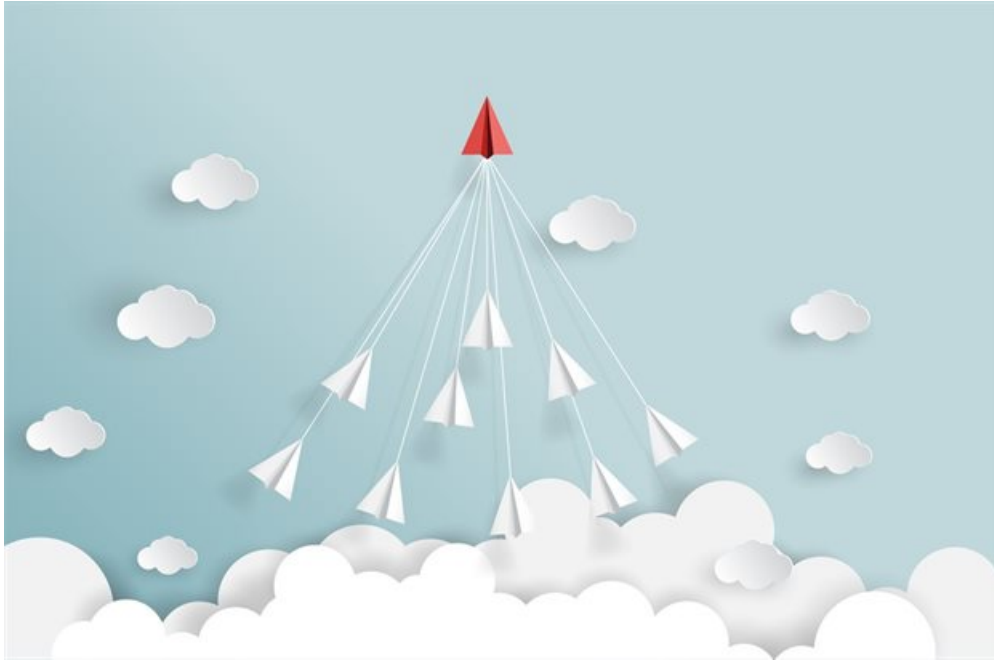


The time for marketing leadership

By [Brenda Koornneef](#), issued by [Downtown Creative Agency](#)

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A thought leadership article by Brenda Koornneef on the importance of the right and urgent marketing strategy and innovative actions that South African marketers need to drive.



Brenda is one of the doyennes of marketing in South Africa with deep experience of Brands Development and Consumer insights that lead to the right brand strategy.

A NEW CONVERSATION

There is no time to lose. Marketers – the link between businesses and their customers - need to think deep and fast to lead their business and their brands into recovery mode. It is imperative that Marketing Leaders must both manage brands in the current time during the coronavirus crisis and plan for the future. They will need to be fast and pragmatic in managing the crisis for the brands, while also being strategic on how to weather the downturn.

What marketers do right now will determine the future success of their brands. As consumers adjust to the Lockdown crisis and sooner or later emerge into the aftermath of the Coronavirus there is no doubt that their behaviours, thinking and emotions towards life and the brands in their life will have changed. Making sure that your brands are strengthened and entrenched in the customers' brand repertoire will be critical.

The Covid-19 crisis is unprecedented, and its final impact on our local economy has yet to be determined – but there is certainty that consumers have cut back on spending and that the economy will have taken a severe knock. Marketing Leaders must ensure that they capture the hearts and minds of consumers as the “New Normal” develops, and strengthen their brand's loyalty and market share.

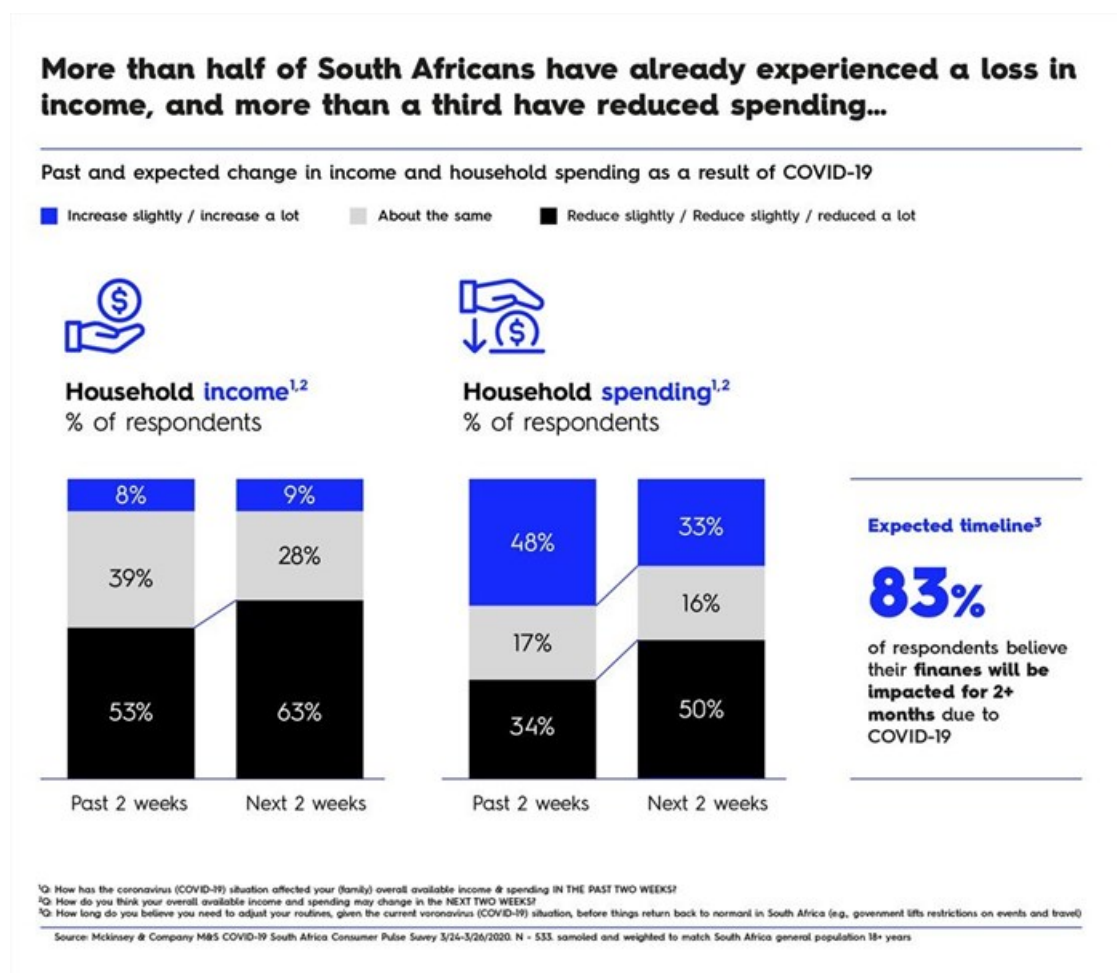
There are no true precedents, but we can learn from previous global calamities which have impacted people deeply and changed consumer behaviour.

This thought leader article challenges South African Marketers to step forward and lead the way to recovery and Brand Health:

CONSUMER BEHAVIOUR AND SENTIMENT:

The most recent McKinsey 'South African Sentiment Survey' (20th March 2020) demonstrates clearly how consumers are reacting to the current situation –

- Two thirds of South Africans are unsure or have a pessimistic view about the country's economic recovery after Covid-19. 72% of people are unsure or pessimistic of the country's economic ability to recover;
- More than half of South Africans have already experienced a loss in income and more than 1/3 have reduced spending. 83% of respondents believe their finances will be impacted for 2+ months;



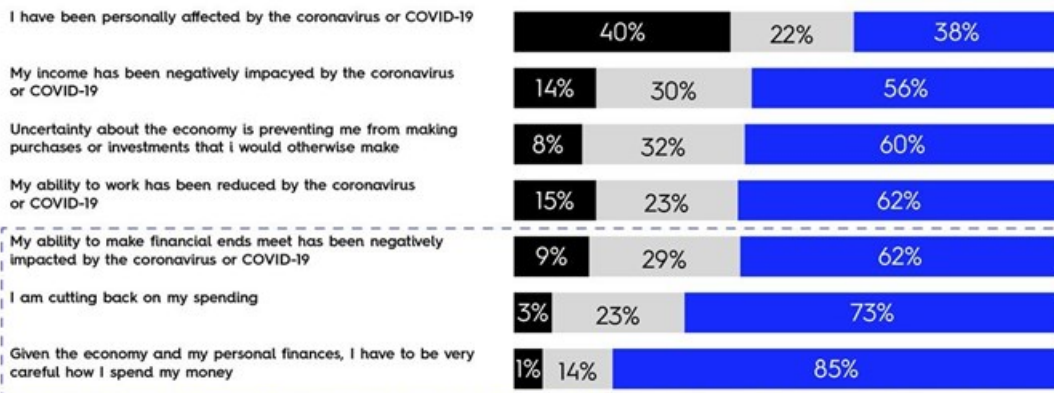
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- Most South African consumers are spending carefully, and more than two thirds say they are cutting back;

Most South African consumers are spending carefully, and more than a third say they are cutting back spending...

Overall sentiment in the general population in South Africa¹

Strongly disagree / disagree
 Somewhat disagree / agree
 Strongly agree / agree



1. Please indicate how strongly you agree or disagree with each of the following statement. Please select only one response for each statement

Source: McKinsey & Company M&S COVID-19 South Africa Consumer Pulse Survey 3/24-3/26/2020. N = 533, sampled and weighted to match South Africa general population 18+ years

[click to enlarge](#)

- Decreased spending expectations are evident across most categories, with the exception of essential groceries and home entertainment. Categories most negatively impacted are fast foods and restaurants, alcohol, footwear, apparel, furnishings & appliances, out-of-home entertainment, vehicle purchases, travel and holiday spend;
- The most serious concerns for consumers are the Economy, public health, and uncertainty about the duration of the pandemic.

THE NEW CONVERSATION

People are in isolation. Social interaction and communication has become confined to your fellow home dwellers. And to online and social media. Consumers are lonely, anxious and confused. The future is uncertain and they are concerned about their livelihood and their futures.

Most brands have gone silent. It is critical to maintain the relationship with your consumers.

This is the time and opportunity for brands to communicate and have meaningful conversations with their consumers.

“During the Covid-19 pandemic, companies that lead with empathy and genuinely address customer needs can strengthen relationships” McKinsey Marketing and Sales.

It is inappropriate to flight your usual ‘*You must buy my brand*’ type of adverts and digital media messages. You need to be interacting with your consumers in a new and meaningful tone of voice.

Check out the latest Sanlam advert – the tone of voice is genuine and caring. It shows understanding of their consumers current concerns and promises to be there in the uncertain future. Great stuff!

But some brands may ill afford a costly new TV advert. This is where a genuine and helpful conversation with your consumers online, or even on radio, would go a long way to bridge the isolation gap.

What about your food brands providing consumers with cost effective, interesting and easy recipes to make in home? With no fast-food takeaways, and even pre-cooked meals now banned in supermarkets, consumers need that help in the home. Of course it also provides your brand with the opportunity to be the hero in the recipe!

What about household cleaning brands helping consumers with home care tips and hints?

Brands which are non-essential goods especially should not be silent at present. Find a way to meaningfully support and communicate with your consumers.

Of course, brands and companies which are able to actually undertake community aid and support during the Covid-19 times, are ideally placed to demonstrate their care for their consumers and the greater good of the country. Just make sure that you share and communicate this with your consumers!

When we enter the “new normal”, there is no doubt that consumers will remember those brands that showed understanding and maintained a genuine conversation during this period of such uncertainty.

Even when the Lockdown does start being lifted, the brands conversation will need to be different. People have been deeply affected by Covid-19. The impact of this devastating pandemic will be felt – both economically and emotionally – for a long time. We know that consumer behaviour will not return to ‘*normal*’, and that consumption and shopping patterns will be inevitably altered.

So, understanding what your consumers need, how they are feeling, and how their behaviours have changed will be critical.

Note: The new MAPS (Media and Products Survey) will be going into field as soon as the lockdown is lifted. MAPS is focused on measuring Media and Product Consumption, and contains many lifestyle questions which will examine how consumer behaviours have changed. Contact the MRF (Marketing Research Foundation) if you are not already a subscriber. We can assist you in making the relevant contact.

BUT WHERE AND HOW DO I HAVE THE CONVERSATION?

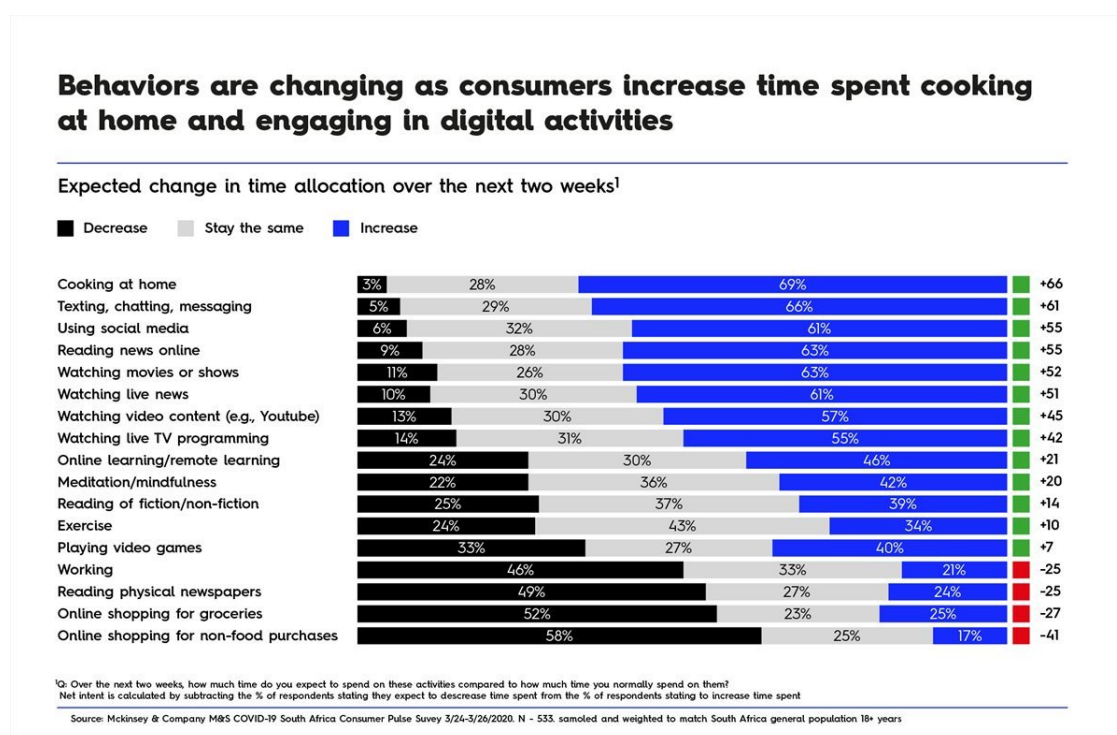
Traditional media such as Radio and TV are enjoying an upturn in listenership/viewing during the stay at home period. Even after the lockdown is lifted, it is expected that Working-from-Home will be prolonged, and even become a way of working in the future. In South Africa this remains a mass-media and wide reach opportunity and provides brands with the power of brand image and messaging communication. Radio in particular remains an immediate, personal and intimate medium. For the lower income consumer Radio is an always present medium, and can be used very effectively during this unusual time. Again, remember the importance of tone of voice!

But of course, online communication has gained a critical role in consumer's lives during the lockdown. Whatsapp video/call conversations, Zoom/Zoho or Livestorm meetings (with friends or colleagues), Facebook, Twitter and Instagram have taken on new importance in our lives. I even know of friends who have had 'Supper-Club' dinner parties with their friends around the Zoom table! Families and friends are meeting on online platforms.

Online entertainment has also become a new opportunity. Many artists /museums/ theatres/ballet and opera companies/musicians and comedians etc. have used this time to make available free online entertainment material for consumers. People are exchanging links and information.

Even education online has taken on great importance during the enforced close down of schools and tertiary institutes. Just check out the online education and training opportunities available, which consumers are using.

The recent McKinsey Sales & Marketing survey on changing consumer behaviour demonstrates the changes in behaviour which demonstrate the marketing opportunities we need to pursue:



[click to enlarge](#)

This is an amazing opportunity for Brands to participate and stimulate online conversation. But definitely not with typical "Buy-me" adverts which actually interrupt what consumers are interested in at the time. Brands have to create an online presence that will be welcomed by consumers. Remember that the vast majority of South Africans use the mobile phone as their online device. So make your communication mobile appropriate!

Humour online has been an amazing source of relief and entertainment and humorous interactions and video clips have been proliferating! So not all communication needs to be deeply serious. Depending on your brand personality, humour could be a great way to communicate.

Making sure you get an online following during the lockdown period will ensure that you have the chance to retain and build this online relationship as the world returns to *normal*!

THE VALUE OF BRAND LOYALTY

BRAND LOYALTY = BRAND VALUE

Developing Brand Loyalty, and eventually Brand Love, is what creates long term sustainable market share and real Brand Value. It is the Brand Asset's value which underpins the financial value of the business. Business should be able to measure their Brand Asset value and track its performance over time. This starts with Brand Loyalty. The Covid-19 pandemic and lockdown period will test consumers' normal behaviour and loyalty to brands. Now is the critical time for Marketers to build or retain Brand Loyalty and to demonstrate its value to the Business.

There is no doubt that consumers are feeling the financial pinch of reduced income, or fear of an economy is not going to return to *normal*.

As the McKinsey Consumer Sentiment survey has demonstrated, most consumers have cut back on expenditure. (See above) Particularly on non-essential goods.

Marketers and businesses will be keen to kick-start their brands and sales back to normal after the Covid-19 pandemic. Driving sales recovery will be critical for most businesses.

I do not believe, however, that consumers will respond to mere 'Price Discounting'. Even prior to Covid-19, it is well known that consumers were not just looking for "*cheap*". They are searching for greater *VALUE*. This fundamental attitude change is likely to have deepened during the global pandemic. Even more so, consumers will be looking for brands that offer them *VALUE*, beyond merely price. For consumers this means –

- Quality – products that can be relied on to deliver on the brand promise
- Authenticity – brands that are true to their promise
- Environmental concern – brands which are able to demonstrate their commitment to environmental protection
- Added value – brands which offer more than just price. In other words, have a value beyond just the product. Even "three for the price of two" represents better added value, than mere discounts
- Support and aid – brands that support their consumers beyond just the product. For example recipes/hints and tips/ communication platforms etc. which show how the brand is going beyond what is expected will be seen as important value adds
- Community contribution – even more so than in the past, brands will be expected to demonstrate their contribution to communities.

So, of course marketers will need to drive and support sales. But the right tone of voice, and the offer of real *VALUE* will be the key to rebuilding market share and Brand Loyalty / Brand Love.

THE CHANGED NEED STATE

"The Covid-19 crisis is unprecedented. The speed with which it has spread and its effects on families and daily life have led to a deep sense of fear, anxiety and confusion. The human toll has devastated many of us and continues to drive home the reality that the coronavirus is a tragedy that is upending lives around the world" McKinsey Sales and Marketing.

The lockdown period, and the devastating reality of the global pandemic has created in consumers the need for reflection and re-evaluation of what is actually important in their lives.

The unprecedented generosity of people and organisations to give their time and content freely online is but one example of the realisation of the importance and inter-dependence of humanity.

The period of 'bonding' with your spouse and kids during this lockdown period is an unexpected gift. Helping your kids with education and projects has become a new bond between parents and children.

The enforced ability to do without goods and products that previously one would have thought of as everyday needs will change consumer need states and behaviours into the future.

Reduced or potentially impacted incomes will force consumers into changed needs and behaviours. Consumption patterns are likely to be impacted in the longer term. According to the McKinsey survey, more than half of consumers have already experienced a drop in income, and more than two-thirds say they're cutting back on spending.

We can already learn from the 2009/2010 recession and how consumers changed attitudes and behaviour during and after this period. With the downturn of the economy, consumers were forced to review their spending habits. Brand repertoires were reviewed – and many consumers tried brands which they previously would not have considered.

What is more remarkable is that this search for VALUE has become entrenched around the world, and particularly so in South Africa. Consumers now have a wider repertoire, seek greater information on what they are purchasing, research pricing options and generally are aware of the need to find VALUE in what they purchase.

It will be critical for Marketers to understand for their product categories how need states have been impacted and what long term changes will be seen.

SHOPPING BEHAVIOUR

Shopping patterns have undoubtedly changed. For higher income consumers (where product delivery is feasible) online shopping has taken on a far greater importance. The large supermarket/ retail chains online delivery systems have taken enormous strain as consumers have turned to online shopping. As these systems are improved and supermarkets are better able to cope with higher demand, it is almost certain that online shopping will become a much larger component of shopping behaviour.

For lower income consumers, the frustration of long queues at supermarkets will no doubt make the local superette a more attractive option.

THE ACTION REQUIRED NOW

Whilst most business professionals have done their best to continue their work and contribution to the business, it is essential that Marketers should intervene at this point in time, as the country will slowly emerge from full lockdown state. There is no time to lose in planning and implementing a strategy that will re-ignite Sales, and rebuild the Brand's future. It is probable that those Marketers who actively work on Brand building now and over the next few months, will be able to determine the new trajectory for market share for their brands.

SO WHAT WILL WORK?

Marketers who are able to develop new innovative ways of promoting their brand, creating real conversations, and demonstrating real value to their consumers are likely to succeed.

Brands who fail to do so are likely to lose huge market share.

So Marketers need to be the Leaders in their companies and build the bridges to business recovery with their consumers

Here are some ideas that may be worth considering:

- Airtime promotions – the enforced isolation period has made communication with friends and loved ones a critical part of life, and the financial pressures of reduced incomes has put strain on mobile and data budgets. Brands that demonstrate an understanding of this, and use the proven tool of airtime rewards in a meaningful manner could drive real sales
- Keep the conversation going – finding the right interesting/helpful/entertaining platforms online will keep the relationship with consumers going. Brands that are able to be really innovative in this space could create a real benefit to their consumers.

- Added value – Think about how your brand can add value to consumers during these uncertain and abnormal times. Useful hints / recipes / financial advice etc. can all be ideas which consumers will regard as real value.
- Driving online shopping presence – With the increased reliance on online shopping, and the likelihood that this will continue after the lockdown period – ensuring that your brand has real retail online presence is critical. Engaging with supermarkets and retail chains to make sure that your brands are being promoted online is critical
- Kickstarting promotional offers – with a difference. Considering the consumer need for true VALUE – it will be critical that you participate in promotional offers in a new and innovative manner.

FINANCIAL KNOW-HOW

The business will not appreciate a marketer who does not display financial nous. In this difficult time period, all businesses are concerned about reduced sales – and therefore are focusing on costs and cash flow.

Marketing Leaders must demonstrate that they understand the importance of these financial issues, and their marketing investment proposals must be clear on the Return on Investment, or simply put, the link between -

- Marketing activity *and* sales results
- Marketing spend *and* brand share – and the impact on sales and profitability that each market share point can be valued at
- Marketing spend *and* brand loyalty – and how this will impact in the long term on the business recovery

Every activity must have definite and clear objectives, defined media targets and measurable results.

Online activities in particular can be developed in a way which allows for clearly measurable results.

Marketers should also demonstrate to the business how inactivity and lack of marketing support will harm the business recovery and profitability in the long term.

THINK NOW ACT FAST

Although the Covid-19 pandemic is long from over, and the future is uncertain, there is no time to waste. Now is the time for Marketers to step into leadership mode.

Providing your business with the insights and understanding of changing consumer behaviours is the Marketers' role. Establishing conversations and maintaining relationships with your consumers has never been more critical than now.

“Care, creative thinking, and new tools can address customers' acute needs today and forge stronger ties in the post-Covid-19 era” McKinsey Marketing and Sales

Planning strategically for the *NEW NORMAL* future is imperative, and being ready to re-kickstart your brands and business is now your most important focus.

Downtown Creative Agency deeply understands the pressure on your brands, and the need for innovative thinking to retain brand loyalty and drive market share during this uncertain period.

We are there for you during this time, to share our research and ideas that we have developed during this time. We have not ceased to think of new ways in which we can support you, our clients and your brands and have been working to develop the right brand tactics at this critical time.

Do not waste time – call us now so that you stay on the road even while you are locked-down.

Brenda Koornneef is associated to Downtown Creative Agency as the Lead Head Strategic Consultant on all marketing

matters. Contact Brenda through Downtown Creative Agency to give you strategic support and input to rebuild your Brand strategy to recovery.

Contact Joanna Cannata

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