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How to Recession-proof Your Business—Right Now!



WITH
NEIL GODIN | the turnaround guy™



Ten Fast-acting No-cost and Low-cost Keys to Protecting and Growing Your Business—in Any Economy

Recession-proofing isn't about doom and gloom—it's about taking positive action to protect and grow your business—no matter what happens to the economy!

Introduction

It's the perfect storm. Gas prices (still) through the roof. Food prices rising. Housing meltdown. Financial industry in trouble globally. War. Job cuts. Political change. Spiraling US debt. Stock market off the rails. Consumer and business lending and spending at record lows—and sinking lower. And many business owners, (including you?) wondering how you're going to make it through.

Today's economy reminds me of one of those never-ending horror movies—where just when you're sure that nothing worse can happen, something worse does happen—and then something even worse. In this case, “something worse” is a business going under. It turns my stomach to see this happen, and, of course, it is happening In the US right now—over and over again, hundreds of times a day.

Is North America heading for (or in the midst of) a full blown recession? It looks pretty certain. But unless you're an economist, how much does

it matter? What really matters is the health of your personal economy—which depends on the economic health of your business. This report provides you with strategies from my work with companies in trouble—strategies you can use to ensure that your business survives and thrives in these turbulent times—no matter what happens to the economy at large.

You must have a “survive and thrive” game plan

After typing the title and description of this special report, I went for a walk in the rain with my dogs Chiki and Chimo. It was cold and wet but invigorating. As we walked I kept thinking, “*if you're dressed for the weather, it doesn't matter what happens.*” And that's what we've got to do as business people. We've got to prepare ourselves for the economic storm.

I learned this lesson personally during the long and bitter recession of the 1980's (the worst recession since The Great Depression of the 1930's). I was running a very successful marketing, sales and service training business

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About Neil Godin

\$30 USA/Canada

[Neil Godin](#) (Also known as The Turnaround Guy®) is publisher of “[Marketing Dangerously](#),” the free idea-a-day e-Letter/blog service for business owners, and author of “Selling in the (Comfort) Zone” (available at Amazon, Barnes & Noble and other outlets). As a speaker Neil has presented to more than 300,000 business people from coast to coast in Canada and the United States. While his client list includes majors like Shell, Ford, The Royal Bank, Telus, Dun & Bradstreet, Subway and McDonalds, Neil specializes in turnaround marketing work with smaller companies in trouble—where sales always have to be doubled or tripled—immediately—at minimal cost. In this special report he describes his hard-hitting turnaround strategies and how you can use them to recession-proof your business.



Why not start your recession-proofing program right now!

“Some of these ideas are edgy, even potentially dangerous.”

Recession-proofing helps your business in “any” economy

(with Fortune-1000 level clients that included The Royal Bank, Ford, Shell and McDonalds as well as dozens of small and mid-size businesses you’ve never heard of), when a request from a government agency changed my life. They asked if my partner and I would put together a traveling seminar for business owners—on “How to recession-proof your business.”

I knew nothing about recession-proofing but... I had a wealth of experience in sales, service and marketing—and a great partner to develop and present the seminar with, so we said “yes.” And that’s when I began to learn, teach and fine-tune the ten keys to recession-proofing that you are about to read in this report.

Your survive and thrive plan starts with “changing your mind”

In this special report I’m going to ask you to change your mind—literally—about the way you do business. For example:

- If you still make old fashioned cold calls, I’m going to urge you to stop making those calls—cold. They are worse than a waste of time, energy and morale and I will tell you why in a moment.
- I’m going to ask you to stop spending money on advertising—unless you use strategies like those I describe, that literally force your advertising to pay.
- I’m going to suggest that you make business promotion “your hobby that pays”—and that you have a sales promotion of some kind going at all times—even if you run a dignified professional practice in accounting, law or dentistry.
- I’m going to urge you to start an “organic” marketing program—right now—so you can grow your business naturally, by working with and through your present customers—while avoiding the toxic stress of old fashioned prospecting and cold calling, and the expensive “fertilizer” of paid advertising that doesn’t work.

In fact, I’m going to encourage you to change your entire approach to marketing your business—so you can ensure that you survive and thrive, no matter where the economy goes.

These strategies are proven in the “real world” of my business turn-around work

My speaking partner, Bill Gibson, and I traveled the continent for two years, delivering our recession-

proofing seminar. We did it with comedy and it was a huge success. Then things turned serious. One of the major banks (one of our sales and service training clients) asked if we could help some of their clients who were hurting due to the recession. These were small to mid-size companies teetering on the brink of bankruptcy. We said “yes,” again, and armed with all the guerrilla marketing ideas from our seminars, we found it easy to help these companies get turned around—no matter how tough their situation. After the recession Bill moved on to develop his speaking career, but I loved the adrenaline rush of the turnaround work so much that I still do it to this day. Along the way I developed a reputation as “the turnaround guy,” even though most of the companies I work with are healthy and strong. In fact, the great majority of my clients use these turnaround strategies just because they work—not because they’re in trouble.

In a turnaround, sales always have to be doubled and tripled, immediately, with no money!

In turn-around work, sales always have to be doubled or tripled—immediately—at little or no cost, because the company has little or no cash or credit. The solution: Using the ten creative—and sometimes edgy and “dangerous,” but powerful, and fast-acting approaches—that you will learn in this report. Strategies and ideas that you can use—right now—to take your business wherever you need and want it to go. Strategies that can reduce the stress of running a business during a tough economic time—and increase the rewards of being in business for yourself.

Are you ready to get going?

These ten keys to success in recession-proofing will work with any business—including yours—no matter what business you’re in—or what condition your business is in. But the key to your success will be implementation. Obviously, no idea has any power unless it’s put to use. So I urge you to keep a note pad and pen handy as you read—so you can start developing your recession-proofing plan right now.

Ready? Let’s go.

How to recession-proof your business—right now!

A Marketing Dangerously special report



Ten Powerful Strategies for protecting and growing your business.

Here are the ten keys at a glance...

1. **Get out of the crowd!**
2. **Start an “organic marketing” program**
3. **Stop cold calling—immediately!**
4. **Start an “Introduction marketing” program**
5. **Use “attraction marketing” to draw new customers to you**
6. **Develop a “Silent Sales Force”**
7. **Deliver service that goes “the mile beyond” the extra mile**
8. **Harness the power of the internet**
9. **Use guerrilla marketing to build business at minimal cost**
10. **Make marketing and sales “your hobby that pays”**

Make yourself ‘incomparable’



“It’s the niche—or the ditch!”

“If I can compare you—apples to apples—with your competitors, you’ve got a huge problem!”

Key 1. Get out of the crowd.

If I can compare you—apples to apples—with any of your competitors you have a huge problem. You’re part of the crowd and you have to compete hard (read: “spend a lot of money and time”) to get my attention. So what do you do? You differentiate. You make yourself “different” and preferably “incomparable.” You brainstorm and identify and list specific things that you do—or that you could do—that separate you from the crowd—and make you better.

Why is it important to stand out? Partly because standing out gives you free advertising—which is critical to your success in recession-proofing. Let’s say that you sell trade fair display fixtures and design services—but you are also an expert on generating trade show traffic. You’re a “personality” who speaks regularly to groups of business owners, and who coaches your company’s clients. You brand yourself, and you become, “The Trade Show Guy.” People describe you by saying, “You know, the guy who spoke at the Chamber of Commerce meeting—about how to get traffic to your trade show booth.” “Oh, yeah, the trade show guy...the guy from Exhibit Cre8ive...”

This example is from real life. The company is Exhibit Cre8ive in Vancouver. The sales consultant is Jimmy Gray, aka, “The Trade Show Guy.” The company differentiates itself as a whole—both by offering how-to seminars, and by using the number “8” creatively in their name and in their product lines (lines that include Acceler8 Banners, Activ8 Retractable Banner Stands, Anim8 Tension Fabric, Altern8 Motorized Scrolling Banners, Captiv8 Pop-Up Displays, and so on). And Jimmy Gray differentiates himself personally, as a trade show advisor and speaker, not as a “salesman.” The idea is simple: The single most powerful differentiator of all is establishing yourself as the person/company that goes the farthest in understanding and solving customer problems. People who buy during a recession are either smart enough to know that this is the best time to buy, or have a very strong need or hurt that they want to solve. Position yourself as the go-to guy or gal, and you will attract their business.

Develop a powerful five second introduction

I encourage my marketing and sales clients to position and brand themselves by writing a powerful “five second introduction”—and I urge you to do the same. These are the few words you use to quickly introduce yourself to an individual or group. One of the most effective five second introductions

I’ve ever heard came from an audience member at a conference I spoke to. When I asked if anyone could offer an example he rose and said,

“My name is John Smith. I’m an accountant and last year I saved my small business clients an average of \$12,350 each, on all their different taxes.”

Note the focus of this message. While it includes his name and occupation, this person’s message is all about what he does for his clients—and what specific benefit you could expect if you dealt with him. He doesn’t even mention the name of his company, but instead focuses totally on the benefit he delivers to his clients.

Now let’s compare this to the usual introduction:

“My name is Pat Brown. I’m with Exwyzee Accounting. We offer the best service in the business, and we have more than 100 years of collective experience between us.” (Yada-yada-yawn...)

Quick. Which of these two accountants is likely to have members of the group approach them and ask about doing business with them? No contest. Now the question: What is your five second introduction? And is it equally compelling?

Ask yourself the most important question in marketing

In writing your five second introduction, ask yourself the most important question in marketing: “What do I really sell?” Most business owners would answer by describing the products and services they provide. But the fact is that people don’t buy products or services, they buy the results and benefits produced by products and services.

For example, nobody buys a lawnmower. They buy a beautiful lawn, and the benefits associated with having a beautiful lawn—the garden parties; the children playing, and the pride of ownership—and they buy the ease and speed of getting that result by using the solution you sell. And that’s it. You sell benefits and solutions.

Before writing your five second introduction, ask yourself, “what is the greatest hurt we heal with our combination of products, services, and people?”

Once you have nailed your five second introduction, go on to elaborate with a 30-second introduction, still keeping this tightly focused on benefits and solutions, but describing briefly how you deliver them. Finally, construct a 60 second introduction, and



Grow your business through your customers.

“When times get tough, smart business owners may cut spending—but they don’t stop promoting their businesses.”

when you’re done—presto—you have just written a full blown “positioning statement” or Unique Selling Proposition (USB), that describes perfectly the key benefit you deliver, who you serve, and how you do it—plus your company name, of course.

Key 2. Start an “organic marketing” program

When times get tough, smart business owners may cut spending—but they don’t stop promoting their businesses. How do you build business without spending money? You start by starting an organic marketing program. Again, I use the term “organic” marketing to describe ways to build your business with and through your present customers. As I said earlier, in organic marketing the idea is to avoid the “toxic stress” of old fashioned prospecting and cold calling—and the expensive “fertilizer” of paid advertising that doesn’t produce.

Calculate the lifetime value of your customers

Organic marketing relies heavily on turning satisfied customers into “sales ambassadors.” You do this by going overboard when it comes to service and quality. But, you won’t be willing to do so unless you understand clearly how much a satisfied customer is really worth to you. So you must calculate the lifetime value of your customers. This is the total that they will spend with you over the life cycle of your relationship with them. Plus the total value of their referrals and introductions of new customers to you.

Example:

Average customer spends \$5000 a year with us, and stays with us for five years.
Primary value: $5 \times \$5000 = \$25,000$.

Average customer introduces us to one new customer a year for five years.
Referral value: $5 \times \$25,000 = \$125,000$.
Total value of a customer: \$150,000

This is a quick and dirty example. You may want to be more refined. For example, you may differentiate between levels of customer. If 20% of your customers bring you 80% of your sales and profits, then you may want to focus on “most valuable customers” (MVC’s) when you’re doing your calculation. In any event, you must know how valuable your customers are because only then will you (and anyone you work with) be willing to go “the mile beyond” the extra mile in satisfying them.

Convert prospects into lifelong repeat and referral customers

The first step of course, is to convert potential customers into actual customers—who can then become your sales ambassadors. So while I discourage old fashioned prospecting, make no mistake, you still have to be able to present solutions, handle objections, and close sales.

Your guarantee has to be breath taking!

One of our clients in the home finishing business offers the following guarantee on the quality and installation of their hardwood flooring:

“Until you are completely satisfied, we ‘own’ your floor. And if you are not satisfied, for any reason, we will replace the flooring or refund your entire purchase price.”

In a business that is notorious for bait and switch practices and entry level installers who do terrible work, this guarantee helped the company establish itself far above the crowd. This is critical when times are tough because smaller, independent retail businesses, like this one, are the first to go under when recession hits. Why? Because the larger chain stores have more credibility, and have enough “critical mass” to make it through in most cases.

Maximize sales to your present customers

One way to recession-proof your business is to make sure that your customers are getting everything they need from you. This is common sense, but like most common sense it isn’t common practice. Many businesses run on automatic pilot—with inside sales people acting as order takers who politely, but mechanically, just record what customers ask for and put their orders into the system.

We ask our clients to do more. We urge them to take back the controls, and fly their businesses where they need them to go. And that means getting to know their customers more and more intimately. It means asking probing questions to learn more about the challenges and hurts their customers are dealing with, and learning how they can help them more than they’re helping them now.

The result of this digging will be higher sales for your company. But be clear, these higher sales must not come from selling add-ons that your customers don’t need—they have to come from finding more ways to help them solve real problems. This approach leads to deeper, stronger relationships that become very difficult for competitors to infiltrate.

How to recession-proof your business—right now!

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Start a word of mouse marketing program.

“Word of mouth (and ‘word of mouse’) is free advertising that is infinitely more effective than any paid advertising you can buy.”

Start a systematic add-on and cross-selling program

Hold a brainstorm session with everyone (anyone?) in your business who sells to, or takes orders from, your customers. Using your primary list of products or services, brainstorm every add-on that a customer would logically need when buying the primary product.

Example: A typical courier service typically offers nothing but pick up and delivery services. A smart courier service realizes that clients need more. They may also need emergency shipping supplies, for example. And if they ship hazardous goods on an occasional basis, they may need expert consulting and special services. Their staff may need training in how to package fragile or awkward items. They could name one person their “service specialist,” who doubles as both a customer service trouble shooter, and client consultant and trainer. Key point: While competitors remain “just a courier service,” the smart company becomes a real partner, an invaluable resource, and a key player in their clients’ business. And, if it makes sense to charge for this additional service, then it becomes another add-on/cross-selling opportunity for you as well.

Start an after-sale marketing “touch” program

I use the term after-sale marketing to describe a process in which you think (and plan) consciously about how you are going to make certain that customers will be satisfied with whatever they buy from you—and how you will stay in touch with them after the sale. The purpose is to ensure you receive the loyal repeat and referral business that flows from customer satisfaction—and to ensure that when it is time in the sales cycle for your customers to be thinking about buying again, you are still in contact, and at the top of their mind. For example, your first “touch” after a sale should be a satisfaction checkup call. To make certain that this call is not confused with a sales call, advise customers that you will be calling to make sure all is well, and establish when and where you will call them.

There are dozens of ways to follow through on satisfaction, and then to stay in touch—without being intrusive. In fact, if you are perceived as intrusive, your after-sale marketing program/touch program will backfire. So it is critical that you brainstorm how to stay in touch in ways that genuinely help your customer and don’t just serve you.

Stimulate word of mouth marketing

What would happen if you “intentionally” went way overboard on customer satisfaction? For example,

what if you decided to spend \$1000 a month on doing things just to blow clients away? Wouldn’t that be daring and dangerous in today’s dismal economy? Can you imagine any of your competitors copying you if you did so?

Here is an example: Imagine that you run a printing business. A client comes in with a really nice graphic design, and they order stationery—business cards, letterhead and envelopes. When they come to pick up their order they look at the business cards; their mouths fall open and they stammer, “*They’re beautiful, but they’re embossed...*” At first, they are worried as well as confused, but when they look at the invoice, they see that you haven’t charged for embossing. Your invoice matches the quote you gave them to the penny. They stare at you and say, “*They look and feel wonderful...but we didn’t order...*” And then you say, “*We liked your design so much we thought it deserved embossing. So we did all your stationery that way. Do you like it?*”

Do they like it? I guess so. But look at what it cost you (perhaps hundreds of dollars?). And look at the risk involved. What if they didn’t like the effect for some reason? You’d have to re-do the entire job, and fast.

As you’ve learned, I call this approach to business “[marketing dangerously](#),” but how risky is it really? You know they’re going to love what you’ve done. And look at the reward. Every time one of their cards is handed out, the recipient will get the whole story of how you blew them away. What’s that worth to you? Is the cost of this kind of outrageous service an “expense” or “loss,” or is it an investment in word-of-mouth organic marketing?

Question: When times get tough everybody pulls back. What would happen if you did the opposite, using this idea just as an example? Who survives? Who thrives? In my experience the winners are those who let everyone else complain while they go overboard on service and pick up customers who would rather deal with creative, positive people who have a reputation for putting out.

Start a “word of mouse” marketing program

Everyone uses the term “viral” marketing to describe ways to get your messages out using email and the world wide web. I prefer the term “word of mouse” marketing, because who wants to catch or spread a virus? No matter. The point is that the internet is the greatest tool in the history of business. It democratizes marketing. You no longer need to go through an ad agency, or a salesperson with a media outlet, to get your messages out to the world. All you need to do is develop marketing

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Cold calling: “The most destructive activity in business.”

“Make 20 cold calls and you waste 17 good leads. Make 20 more cold calls—and you lose another 17.”

messages that are so compelling that recipients want to forward them on to others. And this, of course, is what I call word of mouse marketing. Here are just a few ways to put word of mouse to work for your business:

- A “tip of the week” eLetter that is so valuable that recipients want to forward it to others
- “Signature” messages at the bottom of every email you send out that are so interesting recipients want to forward them to others (tip of the week, news of an event your hosting, etc.)
- Emails you send to everyone in your data base with a link to a how-to video you post on YouTube—which recipients feel compelled to forward to others
- Articles, white papers and special reports (like this one), that you write and submit to online publications, and are circulated around the internet, with links back to you.

Key 3. Stop cold calling—immediately!

Now let’s look at how you can sell naturally and organically, instead of intrusively. About three percent of business owners are comfortable making cold calls (or at least say they are). The rest of us hate making these calls, even though we love the adrenaline rush when a cold call turns into an appointment and a sale. (Yes!) Before I advise you on what to do instead of cold calling, I want to explain very clearly why cold calling is absolutely the most wasteful and destructive activity in the entire world of business.

Here’s why: Let’s say you have a list of 20 qualified prospects to call. (And by the way, if they’re not qualified you should not be calling them at all.) Okay, now you pick up that 500 pound telephone and you’re ready to go. Of those 20 calls, you can expect to make about three appointments. And out of those three appointments, you can probably expect to close one sale. As you know this is the traditional “numbers game” approach to selling. If you can stand lots of rejection and you don’t mind bothering people, then this system works just fine, sort of.

But who are we kidding. During my sales and marketing seminars I always ask business owners the following question: “How many of you would benefit by making regular daily sales calls on the telephone?” The answer: Everybody. 100%. No exceptions.

Next question: “How many of you actually make telephone sales calls on a daily basis?” The answer: A few. Very few. Then I ask everyone to look around the

room and I ask for a show of hands again. How many would benefit? Everyone. How many do it? (Almost) no one. Look at the difference.

This is a huge disconnect. So, why don’t we make regular telephone sales calls? Because of fear. Fear of imposing. Fear of rejection. And fear of failure. Strangely, our reluctance to make these calls is actually a good thing, because—and this is why cold calling is so destructive—if you did call 20 prospects and 17 wouldn’t give you the time of day (never mind an appointment) **you would be wasting 17 qualified leads.**

What happens to those leads? Nothing. They are lost and gone, perhaps forever. They’re qualified. They need what you offer. But as long as you’re “selling,” they’re not buying—at least not from you—at least not now. Make another 20 cold calls and you lose another 17 potential sales. Make 20 more and you lose another 17. Do you see the problem? The more you get up your courage, and the more calls you make, the further behind you get. Now if your business is in New York City maybe you can afford to lose that many leads (maybe). But if you’re located on Main Street, in Anytown, USA, Canada, Australia or the UK, this is a prescription for disaster—even when times are good!

Your prospects must call you first!

The key to success is as simple as this: Your prospects must come to you. Example: Let’s say that you have a safety problem in your operation (and your insurance costs are going through the roof), and I offer the perfect solution. If you call me first—after hearing about me from one of my customers, or hearing me speak at an industry event, or after reading my blog or the email newsletter that I send out to customers and everyone in my target market—then you will be coming to me for expert advice and a solid solution. But if I call you, my call will be treated as an unwanted intrusion—an unsolicited sales call—even though you (desperately) need what I’ve got. Quick. Which is more likely to produce a sale—me calling you? Or you calling me?

Author and internet marketing guru, Perry Marshall (www.perrymarshall.com), gives us the best analogy I have ever heard about the importance of having prospective customers call you first. He nails it when he asks, “Has your doctor ever called you on the telephone at dinnertime, asking if you might be looking for help fighting a flu bug?” Of course not. “He doesn’t find you, you find him.” Why does this work? Because of positioning. The doctor is positioned as an expert—so you go to him; he doesn’t come to you. In the same way, your goal is to position yourself as “the expert” in your marketplace, so that people go to you. Get this, and you pretty much get it all.

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Introductions are far better than referrals.

“No one wants to receive an unsolicited sales call—even when you have been referred.”

Switch from cold calls to “warm calls”

There are exceptions to the “no cold call” rule. For example, if you use an introduction marketing program (see Key Four below), you may make calls to people who have been told about you (introduced to you) by present customers or others in your business network. In this case, you are making what I describe as “warm calls.” These are welcome, warm and friendly calls you make to people who have asked to meet you.

You can also make warm calls to complete strangers—as long as you’re not selling anything. Here’s an example: *“Hi (fellow business person), we’ve just opened the EX-WY-ZEE car care center and we’re holding a wine and cheese reception next Wednesday from 4 to 6, to meet our business neighbors—and I’d like to invite you to join us.”* Either as a voice message or as a live call, this message **is not a sales call**, and will be received warmly. Many of my turnaround clients have promoted huge events using only this warm calling approach—distributing invitations both in person and on the telephone—while not spending a dime on advertising.

Note: I describe a cold call as an unsolicited call or visit—an intrusion—in which a complete stranger wants to get the attention, time, **and business** of another complete stranger—without earning it in any way. When you cold call, you’re not selling, you are bothering people. That’s why so few business owners, and salespeople, make these calls. (In fact, they will find just about any excuse in the world not to make them. Does this hold true for you?)

Many of my clients also make “live” warm calls on businesses in their local market. Example: the owner of a computer service firm called on hundreds of businesses in the local area when he relocated. He toured the area, dropping in unannounced at offices, stores, warehouses, etc. At each stop, he would introduce himself to a staff member or receptionist, or business owner, and pass on a gift certificate valued at \$100, which covered his offer of a free diagnostic service call, as a way of introducing himself—with no obligation and no hidden fees. He would also pick up or request the name or business card of the person responsible for IT or computer service, so that he could build his database.

He followed-through on his warm call visits by sending a sample of his free (and very valuable) email newsletter on how to prevent computer downtime. Result: An instant flow of business right in his new neighborhood—meaning very little travel time—which meant higher profits—with none of the usual costs of media advertising.

Key 4. Start an “Introduction Marketing” program

How do you get your present customers to tell prospective customers all about you (as in the first warm call scenario above)? Well, I recommend that you use our “introduction marketing” approach. This is the essence of organic marketing. It all starts by making it your goal to turn every good customer into a sales ambassador. When a new customer is completely satisfied with what you’ve delivered, it’s time to ask them for both a testimonial and a referral/introduction.

Referrals are not enough

Key point: a referral is not enough. Why? Well, because when you make an unsolicited sales call to a stranger—even when you’ve been referred—you are still making a “cool” call. And you can expect your call to be received coolly; reluctantly; possibly even with suspicion (“Who is this?” or “Who gave you my name?”). I go so far as to ask my clients if they aren’t betraying the trust of their customers by asking for referrals and making unexpected calls to these strangers. Think about it. If I am your customer and I give you the name and telephone number or email address of a friend, without asking the friend first, am I betraying a trust? Am I betraying my friend?

Why do you think so few business owners ask for referrals from satisfied customers? Because they know that asking for referrals is awkward, and that making referral “cool calls” is about as uncomfortable as making pure cold calls.

How do you go beyond a referral? By asking your present customer to “introduce you” to their friend—by telephone (live or by voice mail), or by email, or in person, etc.—before you call. Your thoroughly satisfied, loyal customers will be happy to do this **when you point out how much we all hate to receive unsolicited sales calls**—even when we’ve been referred. While it is always ideal to have new prospects call you first, in this case you can call first because you know your “warm call” will be expected and welcome—and that you will be treated with the respect you have earned by being an expert in the eyes of the customer who described you to their friend.

With introduction marketing, your new prospective customers are pre-qualified. They know who you are and what you do—because your present customers have told them, usually in detail, what you did for them. And, if they don’t want to hear from you, for whatever reason, they will ask their friend to ask you not to call.

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Media interviews attract customers.

“Attraction Marketing gets prospective customers coming to you.”

The results:

- Your closing ratio rises dramatically
- Your sales cycle shortens dramatically
- Good leads are no longer wasted (as they often are in cool calling to referrals)
- Everyone stays within their comfort zone, while...
- Your sales ramp up, right now!

Key point: You will have to make certain that everything you and your team do in terms of quality, service, personal care and relationship building, is intentionally designed to produce another thoroughly satisfied and loyal customer—an ambassador who will be willing to introduce you to potential new customers. This piece is critical to your success in recession-proofing—and it will continue to work for you when the economy improves.

Key question: Should you offer an incentive for referrals/introductions? In my opinion, no. If I know I'm going to receive something in return for an introduction, I may refer someone who would not be an ideal client—meaning someone who would not derive total benefit from dealing with you. To ensure only the highest quality introductions, I suggest that you stick to pure organic marketing.

Key point: This does not mean that you should not reward your customers for their referrals and introductions. Saying “thank you” afterward is absolutely appropriate. But mix it up. Say thank you with a lunch on one occasion. Perhaps with a gift on another. The idea here is to avoid issuing thank you's mechanically—or setting up an expectation.

List and use your network of referral and introduction sources

With introduction marketing you are not in any way limited to working only through your present customers. Everyone in your entire business and personal network can be part of your introduction marketing “lead machine.” Fact: Everyone you know is a potential source of referrals and introductions.

Here is an example. A bottled water company that I worked with (that has since changed hands) is a case in point. Their sales were flat in a fiercely competitive market. They sold both locally and globally. But their sales reps complained that it took forever to penetrate new markets globally, and new major chain clients in the domestic market (supermarkets, hotels, restaurants, institutions, etc.).

Solution: I introduced them to introduction marketing. We brainstormed a list of possible sources of referrals/introductions with each of their six sales

reps. Then the reps started making calls and meeting their sources. The results were dramatic and immediate. Within a week, their sales pipeline swelled with new prospective customers. Within a month the new sales started to close.

The sales reps asked for and received introductions to a wide variety of “connectors” and potential clients. Here are some of the connections they made:

- Trade commissioners in one country introduced them to trade commissioners in other countries
- In turn these trade commissioners introduced them to prospective new distributors and resellers
- Supermarket managers introduced them to buyers at their head offices
- Food service distributors introduced them to owners of major restaurants and chains
- Family, friends and neighbors introduced them to potential buyers in their networks (they sent out emails asking questions like, “Does anyone know anyone in management at Safeway?” for example, and they were absolutely shocked by the quality of responses and the connections they made)
- Distributors in one area introduced them to distributors in other (non-competing) areas
- Individual hotel food and beverage managers introduced them to buyers at their head offices
- Retail (reseller) customers introduced them to other (non-competing) potential customers
- And so on, and on. And on.

Result: **Sales increased 44% in a period of just three months.** The lesson: We can all use introduction marketing to grow our businesses rapidly—even when we are selling into foreign markets. And in a difficult economy, this is an ideal approach because very little money is required to generate action **now**.

Key 5. Use “attraction marketing” to draw new customers to you

Another aspect of organic marketing is growing your business naturally by “attracting” business to you—instead of pushing yourself on people (or doing nothing and hoping to survive by attrition). One key to success is packaging your knowledge—in newsletters/eLetters, blogs, articles, white papers and reports, speaking presentations, how-to guides, how-to videos and so on. Positioning yourself as an expert automatically attracts customers to you—while pressing you to stay at the cutting edge in terms of your knowledge and skills. Attraction

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Lights, color and action!

“Put on a show with your Silent Sales Force.”

marketing takes many forms including:

- Public speaking
- Publishing
- Blogging
- Forming “live” local groups on social media/networking sites like MeetUp
- Joining and offering expert advice to members of relevant groups on social media/networking sites like Facebook
- Joining and actively using the connecting and endorsing power of sites like LinkedIn
- Putting a hilarious blooper video up on YouTube (and everywhere else) showing people how “not” to use your product or service
- Hosting educational events for your customers (and their friends who would make ideal new customers)
- Sending out press releases and getting free media publicity whenever you introduce a new product, person or event
- Being interviewed on radio or television or in print
- Offering a “gift for attending,” like developers do when they want to attract potential buyers to their time-share and resort condominium sales presentations
- Using guerrilla marketing to attract customers at minimal cost
- Using paid advertising that delivers
- And more !

Obviously, the list of possibilities is endless. The key is to develop an overall marketing strategy, then select promotional vehicles that are going to be most effective for you—both in terms of cost and time. Then execute systematically. Tip: If you’re not yet internet savvy—and not sure how and where to start in terms of social marketing, for example—why not hire a college student part-time to introduce you to the medium and help you get started?

Key 6. Develop a “Silent Sales Force”

If you say you’re terrific, well, maybe I’ll believe you. But if one of your customers (or an article in the local paper), says you’re terrific, I’m much more likely to be convinced. Similarly, if you tell me that an objection or concern I have about buying what you sell is not a problem, I may be skeptical. But if several of your customers say (in video and written testimonials) that it’s not a problem, I am far more likely to believe them. While building credibility is always important, it is critical in a slow economy, because people are more cautious, and are much slower to make buying decisions. One key is to build credibility and trust “before” prospects even make contact with you.

Problem: In order to establish credibility up front, you need to show proof—from objective third parties, and from satisfied customers—that your product, service and people will do what you say they will do. **Solution:** Start assembling a “silent sales force” that gets your customers and others to do your initial speaking (and selling) for you. A silent sales force—on your premises and/or on your website—is a collection of:

- Showcards and posters that tell the story of your products, services and people (using the same messages you developed when writing your 5, 30 and 60 second introductions, in Key 1)
- Testimonial letters and brief quotes, and testimonial audio and video clips
- Customer reviews of your products and services
- Reviews by industry analysts and publications
- Video and Power Point presentations (click to play or continuous)
- Charts, facts and figures etc. from trusted industry and government sources
- Media news reports about you; your industry, and your products, services and people
- Feature and benefit comparison charts
- Photos and credentials/biogs of you and your people
- Before and after photos/videos of projects, if applicable
- Photos/videos of projects in progress, if applicable
- FAQ lists (lists of frequently asked questions, and your answers) that respond to common objections or concerns that prospects voice when thinking about buying what you sell
- How-to photos, posters, videos
- Problem solving photos, posters, videos
- Awards you have won
- Evidence of your participation in the community

A silent sales force on your website can literally do your initial selling for you, when wary visitors aren’t ready to make personal contact—but do want to learn about you. If you have premises—a reception area, an office, store, shop or showroom—you have an ideal place to display your silent sales force. And “display” is the right word. Think of putting on a trade show display, right on your premises. Make it permanent, but keep changing and updating it as you add new products, people, project photos, videos, customer testimonials and media coverage.

Another good addition to your (not so silent) sales force is a talking avatar—an animated character that tells website visitors about you—and answers their initial questions. Example: Alaska Airlines now features “Jenn,” an avatar with attitude—who can answer questions more effectively, and with a much

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The internet: “The most powerful tool in the history of business.”

“While your physical customers may live in the neighborhood, you could have unique products or expertise that you could sell around the globe.”

more personal feel—than a typical FAQ’s page. And when she doesn’t have an answer, Jenn refers you to a source of human help.

Like everything else on the ecommerce landscape it’s becoming cheaper and cheaper to take advantage of this new technology. For example, SitePal (at <http://www.sitepal.com/avatars/>) currently offers talking avatars starting at \$9.95 a month (Note: Things can change quickly on the internet, so this pricing and availability may not still be in effect. In that case simply do a search for talking avatars; there are many suppliers to choose from).

Key 7. Deliver service that goes “the mile beyond” the extra mile

I’m fond of saying that when you go the mile beyond the extra mile, there is no competitor traffic. And when you’re recession-proofing, this is exactly where you want to be. You want to deliver a level of service that makes your competitors think you’ve lost it. When they do, there’s no fear that they’ll copy you. As far as they’re concerned, you’re “out there.” And that’s exactly where you want to be. Alone and unchallenged.

Here’s an example. I mentioned Jimmy Gray, “the trade show guy,” with Exhibit Cre8ive earlier. Jimmy had a client heading for China. They needed a complete trade show exhibit at the last minute. Technically, the job couldn’t be done in time—but, they pulled an all-nighter and did it anyway. The exhibit was ready to be picked up by the client on their way to the airport the following morning. But the client called to say, “Sorry, we’re stuck behind an accident on the Port Mann Bridge. There is no possible way to pick up the display. But thanks anyway.”

No way. Jimmy called the client back. “What route are you taking to the airport?” he asked. Marine Way through Burnaby. “Great. By the time you get to Boundary Road, we’ll be there—ready to make the switch.”

Bottom line: The client had a hugely successful trade show in China. And it’s a safe bet that they have now joined the growing army of Exhibit Cre8ive’s “sales ambassadors”—those delighted customers who enthusiastically drum up business for the company via word of mouth. This is what I mean when I use the term “organic marketing.”

You probably noticed that there are two elements of “beyond the extra mile” service here: First the initiative to get the job done—and then to get it delivered. There’s no mention of “policy” here. No bureaucratic limits. No “standard turn-around time” to get in the way. And there was no premium charged for the rush job—or the delivery. This is free enterprise working the way it’s supposed to.

Your customer has a need or a hurt, you have what it takes to fix it. You do it.

Would your competitors do it? Probably not. Most businesses, even small businesses that are hurting, are run by people who don’t “get” service. They put up signs that say, “Lack of planning on your part does not constitute an emergency on my part,” and “You want it when?” with cartoon characters rolling in laughter. As a result, unless they have an exclusive product or service, they are the first to go under when times turn bad. (Although, to be brutally honest, some of these businesses survive because no one else does it any better. Which begs a question: Do you want to be associated with this level of mediocrity? Or do you want to cut yourself from the crowd and ensure your own survival?).

Key 8. Harness the power of the internet

As I said earlier, the internet is the most powerful marketing tool in the history of business. It “democratizes” marketing and advertising, because you can use the internet effectively without having to go through third parties (ad agencies and ad sales reps). And you don’t have to spend a lot of money.

Here is an example of how a pretty ordinary, traditional type of business uses the net. I went to YouTube and typed in “chlorine free pool supply.” The first entry was a pool supply company in Florida called Ecosmarte Pool, a dealer/distributor of non chlorine, chemical free pool water supplies. While Ecosmarte has several videos on YouTube, the first one I saw was a very simple home made testimonial that features a mom and dad, and daughter, and dog, enjoying their pool and talking about how they don’t feel sticky, or have to take a shower after swimming—and how daughter can open her eyes under water, “without getting them red.” (And how you can actually drink the water). As I write this, that video has been viewed almost 25,000 times.

Obviously, when people want to know about new technologies, and new products, many want to see videos—not just sales brochures, or old fashioned commercials—or even old-fashioned websites that simply advertise their product. And they don’t just go the Yellow Pages, and start price shopping local dealers. The internet opens up a whole new world of finger-tip information and ordinary people are using it, to research and buy ordinary things. Your challenge is to put this incredible new resource to work for your business.

Serve locally, sell globally?

If you’re like a lot of businesses, ecommerce can broaden your reach way beyond your local market.

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Guerrilla marketing signs work fast; save money!

“Guerrilla marketing takes many forms, but no matter what form it takes, it always involves doing things that are relatively cheap, fast-acting, and effective.”

While this may not hold true if you are a one location hairdresser or fish store, keep your mind open. While your physical customers live in the neighborhood, you may have unique products or expertise that you could sell around the globe.

Key point: Having a website is no longer enough. While buyers will go to websites when they have a specific need, smart businesses are getting “out there” where the action is—and getting themselves known—on business and social networking sites like Facebook, MySpace, LinkedIn and, yes, YouTube (still the biggest of the video social networking sites). If you are just getting started with e-commerce, I also recommend using Google services fully. For example, Google [AdWords](#) (and other pay per click services) enables you to target customers locally or anywhere in the world. And, you pay only for ads that bring prospects to you. With [Google Base](#) you could add your entire catalog to Google's free product search site. And you can now use [Google Checkout](#) for your online sales—and, if you use ad words, you can earn free credit card processing as well. Google also features [Website Optimizer](#), their free website testing and optimization tool, which allows you to test the content of your website and your ads, to ensure you receive maximum traffic and conversion rates. I also use [Google Analytics](#) to get a complete breakdown of my website traffic every week. And, finally, you can use [Google Maps](#)—free of charge, even if you don't pay for AdWords advertising—and even if you don't yet have a website—to get yourself to the top of the free Google listings—and give searchers your location and telephone number. (This is a great place to start.)

Becoming ecommerce savvy can help you recession-proof your business because it makes low-cost and no-cost business promotion readily available to you. Where to start? Why not start by putting yourself on the map at Google. Then go to YouTube and search for videos that relate to your business or industry, just to see what's out there, and to begin to form ideas of what you could do to promote your products and services, or sell your specialized knowledge. It's a whole new world.

Key 9. Use guerrilla marketing to build business at minimal cost

Bill Gibson and I used the term “guerrilla marketing” back in 1981—in our recession-proofing seminars—when we compared creative, low-cost business promotion to inexpensive, low-profile, highly mobile, turn-on-a-dime strategies in warfare. But Jay Conrad Levinson wrote the book, so we give him full credit for this brilliant marketing term. No matter what its origins, the fact is that guerrilla marketing is “the”

way to promote your business when times are tough (and when times are good, for that matter).

Guerrilla marketing takes many forms, but no matter what form it takes, it always involves doing things that are relatively cheap, fast-acting, and effective. Here are just a few examples.

- Sandwich boards, banners and balloons
- Marketing through the social media on the internet (Facebook, LinkedIn, etc.)
- “Stealth marketing” on the internet
- Posting flyers on bulletin boards
- Posting garage sale type signs on telephone posts
- Running a series of small election-style signs on roads leading to your business—each with a brief message and the last one with an arrow
- Holding enter to win contests to get people into your place of business
- Using car top signs and signs on parked trucks to advertise your location
- Using email “signature” promotional messages that recipients forward to friends
- Posting inexpensive how-to videos on YouTube
- Using search engine optimization to get people to your website without using pay-per-click (PPC) advertising
- Publishing an eLetter or blog that positions you as an expert; grows your data base (as recipients forward it to others); and attracts buyers to you
- Getting free media coverage for your business (this is now called “earned media”)
- And more !!!!

If you need help in coming up with guerrilla marketing ideas for your business, I invite you to join our [Marketing Dangerously](#) idea-a-day eLetter/blog service. I write a brief article each business day describing a business promotion idea drawn from real life. Basic membership is free, and readers tell us they love the service. Just click on [this link](#) if you would like to join us.

Force your paid advertising to pay

Most paid advertising is a waste of money. On a recent trip to New York City, I bought three different newspapers and looked through each one, trying to find ads that were effective. “*This is New York*,” I thought. “*It's the home of Madison Avenue. The birthplace of advertising and marketing as we know it. Surely here, we'll see advertising that works. Right?*” Wrong. I found lots of ads that used a “call to action,” and a number that were designed to stand out. But not one that used all four of the essential elements that force advertising to pay.

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Scorekeeping is automatic when we do things for fun.

“Even when you golf alone, you keep score. You may cheat and lie a little—but you write it all down. Why? Because no score means no fun. But when it comes to business, hardly anyone keeps score.”

Here are the four essentials:

- A high impact, attention-getting presentation (graphics, headline, or opening on radio/TV etc.)
- A powerful offer (preferably, a genuinely irresistible offer)
- A call to action (a deadline and a way to reach you in order to act on the offer—now)
- A tracking device (a way for you to know that a prospect or buyer is contacting you specifically because they read, heard or saw a specific ad that you ran in a specific advertising medium)

Don't think of your irresistible offer as a “cost,” think of it as an investment. Your goal is to generate a return on your investment in the form of new customers who will join your growing band of sales ambassadors. If you haven't already done so, it is vital that you **calculate the lifetime value of your customers** (see Key Two), so you know what effective advertising is really worth to you.

During one of our Marketing Dangerously seminars recently, I was asked (repeatedly) if it is ever appropriate to run “image” advertising. My response: “Yes and No.” “Yes,” if you're running a beautiful image ad—in print or television, for example—and **it includes the four essentials**. If not, “no” is the answer. One participant rephrased the question. “*What about when you have a truly high end product,*” she asked, “*and you don't want to be seen as flogging and degrading it?*”

I answered with the example of a Lexus dealer in California who ran a beautiful newspaper ad that showed the sophistication of the car—then offered readers their choice of either a very expensive putter, or a very expensive lap top case—if they came in for a test drive that weekend. Perfect. Image plus action. Why not have it all? Why waste dollars on ads that don't move people to action, and (because of that) can not be measured in terms of return on investment?

A word of caution: Media sales reps are not anxious to see you tracking the effectiveness of your advertising, and may try to convince you that it can't be done. Ignore them. If they tell you that including a message like “*mention this ad in order to receive a free how-to guide,*” would somehow degrade your ad, just tell them to “*faggedaboutit*” and do it anyway.

One more thing. Don't stray from the sales messages you developed in writing your 5 second and 30 second introductions. Your ads must say exactly what you would say “live,” if you want your ads to work. This is so important and so often overlooked. Typically, we give our ads to someone “creative” to prepare—and at best we get an ad that gets attention. But then the reader, listener or viewer gets no

compelling message about the critical benefits or solutions that our product/service delivers—and does not respond. Key point: Forget about winning awards, and focus on making sales. (Yes, of course you can do both. But make sure that making sales is **number one**.)

And one more thing. Look hard at marketing your business on the internet—both with paid advertising (particularly pay per click, as it is literally designed to be tracked for effectiveness)—and with unpaid activities as well. Once again, if you are not internet and social media savvy, hire a younger person who can show you the ropes.

Key 10. Make marketing and sales “your hobby that pays”

During a recession most business owners hit the brakes. They cut back on marketing. They cut back on promotion. And slip into a kind of coma—thinking there is little use because the economy is so poor. On the other hand those who survive and thrive in difficult times—and soar in the good times—are business owners who get it. They understand that the difference between a recession and a positive economy, is a few percentage points in unemployment, and sometimes just a fraction of a percentage point in GNP (gross national product). Neither of these things can be influenced by a business owner so my advice is to forget about the statistics and the media doom and gloom—and swing into action. While others wait and worry, you can ramp up your market share, and your share of customer, “the” two keys to successful marketing in a soft economy.

Remember this: In order for a particular industry to be down by 20%, someone has to be above that average, or there wouldn't be an average to begin with. While many businesses will be below the line, some—the star performers—will be well above that line, keeping the average from falling further—and doing very well, thank you. All you have to do is make sure that you are one of the businesses that stands high above the line.

Develop metrics and numbers, and keep score

Keeping track of your sales and marketing activities is always important. But during a recession, it's urgent. I suggest that you track a wide range of key metrics, and I urge you to do this with enthusiasm. Think of tracking and scorekeeping as “your hobby that pays.” One way to build your enthusiasm is to compare scorekeeping in business with scorekeeping in all of the things you do for pleasure: Golfing, bowling, running, playing games of any kind. As I often tell seminar audiences, even when you golf

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Track and score every key metric.

“Identify the numbers that are vital to you, and build (or buy) a computer dashboard system that makes these ‘vital sign’ numbers available to you—at a glance—at any moment in time.”

alone, you keep score. You may cheat and lie a little—but you write it all down. Why? Because no score means no fun. In fact, if it wasn't for score-keeping every bowling alley in the universe would be closed down. No more bowling. No more horse-shoes. No lawn darts. No tennis. No more games of crib, fish or bridge. No score, no fun, no play. Period.

But, when it comes to business, hardly anyone keeps score—(other than putting some numbers together for the bank now and again)—and this fact gives you yet another tremendous competitive advantage. If you plan, track and score your marketing and sales performance, you are going to outperform those who don't. As I'm fond of telling audiences, *“the day you start to keep score, is the day your score starts to go up.”* I've seen it happen over and over again in my work with companies in trouble, and in the healthy companies I work with as well. If you are already keeping score, keep it up. If not, **start now!**

Plan and track “universal metrics”

Obviously, there are metrics that apply to every business, that must be planned, tracked and reported so that everyone knows how you are weathering the storm. These universals include:

- Revenue (month; quarter; annual; month over month and year over year to date)
- Gross margin
- Pre-tax profit
- Customer count and average sale
- Revenue per employee

Another set of “universal” metrics have to do with the ways that you build your business—in any economy. Basically there are just four ways to grow any business, including yours:

1. Increase the number of customers
2. Increase the dollar value of your average sale
3. Increase the profit on your average sale (by raising prices or cutting costs, or both, as either will raise your profit margin)
4. Increase frequency of customer purchases

These approaches need to be planned, tracked and reported systematically as well.

Plan and track metrics for your specific business

While some metrics are universal, there are numbers that are unique to your business—and numbers that are most important to you. Identify these Key Performance Indicators (KPI's) and go to work on improving them. These may include:

- Revenue by various categories (product, sales rep, territory, type of customer, etc.)
- Customer sales data
- Customer satisfaction

- Quality Assurance data
- Production/Shipping performance
- Marketing performance (lead generation/cost per lead/customer acquisition cost, etc.)
- Website and ecommerce analytics
- Accounts receivable performance
- Production and labor costs as a percentage of sales
- And so on

The key is to identify the numbers that are vital to you, and to build (or buy) a computer dashboard system that makes these “vital sign” numbers available to you—at a glance—at any moment in time. It is also vital that you develop a cash flow projection. Most business owners do this only if and when their banker demands it. Big Mistake. Your projection is not for the bank. It's for you. It's the monitoring system at your bedside when you have heart trouble. Others can look at the screen, but it is most important to you, personally. Detailed marketing and sales metrics are also vitally important. We'll talk about these next.

Source and record every inquiry and sale!

I encourage you to track the performance of all your marketing activities. You can do this by asking everyone who inquires—via your website, telephone, email or in person—how they heard about you. In this way, you are constantly testing the performance of everything you do that generates leads, inquiries and sales: Your networking activities, your email newsletter or blog, your website, your internet sales letter “landing pages,” your public relations work, your pay per click and other paid advertising—everything that you do. When you spend money on a marketing activity—a direct-mail campaign for example—keep track of exactly what the campaign cost, and exactly what it produces, not just in terms of leads/inquiries, but in terms of actual dollar sales. Then of course, you are able to pinpoint your return on investment—and either continue or repeat the campaign—or change the message if it's not working—or cancel it.

Split test your ads and go with the best

I also advise you to split test your advertising. This simply means running two or more versions of an ad—whether it's in Google AdWords or your local newspaper—to see which one is most effective. When you are choosing between two headlines, split test one against the other, then go with the winner—until you think of another brilliant headline, and then split test again. You can do the same with any offers that you make; and any copy that you write—as well as the look and/or sound of your ads.

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In turbulent times, it helps to know exactly where you stand.

“Remember the cash value of your leads and it will just seem logical to give them the care and feeding they deserve.”

Continuous tracking and split testing puts you squarely in charge of your advertising investments, and literally forces your advertising to pay.

Manage and cultivate your sales leads

In order to treat your leads with the respect they deserve, start by determining their real value. In the same way that you calculated the lifetime value of a customer (in Key 2), now calculate the value of a lead. Simply go back a year and count (or estimate) the number of leads that turned into sales. Let's say the ratio is 20%. **That means a lead is worth one fifth of the lifetime value of a customer.** If the lifetime value of your customers is \$100,000 each, that means a lead is worth \$20,000 to you. If a customer is worth \$10,000 in your business, then a lead would be worth \$2,000. If a customer is worth \$1000, then a lead is worth \$200, and so on. Now you can see and fully appreciate the tangible value of your leads.

Next, develop a plan to follow through on your leads, and to maintain helpful communication with the people in your lead pool (often called your lead funnel). Invariably, there are high quality future customers in your pool. They are largely qualified, but are not ready, willing or able to buy right now. Your goal is to stay in touch with them so that when they are ready, they have developed a relationship with you, and will likely become your customers.

Unfortunately, most businesses waste the opportunity to cultivate leads that are on hold. Don't do it. Remember their cash value and it will just seem logical to give your leads the care and feeding they deserve. To cultivate your leads, use a "drip" marketing program. This means staying in touch in ways that are helpful and not "sales-like." For example, you could use autoresponders as part of an automated marketing program to stay in touch, sending out helpful information on a scheduled basis. You can also use auto-responders to address concerns they expressed in a survey you conduct through your sales letter landing page; on your website, or in your newsletter or blog.

Stay in touch with helpful information

If you have a genuinely helpful how-to newsletter/eLetter/blog, this is a great way to stay in front of these people without annoying "follow-up" sales calls. (Am I saying that you shouldn't make follow up sales calls? No. Call away—as long as your calls are warmly received—meaning they deliver something of real value, every time.) If not, find another way. Period.

As I mentioned earlier, if you are marketing on the internet, then (obviously) you will want to track all

of those marketing metrics as well—including numbers of visitors to your website: how they got there; the conversion ratio of visitors to sales; your actual cost per customer sale—and so on.

Manage your sales pipeline

In addition to managing your leads, it is critically important that you manage your sales pipeline. First, let's clear up some language. A "lead" is a person you have not yet connected with—or who is not ready to enter your sales pipeline by actually meeting you, or getting a quote or proposal from you. This person may or may not become a sales prospect. A "prospect" is a person you have connected with—by telephone, e-mail, or live and in person. A prospect is a person who has told you that they want to move forward and explore the possibility of doing business with you. A prospect becomes a "customer" when you have closed the sale. Once you have connected with a prospect, you must track the progress of your sales activity with this person in your sales pipeline. You can do this on paper, or in a spreadsheet on your computer. Either way, the idea is to establish progressive sales milestones and update your spreadsheet as you go along.

The purpose of managing your sales pipeline is twofold: 1) to keep yourself (and others who make sales in your company) focused on your sales activity, so that prospects are taken through the sales process expeditiously, and aren't forgotten along the way. 2) to allow you to forecast your sales accurately—which also allows you to forecast your cash flow—as well as your production/inventory requirements. Columns in your spreadsheet need to include the following:

- Date opened (the day you connected with the prospect; opened the sales process, and entered them in your pipeline spreadsheet)
- Salesperson
- Client (name of the company, or the individual if you sell to the public)
- Description (very brief description of the potential sale)
- Est. \$ value (estimate of the value of the sale)
- % Prob. (the probability that you will close the sale)*
- Adj. \$ Value (the total value of the sale, multiplied by the % probability that it will close)
- Status (note the stage that the sale is at. For example, First Meeting held, Quoted (or Proposal Presented), Quote in Revision, Final Quote Presented, Bid Accepted, and so on)
- Start/Del. Date. (Project start date or product/service delivery date, as appropriate for your business)
- Date closed ** (date order received, or contract signed, or deposit/payment received etc.)

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Our goal is to soar, no matter what the economy.

“Keeping score puts you in control of your business, as never before. And that’s exactly where you need to be—not just now when the economy is in trouble—but always.”

- Days open to close (length of your sales cycle)
- Final \$ value (value of the sale after adjustments during the quoting/revision process)

* Note: In order to calculate the % probability of a sale closing, you will need to establish criteria—which varies from company to company, but typically includes qualifying questions like, “Are you dealing with the final decision-maker?” and, “Are you competing with others for the sale?” Other criteria such as urgency, depth of relationship with you/your company, and so on can also help a great deal. Your goal is to refine your criteria to the point where you can forecast—with real accuracy—the actual value of sales that are in your pipeline at any moment in time. This helps you to forecast not only sales volume, but cash flow and production/inventory requirements etc., as well.

** When a sale is closed move the entry to another page in your spreadsheet, do not keep it in your main “sales in progress” pipeline page. Similarly, if a sale is “on hold” or lost, move these items to different pages as well. Warning: Don’t clog your main pipeline worksheet with sales on hold.

This tracking process will reveal key ratios (e.g. sales opened to sales closed, etc.), while putting you in control of your business, as never before. And that is exactly where you need to be—not just now when the economy is in trouble—but always.

Your call to action

While there is no charge for this preview edition of our report, in a sense it is not free at all. In order to get the full benefit of these strategies and ideas, you will need to invest a great deal of time and energy—first in planning, and then in implementation.

Here are some tips to help you get started:

- Consider partnering with a key player in your business, if you have partners or staff, to help you develop and execute your recession-proofing plan.
- If you are a solo operator, partner with another entrepreneur, who will work with you as you both develop and execute your plans.
- If you have staff, talk to them about the economy

and its effect—present or potential—on your business; help them to understand that the key to success in recession-proofing is customer loyalty—and that loyalty is the product of exceptional quality, service, and relationship building.

- Staff “engagement” is the missing link in marketing, as most owners fail to make the connection between each individual’s work and its effect on total customer satisfaction. For example, when every person who answers a telephone—anywhere in your business—answers as if he or she were the personal goodwill ambassador for your entire company, you have the seeds of a loyalty program that will actually work.
- Similarly, while competitors (who fear losing sales) promise impossible completion and delivery dates, commit to absolute honesty with your customers. It takes courage to under-promise and over-deliver, but courage is rewarded by loyalty.
- Loyalty is “the” key to your success because it gives you a way to protect and grow your business without spending a lot of money.
- Be sure to leverage your relationships with loyal customers by asking them for introductions to potential new customers (as I mention in Key 4, above). For much more detail and examples of “introduction marketing,” see Module Two of my book, *Selling in the (Comfort) Zone*.

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If you haven’t already done so, be sure to register for our [Marketing Dangerously](#) “Idea-a-day” email/blog service. The basic service is free of charge, and brings you a powerful marketing idea—usually with details of a real life success story—every business day (with heavy emphasis on no-cost and low-cost ways to protect and grow your business in a challenging economy).

Thank you for taking time to read this report; I invite your feedback. And...I wish you the very best.

Neil Godin

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