

text THETA PAVIS
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Fad brands start to fade in an economic downturn, but strong brands may find opportunity there.

Brands

*that stay strong
in weak times*

Tough economic times make consumers cautious. But while savvy shoppers may be looking for bargains, they're also looking for brands they can trust.



RECESIONS MAKE US hold on tighter to our wallets – that’s not a secret. But an economic downturn can be an opportunity for strong brands to leave their competitors in the dust.

Kelley Skoloda, director of the Global Brand Marketing Practice for international PR firm Ketchum, says that in a recession, brands – like consumers – want to spend less, including on marketing. “But it’s a perfect opportunity to spend maybe more than their competitors,” she says, noting that this could be a way to gain the advantage. “Fad brands start to fade in a downturn,” she says. Skoloda points to Nike, which pressed forward on its spending in the past and then, when the economy bounced back,

was able to rise above the competition.

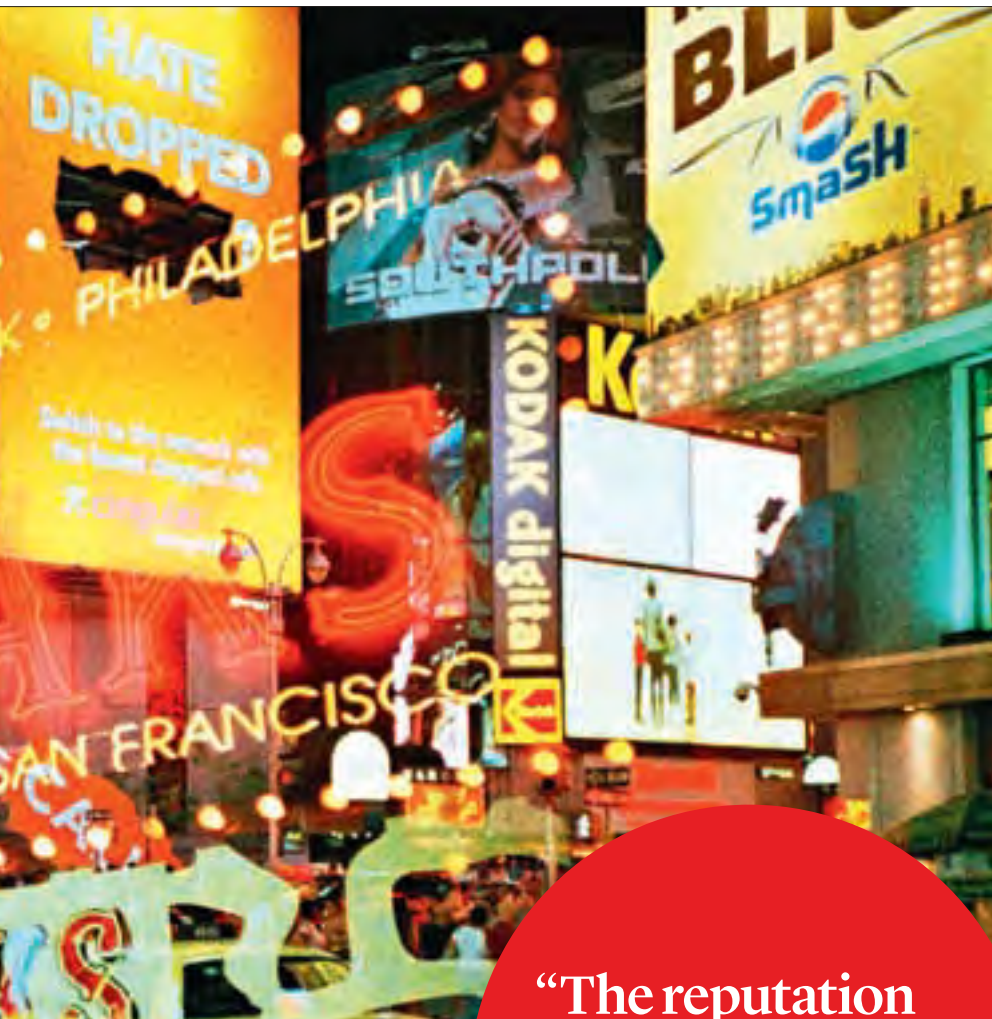
During the run-up to the Iraq war in 2003, the advertising firm J. Walter Thompson (JWT) began what it calls the AnxietyIndex, a measurement of “consumer anxiety.” The companies that do the best, it found, are the ones that can acknowledge the crisis but stay true to their brand at the same time. Some brands even position themselves as part of the solution.

Hyundai, for example, offered customers the Assurance Plan. Buy a car and lose your job within five years? You can return it. Others borrowed the concept, such as Telefonica in Spain, which offered to cut phone bills in half for people who lost their jobs. When the economy started to slide in Australia, the Woolworths

supermarket chain announced new store openings and expansions at existing sites that would result in 7,000 new jobs. JWT says the company’s ads, which included showing a mom going to a job interview with her small son, “showed pragmatic optimism.” In 2010, Miller High Life gave four free television spots to small businesses during the Super Bowl football championship.

“These days, the reputation of a company needs to be even stronger than the brand,” says Karen Post, a branding expert and author of the new book *Brand Turnaround*.

AN AMERICAN BRAND that has done this well, according to Post, is the Ford Motor Company. “They were on the edge of



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death,” she says. “Two of the Big Three [automakers] took bailouts and they did not. They brought in a CEO from outside the industry, who drove a Lexus! His appreciation of the value of the brand was a big part of their turnaround. They got rid of some deadweight [models] that weren’t viable.”

Post says business leaders need to embrace the fact that consumers are looking at the whole picture of what companies stand for. “In the past couple of decades the meaning of brands for customers has really changed. There’s their name, their logo – but now it is the totality of what an organization does.”

Amy Marks-McGee, a trend and marketing expert who leads “trend excursions” in New York City, agrees. She says

customers are more aware now of what companies are doing, where they manufacture and what charitable activities they may support.

The brands that are succeeding aren’t necessarily recession-proof, Marks-McGee says. They just don’t lose sight of who they are. “They don’t skimp and they don’t change. They don’t pull back, they work smarter. The most successful stay true to their brand. They may use Facebook, but the message is the same.” ■

SCA TO DOUBLE AWARENESS

ONE OF SCA’s goals through 2017 is to double brand awareness in selected key markets. An important part of this work consists of SCA’s participation in the Volvo Ocean Race in 2014-2015, with the company running an all-female crew.

“We want more people to see how we make a difference for people and nature around the world and that SCA is behind successful product brands such as TENA, Tork, Libresse and Libero,” says Frida Ohlander, communications director, Corporate Branding.

“We will demonstrate our breadth as a global hygiene and forest product company through a variety of activities,” she says. “No one will be able to escape the fact that innovation and sustainability are SCA cornerstones.”

Another key activity is SCA’s global brand ambassador program, which is aimed at employees.

“Through our ambassador program, we are raising knowledge about SCA among our employees so that we can convey an integrated picture externally,” Ohlander says. “The target is 37,000 proud, active brand ambassadors.”



Frida Ohlander

Read more about the Volvo Ocean Race on the next page. →