

Is it a Recession or Depression? It Does Not Matter – Your Business Can Still Be Successful

The media reports are full of bad news about the economy, on a global, national and even household level. Predictions abound on if another severe downturn like the Great Depression will begin, and if it does, when it will start and how long it will last.

Turn off the news and think about this: Consumers do not stop spending in a downturn; they just become more selective on where to spend their dollars. They look for what appears to be a better deal, whether it is better pricing, better customer service, a special add-on, easier sales process, and more.

Even during the Great Depression (that began in late 1929), consumers were still spending. Companies that survived, and even thrived, got creative and took action. Here are just a few examples from that time period:

- Kellogg and Post were once pretty close competitors until the Great Depression. Kellogg came out swinging, with heavy marketing; Post took the no-growth strategy - what appeared to be the safe position. Kellogg overtook Post, and Post has never caught up.
- Chevrolet overtook Ford in much the same way and maintained the lead for many years.
- Proctor and Gamble began a huge branding campaign by being the first company to sponsor radio soap operas, which was a significant form of entertainment and relaxation for listeners. Their name became a household word and remains so today.
- Bixler Jewelers, credited as the oldest jeweler in America, saw a drop in customer traffic and decided to open a free lending library in the store. This increased their traffic, helped to maintain customer loyalty, and little by little, their sales.
- A.E. Schmidt was a billiard table manufacturer when the Depression hit. They diversified and sold janitorial supplies to restaurants. They also sought new markets for their billiard tables, and approached the US government about the need to provide inexpensive and positive activities for those in government work camps during the long, boring evenings when they weren't working – and billiards became one of the top activities at those camps.
- Cornell Iron Works was a specialty ironworks provider. In the Depression, they broadened their market so that they not only made specialty railings, grates and stairways; they also made plain metal siding for delivery trucks and security doors.

Some entrepreneurs saw opportunities that others didn't see during the Depression, and took them.

- Warren Buffet's father, Howard, noticed that many brokerages had closed or were not taking new customers, yet there were still some people who wanted to invest in stocks, so he opened a brokerage.
- Walt Disney knew people still wanted entertainment, and provided it at a low cost through animated cartoons.

- Ever hear of Monopoly? The rise of this game occurred as another form of cheap entertainment. A small investment for the Monopoly game became a way to see hope in the future, and as players developed their money making skills, they could pretend they were real estate barons.

There have been severe recessions since the Great Depression ended, and during each one, new and existing businesses were built to great levels of success.

Toys R Us and Domino's Pizza are examples of companies that started in economic downturns. They thrived by using new marketing models. Toys R Us used a new shopping model for toy stores, and Domino's used a new marketing concept for pizzas – that your pizza would be delivered on time or it was free.

A very short list of some other companies that started business during economic downturns include: Wrigley Gum, UPS, NewEgg, Super 8 Motel, Microsoft, Symantec, Nantucket Juice, Zippo Lighters and Hewlett Packard. I imagine you have heard of most, if not all, of these companies!

What are the main keys to success in these examples?

1. GETTING CREATIVE with marketing, business models, product diversification and positioning, and,
2. SEEKING the opportunities that others do not see, and,
3. TAKING ACTION, because of, and in spite of, the economic news.

Turn off the news, get out of the fear mode, and work on these three keys to find your success during any economic condition.

What's holding you back from creating the success you desire? We can help! Go to www.successmasteryprogram.com to get started with your complimentary business success strategy consultation.

Barbara Roemer, the Entrepreneur's Success Coach, guides others to create the fulfilling, successful business life they desire. Besides coaching, her background includes 20+ years of practical leadership experience as a trainer, manager, senior executive, and small business owner, and certifications in Success Coaching, DISC, Hypnotherapy, and Senior Level Human Resources.

