



T H E N E W N O W

**Grow your production or
postproduction business
in a changed and changing world**

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Intelligent Assistance, Inc,
Burbank California

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I: The New Now

If you've been paying attention to your business lately, you'll know customers think cheaper equipment should lead to cheaper production; that the proverbial 'kid in a basement' underbids at every turn; that many traditional sources of production revenue are simply drying up; and distribution is moving to the Internet. These trends were happening, but an economic downturn has accelerated the changes. The Internet has radically changed communication and, fortunately, brought us powerful new tools for communicating the benefits your company provides. This is the New Now – the new business reality – with new opportunities and new ways of growing your business, whatever the economic conditions.

Introduction

There is no doubt that we are living in changed, and changing, economic times. While the worldwide economic downturn has accelerated changes already happening, we are heading into a “New Now” – a time when most of the rules of engagement in business, with customers and with the world is changing, almost constantly.

Get used to living in a world where change is the new constant. Not that you haven't dealt with change before: from tape to digital; from linear to non-linear; from VHS to DVD to online distribution; from higher to lower budgets; and from SD to HD. If you've stayed in the production or postproduction business for more than a few years, you've already weathered significant change.

This book is about weathering the current change. Not only surviving but thriving and growing in changed circumstances.

Back in December 2008, I heard an interview¹ where the guest summed up what you need to do to survive in business in the New Now: project stability and provide great value. To that I'd want to add: “work smarter.” Those three points summarize the advice in this book.

¹ Dec 22 Money 101 interview KNX1070 Los Angeles

In that radio interview the guest acknowledged the obvious dilemma: in a downturn, business slows so there's less money to spend on marketing. How can you market if you're worried about making payroll? In reality, the one activity you can't afford to stop is marketing.

Projecting stability

You exhibit stability through your brand: the values your business stands for that govern how you do business. This is presumably the reason why your clients hire you.

Part of your value is your stability. Unlike low-priced newcomers you bring experience and business continuity to the table. You need to make these a key part of your business story.

Projecting stability becomes part of your marketing message. This is not the time to suddenly move office; redecorate or change the way you produce. Clients look for continuity – the same service, the same location, the same people – when they look for stability.

Providing great value

We shouldn't just be focused on surviving. A recession/depression/downturn – changed circumstances that are continually changing, what we call the New Now – is a great opportunity to build your business. It's a time to assess: where do you provide the most value for your current and potential customers?

To do that you'll need to assess just what business you are in. Chances are you'll find it isn't the one you're currently marketing. You'll also need to clarify your brand: the statement of who you are and how you do business that permeates every aspect of your business.

These are essential starting points, but by themselves they won't help you grow the business. It will help you determine how you'll go about it.

Working smarter

The production business has always been based on teams that come together for a project, then take their expertise to the next project, but not necessarily with the same team. Find the right partner businesses and you can both grow faster together than either can alone. I know from “enjoying” the opposite experience back in Australia, where four fledgling competitors in a small market ultimately opted not to join forces. The result was that that we all remained small scale competitors.

Should you take this time to develop and extend your own skills – to offer more services to your current clients or expand into new areas? A quieter period of business is a great opportunity to become more familiar with your existing software tools, or explore ways to work more efficiently. Working more efficiently transmits directly to profitability. Bill the same, and do the work faster giving you an effectively higher rate; or lower your rate, do the job faster and get the same net return for the job. Either way, you’re getting more for every hour you spend working. (It’s time to consider project-based fees instead of an hourly rate when you become significantly more efficient than your peers or competitors.)

When you think about expanding into new areas, think both literally and metaphorically. It’s a new age and there are a lot of services that can be offered to customers outside your local geographic area. Thanks to the Internet, FedEx/UPS and the telephone, there are many practitioners who haven’t ever met their best clients.

Given that profit is the bit you get to keep between what your customers pay and what you have to spend, you’ll want consider ways that costs can be cut, without reducing the quality of the services you use, or provide. From using open source software instead of the commercial versions, to cheaper hosting, virtual offices, printing costs and more, there are ways to reduce your costs.

Marketing using the “new PR” and social conversations

You keep business coming through the door by marketing. Marketing is not advertising. Marketing is every interaction your business has with the customer. It includes the look and comfort of your offices or lack thereof, the way you and your staff dress, how tidy your spaces are, promptness, competence, etc. What form these take depends on the values of your brand.

Marketing is the message you send at every interaction. Advertising is the way that you let people know you even exist as a solution to their problem. Once you had to spend a lot on ads in newspapers, magazines, Yellow (or Pink) Pages advertising, brochures, flyers... Bigger businesses hired Public Relations (PR) companies to, essentially, buy them exposure. Good PR Agents would bring relevant stories to the attention of media associates they knew, garnering coverage.

Then along came the Internet. There are many more ways to get your message out there by optimizing for search engines and by doing your own “new PR” – PR for those with the story to tell.

All PR and Media relations are about having an interesting story to tell, and tell it to those who have audiences that would be interested in hearing about it. There aren't the same barriers of access to audiences as there used to be, when some blogs have higher readership than many (failing) newspapers. Some of these are more likely to be catering to your customer niche directly where your stories are interesting to their audiences. A positive review of a Final Cut Studio training product at KenStone.net (for example) has a direct effect on sales and on getting the word out. Ken's site only caters to Final Cut Studio users, and they get high quality relevant content.

PR doesn't have the same high cost it once did. A combination of good, modern internet-focused marketing, good networking skills in your local community, and search engine optimization can bring in better results than expensive traditional advertising – for fewer dollars and a little bit of time.

This is the change of the New Now: marketing, communication and conversation with your current and prospective customers are built on social media concepts. Communication is not one way, but a conversation where customers matter as much as the company.

Owning your own content

Finally, own some content. A few years back everyone trying to break into the business in Los Angeles (a.k.a. “Hollywood”) had a screenplay. These days they have a web series as a calling card.

Producers and directors are realizing that keeping control of (i.e. owning) their content gives them many more revenue opportunities. Certainly my experience is that owning content, and selling it multiple times over, is a great way to smooth over business-cycle ups and downs.

But before we get to that, there’s one thing you should be doing now, and that’s coming right up.

Further reading

[Ten Rules for the New Economy](#)² from the perspective of a customer-focused lawyer.

[Staying Afloat in the Stupid Economy](#)³ – Studio Daily asks industry practitioners how they plan to stay afloat in the changing economy.

[Business Advice for Tough Times](#)⁴ brings the summary of wisdom from CreativeCow.net’s business forums.

[Winning in Turbulence: What Does the Downturn Mean for My Business and How Will I Get Through It?](#)⁵ from Memo to the CEO column in the Harvard Business Review.

[Winning in Turbulence: How to Turbo Charge Sales](#)⁶ – Second post from Memo to the CEO column in the Harvard Business Review.

² http://thenonbillablehour.typepad.com/nonbillable_hour/2008/12/ten-rules-for-t.html

³ <http://www.studiodaily.com/main/news/10499.html>

⁴ http://library.creativecow.net/articles/cowdog/its_all_your_fault.php

⁵ http://ceomemo.harvardbusiness.org/2008/12/winning_in_turbulence_what_doe.html

⁶ http://ceomemo.harvardbusiness.org/2008/12/bain_post_2.html