

Racing Through Recession: Brand Lessons from The Daytona 500

KANSAS CITY, Mo., Feb. 29 (SEND2PRESS NEWSWIRE) – “Every February for the last 50 years, stock car enthusiasts across the country have packed their sunscreen and descended on Daytona,” said Ethan Whitehill, CEO of Two West, Inc. “This year, unfortunately, the economy also decided to head south for vacation.”



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But fear not, race fans. There is hope for the brand that doesn't want to lose ground in a slow down. In fact, Two West has identified a lot of the same strategies that help NASCAR drivers win on the track can help your company survive the rough recessionary road ahead.

Any driver worth his roll cage will tell you that to maintain stability in a turn, you've got to accelerate through it. Brake before a turn, but never in one.

For companies, this means it's okay to tap the brakes and make some adjustments when leading indicators signal potential trouble. Try this when you're in a downturn, however, and you're likely to lose control.

Give it some gas. Increasing your investment even a little in R&D, innovation, branding or advertising will pay back big time when you turn the corner. This maneuver has been proven time and time again by successful businesses. Multiple studies have shown companies that don't cut marketing spending in a recession nearly double the growth of competitors that do.

When the race is close, every second counts and the crew chief must make a choice: pit or pray. If he's confident his crew can change four tires and fill the tank in less than 12.5 seconds, he'll use the pit for competitive advantage. But if he doubts his crew, he'll skip the pit and hope his driver's fuel and luck don't run out.

In business terms, an efficient operation gives companies the flexibility to make good decisions and the speed to seize fleeting opportunities. This is especially important when the economy dips and the race for market share heats up.

If you're running heavy now, do your brand a favor and get your organization in shape by optimizing systems and eliminating under performing programs. You'll gain valuable time for innovation and grow customer loyalty through continuous improvement.

Because NASCAR sets strict limits on technology, no car can pass another based on horsepower or body design alone. That's why drivers constantly tailgate teammates to reduce wind resistance. A drafting car can gain another three to five miles per hour, enough speed to slingshot past competitors.

Recessions, like NASCAR, level the playing field. A company's position after a downturn has less to do with its momentum before it and more to do with its actions during it. Smart brands look for drafting partners to help them minimize economic drag. Often, such partners come from adjacent industries or different markets and offer access to new ideas, customers or geographies.

Consider the potential partners you could draft in this recession. Chances are you'll find someone who shares your desire to grow-and blow the doors off the competition.

Of course, other companies will see opportunity in recession as well. So remember to defend your territory – competitors in your mirror may be closer than they appear. The last thing you want is to have a rival run your brand into the wall for the lead.

"When it comes to driving growth in a down economy, don't be afraid to invest in your business and rev up your brand," explains Whitehill. "By pushing the turns, mastering the pit, drafting the leader and driving defensively, you just may capture the pole position right in time for the recovery."

About Two West

Celebrating its 10th anniversary in 2007, Two West, Inc. is a strategic branding and communications firm headquartered in the Kansas City arts district. Two West's team of marketing, advertising, PR and interactive professionals create award-winning solutions for transformative brands.

More information: www.twowest.com.

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