



TribalVision[®]

HELPING BUSINESS MARKET SMARTER

WHITE PAPER

The Shifting Landscape of Marketing During COVID-19



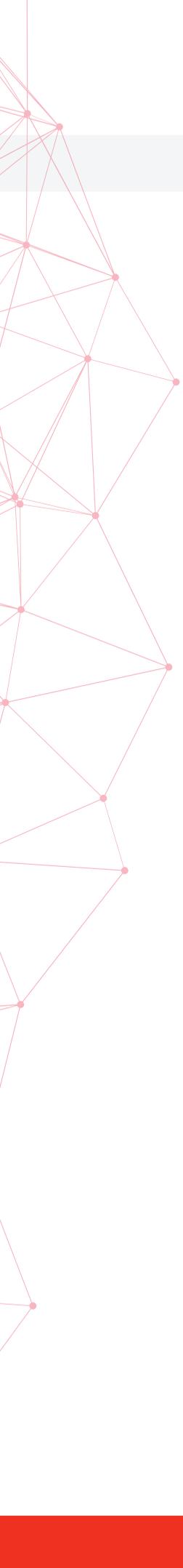


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The Shifting Landscape of Marketing During COVID-19

Introduction

The current worldwide pandemic has left many marketing teams and executives asking if they should pause their marketing efforts and, if not, how they should move forward. To attempt to answer these questions, a look at how organizations responded during past recessions coupled with exploring the competitive and customer landscape is a great starting point. With this background at hand, we will then lay out how best to move forward with your marketing efforts given the COVID-19 environment we must all now navigate.

Using History as our Guide

If the Great Recession of 2008 is any guide, the businesses that maintained their marketing and advertising budgets came out the other side in a stronger position and owned a larger portion of their industry's mind share.

- **1981-1982** – Businesses that maintained or increased their advertising efforts saw higher sales growth during the recession and the 3 years after.*
- **1985** – Those businesses who maintained their ad spend during the slowdown saw sales rise some 256%.*
- **2001** - Studies demonstrate that companies more aggressive with advertising and marketing during the recession increased their market share by 2.5x.*
- **2009** - Amazon innovated its Kindle product line, invested in growing marketing share, and consequently, grew 28% during the Great Recession.*

Finding and Keeping a Customer is Harder than Ever

2009 - Amazon innovated its Kindle product line, invested in growing marketing share, and consequently, grew 28% during the Great Recession.*

*Source

Minimizing marketing spend is counterintuitive. On the contrary, businesses should think of cutting other cost centers before setting their sights on the marketing budget. As a business owner myself, during these trying times I'm looking to increase the number of marketing levers I can pull to fill my customer pipeline – especially since my sales levers (i.e. trade shows, outside sales teams, sales representatives) have been shut down due to social distancing.

Decreased Competition Creates Opportunity

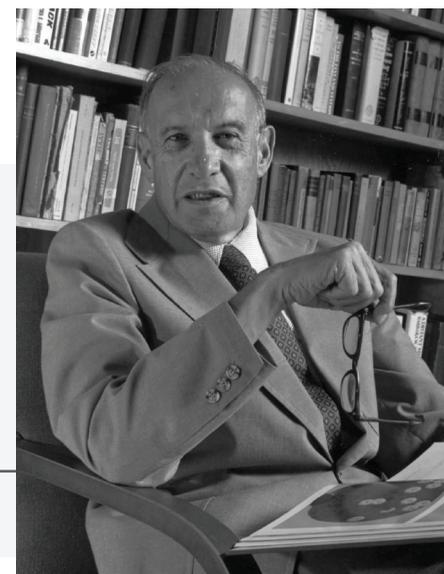
While you may not lower your marketing spend after reading the stats above, many of your competitors hopefully will. This void in the marketplace will create a great opportunity to increase market share without doing anything differently other than maintaining your historic marketing spend. Fewer competitors in the marketing arena equates to a decrease in competitive bidding for paid media channels, thus enabling companies that maintain spend to bid less than usual, amounting to a lowered cost per lead and higher ROI. Using a sports analogy, decreasing marketing spend during a downturn is like taking your team off the field when it begins to rain and being replaced by other teams who now have a much easier path to win the hearts and minds of the fans who remain in attendance. The smart organizations are the ones who keep playing during inclement weather, resulting in above average marketing metrics, a lower cost per lead and a wider moat around their brands over the long-term.

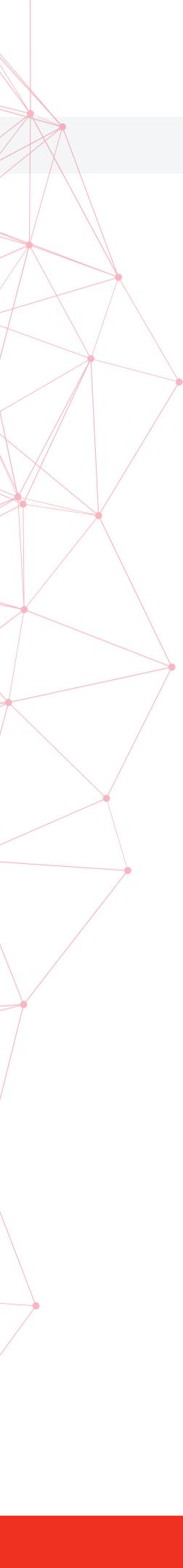
In the Words of Peter Drucker

The words of legendary business icon Peter Drucker summed it up best. "Because the purpose of business is to create a customer, the business enterprise has two—and only two—basic functions: marketing and innovation. Marketing and innovation produce results; all the rest are costs. Marketing is the distinguishing, unique function of the business." So the next time your CFO or COO tell you it's time to cut the marketing budget to save money, reference Peter Drucker and bring up all the other cost centers in the business that don't revolve around the lifeblood of your business: attracting and keeping a customer.

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” Peter Drucker





Fast Forward to Today

With our reasoning to continue marketing laid out above, we will now examine the Post-COVID-19 business landscape in search for the most impactful marketing opportunities. Knowing that the global pandemic has upended every organization's 2020 marketing strategy, much of what we knew about marketing has changed and will likely not return to the status quo any time soon. Before determining how to proceed with your marketing efforts, it is important to fully assess what has changed.

Demand for Tradeshows and Events has Evaporated

Due to social distancing regulations arising from COVID-19, the cornerstone sales activity of attending events and tradeshows, which accounted for 21% of marketing budgets before COVID-19, has come to a grinding halt. In February alone, PredictHQ found that COVID-19 concerns led to a 500% increase in trade show cancellations and postponements. This trend will continue and likely increase in the coming months, with event promoters and sponsors carefully considering both the public health and PR liabilities associated with restarting events too soon.

Value of Out of Home Advertising Also Declined Significantly

Where tradeshows are the most obvious marketing casualty of COVID-19, out of home advertising closely follows in second place. Since individuals are sheltering in place, out of home advertising has taken a substantial hit in terms of effectiveness. No one is around to interact with advertising with no one on the roads, waiting at bus stands, or shuffling through mass transit hubs. While the effectiveness of out of home advertising is likely to return sooner than a tradeshow, it marks another significant marketing investment that organizations should discontinue for the foreseeable future.

Direct Mail and Phone Communications

It would be remiss of us not to call out the hit that direct mail and phone communications have taken due to COVID-19. Prospecting activities that require organizations to directly engage with a company's office, either via their phone or mailbox, are undependable at this juncture and likely to continue to be so. As long as there are unknowns around whether people are in offices or office phones, these sales activities are a waste.

Marketing Smarter in a Post-COVID World

Digital

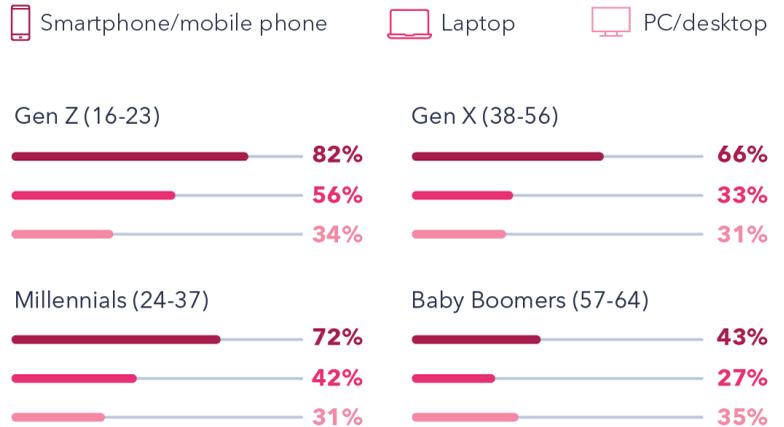
Where early on during the COVID-19 outbreak organizations were stressing turning off channels that do not drive online sales, as we move further and further from business as usual, the prospect of returning marketing budgets to high impression but hard to quantify results (such as trade shows and events) feels less and less likely.

The advantages of this approach has been apparent to digital-savvy organizations for years, but the slower moving businesses are catching up, at least partially accelerated by COVID-19. Today, every business leveraging digital is appreciating the straightforward attribution model and the overall flexibility of the advertising solution. More than ever, every marketing team has been looking to directly tie marketing efforts to business results in the past few months. A digital-first or digital-only marketing strategy makes that type of attribution possible.

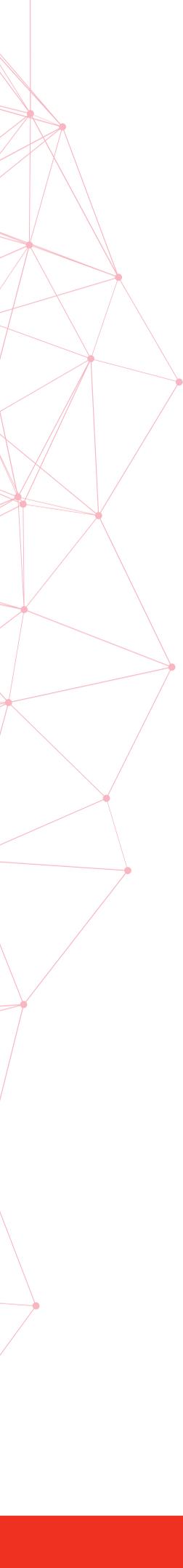
Digital is also a great marketing investment for ROI-conscious organizations since, as mentioned earlier, there are fewer competitors on digital channels now. Due to COVID-19 restrictions, there is also a significant influx of consumers engaging with digital channels today. GlobalWebIndex reported in early April, for example, 70% globally are spending more time on their smartphone, climbing above 80% for Gen Z. Streaming services across the web are witnessing a similar surge in engagement right now. Marketing organizations should look for every opportunity to take full advantage of this development, investing in both PPC ads, video advertising, streaming, and of course, social media.

Mobile and PC/laptop usage increase on lockdown

% of internet users who say they are spending more time using the following devices since the start of the coronavirus/COVID-19 outbreak



Question: Which device(s) have you been spending more time using since the start of the coronavirus / COVID-19 outbreak? **Source:** GlobalWebIndex March 16-20 2020 **Base:** 3,555 Baby Boomers, 11,322 Gen X, 8,369 Millennials and 1,881 Gen Zs



Social Media

The advantages of digital have become more apparent for businesses in the last few months. Many of the same advantages apply to social media-based marketing. Social provides the same opportunities for straightforward attribution and flexibility and some additional benefits unique to social media. When getting in front of customers and prospects was paramount, every business took to social media to share their message. Some traditional approaches to PR were deployed as well, but COVID-19 showed that social media is the fastest and most direct method to amplify a business's communications.

While there is certainly a place for email marketing and communications in the new post-COVID-19 world, moving forward, email communications should be consistently coupled with social media. The remarketing capabilities on social media platforms, where once used to reinforce sales and marketing messages, should be used in tandem with email marketing as well.

Content Marketing

For the first time in a generation, a global “black swan” event has taken place that has turned the business world upside down. This has left an opportunity for new thought leaders to emerge within all industries that can demonstrate to their customer circles their adeptness and ability to help them navigate through such uncertain times.

As a marketer, you should be re-examining all your prospect and customer touchpoints and developing COVID-specific content that will help solve the pain points your prospects and customers are now suddenly facing. In addition to solving new pain points brought on by COVID, your content should also be targeted to new industries enjoying COVID tailwinds vs. the headwinds that most industries are now facing. For example, rather than continue to develop content for hard-hit industries such as restaurants and hospitality, you should consider developing content targeted to COVID-benefactor industries such as healthcare, tele-medicine, and e-commerce. Also, knowing the move to digital marketing discussed above, you should think about packaging your content in more digitally friendly mediums such as videos, landing pages, and downloadable PDFs.

About TribalVision:

TribalVision is a full-service digital marketing agency that provides outsourced marketing services to organizations that are looking to accelerate top-line growth. TribalVision is focused on utilizing its clients' marketing budgets as efficiently as possible – ensuring that every dollar spent maximizes awareness, drives meaningful brand engagement, and generates sales. With over 10 years in the market and a team of 65+ full-time strategists, marketers, creatives, and digital specialists on staff, TribalVision is a turnkey solution that equips organizations with the resources and knowledge needed to accelerate top-line growth and reach their full growth potential.

TribalVision specialties include:

Lead Generation, Strategic Planning, Branding & Creative Services, Internal Communications, Web Strategy, User Experience Design (UX), Digital Media Management, Social Media Marketing, Paid Media Management, Campaign Planning, Search Engine Optimization (SEO), Search Engine Marketing (SEM), Marketing Automation, CRM and Marketing Tech Stack Consulting.