

# Sales Strategies for Tough Times



*The author, Rick Stanits, is senior director-client services for Vista Information Services, a division of Activant Solutions Inc.*

In a growing economy, manufacturers often enjoy the benefits associated with that vitality, such as riding the crest and participating in category gains with modest effort. Increased sales can be more readily realized in an upturned market environment. Whether or not growth for your brand is precisely equal to that of the category—all is good if the direction is the same.

In fact, it is not uncommon for companies to look at their own performance as if it was separate and distinct from that of competitors—“Are we up from last year? How much?” In a stimulated marketplace, one can build flattering sales credentials focused internally, as if what is happening with that company’s brands is fully independent of the product category at large.

But, what should one do in a downturned market, a market where sales declines are the name of the game and where developing a positive story is a struggle?

This is a time where evaluating and communicating sales performance requires the big “C”—Context. How are other brands faring? How is the product category holding up in general? What about related categories? After all, not all categories rise and fall at the same rate or time.

In a weak economic cycle such as we are now experiencing, it is prudent

to evaluate, plan and act strategically—against a framework of the larger picture. To do so, two key measures come to mind: market share and category trend.

Market share, of course, represents your position in the category. It is favorable, and even outstanding, to hold (or increase) market share in times of category growth. Moreover, it is essential to hold market share when category sales are posting declines. If your brand is unable to retain share, this means it is contributing a greater percentage of the category loss than competition; a dynamic that is hard to spin positively. However, if you can hold market share,

insights. The key is that you must trust your source and that the system you select collects all sales for all products and brands within a category and does it accurately.

These fact-based measures, market share and category trend, when used successfully, can distinguish one company from another. They are objective tools that form a platform for accurate decision-making and line-in-the-sand actions in the marketplace.

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you place yourself on a solid foundation for that inevitable time when the market recovers.

Category trend is another facet of keeping things in context. Knowing whether and how much all like products are rising or falling is the tangible information that is needed to stay ahead of the pack. It is the input with which companies can better understand their true sales performance and provides the knowledge base to communicate their achievements outside the organization.

There are different systems for measuring category and brand sales, including industry data as well as third-party information services companies whose business is to report these sorts of

