



Your patience is appreciated...



...Lunch With Haley will be served shortly.

# Strategies for a Changed World

How to plan for...and even thrive in turbulent economic times.

PRESENTED BY  
David Searns



We didn't see this coming.

It won't happen here.

I just hope everyone (else) will be alright.

This can't be real.

What am I going to do?



Coronavirus

Oil Price Wars



March 17, 2020  
Morgan Stanley and Goldman Sachs declare global recession.

Happy St. Patrick's Day.



# The R Word.





## The National Bureau of Economic Research (NBER)

"a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in the real gross domestic product (GDP), real income, employment, industrial production and wholesale-retail sales."



A recession is when a friend loses their job.

A depression is when you lose yours.

# What causes a recession?

- Inflation or Deflation
- Credit crunch / rising interest rates
- Reduced spending (government, corporate and consumer)
- Loss of confidence in the markets / market crash
- Failing housing prices and sales
- Manufacturing orders slow down
- Bad management practices
- When asset bubbles burst
- Fear

# What happens in a recession?

- People and companies spend less
- Drop in business activity
- Less work = less need for workers
  - Hours get cut
  - Flexible workers get let go
  - Unemployment rises
- Bad debt and loan defaults increase
- Prices and interest rates tend to fall

# What happens to staffing companies?

- Hiring freezes = no direct hire
- Temps get let go
- Job orders become scarce
- Up to 30% of staffing companies go out of business

# It's not all bad news

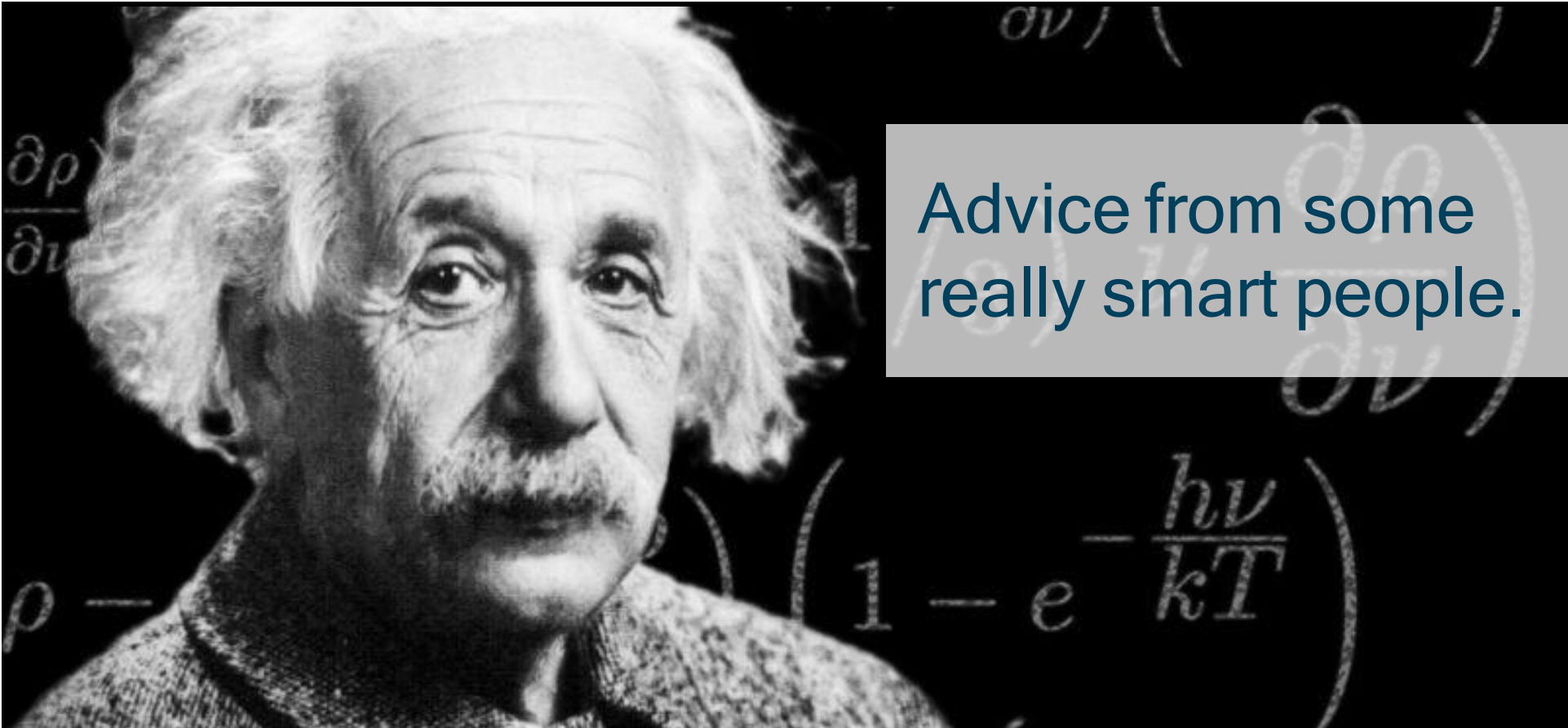
## **Some sectors flourish**

- Healthcare
- Mortgage (refi)
- IT tends to be pretty recession-proof
- Collections
- Consumer staples
- Discount retailers
- Sin industries (Alcohol and Tobacco)
- Cosmetics



# Surviving a recession





Advice from some really smart people.

## How to Survive a Recession and Thrive Afterward

- **Deleverage before a downturn.**  
Rule #1, don't run out of money!
- **Focus on decision making.**  
Centralized is better for tough decisions. Decentralized for faster response.
- **Look beyond layoffs.**  
Cutting costs via operational improvements = faster recovery.
- **Invest in technology.**  
Become more transparent, flexible, efficient and lower cost of service.

# Harvard Business Review

## Roaring Out of a Recession

- Lesson 1: Don't be too defensive.
- Lesson 2: Don't be too aggressive.
- The optimal balance: Become a progressive company.
  - Examine every aspect of your business model.
  - Reduce costs permanently through process improvement.
  - Invest to develop new markets and enlarge your assets.
  - Increase spending on R&D and marketing.

# Harvard Business Review

## How to Market in a Downturn

- Understand recession psychology.
- Four buyer segments:
  - Slam-on-the-brakes
  - Pained-but-patient
  - Comfortably well-off
  - Live-for-today
- Understand rationale for purchase: essentials, indulgences, postponables, expendables.
- Focus marketing on becoming more essential, offering lower-cost version of indulgences, and increasing urgency of postponables.

## **Beyond the Downturn: Strategies to Take the Lead**

- The end of nontech businesses
- The end of low interest rates
- How willing companies behave differently:
  - Restructure costs, before the downturn, without cutting muscle
  - Put the financial house on order
  - Invest selectively for commercial growth
  - Maintain marketing
  - Improve the customer experience
  - Pursue a proactive M&A pipeline

# Signature Analytics

## **How to Recession Proof Your Business: 6 Tips to Thrive**

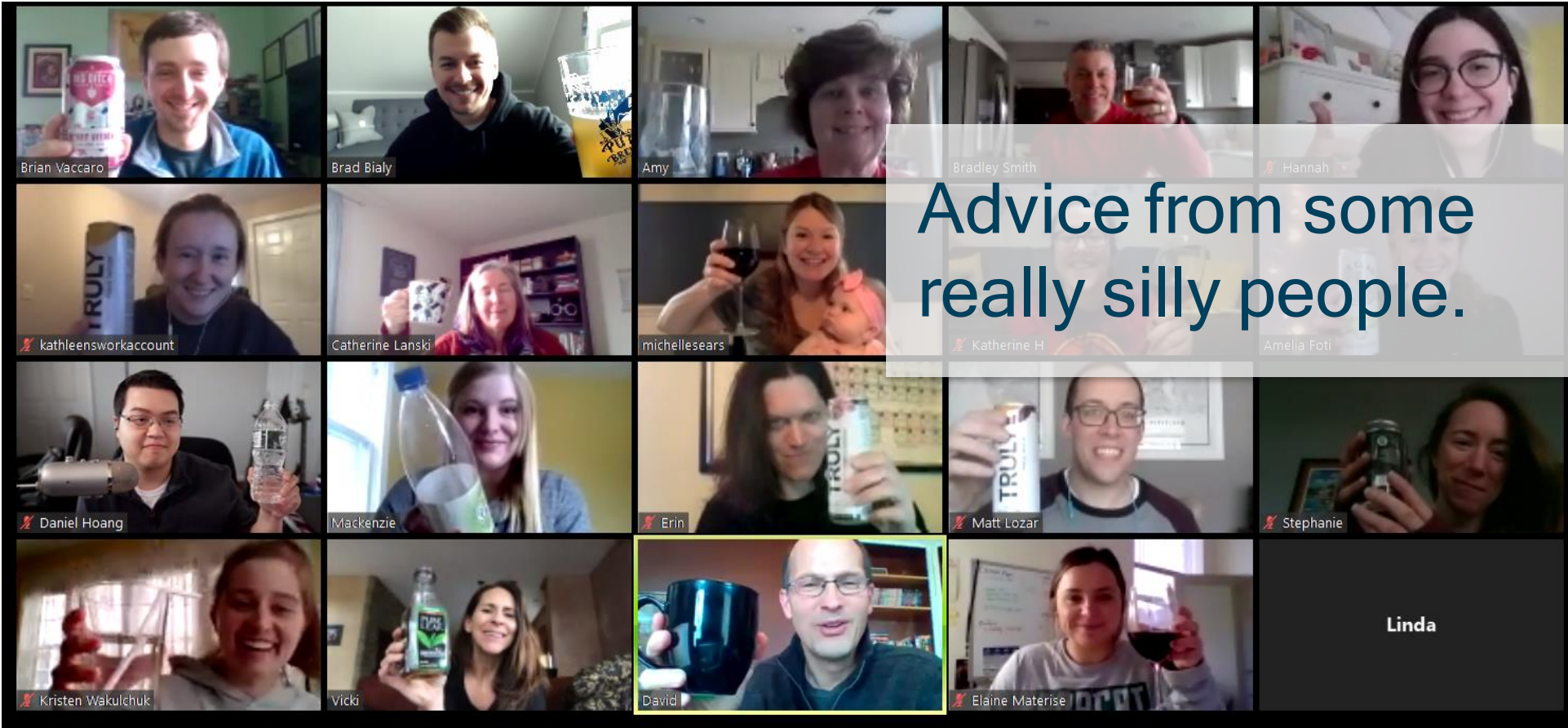
- Financially prepare for the downturn before it happens.
- Strengthen customer relationships.
- Master what your company does best.
- Beat the competition.
- Don't let marketing fall through the cracks.
- Don't get comfortable (optimize all processes).
- Maintain good credit.

# Sequoia Capital

## **Letter from the CEO: Coronavirus is the Black Swan of 2020**

- Impact of the outbreak: drop in business activity, supply chain disruption, curtailment of travel and business meetings.
- Question EVERY assumption about your business, including:
  - Cash runway – enough cash to cover a few poor quarters.
  - Fundraising – plan for a cut in funding.
  - Sales forecasts – anticipate what your customers will do.
  - Marketing – fight to maintain consistent ROI on your spend.
  - Headcount – strive to do more with less and raise productivity.
  - Capital spending – examine whether capital spending plans are sensible.
  - Be opportunistic – look for opportunities to accelerate plans.





Advice from some really silly people.

Brian Vaccaro

Brad Bialy

Amy

Bradley Smith

Hannah

kathleensworkaccount

Catherine Lanski

michellesears

Katherine H

Amelia Foti

Daniel Hoang

Mackenzie

Erin

Matt Lozar

Stephanie

Kristen Wakulchuk

Vicki

David

Elaine Materise

Linda

# Surviving the 2007 Recession

- Lock in clients:
  - First-call agreements
  - Volume purchase agreements
  - Single source agreements
  - On-site management programs
- Expand client relationships
- Look for opportunities to reduce costs (without damaging service)

# Surviving the 2007 Recession

- Investigate diversification opportunities
  - Service line extensions (new skill disciplines)
  - Market expansion (new geographies)
  - Product line extension (entirely new services)
- Broaden your client base
- Help your clients plan ahead
- Manage financials more aggressively
- Upgrade technology

# Surviving the 2007 Recession

## **Invest in smart marketing.**

- Integrated direct marketing to increase sales efficiency and capacity.
- Low-cost direct marketing to stay top-of-mind.
- Targeted promotions to drive immediate response.
- Conduct educational workshops to teach people to use staffing strategically.
- Develop deep and broad candidate networks to fill orders faster.
- Upgrade your website to improve service and increase inquiries.
- Repackage services into new solutions.
- Bring sales and service to client meetings to create custom-tailored staffing plans.
- Get more involved in your community (increase networking and visibility).
- Do more research to gain insight into your clients' businesses.

# Recession 2008: Five things to do RIGHT NOW

- Help your clients plan ahead.
- Get a jump on the competition – use multiple channels of communication to be more visible, strengthen your positioning and stay top-of-mind.
- Demonstrate the ROI of your services (how staffing can cut costs / drive productivity).
- Educate your clients (teach them to be better users of staffing services).
- Don't wait to get started.

*Aggressive advertisers obtained 4.5x the market share gain of competitors who cut back on marketing during a recession!*

# How to sell when someone says “We’re not hiring”

- Step 1: Stop being reactive (ask better questions).
- Step 2: Go back to sales 101 (do more homework, find the pain).
- Step 3: Drive out cost (show how your services reduce labor expenses).
- Step 4: Capitalize on opportunities (help your clients find them in their businesses).
- Step 5: Strategic recruiting (faster fills, be ready to respond).

# Branding in a Recession

- In a recession, marketing is non-negotiable:
  - Lose visibility, and you WILL lose market share.
  - Companies that market fall less and grow faster.
  - It gives your sales team a reason to call.

# Branding in a Recession

- But what about branding?
  - Strengthen your positioning.
  - Create differentiation...and brand preference.
  - Clarify (to clients, candidates and internal staff) what you're known for.
- Three types of brands to consider:
  - Personal brands
  - Product or service brands
  - Market brands



**What winners  
do differently.**



# Play defense

- Get prepared, before it happens
- Cut (non-essential) costs
- Automate / streamline processes and procedures
- Strengthen customer relationships
- Sign long-term contracts
- Focus on your core strengths (become unbeatable / irreplaceable)
- Build a cash cushion
- Don't get comfortable

# Play offense too!

- Market. Market. Market. (don't become invisible)
- Invest to improve efficiency
- Top grade talent
- Invest in R&D or digital transformation
- Invest to build around your core focus
- Pursue M&A (buy companies when they cost less)

# Avoid the biggest MISTAKES

- Panicking
- Only focusing on cutting costs
- Cutting marketing (out of site = perceived out of business)
- Slashing prices
- Doing nothing (“I know it will get better soon”)
- Jumping into a “hot” new market or industry

# Create your marketing strategy

- Segment your clients
- Improve sales efficiency / Integrated direct marketing
- Email, PPC, social and mail to stay top-of-mind
- Bundle services / create incentives for purchase
- Skill market – find homes for top talent
- Become a resource to your clients (content marketing)

# How to market in a recession

- Broaden your client base
- Find new services to provide to current clients
- Automate to improve the client / candidate experience
- Look for new business models (e.g., online staffing)
- Go deeper with your clients to help them plan ahead

# My favorite advice

## Choose not to participate

- Get more aggressive (sales, marketing, pricing)
- Focus on the places where you can add the most value
- Invest in training and product development to crush competition

# My favorite advice

## **Make the recession “the other guy’s problem”**

- Target weaker competitors – go after their clients
- Increase sales activity
- Hire away top employees
- Recruit more



# Your homework

- Review all your current clients
- Where are the strong relationships...and the weak ones?
- Where are we really adding value...and where are we not?
- Do we have a strong understanding of each client, their challenges and their marketing needs?
- What can we do to better help them prepare for a downturn?
- What else can we do to be more essential to their business?
- Create a plan for EACH client.



How can we help?



# FREE Content



- **On Demand Webinars**

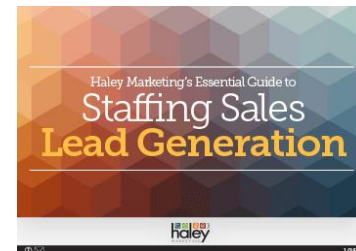
- [www.lunchwithhaley.com](http://www.lunchwithhaley.com)

- **Guides from Haley Marketing**

- [www.haleymarketing.com/smartmarketing](http://www.haleymarketing.com/smartmarketing)
- [www.haleymarketing.com/2020vision](http://www.haleymarketing.com/2020vision)
- [www.haleymarketing.com/salesleads](http://www.haleymarketing.com/salesleads)

- **Secrets of Staffing Success Podcast**

- <https://www.haleymarketing.com/ideclub/secrets-staffing-success-podcasts/>



# Staffing Works Slack Group



- Discussion Group (any device)
- Dealing with COVID-19
- Sales & Marketing Ideas
- Recruiting Strategies
- Tech Q&A
- Morale-building chat!
- AND IT'S FREE!



<https://tinyurl.com/staffing-works>



# Strategic Marketing

Digital sales tools to expand your selling capacity  
PPC and social marketing to maximize your online visibility  
Educational content to promote the value of staffing  
Nurturing campaigns keep you top-of-mind  
SEO & web enhancements to improve inbound leads  
Job spend management to optimize your recruiting

We're here for you.  
1.888.696.2900





# Any questions?



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# Branded Content Marketing

New tools from Haley Marketing

Wednesday, March 25 at 2 PM ET

Reserve your seat:

[www.lunchwithhaley.com](http://www.lunchwithhaley.com)