

10 Recession-Proof Strategies For Businesses, Sales, and Real Estate Professionals

Proven strategies for boosting sales and profits in tough economic times

By Ernest O'Dell – Guerrilla Real Estate Marketing

Dear Sales Professional:

Are you afraid the recession is here to stay a bit longer? If so, you're not alone. Many economists are predicting gloom and doom, and some are predicting "sunny days ahead." But, who can you believe?

Even if the economy doesn't hit "rock bottom" in your part of the country, you know it has definitely slowed down some—in some states, significantly.

Worse, it doesn't take a recession or even a soft economy to create problems for sales professionals. Every business industry has its ups and downs. Everything runs in cycles. Even if things are going "great guns" for your business, you need to develop revenue generating strategies that succeed when times are tough.

Many sales professionals fear a recession or a soft economy, reasoning that if the economy is poor, clients and customers will cut back on spending, defer the acquisition of new technology, or worse—sacrifice quality and buy only from low-priced vendors. Deferring acquisition of new technology is risky business because many of their competitors are not cutting back, and gaining the upper hand on those who wait around for "better times."

All of this true—but only to a degree. An economic slowdown can be a problem for your business. Or, it can be an opportunity to gain new clients and boost your sales—if you know what you're doing when it comes to marketing and sales. When you have mastered those two skills, it doesn't matter what the economy is like: your business will grow in recessionary times.



Remember the “Great Depression” of the 1930's? The businesses that worked their marketing plans, and continued advertising their products and services, are still in business today: and they're bigger than ever. The businesses that curtailed their acquisition of technology and stopped their marketing and advertising are—HISTORY.

What follows in this report are 10 strategies that solutions providers can use to maintain—and even increase—their sales, while their competitors struggle to stay afloat. Apply these techniques to your own marketing and sales efforts during a recession, and you will survive, even prosper, while others struggle to get by and scratch their heads wondering how your growing.

Recession Fighting Strategy # 1

Heat Up Dormant Accounts

To re-activate a dormant account means contacting a past client or customer—someone you served at one time, but are not actively working for now, and getting them to do business with you again.

The quickest and easiest way to do this is to sit down with your list of past clients or customers, call them up on the phone, say hello, and see what's going on. Sometimes all you can do is get a lunch appointment with them, or meet up with them for a cup of coffee. Just staying in touch with them is appreciated on their end and shows that you're still thinking of them.

Don't make this a hard-sell call. Tell them, *"Hi, it's Bob. I was just calling to check in and see how you were doing since we last spoke. Maybe we can get together for lunch or a cup of coffee sometime?"*

Ask them what's new... how they're doing... what's going on in their business. See if maybe they can go for a round of golf at the club sometime. *(You **should** know what their favorite hobbies and past-times are... if you don't, you should keep a contact management program with that information in it.)*

When you end the conversation with them, you might say something like, "Well, John, it's been good talking with you. Keep in touch, and if there's anything I can ever help you with, don't hesitate to call me. And, let's get together when you have some free time."

This lets them know you are interested in working with them again—without putting any pressure on them to give you an order right then and there. Under no circumstances do you want them to feel "obligated" to you. You just might have some competitors calling on them.

If you're not comfortable calling them on the phone, perhaps you can substitute a cordial email, letter or card—calling their attention to a recent article you read, literature on new products or services offered by your firm, or testimonial letters from your other accounts. This accomplishes essentially the same goal—to re-connect with them and remind them of your existence, products, services, and availability.

What kind of results will you get? It depends on whether you catch someone with an immediate or upcoming need with which they need

help. On average, expect to start two to four significant conversations about possible new business for every 10 calls you make, resulting in at least one sale.

The odds are that you will need to make a lot of contacts to get a few phone calls, and you'll have to make a few presentations to make a sale or two. So, keep at it!

Recession Fighting Strategy # 2

Re-activate Old Leads

If you're like most sales pros, here's how you handle inquiries:

- Someone calls.
- You send a quote.
- You call to follow up.
- They don't respond.
- You call again.
- After that, you give up and forget about them.

Sales Lead

Call #1: Customer wants me to send them a brochure or DVD.

Call #2: Customer hasn't had a chance to look at the brochure or the DVD. Call him back in a week.

Call #3: Customer wants a proposal.

Call #4: Customer wants me to modify order.

Call #5: Great! Customer is mailing out a signed proposal with a check.

Don't you wish it was this easy?

But, believe it or not, many of those old leads you gave up on months ago can be turned into profitable business for you with just a little extra effort.

In fact, a study by Thomas Publishing Company reveals that most salespeople, regardless of their industry, give up too early.

According to the study, 80 percent of sales to businesses are made on the 5th sales call, but only 10 percent of salespeople call beyond three times!

So you have probably not followed up on leads diligently enough, and the new business you need may already be right there in your “inactive” files.

The best way to re-activate these old sales leads is to call them. Ask whether they got your material or not, whether they have an immediate or future need, and what the status of that need is.

This technique can be profitably used on prospects who have inquired with the last year or two. The best prospects, however, would probably be those who contacted you within the past 6 months.

I find, from personal experience, that one-quarter to one-half of the prospects who you deal with will show some interest in acquiring your new products, and perhaps one of two out of ten will come through with an order. If you're not actively calling on old accounts, you're letting a lot of money go to your competition!

If you're building a large database of prospects who asked for literature or a quote, but didn't close, consider offering them a free monthly subscription to your ezine or newsletter—the most cost effective way to keep your name in front of your prospects on a regular basis. *(If you can write an email, then you can write an article on your niche... at least once a month... if not once a week.)*

Recession Fighting Strategy # 3

Give a Superior Level of Service to Your Clients, Prospects and Customers

During a recession, or any other time when business is slow, you want to do everything you can possibly do to hold on to your existing customers—especially your “bread and butter” accounts. If you're in business for yourself, and you're trying to keep the lights turned on, this might be hard, but not impossible. I've often had to work two, or even three, jobs to keep my business afloat. It's not a lost cause!

The best way to hold on to your customers is to keep them happy. Happy customers keep coming back, and will send you referrals and recommendations. The best way to please a customer is to give them not only their “money's worth” but MORE than their money's worth.

Now is the time to “go the extra mile” and give them that little bit of extra service. Doing so can mean the difference between *dazzling* the customer versus merely *satisfying* the customer.

The best protection against a downturn in new business is an active list of happy, pleased, and satisfied customers—people or firms who turn to you for all their needs in your related field. It doesn't matter whether you're selling oil-field supplies, real estate, telecommunications services or computer products—if you keep your clients happy, they will give you more business, and send you new referrals. You will always be busier than your competitors.

“I handle everything the customer needs promptly and courteously, no matter how small and without regard to immediate profit,” says one sales pro. “As a result, my customers think of me as their “go-to guy” and call me—not their other suppliers. This cements the relationship and makes me their first choice for the big system sales where the real profits are made.”

So, cultivate your current accounts. Nurture them. Serve them well. Do *everything* in your power to make them happy and keep them satisfied with your product or service, and they will keep coming back for more.

Recession Fighting Strategy # 4

Quote Reasonable, Affordable Fees and Prices In Bidding Situations

If times are tough for you, they may be tough for others in your industry.

Customers know this and may seek to take advantage of the situation by sending out RFP's (Requests For Proposals) for multiple bids, where previously they might have come to you only. Don't take it personal—it's just a symptom of the current economic times, and good business. Even Donal Trump would do it, and he has billions!

And if there's a recession, the cost of products or services will become more of a factor than it normally is; customers and prospects will be unusually price sensitive.

The solution is to bid competitively, but reasonably. If you are high-priced to begin with, and you insist on getting top dollar, be prepared to lose out in some bidding situations.

One winning strategy is to offer different options from which the buyer can choose, covering a *range* of prices.

For instance, one reseller quotes three different system configurations for most customers. He labels the three options “good, better, best” in the written quotation presented to the buyer.

That way, even if the customer buys on the low end, he feels he is still getting a good solution to his problem.

Another way to overcome price resistance and reduced budgets is by quoting the system as both a purchase price and a low monthly leasing option.

After all, which sounds more affordable to you—“\$10,000” or “\$323 a month”? If you weren't offered financing for a car, or a mortgage for a home, and you had to pay the full price, just how many cars or houses do you think those guys would sell?

Leasing overcomes “sticker shock” and allows the customer to buy the needed equipment or services without depleting cash reserves or tying up existing lines of credit.

Recession Fighting Strategy # 5

Use Low-Cost “Add-Ons” to Generate Additional Revenue

One way to generate some extra revenue is to encourage clients to add on to—or expand—existing purchases. Some call this “Back End Selling” for a good reason.

Example: A reseller also does web sites for his customers, for which he charges a reasonable programming and design fee.

Before he closes the deal, he asks, *“Do you want me to handle search engine optimization (SEO) for this site? Or write a persuasive sales presentation for you?”*—explaining that his optimization services typically generate thousands of extra “hits” a month, or his sales pages have a higher conversion ratio than no sales page at all.

Many clients will say yes, and the reseller can increase his billing by several hundred to several thousand dollars a month for this service.

You can ask the client whether they want to install another application on the system... or upgrade to a bigger, faster printer... or add another workstation, or a server. The result: An instant revenue increase for you.

Leasing, by the way, makes add-ons even more affordable.

And... instead of this adding hundreds or thousands of dollars to the purchase price—which would probably blow the sale—when they ask *“How much?”*, you can answer, *“Just a few dollars more a month.”*

Recession Fighting Strategy # 6

Avoid Being a Prima Donna

Let's face it: when you're busy, in demand, and, have much more work than you can handle, it's a great feeling. The tendency is to get a swelled head.

My advice to you is this: don't.

Why not?

Because when things start slowing down—like they're doing in our present economy—it will come back to haunt you.

Nobody likes an arrogant salesperson who acts like they don't need business. You don't, I don't, and neither do your clients.

Now, you *might* tolerate a contractor, doctor, or freelancer who's got a *prima donna* personality because you feel they are the best source of service... and you know they're so ***in demand*** that you need them more than they need you.

But you don't like it—in fact, you resent it—and you'll always be looking for the first opportunity to dump them and find another supplier to replace the prima donna.

You know what? *Your customers feel the same way!*

And when the situation reverses on you—and they always do—you'll get to eat a little “humble pie” for lunch. When things are slow for you, and the client knows you need work from them, but they don't need you—they'll extract revenge. And you'll be out.

The solution? Always, ***always*** act like a professional—helpful friend and consultant to your customers. Be useful, informative, courteous, and accessible. Don't be a snob or act snobbish. And return their phone calls ASAP!

If you give your customers genuine reasons to like you, and you are always helpful to them, they will stick with you through “thick and thin.” And that can make a big difference in your life when things get slow. Treat your customers with an indifferent attitude, and they'll leave you

stranded faster than a rat eating a Cheeto!

Remember: in a depressed economy, continuous business from *ongoing, current clients* is what will keep you financially afloat.

Make sure you have that business when you need it tomorrow by acting professionally, courteously, and properly, today.

Recession Fighting Strategy # 7

Downgrade Slightly Your “Acceptable Client” or Customer Profile

You have a set of written or mental guidelines that determine which customers are desirable to you... and which are not.

During a recessionary economy or personal business downturn, you may want to be more flexible in this area than you usually are.

For instance: If you normally do business with Fortune 500 companies only, you may want to do systems for smaller local firms... provided the profit margin is decent and their credit rating is good.

This doesn't mean you throw your standards out the window and work for anyone who calls you.

Far from it. Instead, you are simply readjusting your acceptable client criteria during this temporary lull to accommodate a wider range of prospects and projects.

How far should you take this? It's up to you. If, for example, you normally sell a minimum system for \$50,000, you might consider offering scaled-down \$5,000-\$10,000 packages. But you probably wouldn't go so low as to offer \$1,000 packages. You've got to draw the line somewhere, because if you quote your price too low, there's no ROI (return on investment) and the investment here is your time and effort to “cultivate” and close the sale.

Example: You're telecommunications systems reseller and you're accustomed to working with Fortune 500, Fortune 1000 companies, and you've recently closed a contract with a major call center in South Florida that generates more than \$6 million dollars a month. You're making a hefty commission off of that contract, since it's “residual” and pays you 12% (or \$720,000) a month.

(Don't roll your eyes and laugh—this kind of money is easily spent by large telecommunications companies each month. Telecommunications is a multi-billion dollar a year industry!)

Scenario: a hurricane wipes out the call center and all telephone traffic is re-routed to Houston, Texas. (Hey, it happens all the time.) Since the contract has a clause in it for “acts of God” and they're not obligated to

pay for service they're not getting, you're either going to have to renegotiate the terms of the contract, or do without commissions for a few months... or even a year or more. You may even be out of the contract permanently if the telco decides not to rebuild.

What do you do?

You find other call centers around the country and get into the bidding process, or even cultivate contracts with call centers in India and China. Or, you decide to work contracts in the U.S. on a smaller scale—you just have to add more of them to your client file to replace the revenue you lost with the “bread and butter account.”

If you snubbed some of these smaller prospects in the last year or two, or in the last 6 months, don't think they're going to forget you. Trust me on this one: They won't. They have memories like elephants, and where they tell you to “get off” won't be on a luxury cruise to the Bahamas.

Adding as many of the smaller clients to your file as possible will—at least—keep the mortgage paid, and the lights on... and perhaps, some food on the table. You might not be able to go out to the restaurant every night and take the kids to Chucky Cheese every weekend, but you can always find ways to do things with the family during the “lean times.”

So, don't consider anything “lesser” as diminished in quality. Go for the *quantity* and you'll have a constant stream of revenue coming in.

Recession Fighting Strategy # 8

Plan an Aggressive New-Business Marketing Campaign

This strategy has two parts to it.

The first part, which seems so obvious, is that when things get slow, you spend more time on marketing and “prospecting” for new business, like a gold miner panning in a river for new nuggets.

For instance, if you usually devote 10 percent of your time and energy to marketing and sales when things are fairly busy, you might increase this to 25 percent when things slow down. During a lull in business, you need to make this extra effort to attract new clients, follow up on leads, and close sales.

The second part of this strategy may not be so obvious. It's this:

To prevent a lull in your business from ever happening in the first place, you should be marketing consistently and aggressively all year long, every week—not just when you need the business.

Planning an ongoing marketing campaign ensures a steady stream of new business leads. Marketing done today begins a selling cycle that will result in new business tomorrow... and when you need it six months from now.

What types of marketing work best in a recession?

Use a combination of result-getting direct marketing (direct response ads, sales letters, self-mailers, postcard decks, special offers, etc.) plus low-cost/no-cost visibility-enhancing publicity techniques (press releases, articles, ezines, speeches, booklets, pamphlets, books, magazine articles, newspaper articles, seminars, newsletters... the list goes on.)

Avoid costly “image-building” marketing such as large space ads (billboards, radio and television), slick corporate brochures, expensive annual reports, and other marketing communications that drain your budget without producing measurable results. If you tend to go against conventional wisdom and try something like annual reports or something similar, consider doing them “in-house” or farm it out to several RFP's (Requests For Proposals). Yes, even YOU can do that.

Recession Fighting Strategy # 9

Deliver Added Value to Your Customers

In a recession or soft economy, clients in all sectors are more concerned with price than ever before. As a matter of fact, it would probably be safe to say that they are more concerned with price than anything else.

Actually, though, their real concern is making sure they get the best value for their money.

You can win new accounts and retain existing clients by enhancing your product or service and providing your client with MORE value for their dollar.

For instance, if you're selling a commodity item, you could add value by offering faster delivery than your competitors. Or a larger selection. Or more colors. Or more options. Or easier payment terms. Or a better guarantee.

There's no need to "give away the store" and promise an excessive amount of extra product options or services. In fact, just a little extra effort or service on your part will be perceived as a significant increase in VALUE by your customer.

The "extras" you provide need not take a lot of time or cost a lot of money.

Always look for ways to give your client not just their money's worth but *more* than their money's worth. These "little extras" always pay big dividends in customer goodwill, retention, and ongoing future assignments.

Using your personal contact management system, maybe you have notes on their hobbies or sports preferences. Maybe they're sports fans, and you could pick up some extra tickets to a game they might like to attend. Put on your "thinking cap" and see what you can come up with...

Recession Fighting Strategy # 10

Always Be Positive

The most important thing about a slow period is not to be depressed by it. If you are depressed, your prospects will “pick up” on it and sense your desperation and fear, and it will have a negative effect on your dealings with them.

Remember that *everybody* in business has slow times. You're not alone. Those who say they don't are lying to you and playing you like a Georgia fiddle!

You're talented, and as a successful sales professional, you're gifted. The lull is temporary. People will call you and hire your services again.

As a dear friend of mine told me: “This, too, will pass.”

One way to get out of a slump is to ask yourself the following questions:

- What can I offer that others aren't offering?
- What can I do that is so unique that nobody else can copy or duplicate?
- How can I add value to the services I already provide?
- What trends are going to alter the way goods and services are delivered?
- What more can I do to help my clients?

Don't despair, and don't give up. Don't “try”... just “do.” Trying never got anything done. DOING always gets the job DONE.

It is possible to have 2, 3, even 4 or more slow months. But if you follow the strategies outlined in this report, you can turn things around and become busy and profitable once again.

Remember: Success—and failure—are temporary rather than permanent conditions. You won't know success unless you've experienced failure at some time in your life, so don't despair because of temporary setbacks.

There is an ebb and low in business. Example: Just as you lose a customer because their budget was cut, one of their bigger competitors calls you up to buy your products or services.

As Sir Winston Churchill once noted, "Success is the ability to go from failure to failure without losing your enthusiasm."

About DMS Group

Why have more than 10,000 clients turned to DMS Group over the last 30 years? Because we are the leader in providing solutions to their needs in a host of industries—from petrochemical to hospitality, to medical, hospitals, telecommunications, real estate, and government. We have provided solutions and financing for needs not addressed by conventional solution providers.

Here are just a few advantages DMS Group provides:

- Unique financing solutions for your business.
- Experienced financing experts standing by to work with you and provide quick answers.
- Rapid credit approval (and we're not afraid to take credit risks!)
- "No paperwork financing"—all you do is call. We do the rest.
- FREE support and training

To arrange financing or more information about your business needs, contact Ernest O'Dell at:

DMS Group
P.O. Box 44
Sundown, TX 79372
USA

Email: dmsgroupster@gmail.com
Web: <http://dmsgroup.tripod.com/>

© 2009, DMS Group Publications and Guerrilla Real Estate Marketing