



Managing Your Business in a Crisis

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There is no doubt that the advent of the coronavirus has brought about unprecedented change in our industry.

From concerns about supply shortages, to customers stocking up and Europe closing its borders to which could affect the movement of goods across borders.

At the same time we have witnessed a collapse in the oil price from \$75 a barrel last year to around \$25 a barrel this year which, quite frankly, is not sustainable.

In response large multinationals such as Chevron, Exxonmobil, Total and Shell have announced a cut back of capital expenditure this year by on average 20%, a curtailing of share buyback schemes for Chevron and Shell, and even talk of achieving cost savings running into the millions.

However other companies such as Fuchs have committed themselves to their existing capital expenditure programme for 2020 with no cutbacks.

So if your customers have implemented remote working, and you are following UK Government guidelines concerning social distancing, just how do you keep promoting your business during times of adversity.

1. Keep Going

There is a tendency during times of hardship that budgets get cutback and promotional expenditure gets cut first. Marketing budgets are curtailed, discretionary advertising spend is limited and sales promotion is reduced.

Just at a time when you should be reminding your customers of your presence and your commitment to their businesses, as well as trying to keep business as usual going for as long as possible, is not the time to cut back.

Customers need reassurance that your supplies are being maintained, that they can have confidence in your company that things will continue as near-normal

as possible, for as long as possible. That their supply chains won't be adversely affected by your supply chains.

You might be considering cutting back but that doesn't mean your competitors will. If you stop engaging with your customers even for a few weeks, the risk is that you leave the door open for your competitors to engage with them and begin to build a relationship in your absence and you simply don't want that.

It might be difficult but during times of unprecedented crisis you need to manage and maintain 'business as usual' as near as possible, for as long as possible.

2. Be open and honest

If stock takes a little longer to get through to your suppliers, if goods are being held up at the border, whether it is additives, base oil or even finished lubricants, then be open with your customers. By being open and honest you allow them time to build their own contingencies and manage around problems.

Don't over-promise and under deliver. Allow your customers time to build their own stocks, develop their own contingencies and if they need to, stock up to avoid short-term disruption to their supply chains.

Constant communication which is open, honest and transparent can help build trust in your relationships and inspire confidence in your customers. You don't have to have all of the answers all of the time. If you don't know then take the issue away, own it and follow through on it. Don't just leave an issue languishing in the hope that the customer might forget about it because they could be asking the same question of your competitors if you don't know the answer someone else might.

3. Embrace new technology

Embrace new technologies to help you work through this disruption.

Using online web conferencing tools like Webex, PowWow Now or Zoom can help you reach out to your customers for virtual sales meetings from anywhere in the world. In these tools you can communicate and present new products and offer customer solutions. Most are low cost and some of them are even free.

Use online collaboration tools like Microsoft Teams which is a great tool to help you communicate, contact and collaborate on files and documents. You can also create sales teams within the programme and bring your customers, distributors and suppliers into your team ways of working.

4. Go digital in a virtual world

Make the most of social media like Twitter and LinkedIn to engage your audience and reinforce your messages.

These low/no cost solutions are effective at targeting a specific audience with your key messages but beware about overdoing it. No one likes to be bombarded with sales messages time and time again.

Choose your messages carefully, use messages that add value to your customers by providing an insight into products, markets or services.

5. Look at alternate channels and maximise your other channels or routes to market

Don't forget about using broadcast channels to support your message during times when physical meetings are not practicable.

Key trade sector magazine like Lube have a role to play in constant reinforcement of key customer messages if other opportunities are not available.

If physical events have been rescheduled like the UK's CHEM UK and MACH 2020 exhibitions, Spain's Lubmat, Hamburg's ELGI or Stuttgart's UNITI then you could always maintain momentum using the trade press and media to help launch, promote or reinforce key product messages during periods when other channels might not be open to you.

If face to face customer meetings are not always possible, and business travel has been curtailed then look to other solutions to maintain your presence in the marketplace.

Managing in a crisis doesn't mean letting your business stop, and doesn't have to mean letting your customers down.

Crises often bring about changes, to both behaviour and working practices, which are often for the better.