



Better marketing in a pandemic

The OMD UK **SUMMARY**



Introduction

For businesses, the impact of COVID-19 goes beyond mere financial strife. Not only are we dealing with a rapidly deteriorating economic situation, but we are also in the midst of a human tragedy. Making better decisions about your marketing during this period means prizing empathy for your customers and understanding the unique differences between the impact of the current crisis and an ordinary recession. This two-page summary builds a framework to guide those decisions.





What defines the COVID-19 crisis?

Difference 01 This is an economic shock - not a market correction

Ours isn't a market correction to a bubble, but an economy paused in response to the crisis. It will, with the proper protection of industries, businesses and jobs, be a pause that causes a swift economic contraction, but that we can recover from quickly.

Difference 02 Governments are taking action to protect incomes

With governments subsidizing jobs and protecting the self-employed, far fewer will be taken out of the economy entirely. This will mean cutbacks, especially for those losing hours, but it will mean people retain some discretionary income.

Difference 03 The impact won't be evenly distributed across categories

This recession isn't a "decline in activity spread across the market" but a deliberate reduction of demand in key sectors. Cutbacks will be led as much by supply as demand: some categories will be frozen, others unaffected.

Difference 04 The corona-recession comes with a significant lifestyle change

Most recessions stimulate new routines through the restrictions they place on people's lives, and, with the rapid adoption of new technology in the recent decade, this one is likely to see huge changes in our use of digital commerce and social media.

Difference 05 Those lifestyle changes won't be evenly distributed either

There are millions of key workers in the NHS, at utilities and grocers, delivering your mail and your shopping. Depending on the make-up of your audience, their unique routines will further distort shifts in demand for, or usage of, your product.

Difference 06 In the eyes of our customers, this is a public health crisis first and an economic crisis second

Lastly, there is a social dynamic to our recession: it likely isn't, and won't, be described as a time of recession but of great tragedy. We are likely to see collectivist attitudes prevail, with everyone expected to do their part – including business.

Should we even be marketing?

It's critical that marketers first recognise that they still have a role to play - and that advertising isn't something to feel uncomfortable about. In the short-term, with customers remaining in market in many categories, marketing should continue to offer a suitable solution to an existing problem at a moment of need. In the medium- to long-term, for most brands this is an opportunity to build positive associations and enduring preference by tapping into greater social and behavioural needs at a time of intense change. If we are behaving with empathy, speaking to genuine need, avoiding anything that could be construed as exploitative, and being sensitive to the new behavioural necessities of our world, marketing is entirely appropriate.

How do we make better marketing decisions?

Whilst marketing – applied judiciously and empathetically – has a role to play for the public and business alike, the nature of our recession means that there is no one-size-fits-all solution. With some categories frozen and out of the public consciousness, others in higher demand than ever before, and customer behaviour more volatile than ever, it's critical that marketers plot their own path, applying historic insight but adjusting for current context.

This means there are three steps to success: gauge where existing evidence can set the boundaries; understand where your brand sits on this new spectrum; think deeply about where your brand can – and cannot – make a bigger social contribution.

Step one

Step two

Step three

Embrace the evidence

There is best practice about marketing in a recession that – whilst not to be followed slavishly – sets the parameters in which we operate. First, it's critical to recognise that ceasing investment in your brand is a dangerous choice. Second, consumers will learn new behaviours in a pandemic which should be constantly monitored. Third, creativity is essential, not optional.

Recognise your reality

Brands must understand how their category is affected by the supply restrictions enacted by government and the extent to which your customer demand is maintained through straitened times. Your brand will fall into one of four categories:

Hibernators

Supply frozen, demand dormant – categories will likely include travel and hospitality

Do not continue to invest in media. Consider what your category looks like when it reemerges, when that might happen, and how you might maintain a useful role for the most enthusiastic of your current shoppers. Ask:

- Which emerging behaviours have the power to reshape our category once it reopens?
- When do we believe our category will be reopened and at what point will people begin to plan their purchase?
- What is the right tone to adopt upon our return given the significant human toll in our absence?

Experimenters

Supply frozen, demand maintained – categories will likely include leisure and entertainment

Minimise investment but find new ways to serve old needs. Think about how you can maintain a role in the lives of your core audience or expand to new groups to keep your brand alive. Embrace a test and learn mentality. Ask:

- What are the benefits of your category – and needs of your customers – that endure regardless of access?
- What is the “just good enough” version of our established products we can still provide remotely?
- How can we use partners or pricing to maintain that role at our most relevant moments?

Defenders

Supply open, demand falling – categories will likely include general retail, fashion, some FMCG

Protect share but emphasize cost-efficiency of investment. Maintain familiar messages, known products and consistent role as people seek stability. Do not aggressively seek new audiences, take a longer-term view on position. Ask:

- How are people spending in your category and what do they need from brands like yours?
- How are competitors responding and how can your marketing better services those needs?
- What could you do to reinforce positive, familiar associations at a time of huge anxiety?

Pioneers

supply open, demand increasing – categories will likely include ecommerce, media, social, gaming

Over-invest in media to reflect the increased size of your market and the new customers coming in. Modify your approach to recognise the differences between your previous core and this new expanded group, but underpin everything with consistent brand values. Demonstrate leadership behaviours to establish yourself as a lasting default for when the crisis ends. Ask:

- Who are the new people coming into your market right now and what are their needs?
- What are the key strengths and values of your brand that must be maintained regardless of audience?
- What are the brand behaviours you need to adopt to establish yourself as a category leader?



Consider your contribution

This is a humanitarian crisis and an opportunity for genuine mutual benefit. Brands should contribute where they have the capability and credibility. They should rely primarily on their existing expertise and build out from their enduring role in people's lives. Where you cannot help directly understand how you can partner to make a difference. Ask:

- What tangible capabilities or enduring role do you have to assist real problems during this crisis?
- How will our attempt at help – and the framing of it – be understood by our audience?
- If you have the means but no relevant expertise – where can you partner to make that difference?