



MARKETING IN THE TIME OF

COVID-19



The Situation

COVID-19 is a global pandemic that is testing health systems, financial markets, and sovereign leadership. With worldwide cases on the rise and a course of treatment still unknown, consumers are operating in a sea of uncertainty and changing their everyday behaviors. Slowing the spread of the virus is the prevailing recommendation from the WHO and CDC. As a result, social distancing and its derivative behavior changes – improved hand hygiene, working and learning remotely, cancelling large group gatherings, and restricting travel – are responsible policies that are part of the collective community responsibility. On the other hand, the uncertainty is also causing irrational behavior including doomsday preparation, hoarding, and price gouging.

The marketing community is always on the front line of managing the relationship with consumers, and that responsibility is only heightened during a crisis. As a result, quick adjustments to your marketing plan can demonstrate your commitment to the consumers and communities that you serve. The ability to clearly communicate and authentically meet, or exceed, consumer needs in this time of crisis will pay dividends in the long-tail of consumer satisfaction.

Stages of a Crisis: **THE IMPACT ON CONSUMER PSYCHOLOGY**

Although temporal, a crisis is unsettling because it shocks the status quo. Between the spontaneity of onset and paucity of information, the human tendency is to hone in on the worst-case scenario and fill in the blanks. That said, the crisis arc progresses from uncertainty during onset to the relief that accompanies a course of action, which then settles into a period of new, post-crisis normal.

Crises are unwelcome and undesired, but they are also part of the business cycle. Therefore, an effective crisis response not only intersects, but augments, an existing marketing plan and business strategy.

	STAGE 1 CRISIS ONSET	STAGE 2 INTERVENTION AND TRANSITION	STAGE 3 NEW NORMAL
CONSUMER SENTIMENT	Uncertainty Fear Survival mode	Clarity Relief Caution	Educated Optimistic Return to Routine
BRAND RESPONSE	Acknowledge the crisis Triage operations	Create and communicate an interim plan	Refine purpose/strategy based on learnings
BRAND TONE*	Rational Factual Accountable	Reassuring Informed Transparent	Comprehensive Data-driven Authentic

*Relating to crisis topic

Mobilizing a Crisis Response:

RESPONDING CONTEXTUALLY AND COMPASSIONATELY

The initial response plan to the COVID-19 onset will vary by industry and company, but the common theme is to adjust content and tonality given the current situation. Running your communications plan through the questions and Do's and Don'ts listed below will help achieve the appropriate consumer-facing tone.

Creative – What is the plan to adjust imagery, ideas, or emotions around what is currently being avoided because of COVID-19?

Example: Hershey replaces “Hugs and Handshakes” campaign with product-centric imagery

Paid Media – What measures are in place for brand alignment and safety?

Example: Dominican Republic Department of Tourism mistakenly aired a commercial during the CNN COVID-19 Town Hall

Website – How is your website adjusting to consumer needs?

Example: Delta is effectively processing refunds and changes through its website rather than its call center

CRM – How do the planned campaigns and CRM triggers need to be adjusted?

Example: Blaze Pizza shifted Pie Day from in-store on 3.14 to on-app for the remainder of the year

Mobilizing a Crisis Response:

RESPONDING CONTEXTUALLY AND COMPASSIONATELY

DO'S		DONT'S	
<p>COMMUNICATIONS STRATEGY AND MESSAGING</p> <ul style="list-style-type: none"> • Keep tone calm, positive and empathetic amidst the stress. • Promote relevant ecommerce or other virtual services that provide convenient access at home. • Think long-term and higher-funnel; consumers are especially tuned into CSR and emotional benefits that show brands care. • Stay true to your brand beliefs and persona. • Localize messaging to consider maturity of the virus in each of your regions/countries. • Consider channel behaviors and roles <ul style="list-style-type: none"> - TV is the escape: keep messaging optimistic and empowering, or mute - Social is the most up-to-date news channel: be current and informative 	<p>MEDIA</p> <ul style="list-style-type: none"> • Understand cancellation terms of media buys. If it is necessary to postpone or delay media, ensure that the best legal terms are in place to minimize financial risk. • Align changing business operations (store hours, supply chain, delivery/convenience mechanisms) to the media channel mix; more mobile/social may be needed. • Lean into TV and OTT as well as co-viewing media (i.e. mobile) as possible. Take advantage of the higher ratings and more at-home behaviors. Nielsen has stated that a shift in staying put can lead to a 60% increase in the amount of content being watched. Live TV viewing, especially sports, is being subsidized with streaming and bingeing. Take advantage with more dollars allocated into these areas. • Continue building brand affinity and awareness so there is a limited gap from a consumer perspective when normalcy returns. • Understand the context of ad placement. This is a time where news will be more prevalent (doom and gloom) even on primetime. • Use social listening tools to gauge consumer sentiment and conversation. 	<p>COMMUNICATIONS STRATEGY AND MESSAGING</p> <ul style="list-style-type: none"> • Take advantage of the situation. • Communicate hard sells in this time of emotional and financial insecurity. • Promote community events or retail experiences that appear tone deaf to social distancing. • Use triggering imagery or scenarios (e.g. embraces, handshakes, public gatherings, sporting events, celebrations, travel, workplaces or schools, Spring Break). 	<p>MEDIA</p> <ul style="list-style-type: none"> • Expect great deals or fire sales on media. Media vendors stand to lose a lot of money right now due to media events being canceled. • Treat media partners (networks, stations, nor publishers) badly or pull out of deals with no regard for their business — work together as partners to get to the best mutual terms. These publishers and vendors will be needed when things return to normal. • Increase investment in radio and OOH; drive time and on-the-go behaviors will reduce the reach of these channels.

Remaining Growth Focused:

SILVER LINING STRATEGY EVOLUTION IN “THE NEW NORMAL”

Although consumers are very much focused on near-term safety and containment, they also have a subconscious hyper-vigilance on how brands respond to COVID-19. While the onus is on governments and NGOs to provide clarity of intervention and course of action, the role of the business and marketing community is to demonstrate transparency, accountability, and commitment to the consumers and communities they serve. Furthermore, consider this an opportunity to leverage the disruption as a catalyst for innovation and growth.

Below are few areas that are being negatively impacted by COVID-19 and points of inspiration to transform them into positive business opportunities.

Marketing-driven

1. Commerce Channels

Problem: Reduced store traffic because of social distancing

Opportunities: Double down on e-commerce, delivery, and digital engagement

Optimize SEO and paid media to increase online traffic

2. Brand Awareness and Affinity

Problem: Decline in consideration for routine use cases

Opportunities: Create authentic moments and programs for consumers in need as they will be campaign-worthy in the future

Maintain a healthy marketing mix; competitors may decrease spend providing an opportunity to effectively increase share of voice

3. Purpose and Positioning

Problem: Purpose and positioning did not hold up during pandemic preparation and response

Opportunity: Incorporate lessons learned from the pandemic in long-range strategic planning

Enterprise-driven

(for consideration as RTBs in communications development)

4. Supply Chain

Problem: Demand aberrations exposed vulnerabilities in the supply chain and caused delays in goods reaching consumers

Opportunity: Develop agile and adaptive marketing campaigns that can be adjusted quickly to align with the actual cadence of products entering the marketplace

5. Workforce

Problem: Workforce interruptions disrupted business operations and created employee hardship

Opportunities: Create programs to assist displaced employees such as paid sick programs and ‘catastrophe pay’ initiatives

Develop a communications plan to disseminate across the organization and incorporate a key differentiator in outbound marketing efforts

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Undoubtedly, the challenges associated with COVID-19 require time, attention, and a commitment to public health and safety. As humans, we must all do our part to help others. As business people, we must also recognize that this is a passing moment and keep an eye on our resilience. Our consumers, our employees, and our businesses rely on us to serve them in both times of crisis and confidence.

Our motto at 22squared is “Do Good Things.” Our commitment to our client, community, and employees has never been stronger. As you sort through the implications to your business, please reach out to us (dogoodthings@22squared.com) for a conversation and thought partnership.

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PARKING

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