

# Marketing in the time of crises and beyond

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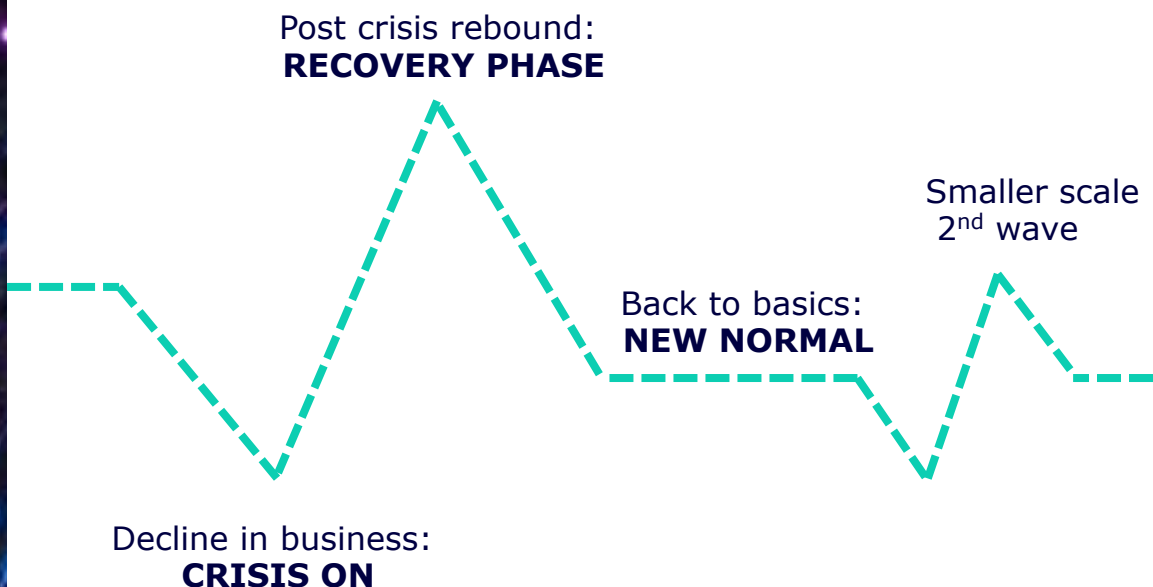
Scenario planning for the  
future in the middle of  
Covid-19

March 2020

# Look to the future: Background

*We, as marketers, need to find a way to organize our response and focus on what is important in this very moment and at the same time prepare for what is coming ahead.*

*When we look back to outbreaks similar to COVID-19, like SARS, we see they all go through 4 phases. As the situation is evolving quickly, this whitepaper reflects our perspective on the first three phases.*



# Look to the future: Scenario planning

*In the middle of the COVID-19 crisis, it might seem difficult to focus on the future, but it is exactly what brands should do.*

*All businesses will be struggling this year, but what marketers can do, is to start preparing now and make sure the marketing budget will enable future brand growth.*

*All brands should be ready for three different scenarios:*



*We also do a matrix analysis, designed to help you understand where your brand currently stands, and outline the steps you can take to lead beyond the crisis toward a stronger, better and growing brand in the year 2021.*

*Best regards,  
**Heli Ruotsalainen**  
Business Development Director  
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# Crisis phase: Getting the tone right is key now

**Be sure all your brands' communication, all client services, social and marketing actions, are seen as highly empathetic and helping in the crises phase.**

How brand is seen is a combination of communications, social media, marketing in media and customer service. Make sure all the department are up to date on being very empathetic and respectful of the situation at hand.

Reassess your decision along the weeks: **something that sounds good today might not in two weeks.** As things and mood in the market change, do a double-take to check up on all creative materials: is it ok to wish 'Happy weekend', how to talk about products that are not necessities.

As much as brands would also be lighter in their communication, being humoristic is not particularly allowed for brands at the moment.

**Keep an eye out for shifts in customer behavior.**

We need to take a close look on how our brand is seen in the long-term and in the short-term. At his time, **nurturing longer-term customer relationships is an opportunity.** Social media and internet usage are on the rise heavily. Are you there?

It is a known fact that investing into share of voice when others are not, can give an opportunity to grow significantly. Now is time for **building brand equity.**

Where possible, focus on redistributing marketing dollars vs. not investing. Past crises show that brands that continue to market during this time come out ahead in the long term. If you do pull marketing dollars, reinvest in non-paid media, such as your website with UX, SEO and content.

**DO NOW:** Reassess and start getting ready for the future. Do not stop marketing. See p. 7 for other future actions to do now.

**DO NOT:** Take too drastic measures towards your team, partners or future plans in the time of crisis.

# Crises phase: Key issues for verticals

## FMCG / CPG:

- How to play the **communications game if your product is not a necessity?**
- How to **utilize** people's attention to TV and the internet at this time to beat the competition?

## REAL ESTATE:

- How to bring the business **online?**
- How to make people **interested** in real estate during this time?

## TRAVEL:

- How to **maintain communication** during this time when people are not allowed to travel?
- How to prepare for life after travel bans are lifted?

## ENTERTAINMENT:

- How to prepare for the recovery, what is the **right time** to start after the isolation that it is not seen too early?

## FASHION / BEAUTY:

- How to communicate with customers as fashion / luxury items are not a necessity?
- When does consumers' interest in luxury items bounce back?
- How to **upgrade the digital ecosystem?**
- How to **ensure sales** when things return to normal as the normally heavy period of marketing for spring is gone?

# Recovery phase: Big boost, but only for a while

To be ready for the recovery phase, you should **start planning action now**. Here you should put most of your efforts towards your brands' **biggest categories**.

Ask yourself, how is your brand going to **celebrate** when this is over? How are you going to bounce back with a campaign that is **ready to go** when the moment is right? The surest way to be ready is to have a couple of different scenarios, and A/B test material heavily to see how the customer will react.

Please bear in mind, **the recovery phase is going to be a big boost, even a 'demand shock'**.

In this phase, there is a possibility that the majority of brands are probably shouting from the rooftops at the same time. What are your actions to differentiate, how are you going to ensure your share of voice in this phase?

Recovery phase will most likely **be a rocket**: summer, celebration and all things good, right then and there. Covid-19 is going to make a big dent into whole nations economic situations, and there will most likely be a lot of small businesses closing and people being laid off. **The recovery phase is a peak that will last only a certain amount of time.**

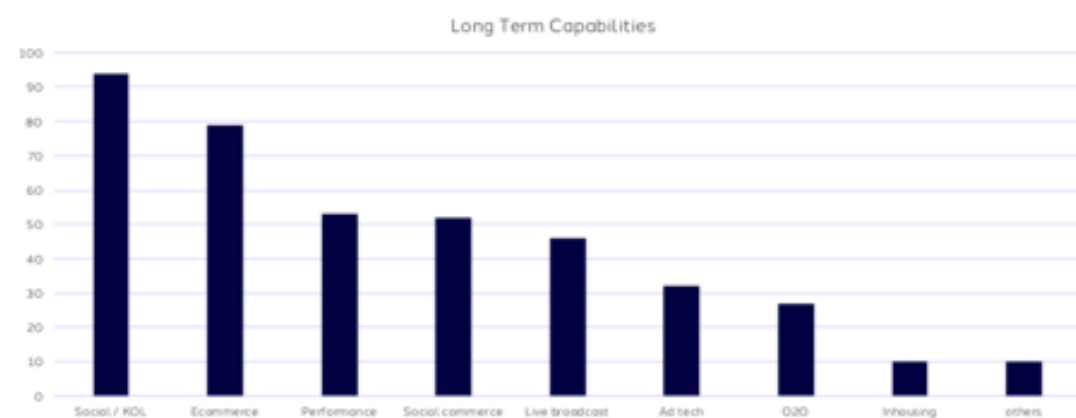
In the recovery phase you need to also start getting ready for **Q4's big campaigns**. Black Friday and Christmas are coming this year as well, what will your brand do then?

**DO NOW:** Celebrate with people, and make sure your brand's strongest categories recover.

**DO NOT:** Think that this phase is the new normal.

# Recovery phase: A look on China, what to invest in

**In long term, what capabilities do you expect to build or invest more in after COVID-19?**

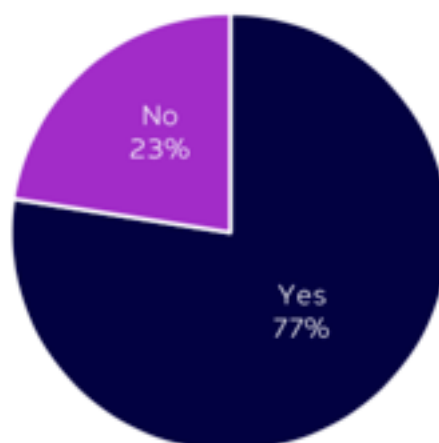


Our Dentsu team in China did a large study to Chinese companies to see where they are investing now in the phase of recovery.

Social media and influencers, in Asia called KOL = Key Opinion Leaders, are the first choice for brands. Also eCommerce and performance based marketing are in the top 3.

77% of Chinese brands told that they are actively planning for recovery phase.

Proactive Planning for recovery



# New normal. How to be ready for 2021?

- 1. Search Engine Optimization.** SEO is a perfect example of a project that brands can be focusing now, in the middle of the crises to better the short term demand of internet traffic spikes, ensuring the long term relevance of the brand when your keywords are searched.
- 2. Native advertising.** How are your native advertising materials doing? As people spend now more time on the internet, this is a time to step up your native advertising game and not let competitors take too long a lead.
- 3. Audit paid search, social media and sponsorships.** Projects that are good to take on now include also evaluating your sponsorship deals, paid search audits and making sure your social media strategy is up to date and takes in the count of all the new channels it needs.
- 4. Analytics.** Is your online analytics set up to face the new world of 2021? Econometric modelling, tag management and analytics set up projects are more important than ever with increasing online behavior of b2c and b2b audiences.
- 5. Marketing automation & own media check.** Do you have own media channels that you set up years ago, but you don't use anymore? Spring cleaning could be in order. Are your sms and email materials up to date and have sufficient loyalty loops and welcoming & ending programs?
- 6. Dynamic materials.** Have you already started working on dynamic creative materials, or would this be a good time to set up the project? Potentially huge savings on the creative cost for 2021 will help your budget next year.

Now is the time to make sure that your brand is ready to fight in full in 2021.

Focus on those long-term objectives and projects that will bring major improvement.



# Matrix analysis

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.



# Understand where your brand is in the current market dynamics

## 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."

**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.

RIGID DEMAND

**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.

**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 delivery and e-commerce.

## LOW RELEVANCY (WITH OUTBREAK)

# Potential marketing entry points: Growth and Explosion

## **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. Consider also display.

## **Explosion Market – Panic Economy = Fulfill**

- Maintain service quality and supply stability. It is not recommended to increase prices to solve the supply problem, for it will make consumers feel negative about your brand.
- Introduce new 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: Emerging and Stagnant

## Emerging Market - Demand Economy = Capitalize

- Don't adopt complicated service mechanisms or adopt any engagement method that raises consumer thresholds.
- Connect with consumers' current lifestyle and create new demand.
- Steer away from sale promotion, but rather focus on strengthening member services.
- Focus on the demand messages; Search is still suitable. In addition, identifying strong third-party partners to cooperate with (such as Price Comparison Network) will prove beneficial.

## Stagnant Market = Remedy

- Creating brand initiatives towards a cause that the brand is interested in to build brand preference is highly recommendable.
- It is not recommended to sprint for sale at this time.
- 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.

# How can we help?

Please be in contact to discuss the current marketing landscape or the scenarios for the future.

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