



UNDERSTANDING WHERE YOUR BRAND SITS IN THE CURRENT MARKET DYNAMICS

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To take the right decisions, brands need a clear and genuine understanding of how their products and services intersect with the outbreak and what demand dynamics are at play. This will help them define the key priorities for their marketing strategy.

Relevance axis: Understanding the connotative correlation

between a product, service or solution and large-scale disease outbreaks or pandemics

Demand axis: Products, solutions or services that are either more fixed or consistent (necessities); or that are seasonal and subjective to other consumer priorities or restrictions

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High Relevancy (with outbreak)

Flexible demand

Growth Market: Products that can be quickly relatable & commoditised in relation to illness: Medical, insurance, health food, sports related, home appliances (air filter, vacuum cleaner) etc.

These industries and commodities are quickly related to "epidemic prevention" and can easily attract consumers' attention by promoting benefits such as "strengthen immune system" and "maintaining home hygiene."

Stagnant Market: Products & services that facilitate 'mass-clusters' or are nice-to-haves. Cinema & movies, airline & tourism, dining, retail related sectors that create mass cluster opportunities.

Transportation, real estate, financial investment, and other high-spending industries will also slump due to conservative behaviors.

Explosion Market (Panic Economy): A core brand offering that is a direct response to a mass health crisis. Industries directly related to epidemic prevention such as, medical related items (masks), supplies related to sanitation and disinfection, food and beverage, etc.

These products respond directly to the outbreak and thus their prices will fluctuate. Out of fear of supply outage, consumers will likely hoard excessively.

Emerging Market (Demand Economy): Solutions with latent success, despite no predefined correlation. Industries that benefit from the epidemic prevention even though there is no direct relation are those with high demand.

In response to changes in work/home behavior, the consumers procurement process has become simple. New demands have also been created, which have led to rising industries, such as meal delivery, e-commerce, and home care.

Rigid demand

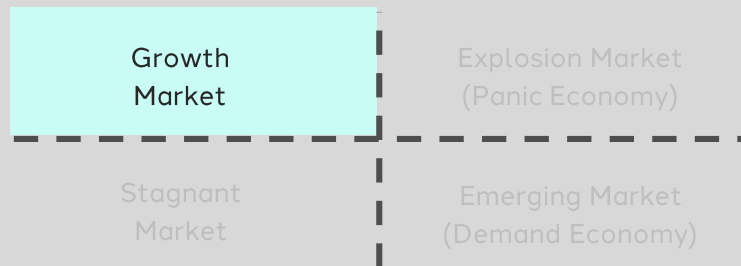
Low Relevancy (with outbreak)



Potential marketing entry points for growth markets and explosion markets

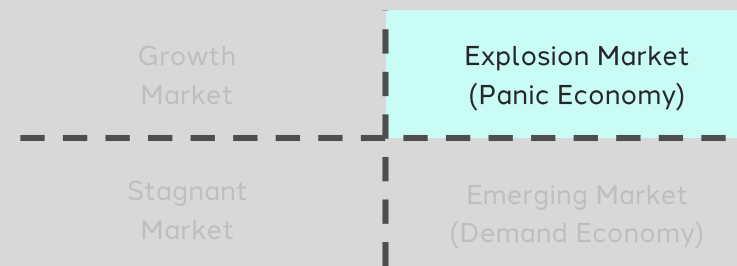
Growth Market = Bolster

- Create new seeding angles that establish links with epidemics or epidemic prevention.
- Launch promotions at the right time, but not recommending to price increase.
- Tie-in with other low-relevancy products for joint promotion, which can save the downturn in sales of other product lines.
- Effective channels with strong demand signals (such as Search) are still the focus of media investment. If there is a highly attractive communication entry point, it is recommended to use display advertising.



Explosion Market = Fulfil

- Maintain the service quality and supply stable. It is not recommended to increase prices to solve the supply problem, for it will make consumers feel negative about your brand.
- Introduce pre-order promotions, membership and build CRM.
- Break away from the product itself, steer away from sale promotion, and focus on member-centric services.
- Media can invest more in channels that can actively reach consumers, such as video ads and display ads.

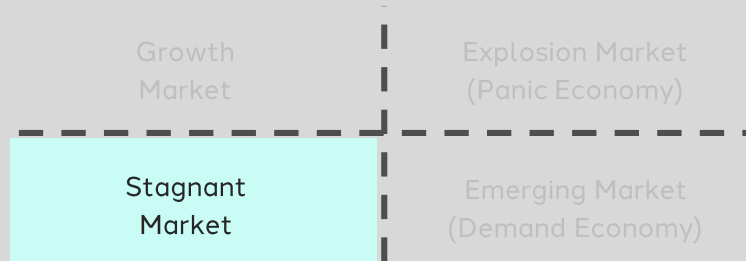




Potential marketing entry points for stagnant and emerging markets

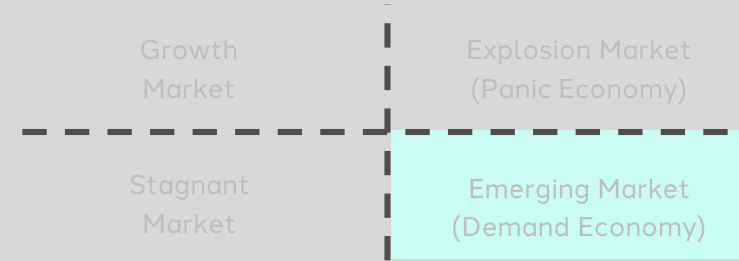
Stagnant Market = Remedy

- Highly recommend creating brand initiatives towards a cause that the brand is interested in to build brand preference
- It is not recommended to sprint for sale performance at this time, unless there can be very "killing" promotional programs.
- Stabilize the overall pace and strategize a new game plan after the end of this epidemic period.
- Effective channels with strong demand messages (such as Search) are still a focus of media investment, while tracking visitors' behavior during the period to further do marketing plans.



Emerging Market = Capitalize

- Steer away from complicated service mechanisms or adopt any engagement method that raises consumer thresholds.
- Product demand with low-relation to the epidemic or the epidemic prevention, should try to connect with consumers' current lifestyle (such as the usual behavior changed by the epidemic situation) and to create new demand.
- The advertising campaign can break away from the product itself and steer away from sale promotion, but rather focus on strengthening member services.
- To stand out from competitors, the key is to grasp and master media dynamics especially focusing on the demand messages; Search is still suitable. In addition, identifying strong third-party partners to cooperate with will prove beneficial.





How can we help?

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