



Seize the opportunity

Rapidly changing consumer patterns during a crisis require a dynamic strategy aligned with the pulse of the market.

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COVER STORY

Rethink

Rethink what the brand stands for. What value do brands add? How do we build and leverage our strengths?

Why is rethinking so important at this time? Firms get into a rut and continue to do the same thing over and over again. However, when the external environment changes, consumers also change their behaviour in a drastic manner. And if firms do not understand, it could lead to disaster. So, the rethink has to be organisation-wide and focus on the changing environment and the needs of the consumer. They need to focus not just on the product, but on the added value, over and above the basic product. Brand managers need to think beyond the easy and ubiquitous branding/marketing practices like offering warranty and other softer benefits. Firms need to focus on how the brand allows consumers to use the brand more effectively, during and after the lockdown. Can we be more hygienic? Can we partner with another firm to show that we are making our brands safer to use? An example would be how Dunkin' franchisees co-branded with the P&G Professional CleanPLUS Experience Programme, when they reopened. Co-branding can be a huge way to do this, as 70 per cent of diners expect thorough and frequent cleaning of restaurants. Similarly, a restaurant can proudly announce that the whole premise is regularly cleaned with ITC's Savlon product range, thus enhancing and establishing the hygiene and safety value. Another example is food delivery apps, which are facing a tough time. With gradual unlocking, restaurants are opening and using food aggregators like Swiggy and Zomato to deliver their offerings. They have understood the concerns and anxiety of consumers and have introduced innovative features like contactless delivery, regular temperature checks of staff, and a new hygiene and safety rating feature. So, marketers should take a deep breath, understand how the pandemic has

India is facing an unprecedented pandemic and struggling with its economic, social, and financial repercussions. COVID-19 has spared no one, with celebrities, medical workers, police, and country heads all being at risk. Many services such as restaurants, physical stores, shopping malls, and schools are still closed. How should businesses and marketers deal with this situation and strengthen their bond with their consumers? We address these issues in this article by looking at the changes in consumer behaviour due to the pandemic.

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changed consumer mindsets and attitudes, and rethink how they can align their offerings with enhanced value proposition.

Reset

What does the consumer expect from us? What do we have to reset in order to meet consumer needs more effectively?

A reset is extremely important as we use this to adjust or change our product to meet consumer needs. During the nationwide lockdown, consumers reduced consumption drastically and focused more on the essentials. As the lockdown is easing, different segments are emerging. The first segment (revenge shoppers) could be an impatient group eagerly waiting in anticipation of enjoying the thrills of shopping and consumption. They are ready and willing, and able to shop again. This segment may not need a reset, but supplies of the product must match demand. For example, Britannia could not keep up with the sudden increase in demand for Good Day biscuits; now, they have already started working on opening a new factory.

There could be other segments that will take more time to think through their purchase, segments which have realised the need for products that they wished they had during the lockdown. An example could be a dishwasher or a house-cleaning robot. With this segment, it is important to empathise with the consumers, understand what they went through, and then address their concerns. Hence, segmentation could be a very important reset mechanism that firms need to engage in to make the necessary changes. If segments need to be changed, then this is the right time to do so—tweaking communication from merely selling to empathising. For example, Lifebuoy ads tell consumers that they should wash their hands with any soap. No one would have predicted or

imagined that a market leader will encourage other brands in their commercials.

Firms could offer more value through their product by showing and practising true socially responsible and sustainable behaviour. It is imperative to bring out the value that the brand is offering, especially to those consumers who are struggling to meet their basic needs. This is the time to do CSR! A good example is Bollywood celebrity Sonu Sood, who has helped multiple cross-sections of Indians affected by COVID-19, and gotten a lot of support and praise on social media in the process. Brands may follow the same template by helping people.

Firms can consider repositioning their brand in order to connect better with their consumers. A recent commercial about premium soap brand Dove proclaims that it kills germs too! Repositioning is a tricky topic because it may harm brand equity in the long run. Dove has to fight with Dettol and Lifebuoy, who already have a very strong connect with 'germ free' positioning in the consumer's mind, and it would be very difficult to replace them. Moreover, once the corona crisis is over, what would Dove stand for? Firms should thus carefully think about the long-term effects on their brands before taking hasty decisions.

Firms can become agile and innovative by using technology in their interactions with consumers. This could be as simple as local *kirana* stores using WhatsApp for taking orders, or online firms using contactless delivery for customers.

Restart

Why is restart so important? What exactly should we do?

It is almost as if firms need to hit the restart button once the lockdown gets over. Consumers have gone through a horrendous experience and will be thinking about restarting their relationship with marketers and brands. There



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are two things that firms can do in this case. One is the opportunity to connect with new customers using a new business model. Even though this is a risky move, it could pay off in terms of new customers or existing customers connecting differently. For example, many people assume that free streaming services are making heaps of money as consumers are spending a considerable amount of time online, watching TV shows, or listening to songs. But the case of Spotify shows that it is actually the opposite. Advertising revenue is tough to come by as every firm is optimising their spending. Spotify lost advertising dollars due to budget restructuring by brands. Firms need to do a careful analysis on how they can make money. Grabbing eyeballs is important, but it is critical to convert those visits into revenue through online ads.

A second option is not to have a big-bang restart from scratch, but to keep customers engaged right through. A good example is the case of Amul. Many FMCG firms were struggling with their product launches and supply chain, whereas Amul launched around 30+ products during the lockdown. Amul also

utilised the exemption granted to essential items to continue to help customers. In fact, a robust supply chain helped them sell non-essential products like biscuits and chocolates, along with their staple dairy products, to consumers.

A third option is to re-evaluate the supply chain and build agility in each process. Many states are imposing intermittent lockdowns. This creates a nightmare for businesses, making it tricky to manage a regular supply of products and raw materials. Firms should build a flexible and optimised infrastructure supported by technology, which should help manage inventory and orders efficiently.

COVID-19 is something no one thought of or prepared for. But tough times provide opportunities to firms and brands to hit the pause button. Take time, rethink strategy, put consumers at the centre, and rework offerings and value propositions. It is a new world out there for the marketers to capture new markets, introduce new products, and maybe to grow exponentially. They should seize it with both hands. 🍷



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