How to Grow During a Recession: A Multi-Sector Qualitative Analysis of the Selected Global Brands

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Abstract: While business growth during periods of economic prosperity is well-documented, the ability of firms to expand during market contractions remains a compelling area of strategic inquiry. Conventional wisdom suggests that favorable market conditions facilitate growth; however, certain organizations demonstrate remarkable resilience by thriving during recessions. This success necessitates a robust corporate mindset and the pre-emptive implementation of contingency strategies. The Covid-19 pandemic served as a critical stress test for such strategic resilience. This study employs Thematic Analysis (TA) on a qualitative dataset of 75 global brands, curated from premier financial media outlets including The Wall Street Journal, Bloomberg, and Yahoo Finance. A primary finding of this research indicates that economic downturns, despite their inherent risks, can create unique opportunities for business development and expansion. By mapping sector-specific case studies, this paper illustrates how rapid growth was achieved amidst global volatility. These findings provide significant insights for business practitioners and scholars analyzing the evolution of contemporary firm-level growth models.

Keywords: COVID-19, global brands, recession, resource-based view, sustainable business growth, thematic analysis

1 Introduction

Successful and sustainable business growth reflects effective management across all areas. A manager's primary goal is to sustain growth and use internal resources efficiently to maximize profits. However, the global economy is volatile and subject to fluctuations. For example, the recent Covid-19 outbreak highlighted the need for entrepreneurs to be prepared for disruptions from governments, households, financial systems, political establishments, and other sources. Recessions can also create opportunities for companies to grow and pursue new possibilities [1]. Additionally, some companies have an internal corporate culture that enables them to withstand recessions and grow even during periods of crisis [2].

Although growth during a recession is well documented and analyzed, there is still no consensus on its main determinants. Some scholars argue that it depends on a corporation's internal resources, while others contend that it relies on domestic market size or government support. Each perspective may be correct depending on the firm's timing, location, and primary target market. Thus, fundamental questions remain unanswered: which determinant is relatively more important for companies to grow during recession periods? This paper seeks to clarify this issue using secondary data from high-quality investigative journalism.

The main research aim of this paper is to investigate the strategic drivers and organizational capabilities that enable diverse firms in hospitality, retail, and food and beverage (F&B) to survive and achieve growth during periods of major economic volatility, such as the 2008 Financial Crisis and the Covid-19 pandemic. The research objectives include identifying the specific value propositions (such as cost-saving, income generation, and convenience) that resonate with consumers during economic downturns; analyzing the role of digital infrastructure and lean operational models in enabling rapid adaptation to exogenous shocks; and examining how shifts in consumer psychology (such as staycations, bargain consciousness, and do-it-yourself trends) serve as catalysts for corporate expansion.

A qualitative multiple-case study approach enables cross-sector comparisons, such as comparing a tech platform like Airbnb with a brick-and-mortar giant like Aldi. The data source for this paper is secondary analysis of the provided qualitative transcripts, including chief executive officer (CEO) statements, financial reporter insights, and narrative accounts of corporate history. This research contributes to the Strategic Management and Crisis Management literature in three ways:

- Challenging the "Retrenchment" Norm: Much of the existing literature focuses on how companies cut costs to survive. This study provides evidence of proactive growth strategies, showing that aggressive expansion, such as Aldi and Cava's store openings, can be a viable crisis response.
- Digital Readiness as a Determinant of Resilience: It reinforces the "Dynamic Capabilities" theory by illustrating how pre-existing digital

investments by companies like Chipotle, Nike, and Target determine a firm's ability to pivot when physical channels close.

- The "Dual-Benefit" Platform Model: It expands the understanding of platform economics, as seen with Airbnb, by showing how a crisis can simultaneously address supply-side issues (people needing to earn money) and demand-side issues (people needing cheaper travel).

The paper is structured as follows: the second section provides a brief literature review on business growth during recessions using the resource-based view (RBV) framework. The third section describes the data and methodology. The fourth section presents qualitative evidence and TA results. The final section concludes.

2 Literature review

The question of why some firms sustain or even enhance growth during economic downturns has attracted increasing scholarly attention since the global crises. RBV offers a compelling theoretical framework to explain heterogeneity in firm performance. While macroeconomic conditions and microeconomic realities may vary, certain organizations remain resilient. Building on the foundational works of Birger Wernerfelt [3] and Jay Barney [4], the RBV posits that firms achieve sustained competitive advantage through resources that are valuable, rare, inimitable, and non-substitutable (VRIN). In recessionary contexts, these characteristics become even more critical, as external market conditions deteriorate and firms rely more on internal strengths to maintain performance.

Within the RBV framework, sustainable growth depends not only on market expansion but fundamentally on a firm's ability to leverage its unique resource combinations. Barney argues that resources marked by causal ambiguity, path dependency, or social complexity—qualities that make them difficult to replicate—provide a lasting foundation for competitive advantage [4]. These isolating mechanisms protect firms from increased price competition and declining demand during economic recessions. Thus, sustainable growth during downturns can be understood as capability-driven growth, where firms expand or maintain performance by capitalizing on internal competencies rather than relying on favorable external demand.

Subsequent developments in the RBV have emphasized the importance of dynamic capabilities, defined primarily as a firm's ability to integrate, build, and reconfigure internal and external resources in response to environmental changes [5]. This perspective is especially relevant in recessionary environments. Firms that can rapidly reallocate resources, adapt business models, and identify emerging opportunities are better positioned to sustain growth. Empirical studies confirm that opportunity recognition, improvisation, and strategic flexibility significantly enhance firm performance during economic crises [6].

A key insight from the RBV literature is the superior resilience of intangible assets during downturns. Resources such as brand equity, organizational culture, customer trust, and proprietary knowledge are less susceptible to depreciation than physical assets and are often deeply embedded in organizational routines. These characteristics make them especially valuable in recessionary periods. For example, strong brands reduce customer uncertainty and help maintain demand, while organizational routines support efficient cost management and innovation under constraints.

Intangible resources are also often characterized by high levels of causal ambiguity and social complexity, making them difficult for competitors to replicate [7, 8]. This allows firms with such assets to sustain differentiation even in highly competitive and contracting markets [9]. Thus, once growth strategies anchored in intangible resources—such as brand extension, digital transformation, and customer relationship management—become part of the corporate culture, they are more likely to remain viable during recessions [10].

Another important dimension of the RBV is the role of organizational slack, defined as excess resources that can be deployed at managerial discretion [11]. Slack resources provide firms with a buffer against environmental shocks and enable counter-cyclical investment strategies. These resources primarily include continued spending on research and development, marketing, and strategic acquisitions during downturns. This demonstrates that while many firms reduce investment in response to declining revenues, those with sufficient slack can take advantage of lower input costs and reduced competition to strengthen their strategic position [12]. Therefore, this may help explain why private, global, and well-recognized firms continue to grow even during recessions.

Empirical evidence suggests that firms that maintain or increase investment during recessions often achieve superior long-term performance [13]. From an RBV perspective, these investments enhance the firm’s resource base and capabilities, reinforcing its VRIN attributes. Consequently, sustainable growth during recessions is closely linked to financial resilience and the strategic use of slack resources.

Recent literature integrating RBV with organizational learning theory highlights the importance of balancing exploration and exploitation [14]. Exploration involves experimentation and innovation, while exploitation focuses on efficiency and refinement of existing capabilities. Studies indicate an inverted U-shaped relationship between exploration and performance, suggesting that excessive focus on either dimension can be detrimental. During recessions, firms must carefully calibrate this balance: excessive exploration may strain limited resources, while excessive exploitation may hinder adaptation to changing market conditions [15].

Thus, sustainable growth emerges from a hybrid strategy that leverages existing capabilities while selectively investing in innovation [16]. This balance allows firms to maintain operational efficiency while positioning themselves for post-recession opportunities. RBV also provides insights into the role of market diversification in sustaining growth during downturns. Firms with capabilities that enable entry into multiple markets—particularly international markets—can mitigate the impact of localized demand shocks [15]. Export-oriented firms, for example, benefit from diversified revenue streams and can reallocate resources toward more resilient markets [16]. Similarly, firms with modular capabilities and scalable business models can adapt more easily to shifting demand patterns.

This perspective underscores that diversification is not inherently beneficial; rather, its effectiveness depends on the underlying resource base. Only firms possessing transferable and adaptable capabilities can successfully leverage diversification as a growth strategy during recessions. Real-world examples in the literature further illustrate the RBV argument. For instance, Apple Inc. sustained growth during the 2008–2009 financial crisis by leveraging its ecosystem of integrated products and services [17]. Strong brand equity and design capabilities were also part of this strategy [17]. These resources, deeply embedded and difficult to imitate, allowed the firm to maintain differentiation and expand its market presence despite declining consumer spending.

Similarly, Amazon demonstrated resilience through its logistics infrastructure, data analytics capabilities, and diversification into cloud computing (AWS). These capabilities enabled the firm to capture increased demand for online services during both the global financial crisis and the Covid-19 recession [18]. In the manufacturing sector, Toyota Motor Corporation relied on its lean production system and continuous improvement culture to enhance efficiency and recover quickly from downturns [19]. This aligns with Lester's "Two Hats" approach, where internal corporate culture is one of the resources for growth during recessions [2]. Meanwhile, Netflix leveraged its data-driven content strategy and recommendation algorithms to expand its subscriber base during periods of economic uncertainty [20].

In sum, the RBV framework suggests that sustainable firm-level growth during recessions is fundamentally driven by resources and capabilities. Firms that possess VRIN resources, develop dynamic capabilities, leverage intangible assets, maintain organizational slack, and balance exploration with exploitation are more likely to sustain and even enhance growth under adverse economic conditions. Rather than relying on external market recovery, such firms capitalize on their internal strengths to navigate uncertainty and build long-term competitive advantage. Management sciences need to focus on these aspects of commercial firms by using innovative datasets and maintaining an up-to-date and practical focus.

3 Methodology

Analysis of growth during recession periods requires an in-depth qualitative approach based on specific case studies. Therefore, we analyzed 75 video transcripts from major outlets such as The Wall Street Journal, Bloomberg, CNBC, and Yahoo Finance. To ensure accuracy, we manually refined the automated transcripts by correcting errors and removing filler words, following standard qualitative research practices [21, 22].

We primarily drew from The Wall Street Journal's "Economics of" series, supplemented by other leading financial outlets, to study global brands with transparent managerial practices. Our selection focused on high-quality, recent English-language content—typically 10 to 15 minutes long—from channels with strong editorial reputations. These videos provided deep insights through CEO interviews, field reports, and investigative documentaries, allowing us to synthesize expert perspectives on how these companies operate globally.

Our main research method was qualitative coding. We followed Rogers's instructions to refine the large dataset and focus on our research question [23]. We then analyzed 27 excerpts under the code "Growth during the recession." For this analysis, we used Quirkos software version 3.0.0. The specific companies included Airbnb, Aldi, Cava, Chipotle, Crocs, Costco, Dollar General, Dunkin' Donuts, Girl Scouts, Home Depot, Juul, Nike, T.J. Maxx, and Target. During the analysis, we also used structured reflective writing to achieve critical assessments of the data.

4 Results

Our first result is that the dataset reveals "anti-fragile" firms not only survive recessions but also exploit them. By leveraging internal resources—ranging from digital infrastructure to low-cost operational models—these companies capitalized on shifts in consumer psychology. In fact, VRIN criteria are easily identified in their sources of sustained competitive advantage. Figure 1 summarizes our main findings graphically.

4.1 Firms that used operational agility and cost leadership

Operational agility and cost leadership was one of the most dominant elements in this direction of the dataset. Such firms utilize "Lean" resources to provide value when consumer wallets are "drained." The core resource of Aldi & T.J. Maxx was a low-cost supply chain and no-frills model. This is Valuable because it exploits the opportunity of "bargain-conscious" consumers. It is Inimitable due to years of building specific vendor relationships and lean logistics that competitors with high overhead cannot easily replicate.

On the other hand, Dollar General had a "Small Footprint" in real estate strategy. By avoiding "bells and whistles," they can expand "quickly and cheaply" (opening 1,000 stores/year). This resource is Non-substitutable for rural or low-income shoppers who need immediate, local access without the "big box" price tag. Lastly, Costco leveraged a membership-based scale. This provided a Valuable safety net during the pandemic, as consumers sought bulk reliability.

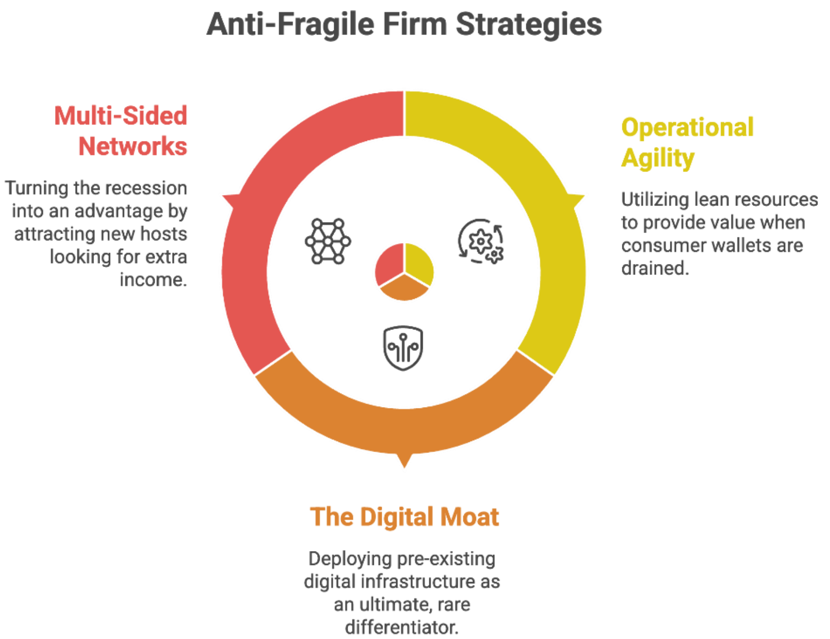

Figure 1

Main pathways for "anti-fragile" firms to grow during a recession

4.2. Digital Infrastructure as a "V" & "R" Resource

The pandemic proved that pre-existing digital resources were the ultimate differentiator. Firms that paid attention to this aspect of their business, not only survived the pandemic or the crisis period, but actually grew.

Chipotle initiated "Digital Ordering Platform" which is a Rare resource because it was "scaled beforehand." While others scrambled to build apps, Chipotle's sales soared from 18% to 70%. This infrastructure is Inimitable in the short term due to the high capital and time required to integrate digital flow into a fast-casual kitchen.

Target benefited from being an "Essential Retailer" with a middle-to-high income customer base. Their ability to stay open while others closed was a Valuable temporary monopoly that led to an all-time stock high.

Girl Scouts & Nike both moved toward Digital/D2C (Direct-to-Consumer) channels. Nike's strategy of "cutting ties with retailers" to control its own distribution is a Rare resource that enhances brand equity and margins.

4.3. The Role of the Multi-Sided Network and Importance of the Supply-Side Elasticity

Airbnb was an interesting case study where their most Valuable and Rare resource is the Host Network. Unlike hotels (which have fixed costs), Airbnb's supply increases during recessions because people "look for a way to make an extra buck" to save their homes. This makes their model Non-substitutable—they are the only travel firm where the "workforce" pays to be on the platform to survive a crisis.

4.4. Innovation and "New Day Part" Creation

Dunkin' Donut used product innovation (Cold Drinks/TikTok trends) to create a "new day part." By pivoting to afternoon sales when breakfast was "hit," they turned a temporary threat into a Valuable new revenue stream. On the other hand, Home Depot exploited the "Remodeling Boom" resource—essentially the shift in consumer time-wealth. As people spent more time at home, Home Depot's specialized inventory became a Non-substitutable resource for DIY projects.

4.5. Co-occurrence Analysis

The co-occurrence analysis reveals a narrative focused on strategic resilience, with a positive outlook and the Covid-19 context serving as the main anchors for discussions of growth during economic downturns in our dataset (see Figure 2). This indicates that the dataset highlights mindset and environmental adaptation as the most critical factors for organizational success. At the operational level, digital transformation and changing consumer behavior emerge as the most significant tactical levers, showing that brand growth was largely driven by technological pivots and close attention to evolving market demands. These core drivers are reinforced by CEO-led narratives and the pursuit of financial opportunities. Market expansion and niche targeting complete a comprehensive approach to maintaining competitive differentiation as granular tactics. Overall, the results illustrate a multilayered strategy that links high-level optimism with practical, technology-driven shifts to navigate the complexities of modern consumer relationships.

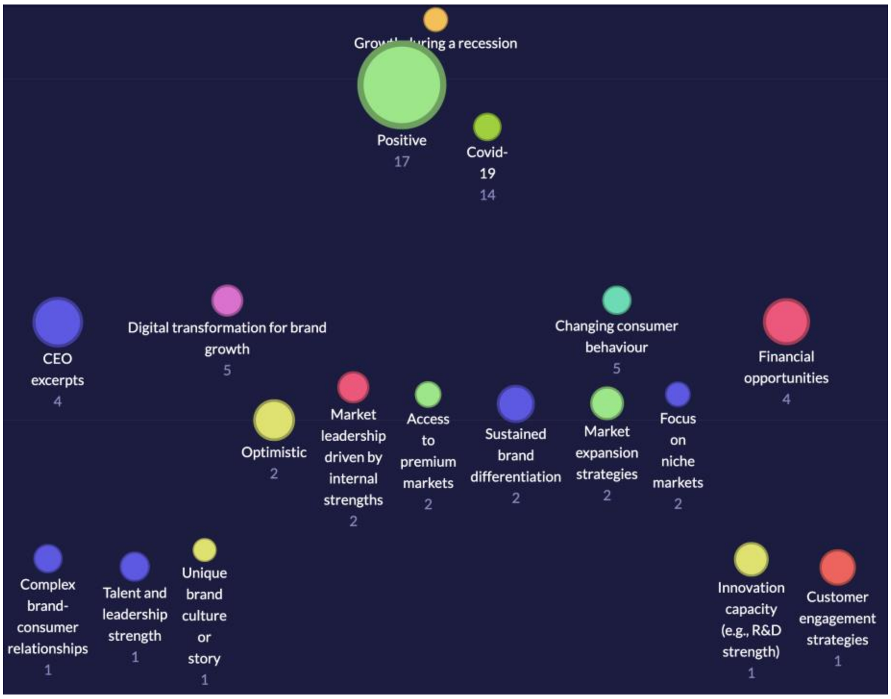

Figure 2
Co-occurrence analysis of the qualitative code "growth during a recession"

The word cloud is anchored by the term pandemic (see Figure 3), indicating that the pandemic is the most prominent theme for growth and serves as the primary context for the entire dataset. Significant emphasis is placed on specific corporate entities, most notably Airbnb, as well as others such as Aldi, Chipotle, and Dunkin', showing that the analysis focuses on how these diverse brands navigated a period of crisis. Within this mediated context, specific brands (Airbnb, Chipotle, Aldi, Dunkin') are consistently associated with adaptive mechanisms such as digital platforms and growth strategies. The data show a clear narrative trajectory: the media portrayed these entities not as victims of the downturn but as case studies in using digital platforms to sustain sales and drive growth during the pandemic. This framework illustrates how journalistic narratives combined the crisis and corporate agility into a cohesive economic story.

The dataset's overarching context is defined by terms such as pandemic, economic, and downturn. These elements represent the systemic shock that required immediate operational changes across all observed sectors. Moreover, business-centric terms such as growth, money, sales, and digital suggest a strong focus on financial outcomes and the technological pivots needed to maintain momentum in a shifting landscape. The recurring presence of WSJ, reporter, and narrator implies that these insights were drawn from journalistic reporting or case studies examining economic resilience. Unexpected and dense keywords emerged, primarily focused on crisis-related terms (pandemic, downturn) and optimization terms (digital, platform, growth, sales). In the context of the hospitality and food-service brands analyzed (e.g., restaurants, Dunkin'), this intersection highlights a specific media consensus: the pandemic was framed not only as an operational halt but also as a direct catalyst for digital transformation. The frequent convergence of time, money, and platform suggests that media outlets critically evaluated these companies based on the speed and effectiveness of their digital pivots during the economic crisis. Overall, the results highlight a narrative of organizational adaptation and market dynamics during a major global economic downturn.

Figure 3

Wordcloud analysis of the qualitative code "growth during a recession"

4.6. Cross-referencing with Empirical Corporate Data

During the Q3 2020 earnings call, Dunkin' leadership highlighted their "Blueprint for Growth" strategy and noted that digital sales accounted for more than 21% of total sales [24]. The company also reported that the COVID-19 pandemic significantly accelerated its digital transformation initiatives [24]. The earnings release confirmed positive comparable store sales for Dunkin' U.S., demonstrating operational resilience [24].

Airbnb went public in late 2020, making its 2021 shareholder letters essential for analyzing the company's financial narrative compared to media coverage. The Q2 2021 letter states that its business model was "inherently adaptable," enabling the company to pivot toward new guest behaviors such as remote work and long-term stays (defined as stays of at least 28 nights) [25, 26]. The Q4 2021 letter reported a 38% revenue increase compared to the same period in 2019, attributing this growth to higher average daily rates and continued expense discipline [25, 26].

Similarly, Chipotle’s financial disclosures highlight digital sales as a key driver of operational survival and growth during the pandemic [27, 28]. In Q1 2021, the company reported that digital sales accounted for 50% of total sales, largely due to the expansion of “Chipotlanes” (mobile order-ahead drive-thrus) [27, 28]. By the end of the year, the Full Year 2021 results showed that digital sales increased by 24.7% year-over-year to $3.4 billion, representing 45.6% of all sales for the year [27, 28].

Conclusions

We compiled one of the rarest qualitative datasets in the growth management field to determine how RBV and VRIN criteria fit into firm strategies for growth during crisis periods. The main motivation for this decision was the valuable insights that YouTube videos provide, especially when sourced from high-quality news outlets such as The Wall Street Journal. We aimed to apply an unorthodox approach to qualitative research, and the data suggest three distinct pathways for growth during crisis periods:

1. The Supply Pivot (Airbnb): Turning the recession into a recruiter for supply (hosts).
2. The Digital Moat (Chipotle, Nike, Girl Scouts): Having the “Rare” resource of digital readiness before the crisis hits.
3. The Essentialist Expansion (Aldi, Dollar General, Cava): Using “chain” advantages to expand while independent “struggling” restaurants/stores fail.

Competitive advantage during a recession is not about having the “best” product, but about possessing inimitable resources that address the specific pain points of a crisis, such as the need for income, low-cost food, or digital convenience. Crisis management is not merely a technical skill for managers; it is a mindset that must be activated through the appropriate corporate culture at the right times and in the right places. Only generalizations from specific case studies or their professional interpretations can provide a valuable synthesis of the existing qualitative evidence. We recommend a more systematic analysis of available social media data to help management sciences better understand how companies can grow during recessionary periods. Our study is limited to 75 brands and a specific coding strategy, which results in a narrow focus on the topic; however, volatile economies and rapid geopolitical developments will keep this direction relevant for both academics and practitioners.

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