

Marketing at Low Tide

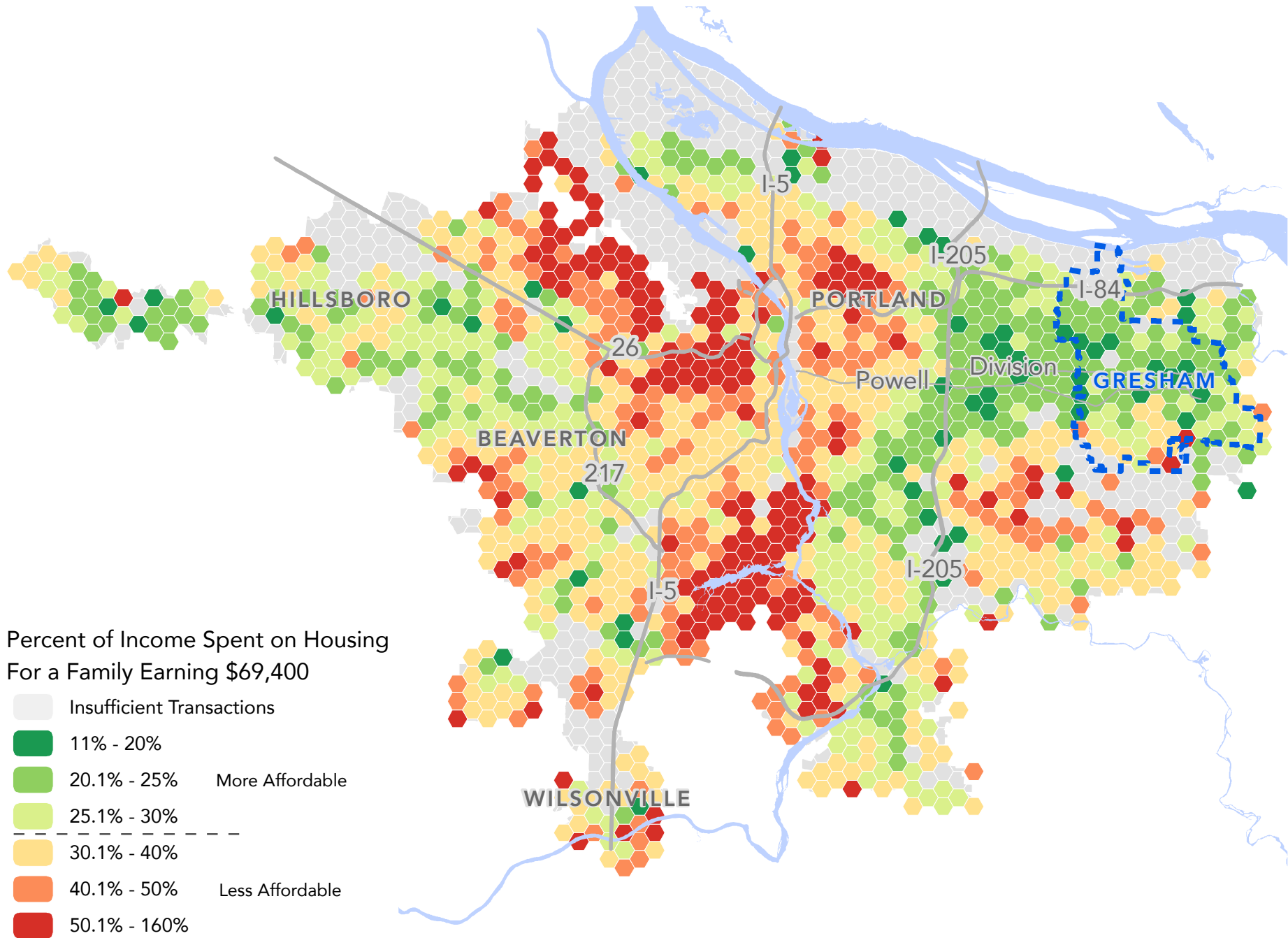


ECONNorthwest

ECONOMICS • FINANCE • PLANNING

presentation assembled and given by Allison Tivnon, Marketing Director at ECONorthwest

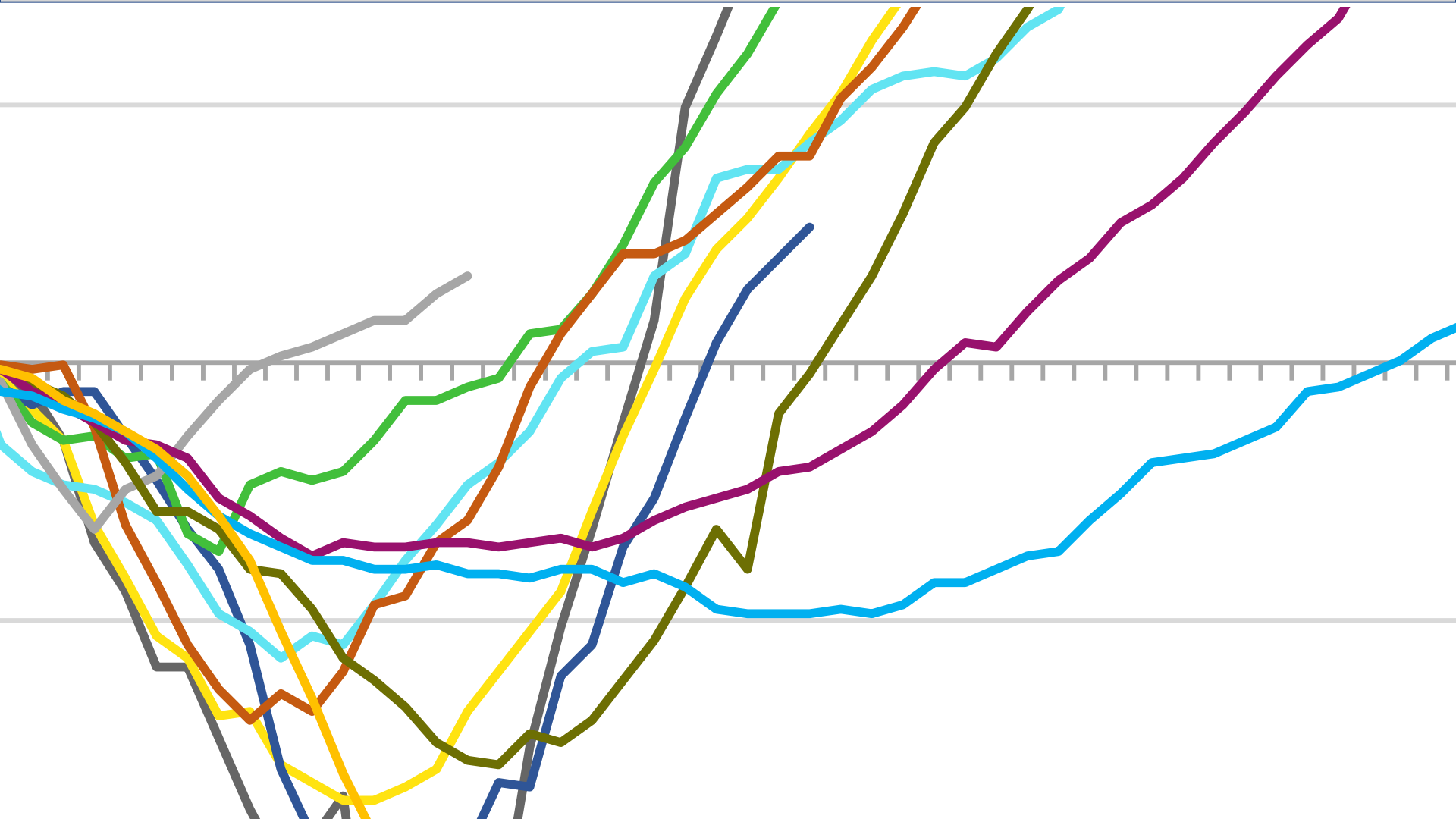
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- Transportation System Plans
- Comprehensive Planning
- Transit-Oriented Development
- Redevelopment
- Equity Studies
- Market and Feasibility Analysis
- Affordable Housing Strategies
- Economic Impact Studies
- Value Pricing

We study how people use things and figure out how they could use them better.

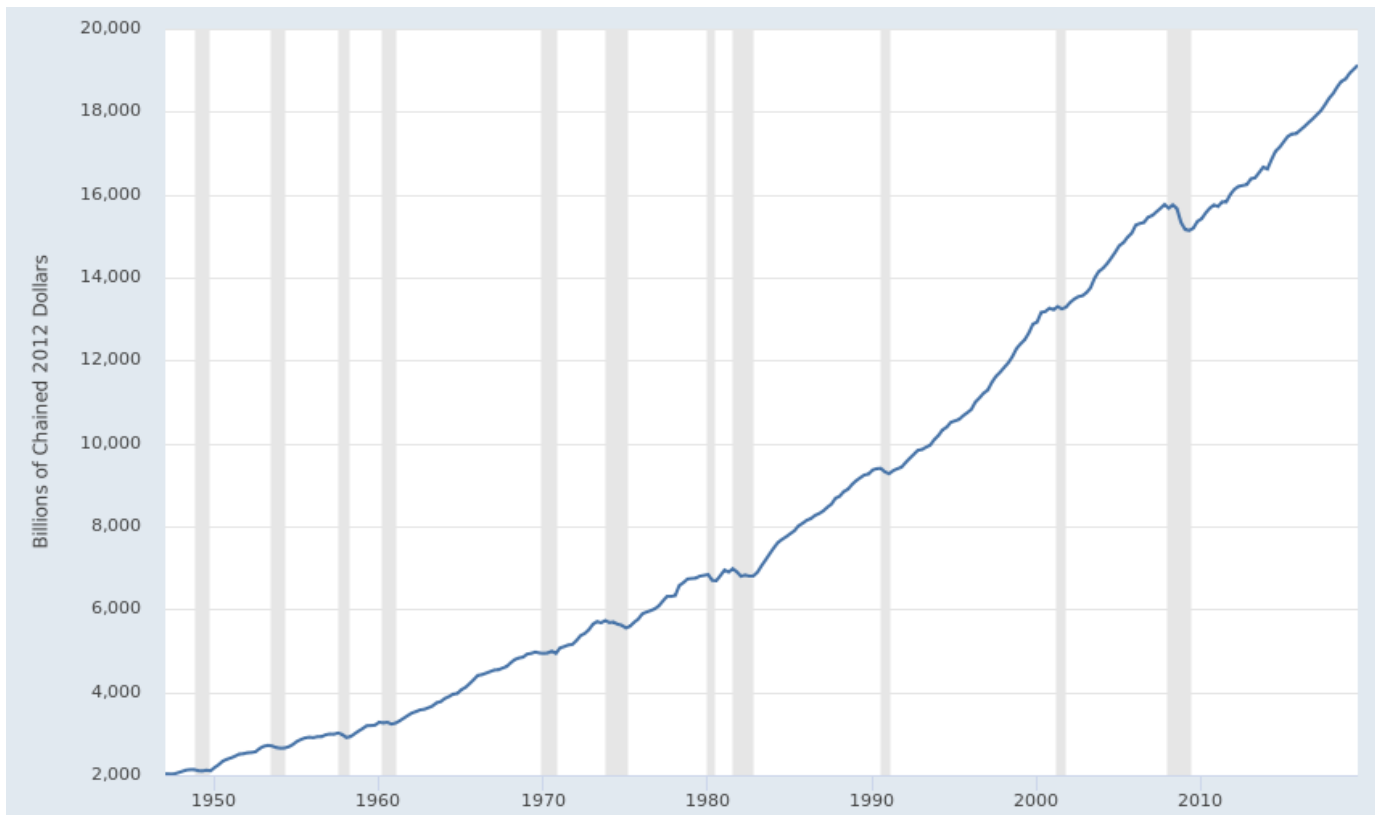
Economic Outlook and Recession



What are Recessions?

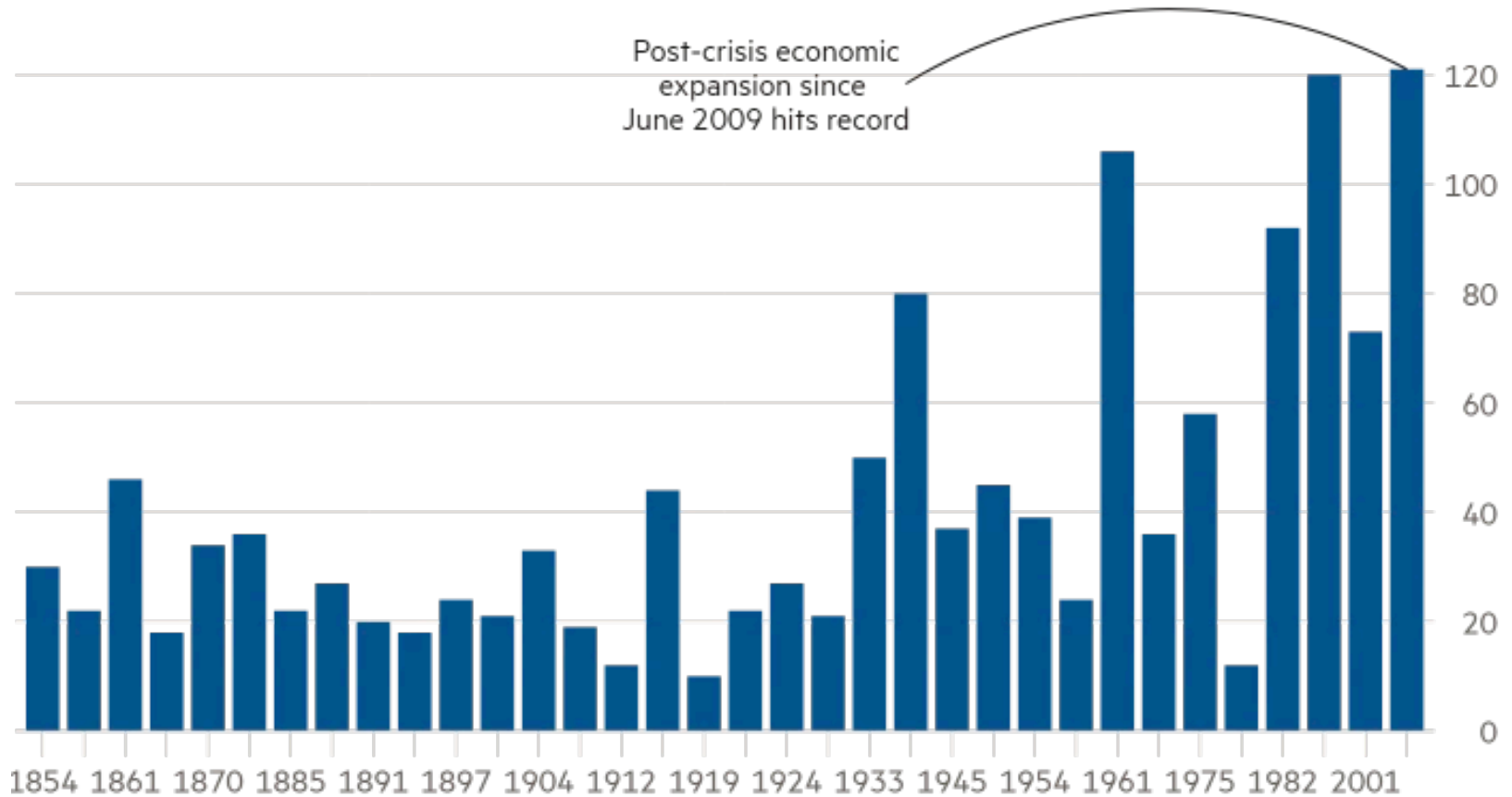


- Last recession ended in June 2009
- Since World War II:
 - Average recession lasts 11.1 months
 - Average period of expansion lasts 58.4 months
 - Minimum Expansion: 12 months
 - Maximum Expansion: 120 months
- Current expansion: 121 months



Longest Economic Expansion in US History

Cumulative months of economic growth from recession trough.



Source: NBER

Economists believe risk of recession is increasing

**72% surveyed believe recession
will start by the end of 2021**

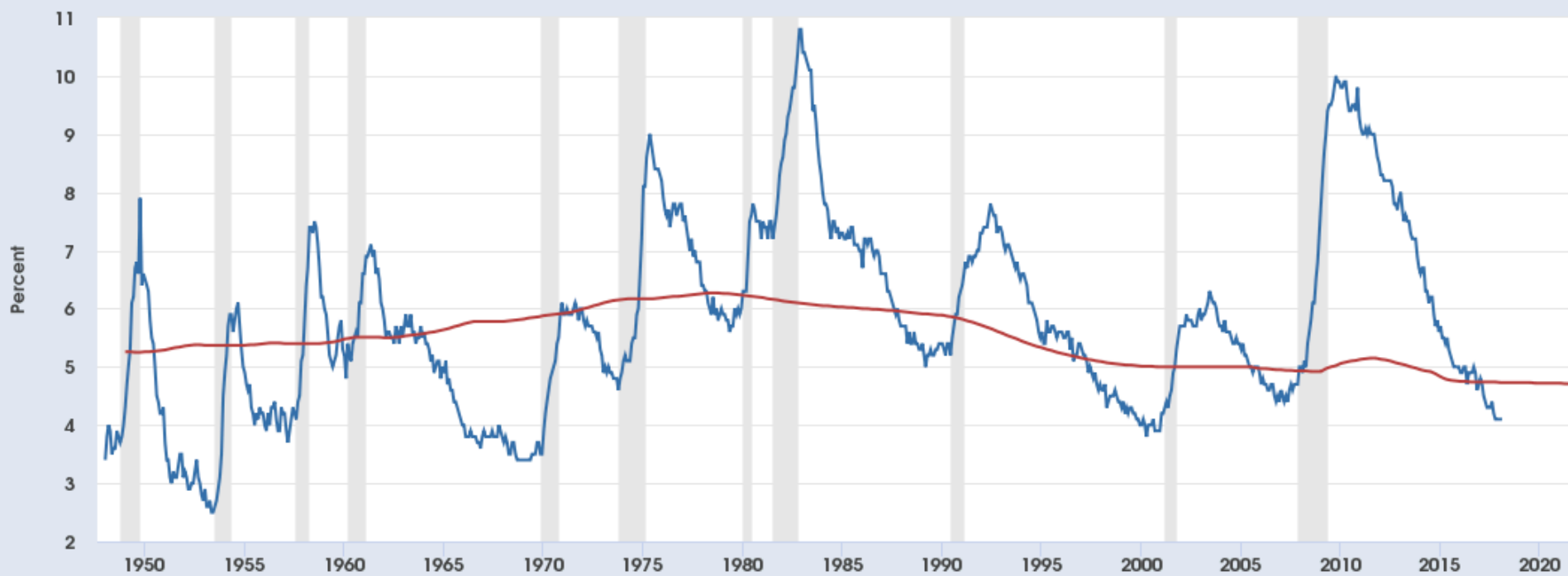
Economists believe risk of recession is increasing

38% surveyed believe recession will start in 2020

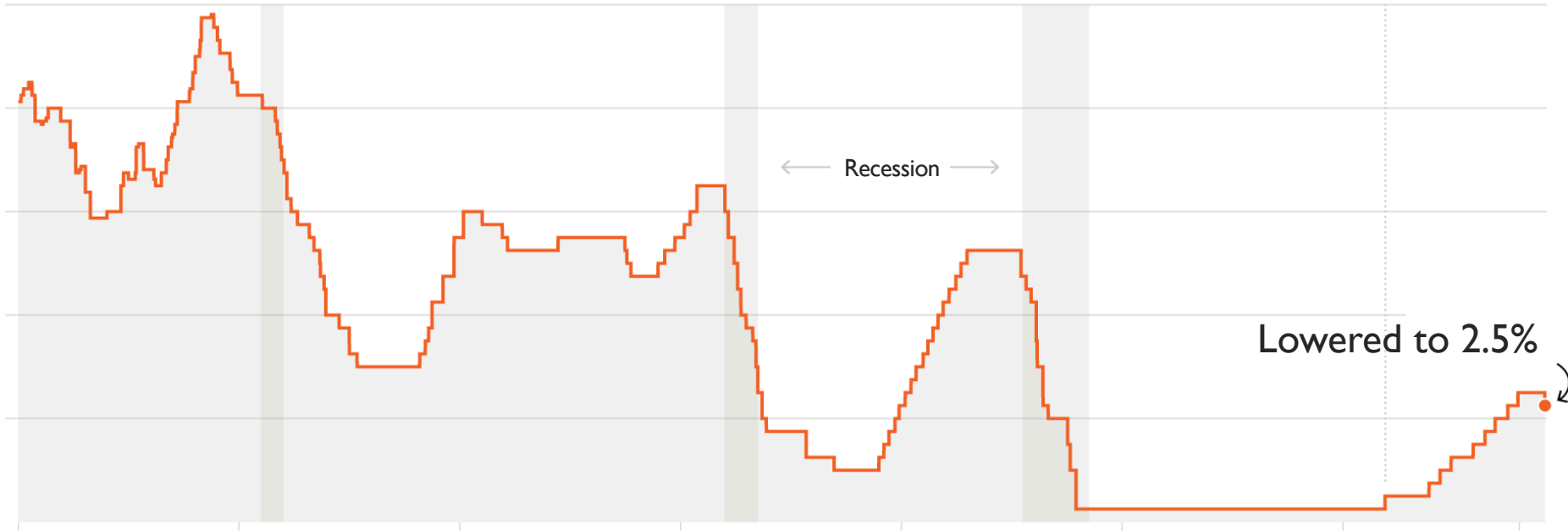
34% surveyed believe recession will start in 2021

The Natural Rate of Unemployment
Federal Interest Rate
Inverted Yield Curve
Stock Market Volatility and Decline

Natural Rate of Unemployment



Federal Interest Rate

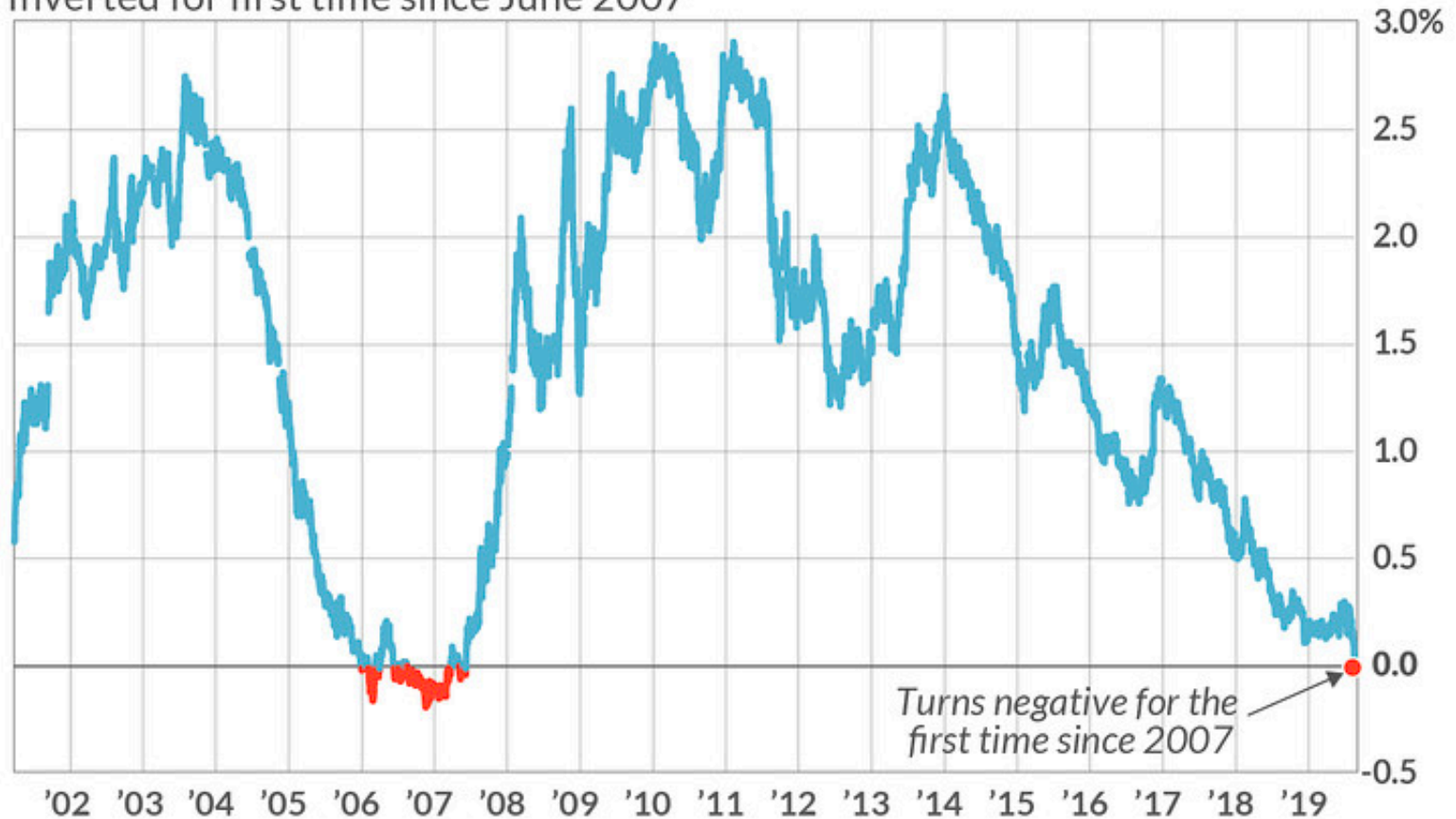


Federal Funds Target Rate

Inverted Yield Curve

Spread between 2-year note and 10-year note

Inverted for first time since June 2007



Stock Market drops 15%



Economists believe risk of recession is increasing

38% surveyed believe recession will start in 2020

34% surveyed believe recession will start in 2021

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What's the takeaway?

We're in uncharted territory.

Proceed with caution by learning from the past as you prepare for the future.

- Housing markets collapse across the country – new construction grinds to a halt
- Major financial institutions fail (Bear Stearns, Lehman Brothers). Stock markets plunge
- Household debt rises dramatically, spending slows significantly
- Massive layoffs in the industry trades
- Rising unemployment and foreclosures
- Tax bases shrink

Public and Private sector growth stalls

Remembering '08 in the A/E/C industry

- RFPs slow to a trickle
- Contracts were cancelled
- On-calls stopped producing new work
- Public agencies started keeping as much work in-house as possible

A/E/C firms feel the effect and begin cost-saving measures.

Remembering '08 in the A/E/C industry

Table 1. Descriptive statistics for overhead-reduction categories.

Overhead category	# of responses	Mean	Median	Mode	Standard deviation
Bonuses	425	2.233	2	0	1.940
Company functions (parties, etc.)	410	2.239	2	0	1.833
Charitable and holiday gifts	426	1.988	2	0	1.703
Training and education	432	1.021	0	0	1.412
Contributions to retirement plans	424	1.297	0	0	1.853
Corporate officer salary	418	1.077	0	0	1.367
Business development and accounting staff	429	0.854	0	0	1.375
Travel and company vehicles	425	1.228	1	0	1.438
Home office: space (i.e., rent)	408	0.398	0	0	0.919
Home office: benefits paid by company	400	0.511	0	0	1.051
Home office: number of hours worked	402	0.359	0	0	0.879
Home office: staff salary	403	0.492	0	0	0.957
Home office: insurance costs	392	0.450	0	0	0.962
Other descriptive statistics					
Number of overhead categories reduced	437	5.524	5	6	3.421

Source: *Quantifying the impact of the Great Recession on the AEC industry—a call to reevaluate home office overhead costs*. International Journal of Construction Education and Research · May 2018

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OMG

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Why do firms dependent on B2B business development sacrifice their business development staff?

Because they forget that they are a brand **first**
and a service provider second.

“Share of Voice”

The amount of Marketing capital you spend
versus your competitors

“Share of Market”

The portion of a market
controlled by a company (brand)

When a brand's share of voice is greater than its share of market, it is likely to grow its market share in the coming year. Therefore, companies that increase their marketing investment when most others are cutting back have an opportunity to substantially improve the standing of their brands.

For more insight:

<https://www.nielsen.com/us/en/insights/news/2009/budgeting-for-the-upturn-does-share-of-voice-matter.html>

So again, why do firms dependent on B2B
business development sacrifice their
business development staff?

Because Marketing Directors and their staff haven't demonstrated that they're standing guard and prepared to pivot.

Because recessions are rare.
Complacency is a thing.
And we lull ourselves (and others) into
thinking that we are a one-trick pony.

Company leadership lack of faith that
Marketing Directors *really* know what
they're doing.

**Because our Marketing and BD Departments
lack of agility and pivotal motion.**

There's none of this.





proposals






Economic Growth Cycle

- ↑ Proposals
- ↑ Teaming Partner Meetings
- ↓ Staff Training
- ↓ Industry Research
- ↑ Private Work
- ↑ Public Work
- Market Expansion
- ↑ New Offices
- ↑ Website Redesign
- ↑ Conference Attendance and Session Submittals

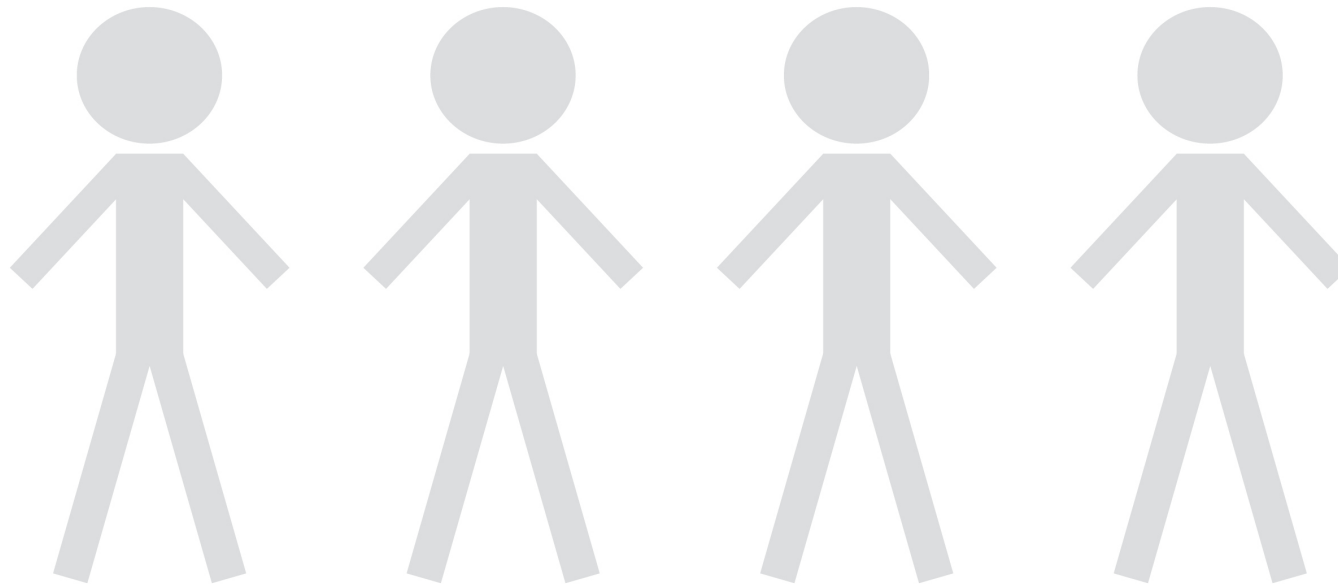
Economic Downturn

- ↓ Proposals
- ↑ Teaming Partner Audits
- ↑ Staff Training
- ↑ Industry Research
- ↓ Private Work
- ↓ Public Work
- Market Stabilization
- ↑ Office Consolidation
- ↑ Website Refinements
- ↑ Conference Attendance and Session Submittals

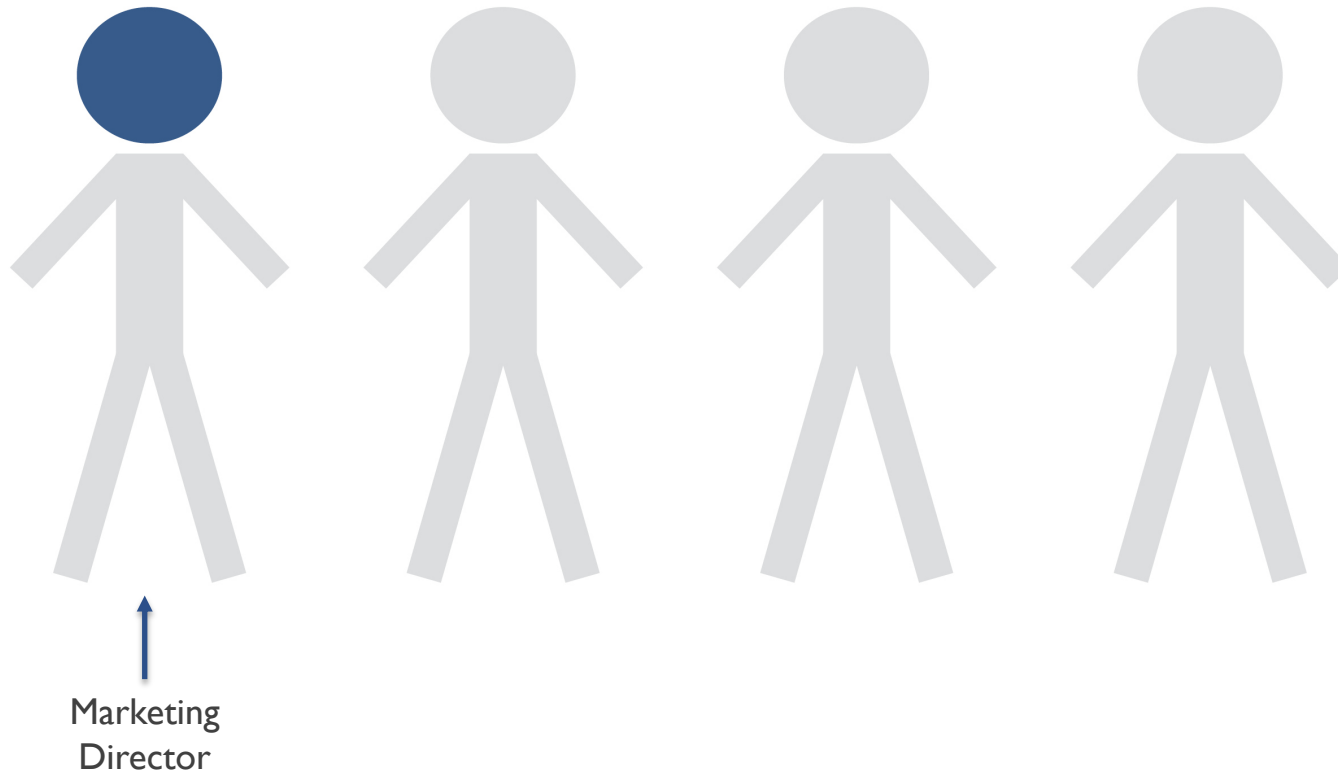
Economic Downturn

- 
- Staff – Personal Brand Mentoring
 - Internal Style Guide Refinements
 - Process Documentation
 - Competitor Analyses
 - New Marketplace Development
 - Billable work – Editing, report layout, writing

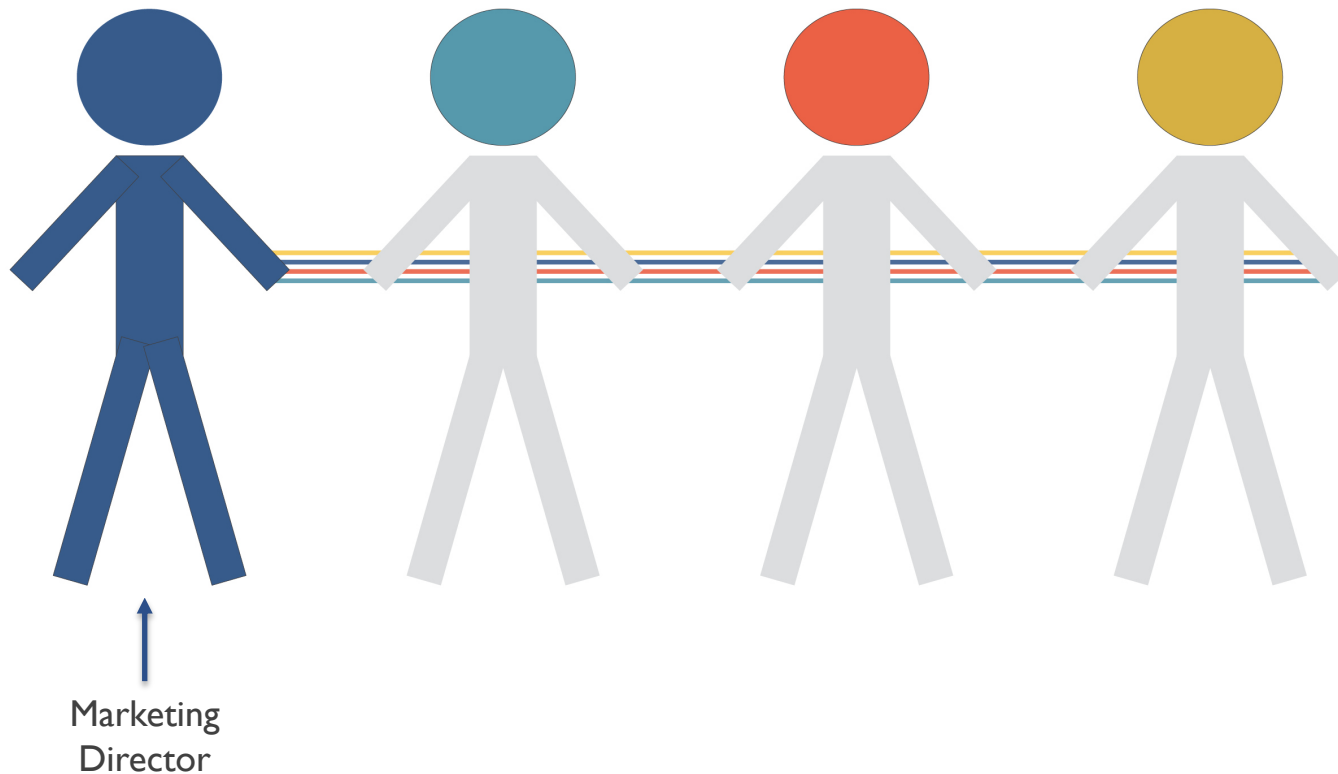
Worst-case scenario-broken department



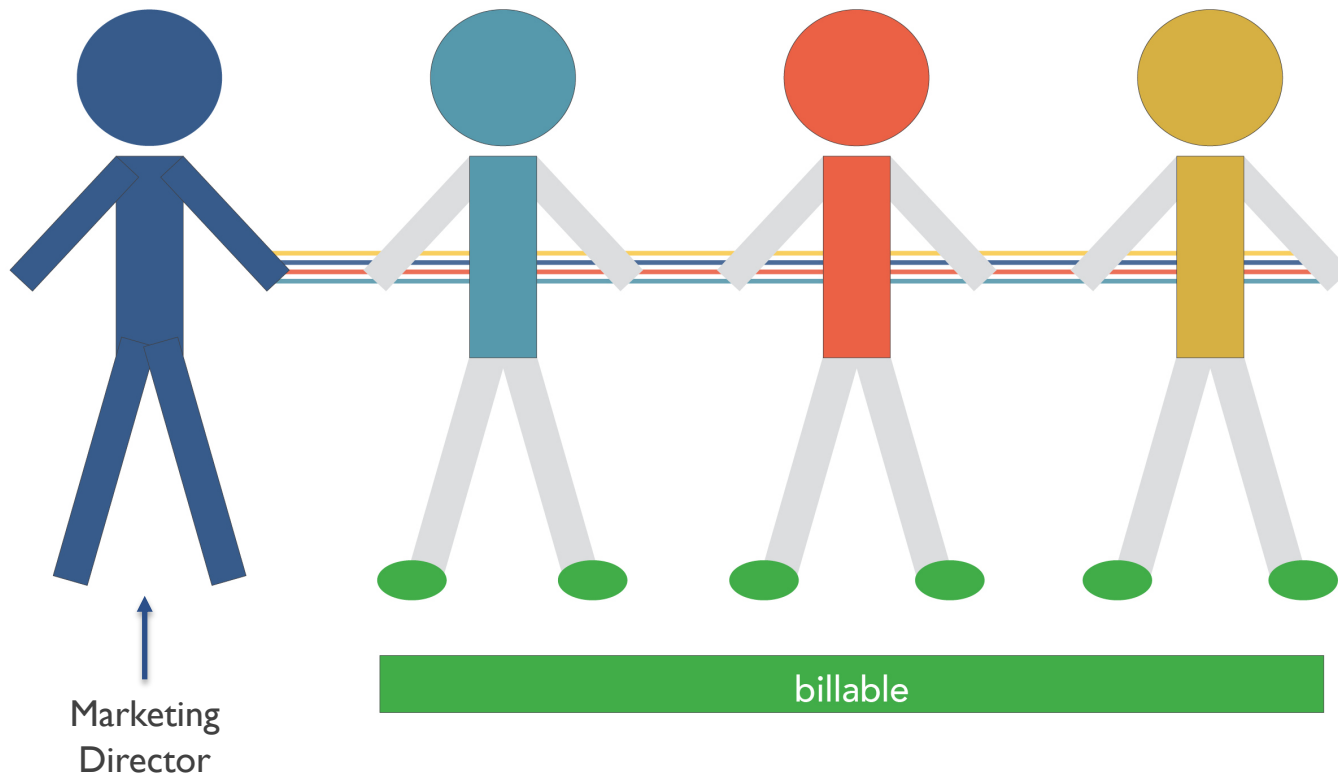
↑
Marketing
Director



Optimal scenario



In a downturn – be prepared for billable



Marketing at Low Tide



Marketing and BD Directors:

Reinvigorate your leadership role!

**Show your firm that you are out in front of this.
That your head is in the game.**

Marketing Coordinators:

Support your Marketing and BD Directors!

Build in time at check-in meetings to ask how you can help advance strategic research and report backs.

- **Marketing Check-Up Checklist**
(Are RFPs corroding your agility?)
- **Marketing Staff Assessment**
(Is your team crossed-trained and ready to pivot?)
- **Reinvigorate Quarterly Report Backs**
(Are you acting as the sentinel you signed on to be?)
- **Historical Analysis of Past Recession**
(Can't know where you're going till you know where you've been.)

Compile a 'marketing flyover' once per quarter that covers (at a minimum):

- Proposals (#, P/S, \$ amounts, and win-loss from previous Q)
- Website Traffic
- Earned Media
- Glassdoor
- Special projects
- Upcoming presentations
- Sponsored events
- Conferences

Historical Analysis – Past Recession at Your Firm

(Can't know where you're going till you know where you've been.)

Pull data for 2007, 2008, 2009, and 2010 and calc:

- # of proposals each year
- Fluctuations in priming versus subbing
- Public versus private
- Dollar averages (and note the outliers)
- RFP/RFQ/Sole Source

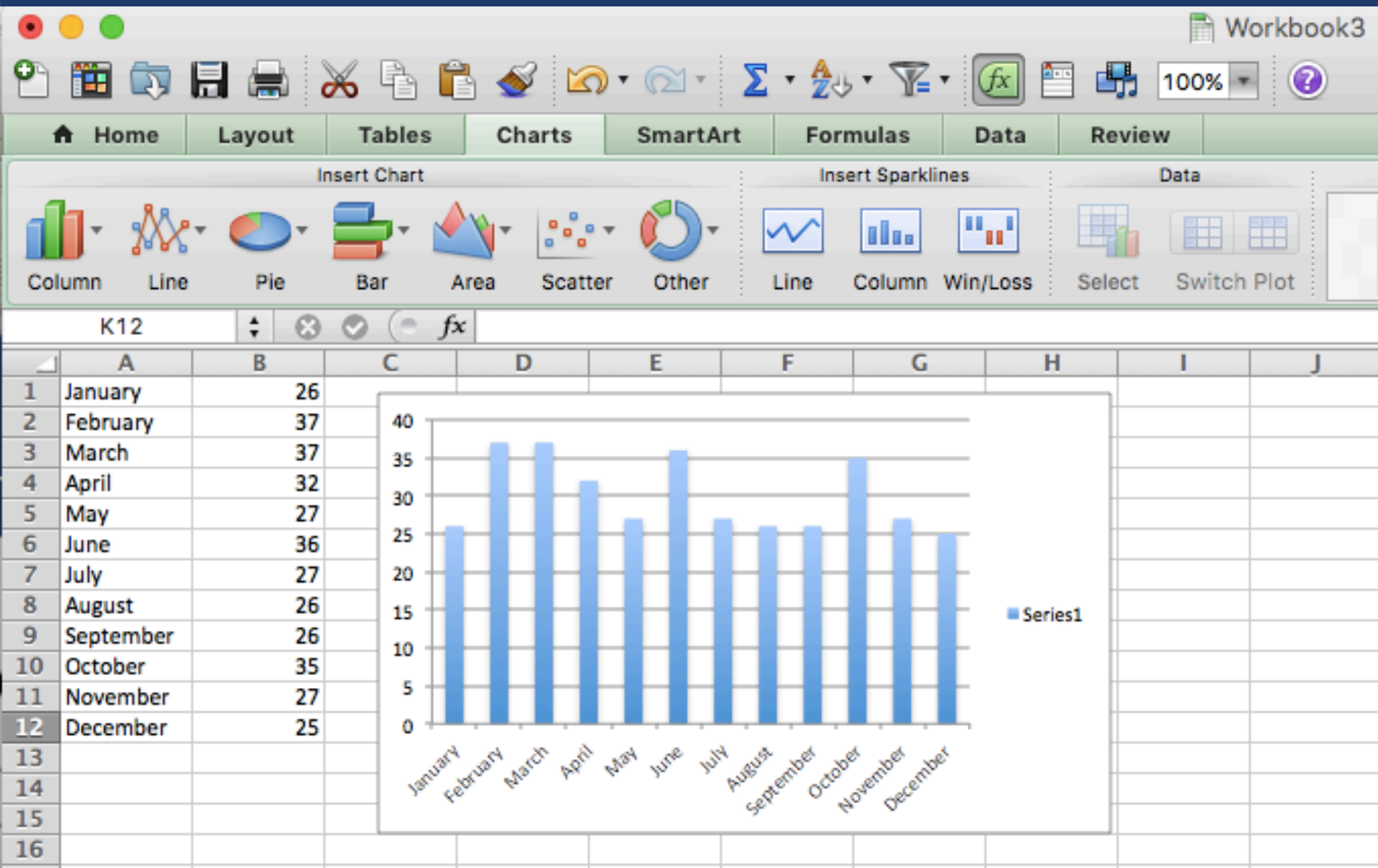
And most important: Type of Work

Top 10 Things Every Marketing Department Should Do Every Year

(But especially now.)

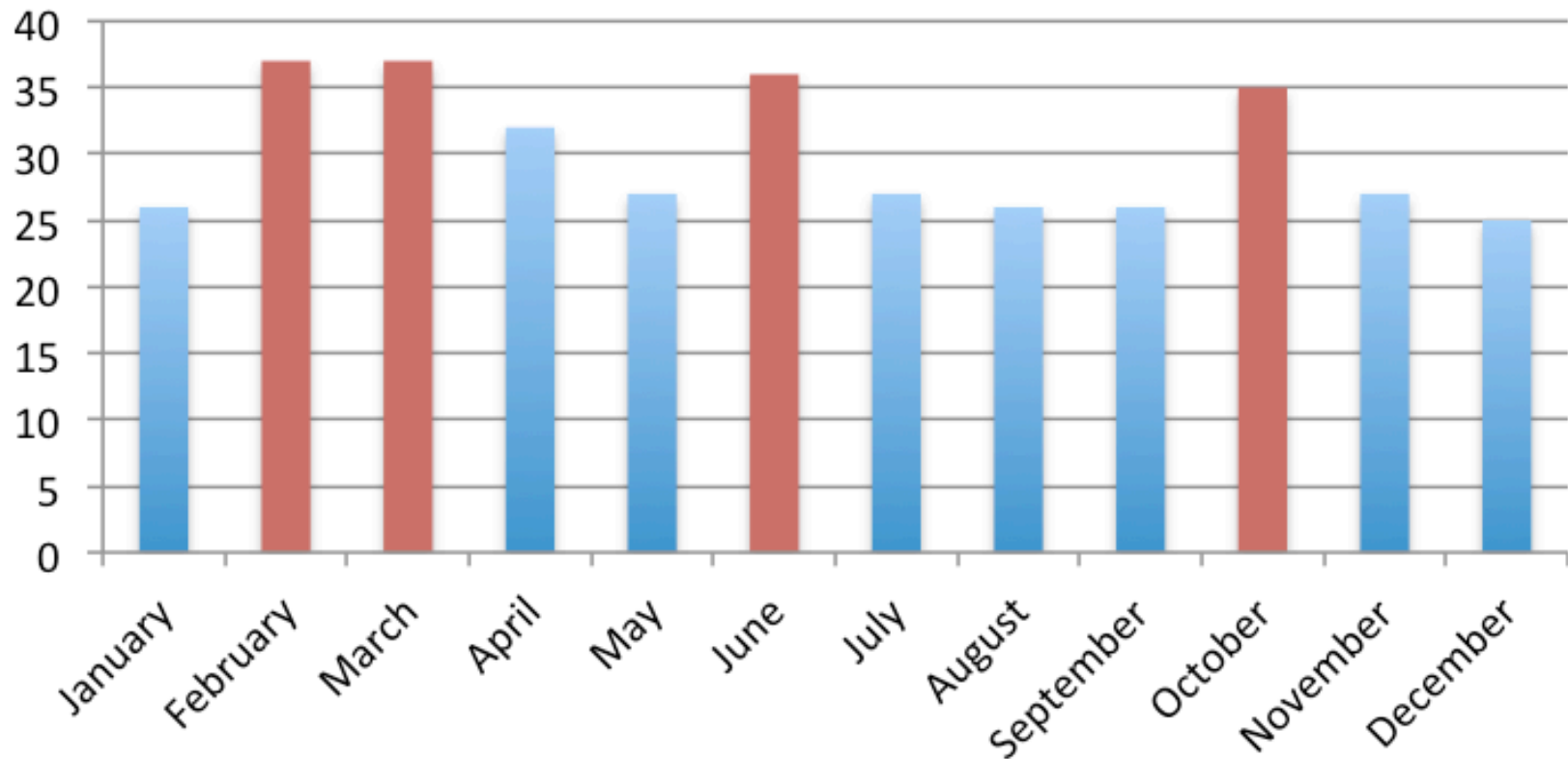
I: Know Your Flow

Anticipate peak proposal times and plan around them.



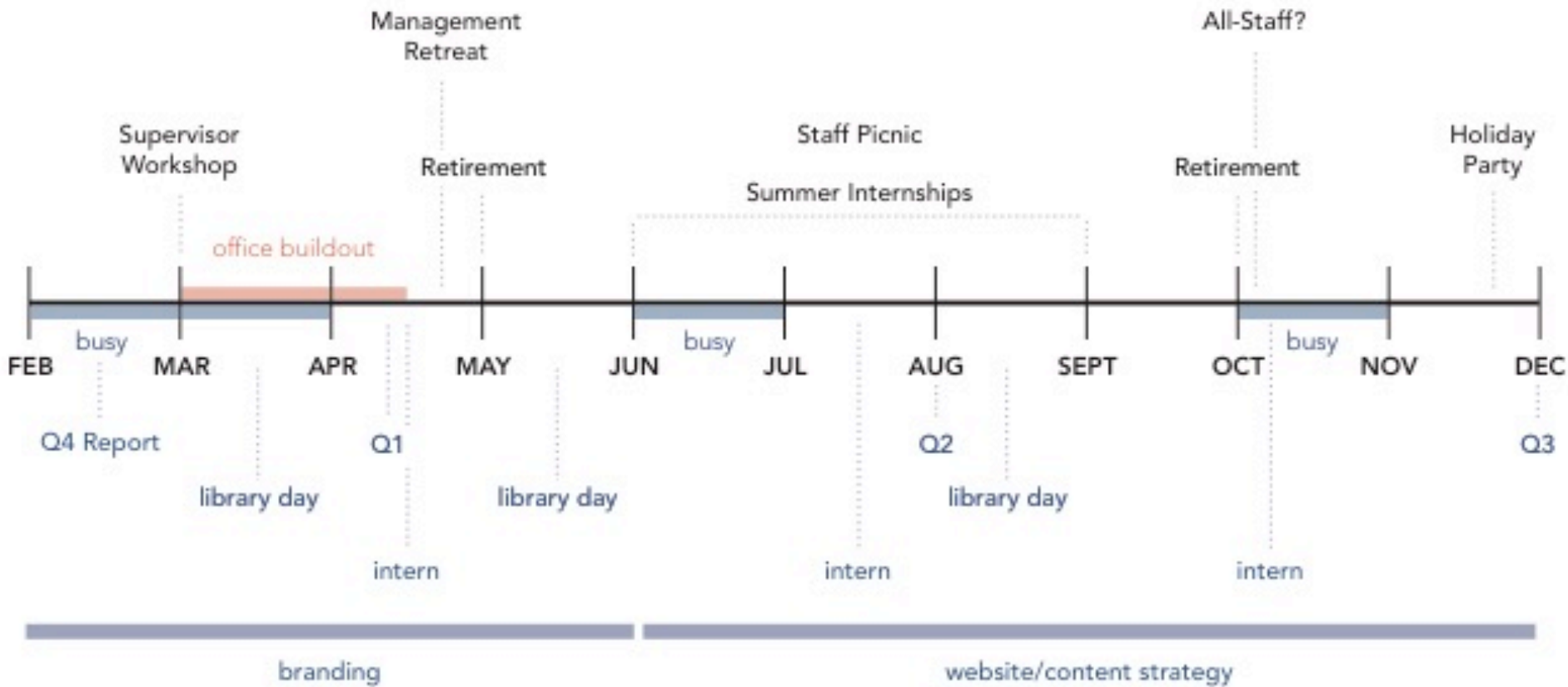
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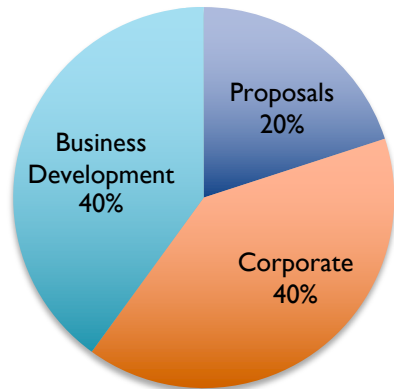
2: Creating the Essential Calendar

Perspective is Power



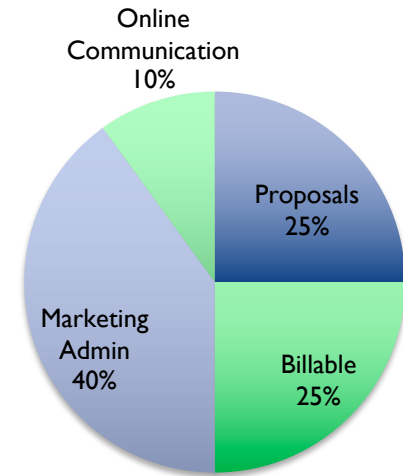
3: It Takes a Village

Allocate your time and get buy-in from your team.



Marketing Director

Marketing Coordinator



Proposal Coordinator

'RELEASE VALVES'

Intern Rotation

- Spring
- Summer
- Fall

Independent Contractors

- Layout
- Editing
- Proposals

4: The Critical Value of Interns

Get constantly shifting tasks done once and for all.

- Resume updates and formatting in Word and InDesign templates
- Marketing quals consolidation
- Google analytics
- Proofreading
- Research:
 - Upcoming conferences and events
 - LinkedIn staff audits
 - Social Media Audits

5: Tighten Up Lead Tracking



Washington's lectronic Business Solution



6: The Client Survey

A free and (somewhat) painless way to *really* know what's what.



SurveyMonkey[®]

Doodle



Google consumer surveys



Survey Planet[™]

7: Rethink Your Online Presence

Are you creating a return or just following the pack?

Firms to Review	FB: Frequency of Posts	FB: Content	Twitter: Freq. of Posts	Twitter: Content	LinkedIn: Freq. of P
		as content on LinkedIn not much of it but	Erratic, not often; once/month or less; 264 followers	Mostly same as LinkedIn content; hosting a tweet chat on 1/12/17 with specific hashtag and with other groups; maybe trying to start posting more often	Erratic, not often; once/month or less; 1,663 followers
		articles about some about some about	A little bit more often- 5-10 times/month; 375 followers	Same articles shared on FB; others are retweets about similar subjects; pictures of project areas or local nature; updates on renovation projects	1-2 times/month or le 765 followers
		consistent in 2015 d drone aerial projects working on, ds won, relevant articles	Same as FB; 156 followers	Same as FB	No posts; 90 follower
		More staff-focused, share			No posts; 175 follow
				Retweets of relevant articles and people thanking them for	



“Audit” – an official inspection of an individual's or organization's accounts, typically by an independent body.

8: Marketing Budget

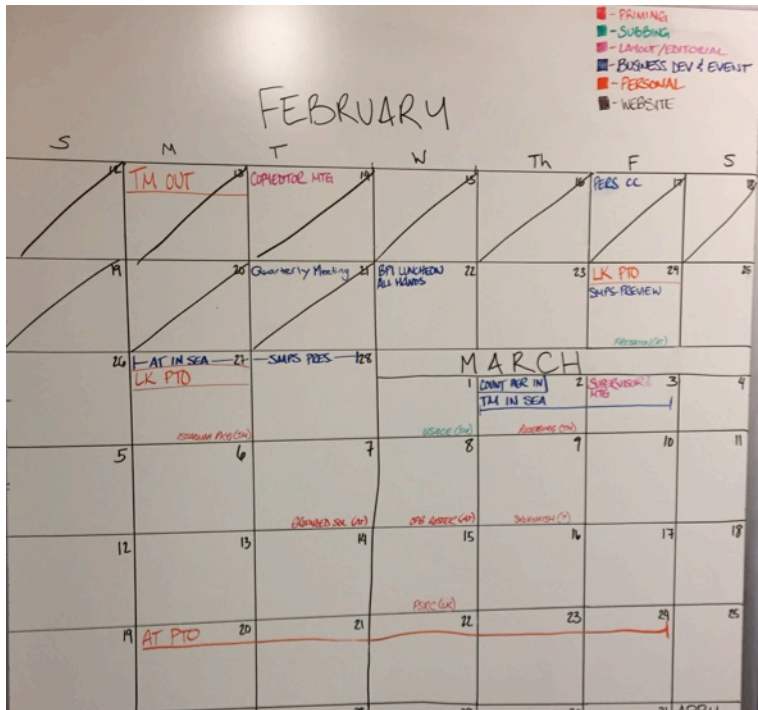
Seize control of your expenditures

Whether you're given a set number or not—you're spending. And probably more than you need to.

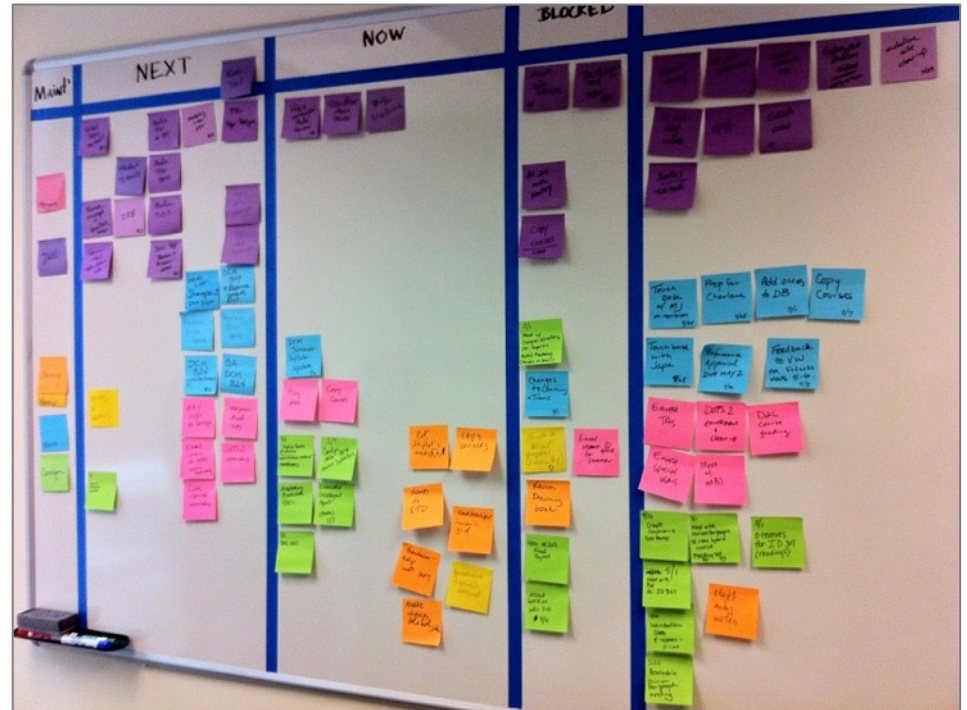
9: Say it Loud and Proud

Set the expectation through transparency

WALL CALENDAR



'KANBAN' BOARD



10: Retreat!

Take charge of the year in front of you.



- Rent a room at the library
- Brainstorm your agenda each week for one month prior – let everyone have a say
- Share agenda with your CEO and Principals
- Day of, set your Out-of-Office, bring markers, poster paper, note pads, plenty of food and beverages, and your energy. Turn off your phones or better yet, don't bring them!

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“A recession can be a blessing, as it is much easier to spot a strong company without the noise of a strong economy.”

Andrew Beattie. *Industries that Thrive on Recession*. Investopedia, 2018

Thank you!

