

How to maintain sales revenue

In my most recent column, we identified that the keys to maintaining sales revenue and profitability during the economic downturn are:



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- Understanding what your patrons are thinking.
- How that thinking changes their buying behavior.
- Adjusting your market-

ing strategy to meet their new needs accordingly.

(A brief pause for a definition refresher: Marketing is everything you do to tell your target market how you can help them and how to contact you to get that help. We now return you to your regularly scheduled column.)

Now that you understand your patrons' current outlook, what should your marketing strategy response be?

Recession-busting business strategies

Generally speaking, it's best to focus on doing a few things well, rather than many things poorly. When you expand or broaden your offerings, make sure you offer everything associated with your new product in one stop under your roof.

Dump fringe products

that are slow sellers or can't be marked up to pay their way. Keep this principle in mind as you take the next steps.

First, maintain your pricing margins. Don't engage in across-the-board discounting that will result in your sales floor being festooned with "Sale" tags that could be perceived as the desperation strategy of a failing business.

You certainly don't want to give that impression. Plus, marketing strategies based on widespread discounting are addictive to the customer and ruinous to the business. Don't go there.

Get creative

Create scarcity. Stock and display only a small number of a particular size, color or type of item to encourage customers to buy now to avoid it being out of stock when they return later.

You've probably seen that some department stores have brought back layaway plans to encourage this behavior, a service that was discontinued a few years ago when customers could just charge the item to their credit cards.

Focus on quality. Customers are carefully scrutinizing every purchase and want whatever they buy to last a long time.

In most cases, luxury items are out, but consumers

are still willing to shell out for durable, well-designed and well-built stuff with fewer bells and whistles. As an example: Well-made tools are in, gadgets are out. Well-made basic handbags are in, high-end single purpose purses are out.

Focus on timeless, not trendy stuff. Again, in this economic environment, consumers want what they buy to meet many needs, so timeless items are on their radar screen.

Clothing in basic colors or styles that can be accessorized easily for a fresh look is the way to go; outfits that can't be mixed and matched are out. Khaki, denim, basic black in items such as shoes, and neutral colors will be on their mind. Remember, flip is out and practical is in.

Next time I'll expand this list of recession-busting business strategies that will help you maintain, and even grow, your sales in the Great Recession.

Got an idea to add? What tactics do you think should be on this list? Share your insight with me at results@bgaccelerators.com. I'll look forward to hearing from you.

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