

All-Weather Marketing

Making Good Decisions in Bad Times



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All-Weather Marketing

Making Good Decisions
In Bad Times

LinkedIn

Historically, **greatness emerges in bad times.**



The Greatest Leaders

Winston Churchill



The Greatest Projects

Empire State Building



The Greatest Companies

Microsoft

Bad times create the conditions for greatness.

It's easy to succeed in good times.

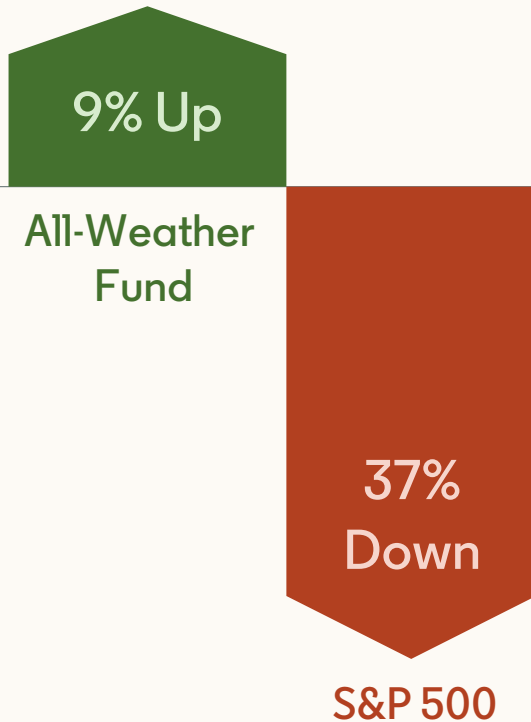
“

A woman is like a tea bag – you can't tell how strong she is until you put her in hot water.

Eleanor Roosevelt



Succeeding in bad times requires a different approach.
Specifically, the ability to trust data over opinions.



Ray Dalio,
Pioneer Of All-Weather Investing



“All-Weather” Marketing

What does the data tell us to do today?

To answer that, we asked Peter Field & Orlando Wood.



Peter Field

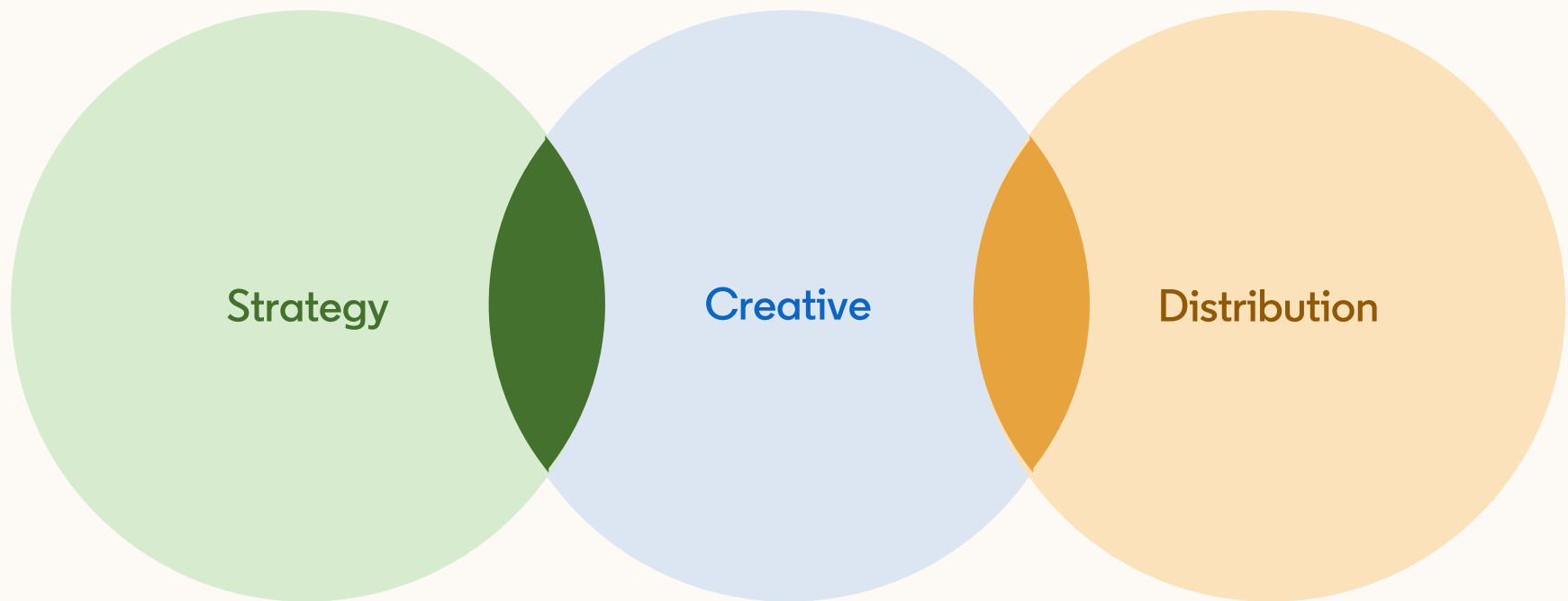
Advertising In Recession:
Long, Short or Dark?



Orlando Wood

Creative In Recession:
What Should Ads Look Like?

What follows is a series of recommendations **to help you**
“weather the storm” and emerge safer and stronger.





Strategy

First, let's start with an important caveat.

Survival and safety should be your highest priority.



Payroll

+



Rent

+



Inventory

Now, let's discuss a case study in “all-weather” marketing. How did Kellogg's become the world's leading cereal brand?

“

Post did the predictable thing: it reined in expenses and cut back on advertising. But Kellogg doubled its ad budget, moved aggressively into radio, and heavily pushed its new cereal, Rice Krispies. By 1933, even as the economy cratered, Kellogg's profits had risen 30% and it had become what it remains today: the industry's dominant player.

THE
NEW YORKER



Lesson #1: do not cut your advertising budget.

Investing in bad times **increases market share.**

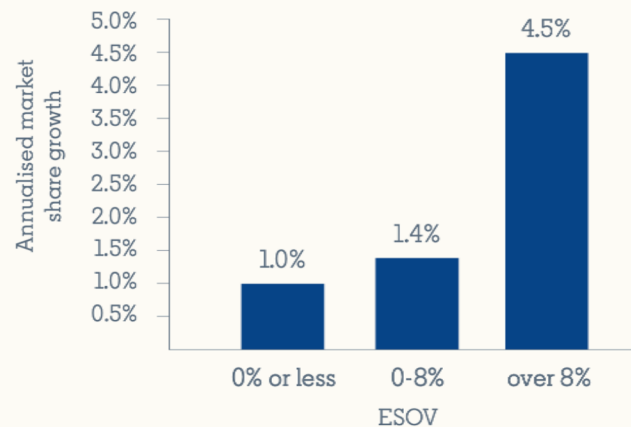


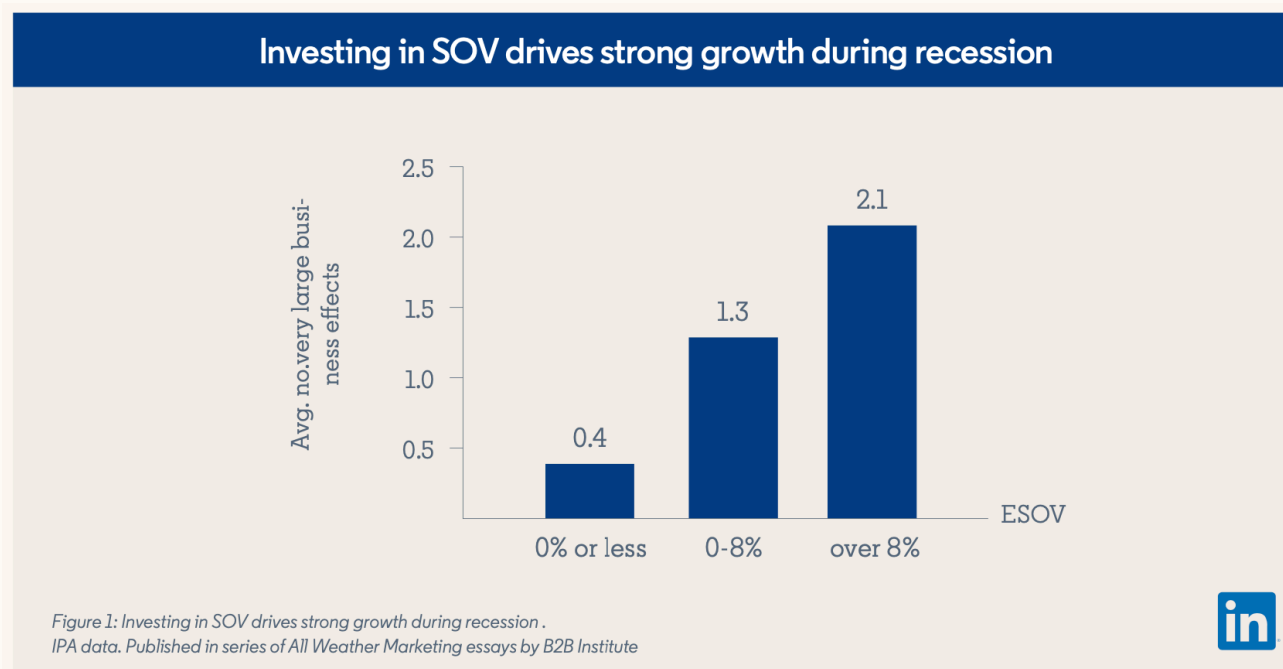
Figure 1: Investing in SOV drives strong growth during recession.
IPA data. Published in series of All Weather Marketing essays by B2B Institute



The brands that invest in ESOV saw **5 times** as many very large business effects (such as profit, pricing, share, penetration etc) and **4.5 times** the annual market share growth.

Lesson #1: do not cut your advertising budget.

And increases volume, prices, and profits.



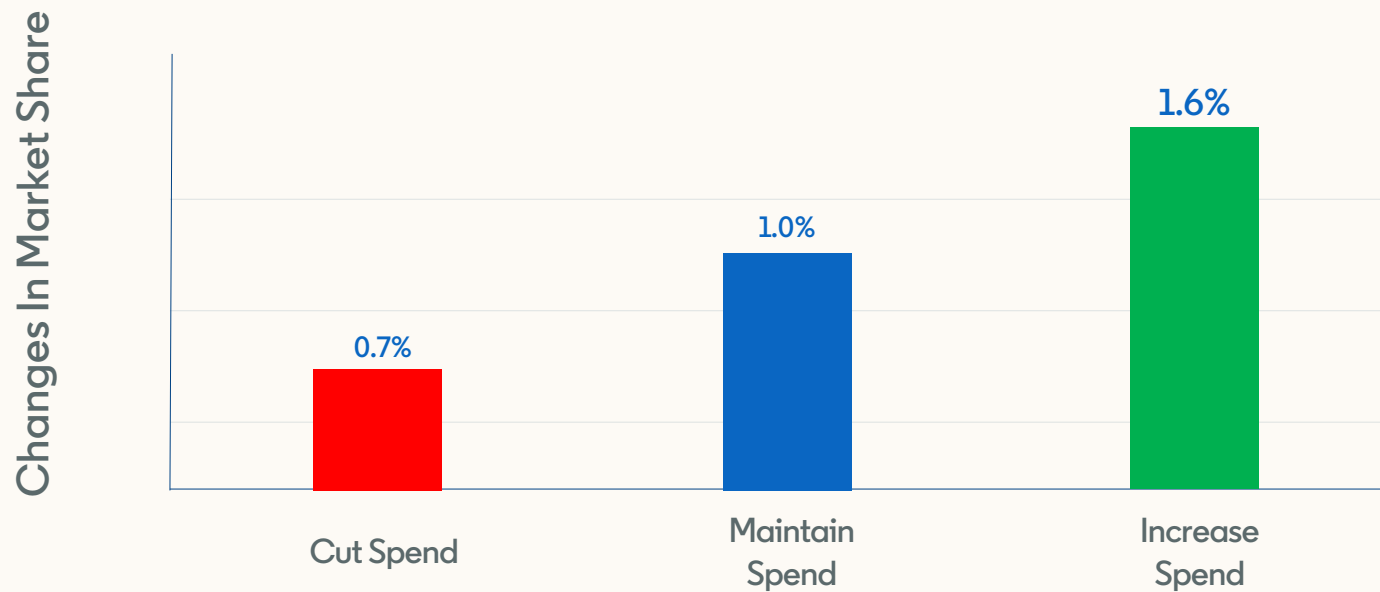
1. Share
2. Penetration
3. Sales
4. Pricing
5. Profits
6. Loyalty

Source:: IPA Cases Covering 2008 Recession

The benefits to advertising during downturns have been established many times – here in the 1980s.

Who Increased Market Share?

Investing In Advertising During The 1980s Recession

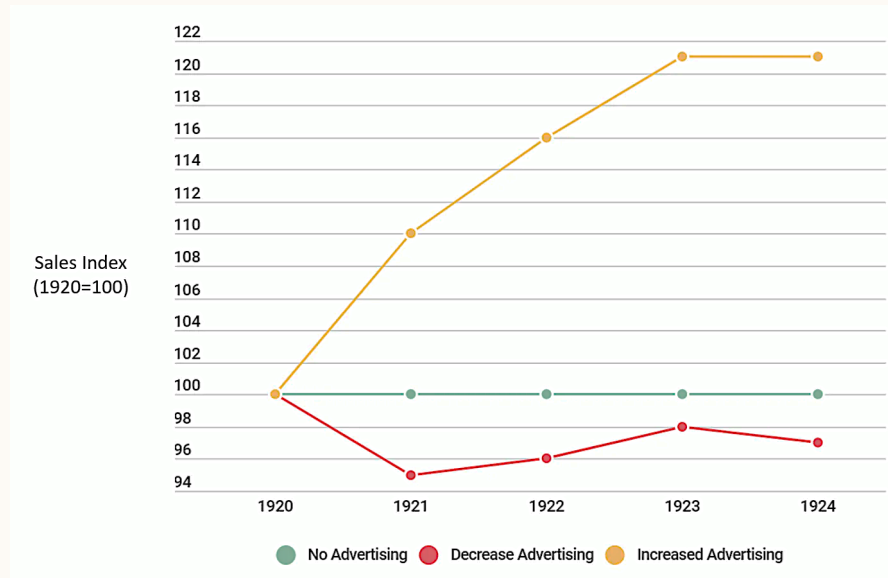


Source: PIMS – The Profit Impact Marketing Strategy Database

The benefits to advertising during downturns have been established many times – here in the 1920s.

Who Increased Sales?

Investing In Advertising During The 1920s Recession



Source: Vaile, Roland "The Use Of Advertising During Depression," Harvard Business Review 5, April 1927

**Advertising limits your downside in bad times,
and increases your upside in good times.**

“

Brand advertising is not about
profiting in recession, it is about
capitalizing on recovery.

Peter Field



Source: B2B Institute “Advertising In A Recession”

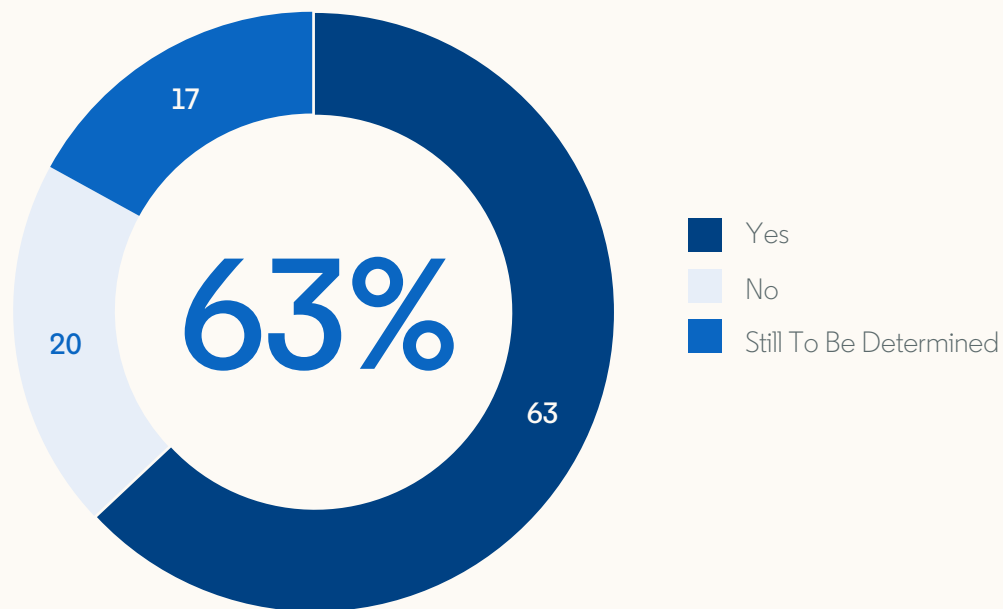
The image features a large, light cream-colored circle centered on a background. The background is composed of a light blue upper half and a light cream lower half, separated by a horizontal line. The circle overlaps both halves. The word "Creative" is written in a bold, blue, sans-serif font, centered within the circle. The bottom portion of the circle is filled with a solid blue color, creating a semi-circular shape at the base.

Creative

What marketers think:

63% think “we need to change our creative.”

% of Marketers
Changing Messaging
Due To COVID-19

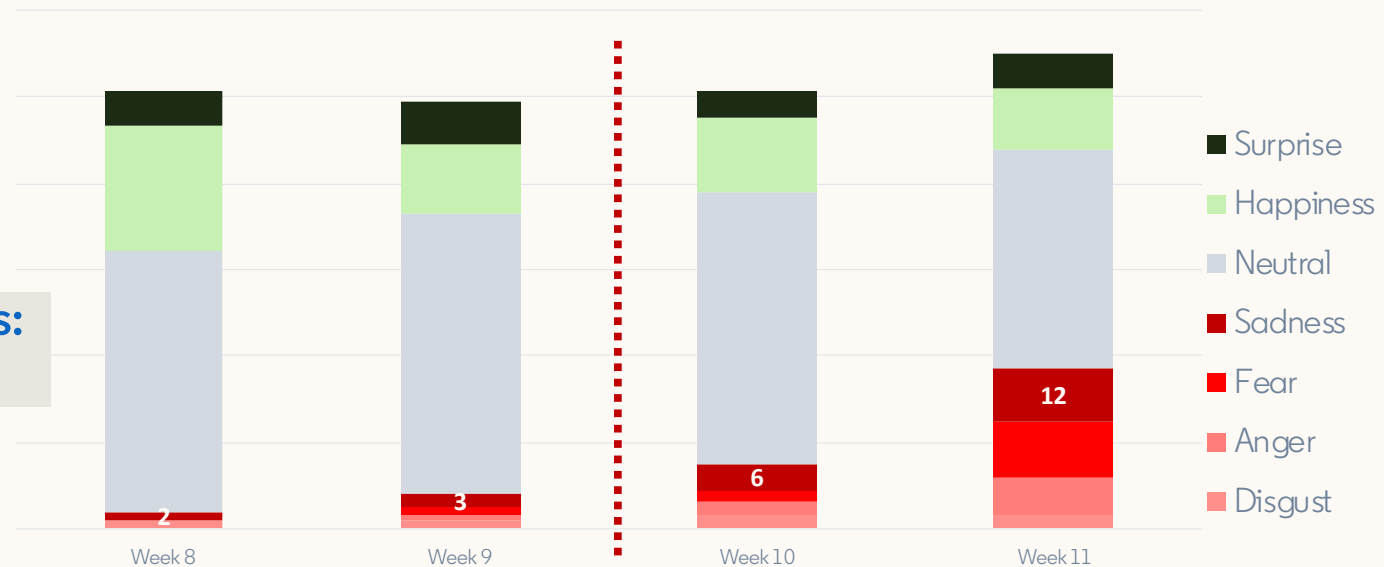


Source: IAB Proprietary Research

Marketers think **because the mood has changed**
their advertising needs to change too.

Sentiment Analysis:

Jan - March 2020

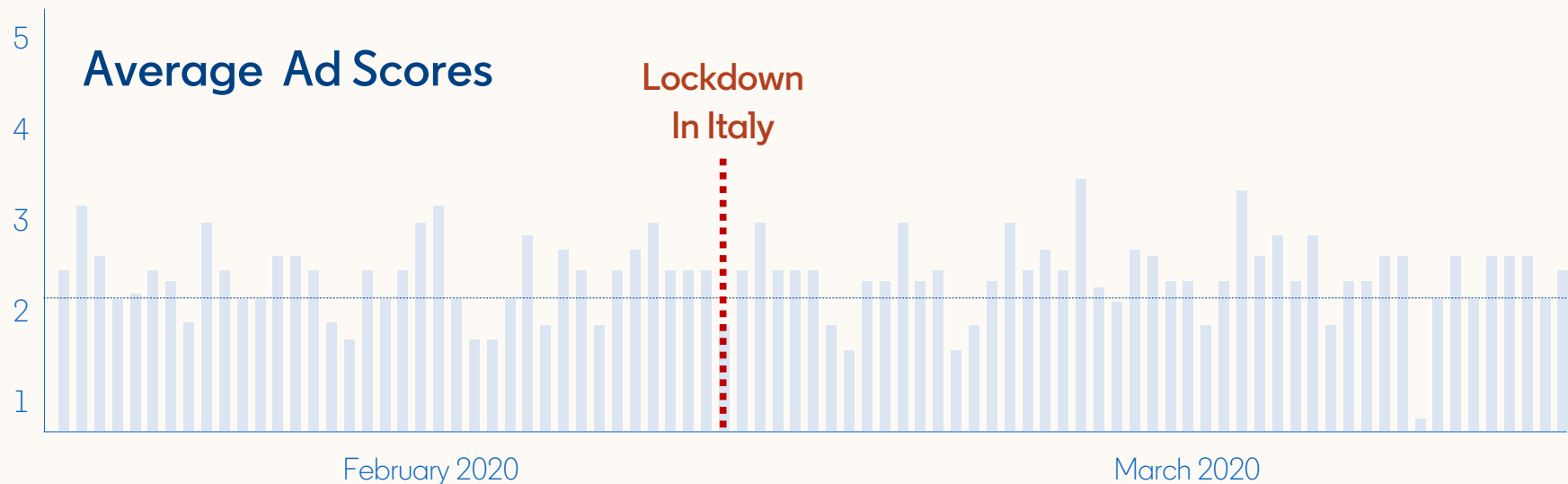


Lockdown In Italy

Source: B2B Institute, System1 Research

What the data says:

Marketers don't need new creative.



Consumers *Are Not Responding Differently* To Ads

Source: B2B Institute, System1 Research

In fact, the most successful marketers run the same creative.
All-time marketing beats real-time marketing.



De Beers
1940s



Hovis
1970s

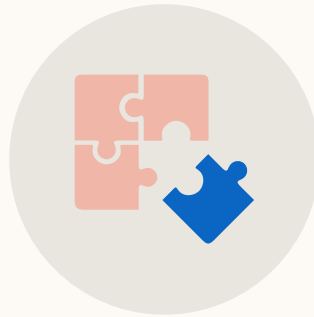


Mastercard
1990s

What creative themes continue to perform well in bad times?



Familiar Characters



Familiar Scenarios



Looking Back



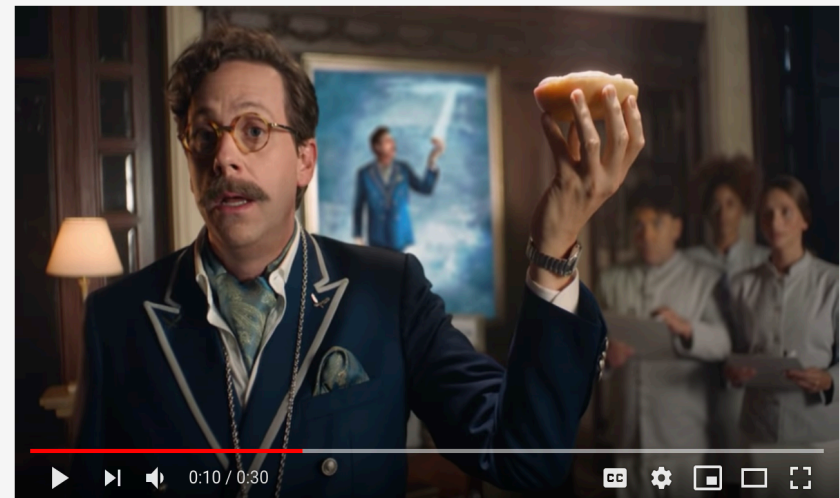
Human Connections



Local Solidarity

Theme #1: Familiar Characters

Improved from 4.0 to 4.6



#SchmearPerfection

The Schmelier

3,263,526 views • Jan 2, 2020

30 15 SHARE SAVE ...

Source: B2B Institute, System1 Research

Theme #2: Familiar Scenarios

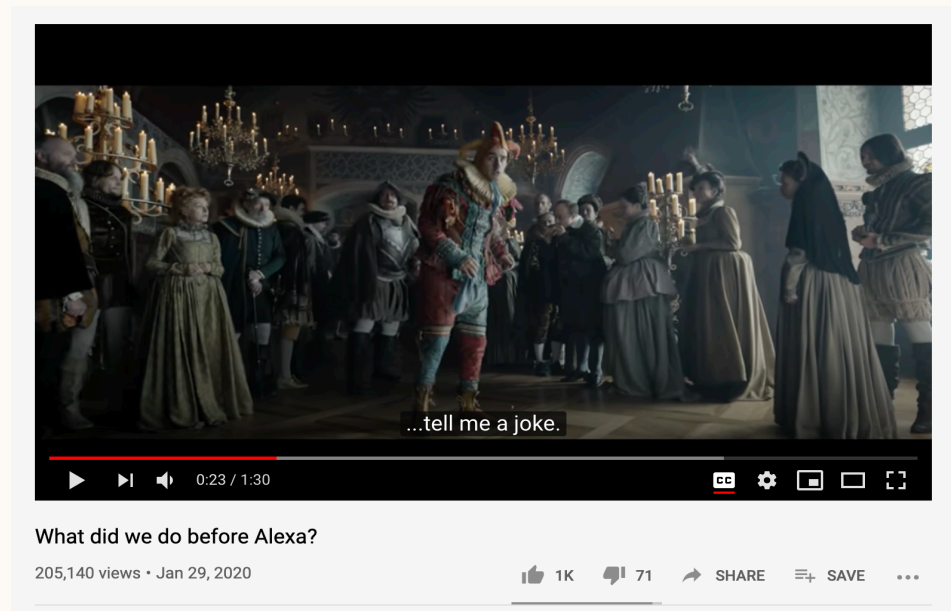
Improved from 4.0 to 4.3



Source: B2B Institute, System1 Research

Theme #3: Nostalgic or Historical Settings

Improved from 3.7 to 4.4



Source: B2B Institute, System1 Research

Theme #4: Human Connections

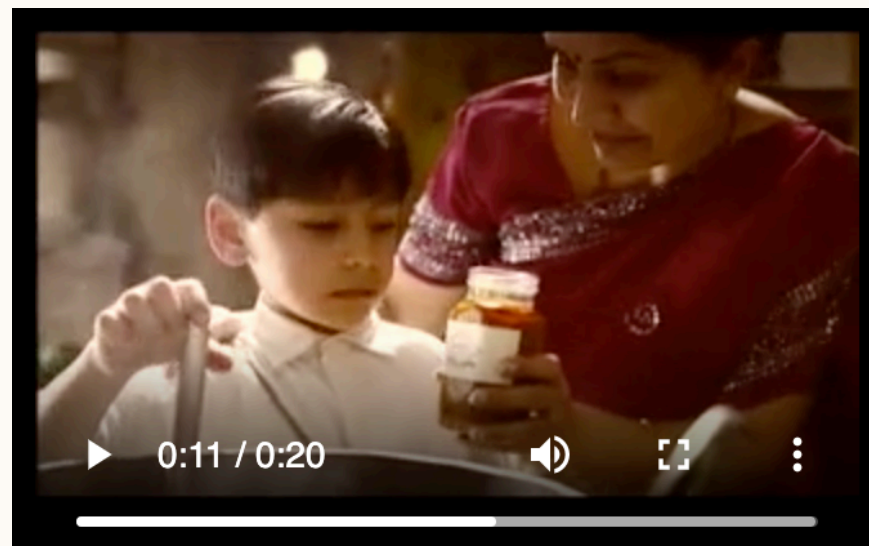
Improved from 1.0 to 2.2



Source: B2B Institute, System1 Research

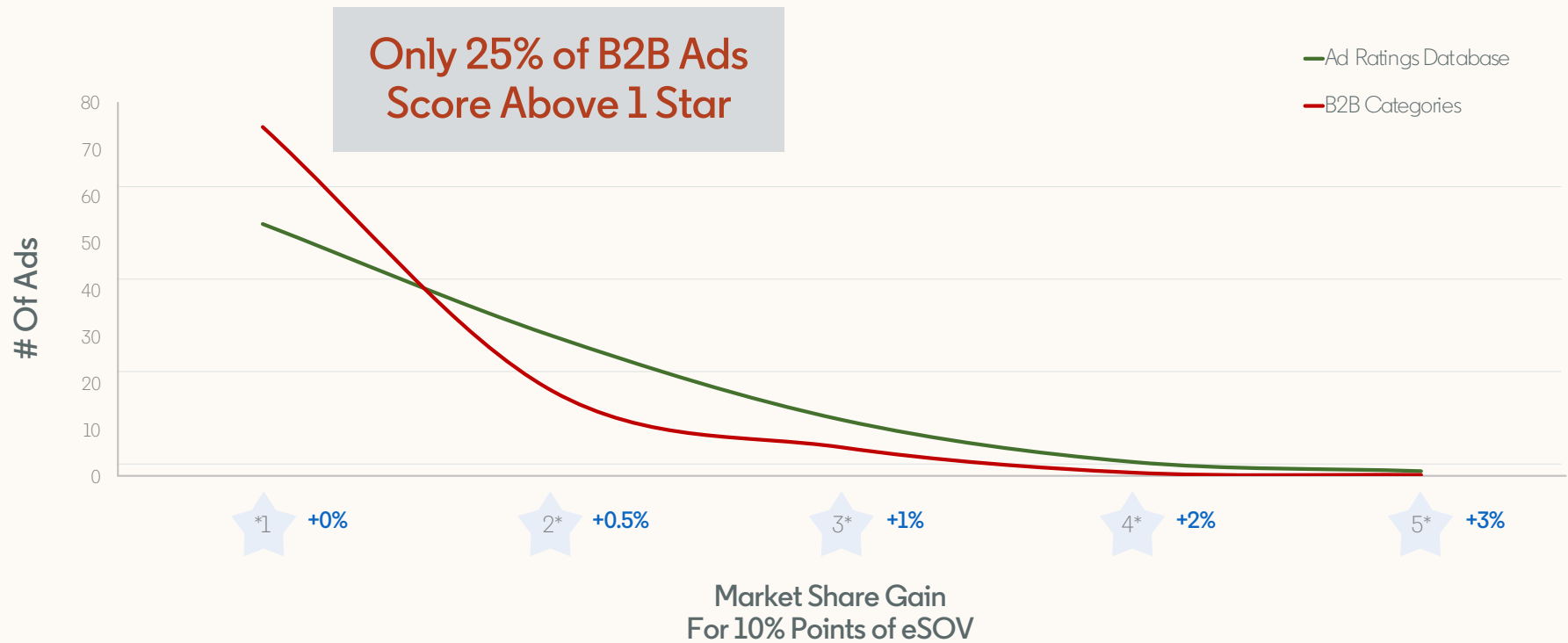
Theme #5: Local Stories and Community Spirit

Improved from 3.7 to 4.0



B2B creative underperforms in “all-weather.”

B2B has much to learn from B2C.



Salesforce is best-in-class at B2B branding.

Why is this creative so effective?



Characters x Human Connection x Buying Scenarios x Distinctiveness
= Effectiveness

What
creative
works
less well?



1. Hard sells
2. Products over people
3. Vanity or bragging
4. All text, no people
5. Competitiveness

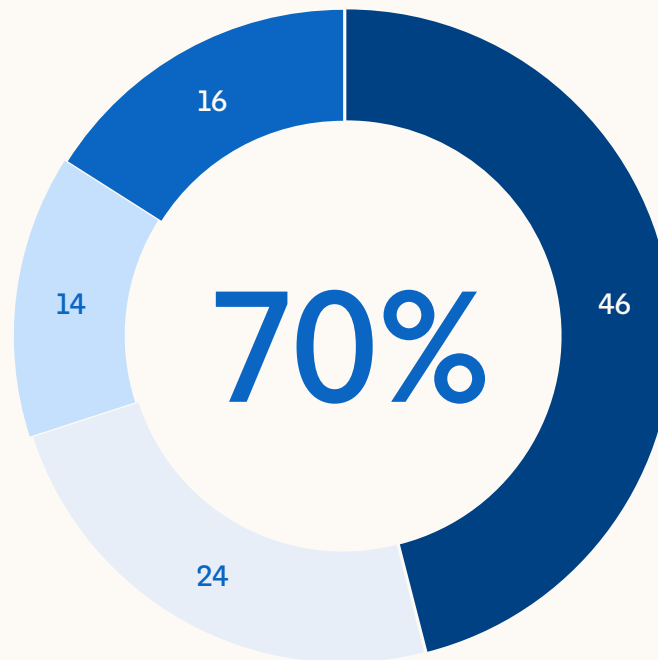
The background consists of a large white circle centered on a canvas. The area outside the circle is divided into two horizontal bands: a light orange band at the top and a light beige band at the bottom. The circle itself is white, and the word "Distribution" is written in a bold, brown, sans-serif font in the center of the circle.

Distribution

What marketers think:

70% think “we need to pause our media.”

**% of Marketers
Making Short-Term
Ad Spend Changes**



- Yes, we've adjusted ad spend
- Yes, all advertising is paused
- No
- Still to be determined

Source: IAB Proprietary Research

What the data says:

Marketers who increase advertising grow 4.5 times faster

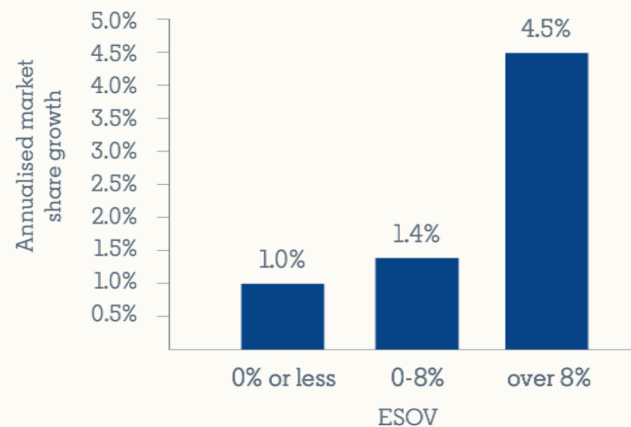


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Source: IPA Cases Covering 2008 Recession

Why is it so effective to spend more in a downturn?

The “Share Of Voice” Rule.

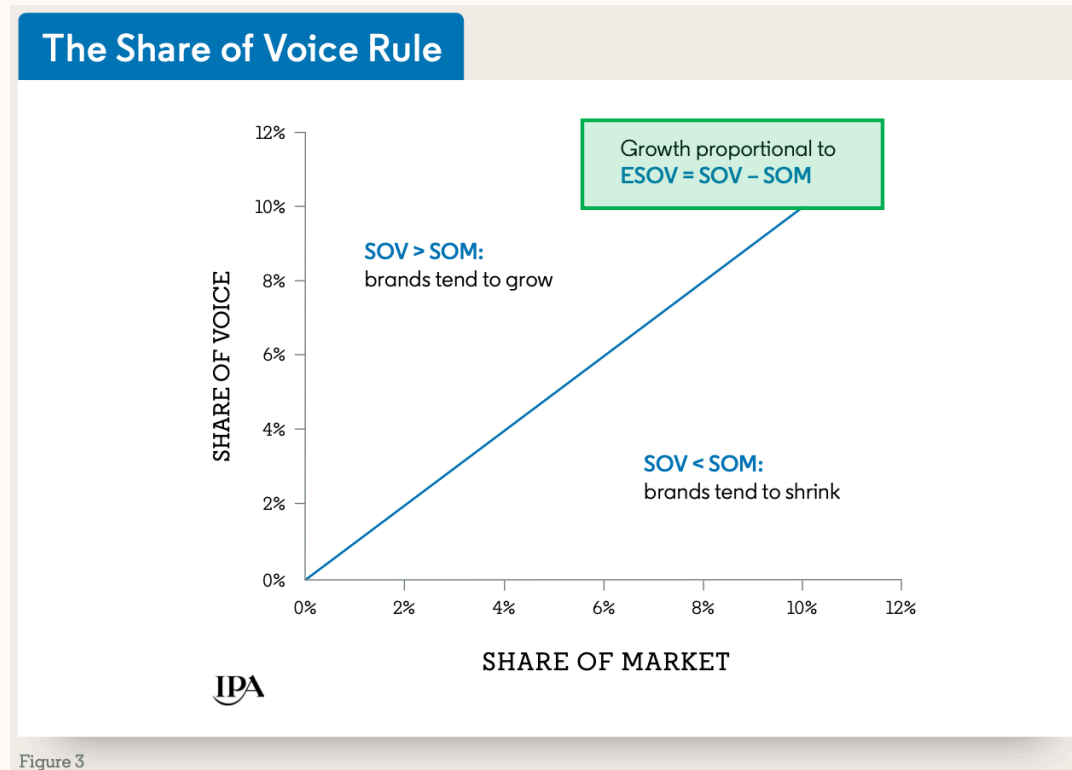
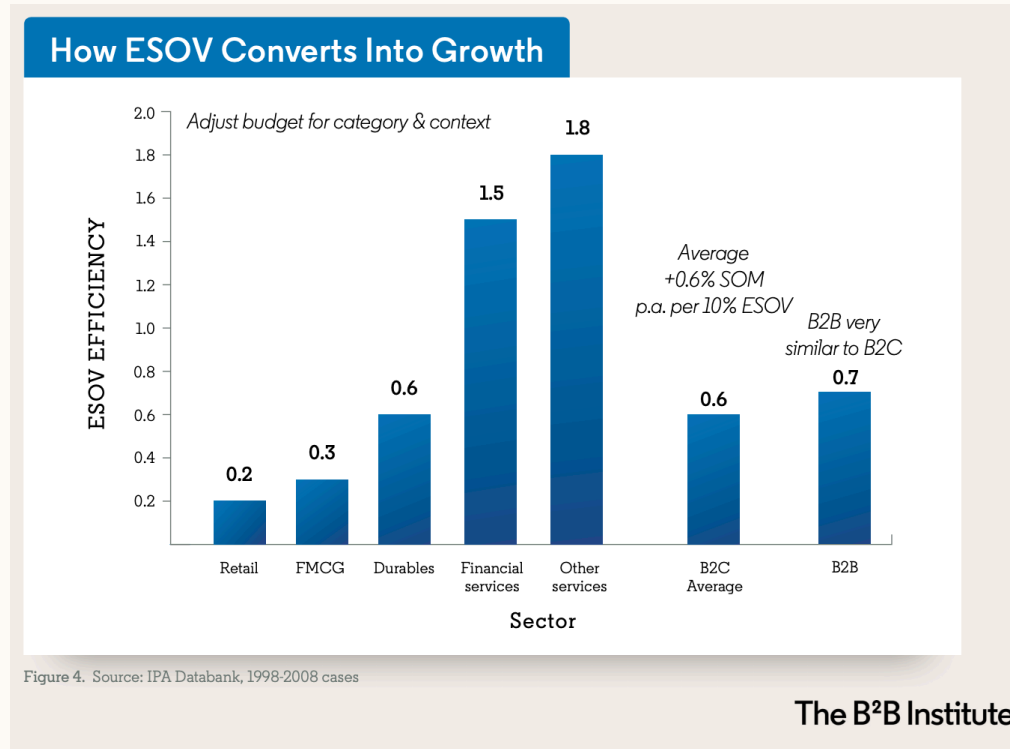


Figure 3

Source: B2B Institute, Principles Of Growth

Use “The SOV Rule” to show how **bigger budgets generate bigger growth.**



Microsoft Azure
17% Market Share

27% SOV - 17% SOM = 10% ESOV

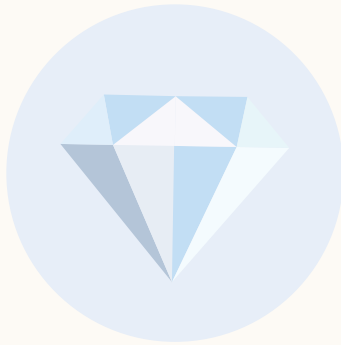
10% ESOV = 1% Market Share

1% Market Share = \$300 MM

Source: B2B Institute, Principles Of Growth

But where should savvy marketers invest?

Invest in quality media, especially in bad times.



High Quality
Context



High Quality
Audience



High Quality
Attention

Context: Media with signaling value

Chase Had Ads on 400,000 Sites. Then on Just 5,000. Same Results.

By SAPNA MAHESHWARI MARCH 29, 2017



RELATED COVERAGE



YouTube Advertiser Exodus Highlights Perils of Online Ads MARCH 23, 2017



Brands Try to Blacklist Breitbart, but Ads Slip Through Anyway MARCH 26, 2017



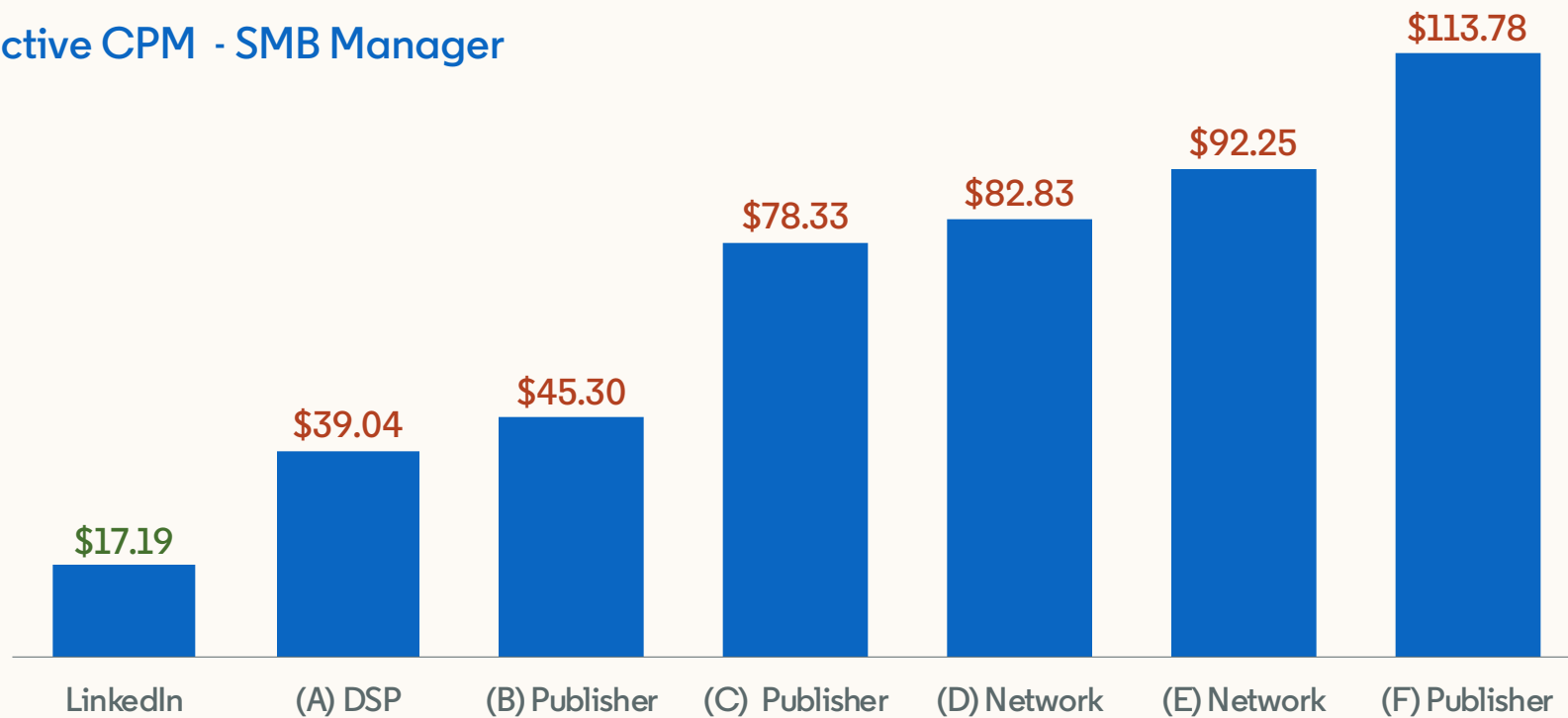
Advertising's Moral Struggle: Is Online Reach Worth the Hurt? DEC. 26, 2016



ADVERTISING Publishers Retreat From the Risks of

Audience: Media with *effective* category reach

Effective CPM - SMB Manager



Source: Dynata Client Research

Attention: Media with high attention



Size



Position



Viewability



Relative Position



Duration




Clutter



Device



Eye-Tracking



3 Takeaways
2 Papers
1 Ask

3 Takeaways:

Keep Calm and Carry On



1

Investing
In Advertising



2

Running
Old Creative



3

Protecting
Share Of Voice

3 More Takeaways:

Don't Touch Your Face, Stocks or Ads



1

Don't Touch
Your Face



2

Don't Touch
Your Stocks



3

Don't Touch
Your Ads

2 Papers:

“Principles Of Growth” and “Advertising In Recession”

The B²B Institute

THE 5 PRINCIPLES Of Growth In B2B Marketing

Empirical Observations on
B2B Effectiveness

The B²B Institute

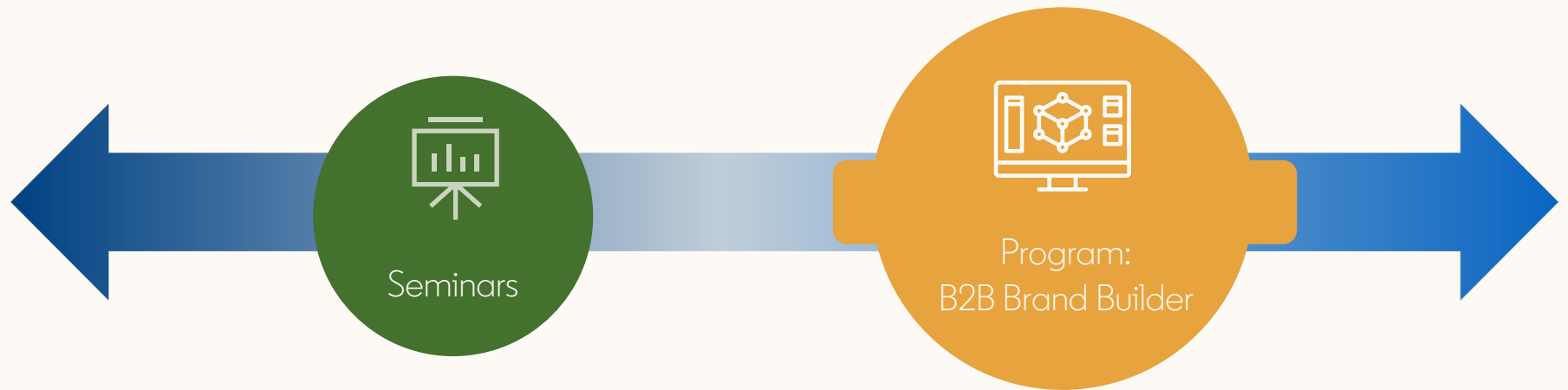
Advertising in Recession – Long, Short or Dark?

A guide to advertising best practice in recession

<https://business.linkedin.com/marketing-solutions/b2b-institute>

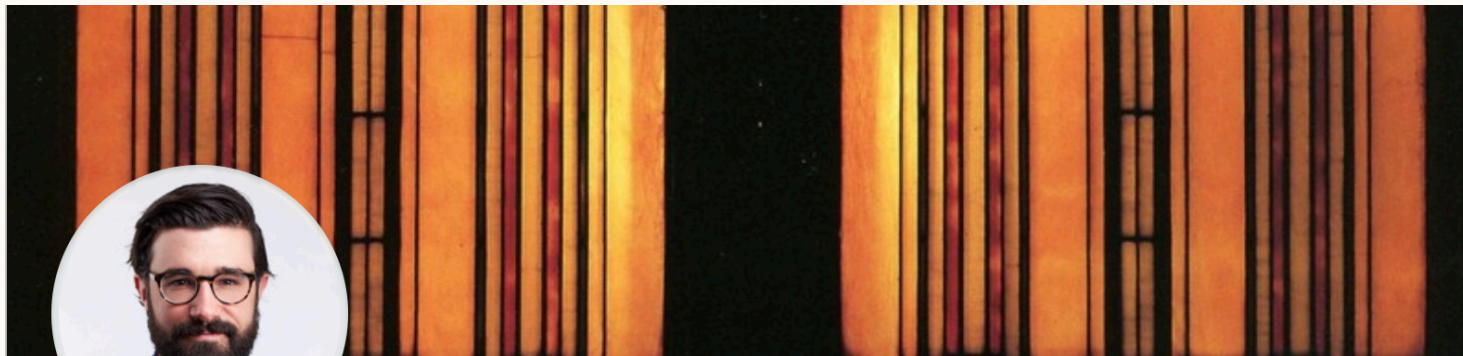
1 Ask:


Reach Out To Learn How We Can Partner



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