

Bucking Recessionary Trends

ORDINARILY, THOSE WHO VEEER OFF THE BEATEN PATH are viewed as eccentric or worse. Nowadays, however, the well-trodden path is heading downhill and it's advisable to seek an alternative route in the consumer marketplace. Here are some examples of businesses finding ways to avoid the proverbial cliff, which could provide inspiration for marketers in other industries and countries.

Small cars in Germany: Car sales are heading south in many countries, especially, it seems, those with a longstanding tradition in the automotive industry. This includes Germany. Yet one subsector in this nation known for automotive engineering is doing relatively well. Sales of compact cars such as the Volkswagen Polo are booming. This apparently owes to a recently passed government incentive referred to as the "scrapping bonus," whereby consumers will receive €2,500 for turning in an old car – as long as they buy a new one at the same time. The effects may be short-term, but they are one small bright spot in a globally hard-hit sector.



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Frozen food in Italy: Italians love their food, but they are busy people, too, and not averse to high-quality alternatives to fresh products. Even as many other food and beverage markets decline, sales of frozen foods continue to rise, according to the Italian Frozen Food Institute. And yes, this includes frozen pizza.

Jewelry in Egypt: Luxury products have been hit as hard as any other sector in this global recession, yet there are always bright spots. Take Bajocchi Jewellers in Cairo, a family business that has weathered many economic downturns in its 109-year history and whose principals attribute its continued success to the trust it engenders even in bad economic times.



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Organic fertilizer in Indonesia: The consumer market for organic food in Indonesia lags behind that in many developed countries, so the government is approaching the issue from a different angle. It is seeking partnerships with investors to produce organic fertilizer that farmers can use to boost organic crop yield, but which in its own right offers promise as a worthwhile export for this island nation.

Real estate in South Korea: At a time when getting into real estate seems like a bad idea, some Korean consumers are taking the plunge anyway. Apartment sales are up in parts of Seoul, thanks to relaxation of government regulations aimed at boosting the market. For consumers who think of their home as a residence rather than an investment, lower prices look like a good thing.

Local food brands in Argentina: Although food and beverage sales in Argentina are expected to be flat this year, private-label brands could buck the trend. Most are locally produced, too, which is good news for an economy that's been on a real roller-coaster in the past decade but has vast natural resources at its disposal.

PulsePoint: Marketers may need to look a little harder for the path to success these days, but the global marketplace still offers opportunity, sometimes in unexpected places.