

Twenty-Five (25) Recession-Fighting Strategies

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1. Hold onto existing customers through improved customer service:
 - Still offer a “register by phone” option and answer calls no later than the third ring.
 - Ask customer service associates to collect and answer the most commonly asked questions. Put questions and answers as FAQs at your website.
 - As soon as people register, send out confirmations with an auto-responder to reduce cancellations/no-shows.
 - Check your room block and send reminder emails to people who have not booked a hotel room. Mention cut-off date on the room block.
 - Provide the name, phone number and/or email of a contact person in case prospects/participants have questions about your courses.
 - Continue to market after the sale, e.g. send a link to a questionnaire for participants to submit questions to speaker, send roster of attendees to date, send logistics information on location and parking.
 - Make a stronger money back guarantee such as... “Satisfaction guarantee or your money back plus take another course of your choosing at no charge.”
 - Be more liberal with your cancellation policy such as “register now, if you plans change, you can transfer to another program at any time or get complete refund up to 72 hours prior to the program.
 - Offer an easy payment option such as “register now, pay later...go ahead and hold your space ...payment is not due until a week before the program.” Use this idea on your catalogs that cover up to 6 months of courses so prospects will go ahead and commit now. If you require payment, they will usually postpone the decision.
 - On an undecided caller, use the tentative “no obligation registration technique” to convert the person into a sale - Essentially, you allow the person to register without paying but note payment is due a week or so prior to the start of the program. Alternatively, you may offer to accept a purchase order or a letter of intent.
 - The most important sale you will ever make to the customer is the second seminar - Why? Because a two-time buyer is twice as likely to buy again as a one-time buyer. Recognize first-time customers so they will come back for a second seminar/program.
2. Chase the winners/dump the dogs: Complete an 80/20 analysis on your product lines. Identify the 20 percent of your courses that account for 80 percent of your success. "Chase the winners" get more people and by doing more sessions of your winning programs; "dump the dogs" by eliminating the courses that are costing you more than they are worth.
3. Stick to the knitting: In addition to chasing the winners, also stick to the product line/courses where you have a competitive advantage. Monitor the actions of your competitors, be competitor oriented, and concentrate on your unique selling proposition (USP) to ensure your success. Now is also a good time to “niche” or target your programs to a specific audience. With a niche strategy, you can raise prices...see # 7.
4. Prioritize your growth options: Your growth options include:
 - (a) Capturing more attendees for your existing courses (market penetration).
 - (b) Taking your existing courses to new markets (market development).
 - (c) Developing new courses for your existing market (product development).
 - (d) Developing new courses for new markets (diversification).

Concentrate primarily on (a), (b), and (c); be careful about option (d).
Diversification in a weak economy is very risky. Go with your existing successes.

5. Relate existing courses to changing economic conditions: e.g. change the title/tone of a management seminar to "How to Strengthen Profits in a Weak Economy." Also, rework course agendas bringing in topics that relate to the changing economic environment. Power-up your titles and your agendas.
6. Test early-bird discounts vs. Premiums: Early-bird discounts should be used to increase overall attendance ... not just change the registration pattern. Gifts/premiums of highly perceived value may work just as well as the early bird and cost you a lot less. Conduct a split test; use the early-bird discount on half your email promotions and a premium on the other half. Determine which offer produces the greatest revenue. Incidentally, always impute value to your premium...for example; the first 25 to register will received a copy of the speaker's best seller...a \$95 value.
7. Increase your prices to the next psychological barrier: The psychological price barriers are: (a) \$50, (b) \$100, (c) \$150, (d) \$200, (e) \$250, (f) \$300, (g) \$400, (h) \$500, (i) \$600, (j) \$700, etc. Review your existing prices and move them up to just below the psychological price barriers. The prices just below the psychological price barriers are (a) \$45, (b) \$95, (d) \$145, (d) \$195, (e) \$245, (f) \$295, (g) \$395, (h) \$495, (i) \$595, (j) \$695, etc.
8. Offer deep discounts for multiple attendees: Modest discounts (5 to 10 percent) will not offer sufficient incentive for organizations to send more attendees. To encourage multiple registrations from participating organizations, use deep discounting. For example, enroll three attendees and the fourth person is free. You have to make it very attractive for organizations to send more than their usual number of attendees. Also, encourage "team attendance" in promo copy.

Also, offer to keep track of the customer's team. Encourage prospects to register now and tell others to do the same. If you require that all members of the team register at the same time, others may talk your prospects out of attending. Usually, people will not attempt to talk others out of decisions that have already made, but do feel comfortable trying to change their minds beforehand.

9. Unbundle extras to increase revenue: Provide numerous enrollment/ purchasing options to your prospects/attendees to increase overall revenue. For example, offer to sell the course notebook/materials separately. Offer preconference workshops and price separately. Luncheons, special events, audiotapes, CDs... all can be priced and sold separately. (Remember that "extras" should be priced based on value... not cost to produce.)
10. Test the impact of lunches on enrollment: In a split-test study, half of the prospects received a promotional package indicating that the fee included lunch. The balance received a brochure indicating lunch would not be served. The results...lunches had little or no impact on the decision to attend.

In a second test, the "lunch-included" package indicated that a luncheon speaker was included with the program. In this case, the lunch was viewed as a learning experience and the "lunch-included" promotion outperformed the no-lunch promotion.

Consider dropping luncheons that are a non-related program benefit. Eliminating luncheons will contribute from \$20 to \$35 per person per day to your bottom line. If you include lunch, impute value to the luncheon by calling it a "networking lunch" so having lunch will increase registrations.

11. Implement an inquiry generator: Use an inquiry generator such as a self-mailer calendar, postcard, and/or one page letter to produce inquiries for your programs. Use the inquiry generator with rented, outside lists. All respondents produced by the inquiry generator become your property for future solicitations. Use the inquiry generator to "skim the cream" off outside lists.
12. Aggressively cultivate inquiries: Inquiries produced by inquiry generators, space ads, search engine marketing, and/or promotional strategies should be cultivated with multiple solicitations. Multiple solicitations should include one-page cover letter plus brochure, email

and telephone call. During the telephone follow up, identify why prospects are not responding; overcome the reasons/objections during the phone conversation and make changes in your promo copy in future solicitations to address stated objections.

13. Use more multiple solicitations bring back more past customers: Multiple solicitations should include self-mailer post card to all customers and prospects followed by emails and customized letters plus brochure to past attendees, approving managers, and referrals from past attendees. Peer to peer telephone marketing should also be employed.
14. Better control speaker costs: To provide financial incentives, base speaker's compensation on enrollment income/revenue. (For example, pay the faculty 15% of the gross enrollment income.) Also, establish strict expense policies so that speakers don't overcharge you. Last, establish and maintain deadlines for reproducing materials to avoid expensive last-minute preparation.
15. Aggressively promote in-house/on-site training at your web site and in your promotional brochures, catalogs, and space ads: Tell prospects that public programs as well as other courses can be presented at the prospect's location or a location of his/her choice. Provide the name and phone number of your contact person for the prospect to call for additional information. Help customers with a cash flow problem by negotiation, "buy now, pay later" deals.
16. Monitor your accounts receivable: Develop an automatic, continuous billing system whereby accounts receivable receive second invoices automatically. Prior to presentation dates, call your accounts receivable to reconfirm. Phone calling will reduce cancellations and no-shows plus allow you to establish a more accurate "guarantee" on hotel services. Last, create a "Dunning" letter for accounts receivable more than 120 days old.
17. Eliminate dead wood from your data base: Consider dropping all prospects/attendees who have not responded to you within the last 18 to 24 months; alternatively, mail an audit brochure or email survey to all non-respondents indicating that you will send literature only to those who return the self-addressed, postage-paid card attached to the audit package or to those who respond to the email survey. Depending upon the value of the names to you, consider using a "final notice" prior to dropping non-respondents. Telephone calls should be made to your very customers before dropping them.
18. Use tough negotiating with hotels: Negotiate off-menu entrees at reduced prices; ask for one complimentary sleeping room per 30 rooms; supply your own AV's if possible; double-check hotel bills for add-ons; under-guarantee to move your guarantee closer to actual attendance; track actual participation at breaks/luncheons/socials to better predict final turnout.
19. Move your marketing deadlines ahead of your competition: Develop/maintain a "reconnaissance" file and web site alert system to monitor and benchmark your competition; move your lead time ahead of your competition to build prospect/customer loyalty to your offers.
20. More closely monitor key financial data: Analyze the percent of total revenue being spent on marketing ... by individual course as well as by product line; target promotional costs as a percentage of total revenue to be in the 20 to 25 percent range. Also closely monitor your percent of total revenue that goes to cover overhead and profit; target a 30 percent contribution for each product line. When doing financial analysis, make sure all sources of income are included, i.e. registration income, in-house sales, paper sales, CD and DVD sales.
21. Strengthen your promotional copy: Keep in mind that "the more you tell, the more you sell." Therefore, let prospect "drill down" of plenty of copy options at your web site. Also, use "top-down" selling whereby you give your strongest benefits first (in the form of your title, major headings, and subheadings) to capture prospects' attention, creates interest, and creates desire. Include several "call paths" in your emails, at your web site, and on your promotional package thereby making it easier for prospects to respond. Make sure you use "you" copy, words/phrases, bullets, and photographs to complete the selling process. Last, avoid the word this at the start of a sentence and always follow the word this with a noun. Don't write, "This

is the most comprehensive effort we've ever taken to help students select courses.” It would be better to write, “Interactive and fun, the new Website helps students select courses.”

22. Use metered solicitations: Fight the junk mail look by using metered postage or standard mail stamps on envelope mailings. Do not put bulk-rate indicia's on your envelopes. Go with 6 x 9 envelopes, one-page cover letters and four to eight-page brochures to complete your package. Concentrate this more expensive promotional strategy on your past customers and very recent inquiries/leads. Use post cards on rented list and on inquiries/leads more than six months old.
23. More than ever, make your web site the “hub of your marketing” efforts: Use search engine marketing (SEM), search engine optimization (SEO) and postal mailings to rented mailing lists to drive traffic to your site. Drive traffic to special “landing pages” to capture names, email addresses, and phone numbers. Get existing customers to register on line and to “viral market” your programs to colleagues. Have a blog on each product line and use RSS feeds to keep visitors informed on program additions and changes.
24. Segment your email database by those who opened your email: Create an "A" list of people who have opened one or more of your emails within the last six months. Customized your promotions to letting them know you appreciate their interest. Create "B" list of people who have not opened your emails from you in the last six months. Think of ways to communicate with this group using other methods of communication. Also, test new and different subject lines, offers, and creative looks to get this group to respond. Next, create a "C" list of people who have not opened your email in the last year. Email marketing is not working for this segment of your data base; therefore use another promotional strategy. Lastly, segment out those who have not responded within the last 18 months... taking the action noted above in #17.
25. Collect more key marketing information on the evaluation form such as:
 - Would you recommend this program to others?
 - May we use you as a reference for future attendees who want to speak to a past attendee?
 - What key words did you use on your search engine to find this program?
 - May we use your comments on future programs?
 - Would you like an on-site session of this program?
 - Which publication do you read and to which associations do you belong?

Use the collected information to better promote future sessions of each program.

**If you have any questions about these recommendations, please call me at 864.710.2815. Also, please e-mail me your recession-fighting strategy recommendations! Email address: elliott@clemsn.edu (one “t”). Thank you!

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