

# Opinions & Papers

## RECESSION GUIDELINES

February 2009

**T**here's plenty of well-founded concern about companies making it through this economy intact. At HotSpring, we know that strong brands drive a company's revenue in any economy. And the essential foundation of a strong brand is real insight—understanding exactly who and what will drive short- and long-term growth and vitality. Real brand insight helps you determine what's critical to success as well as what can be sacrificed.

Now that sacrifice is a necessity rather than a strategic choice, here are our guidelines for getting a competitive edge:

### **1 Ask fewer, better questions—and answer them**

Questions are like jewels: they vary in quality, and the higher-quality ones deserve more attention. Tough times mandate that you identify and focus on the questions that matter most to business growth. How do you identify them? Start by looking at the questions that have generated high-level discussion, nagged over time, been plagued by subjective debate, and haven't been resolved. Now is the time to get a strong, objective grip on the answers. Yes, it's going to require an investment. But you cannot cut your way to growth, and a modest investment now can give you an incredible competitive edge. It may also keep you in business.

### **2 Look at your brand's competitive context as a planning tool**

You may be focused on an industry-based competitive set as you evaluate success. Your consumers aren't. Consumers view your brand within their own set of compelling needs; what they see as substitutable for your product/brand may or may not be what you think—or what you measure. Broaden the context in which you look at your brand and you'll get a better sense of whether there's an immediate opportunity—or issue—you should be addressing. Given how much is in flux, a historical approach may leave you behind as consumers fill needs in new ways.

### **3 Align all efforts with brand insight**

Yes, it sounds obvious. But very often, some groups within an organization are aligned with brand goals while others are aligned with sales goals. The job of a well-constructed brand inquiry is to unite every operational group through absolute clarity about what drives success, resolving internal perspectives in the process. It's critical to get and keep everyone on the same page, using deep insight as the foundation for common objectives across disciplines. It's a sure way to efficiency and consistency. It's also a tremendous and often surprising way to create energy, momentum, and confidence in leadership.

### **4 Don't let a shrinking budget confine your vision**

If your budgets haven't been slashed, you're probably looking at minor increases at best. But now is not the time for incremental thinking. Think ten times bolder, even though resources may be ten times tighter. It inspires bigger thinking that makes the most of any brand's budget.