

# Through the eye of the storm: an ad man's guide to survival in 2009

 By [Mike Abel](#)

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Economics 101. We all know economies are cyclical. Anyone who has been around for a few decades or more has seen this truth first-hand. And while this article may not accommodate a lot of the complexities pertaining to the current climate, it will talk to how we can choose to respond. I'm hoping the wonderful, colloquial notion of "no worries" wins the day.

As children, we learn "what goes up, must come down". We are taught this by our elders because our default setting as human beings is to innocently expect that good stuff will last.

Proof of this is how we ordinary folk purchase shares. We buy high and sell low. This behaviour fundamentally indicates we believe a high price should only go higher and when it dips, because we can't usually think longer term or handle temporary set-backs, we dump 'em. And no matter how often this happens, we repeat the behavior.

## Drawn upon during tough times

Now, I generally think this precondition towards positivity is a very good thing, but it should only really be drawn upon during tough times. Good times, as they say, take care of themselves.

The current global economy, it seems, is a relentless colander. No matter how much governments and institutions keep pouring in, it seems to just trickle (or flow) out. I don't know enough to predict how, where or when it will end, so I think best we develop both the emotional and real strategies for dealing with it now. At this moment I'm reminded of that Monty Python song and please join in: "Always look on the bright side of life, dee dum, dee dum - dee dum dee dum dee dum..."

There is an ancient Kabalistic belief that goes "when you want something badly enough, the universe conspires to give it to you". I think this is similar to the premise of 'The Secret'. And I think it's largely true - that positivity begets positivity.

So getting onto marketing, the ad world and our daily lives.

## Bigger pictures of our lives

First, it can all get worse. A lot worse. Visit your local, friendly oncology or burns unit and you'll soon see how the horror of your cut budgets, temporary unemployment, compromised profit forecasts or poor sales out-looks pale into insignificance. Now this may seem like sophistry but it is not; for what this article will not fail to do is to look at the bigger picture of our lives, rather than just peeping through an economic keyhole. And at times like this, you need the bigger picture in order to

manage the smaller one.

We are fortunate to have had it better in the southern hemisphere for the past 6 - 12 months than our relatives up north. The virus has been delayed as we are part of the knock-on effect, rather than being the originators or root-cause of this turmoil. But being financially inter-twined, as is the way of today's world, the outbreak must and will ultimately hit.

This is not negative. It is simply fact. Commodities-based markets are naturally linked to global demand. The ability to borrow cash is linked to global availability. Pull on the string one end and the whole global money bag starts to close.

## **Choice is yours**

So, do we shut down shop? Do we succumb ? Here's the thing. The choice is yours.

What I can promise you is that a pessimistic and recessionary mindset will absolutely deliver that outcome. But, if you recognise the times and ask how can you add greater value, be more useful and drive innovation (yes, I know you've heard it all before, but good advice deserves repetition) for both your organisation and its clients, you will stand a far greater chance of riding the wave, than being dumped on the corals.

Here's a live example: an automotive manufacturer currently offering two cars for the price of one may survive 2009, but 2010 and beyond, is doubtful. Why? Because it has broken trust with the consumer. Those who bought vehicles in the months and few years prior to the "special" have just seen their cars' value drop by a minimum of 50%. There's no way around it. It will take years for their residual values to recover - if ever.

Alternatively, Hyundai's latest offer to sort your car payments should you lose your job, is inspired. It fits the times, is empathetic and useful. Tonally it could be a tad more cheerful but it creates a sense of pragmatic order amongst the chaos.

## **Small cost. Big perceived value**

The small things: we all love the little biscotti or Lindt wafer that is complimentary with a cup of coffee on the trot. Now is not the time to cut back on spoiling your customers. In this market you may need to spend a little more to differentiate yourself, and thus earn a little more. Ask yourself what is the "biscotti" in my business and is it wise to drop it? People want more from you during hard times, not good times. Small cost. Big perceived value.

Other ideas: I walked through town recently and noticed a lot of the famous high end clothing stores were empty, despite sale signs on the windows. I wondered if these brands considered more entry level ranges for their apparel. Or how they could help customers keep "the look" during tough times. Thinking *that* recognised even their elite base is under pressure. So, borrowing from Moschino's "Cheap and Chic", maybe a range of "fake it till you make it". It would be to Canali or Prada what the 1 Series is to BMW or A Class is to Mercedes.

A sale might not fulfill the emotional need longer term. I think the world may have recalibrated through this process and consumers will be far more cautious in the short-to-medium term. High- and medium-end brands will need to offer better value and accessibility without selling out on their mythology or ethos.

I bought a notebook (small laptop...) a few days ago. I was happy with the price but delighted when the sales consultant told me if I went online and registered the computer with the manufacturer, I'd get AUS\$100 cash back. That's a nice surprise and 10% off the price. But no distress marketing in sight.

## **Separate psychological from economic**

So, in developing thoughts and ideas on how best to survive, I suggest we start by separating the psychological recession from the economic one, and by holding fast to this, we'll ultimately solve both.

As bluntly put by Ben Welsh, my creative partner in Sydney, Australia, "The problem was created by ridiculous optimism

and is now F@#\$D by ridiculous pessimism". He asked me an interesting question "Has the world really changed or just the way we choose to see it?".

My sense is that if ever the Aussie mindset of "she'll be right mate" is called for, it is now. It is our job to engender real confidence, to be bullish, to delight, be bold and optimistic - and that is how we'll ultimately turn the tide.

## ABOUT MIKE ABEL

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