

# The Four R's of Crisis Marketing



BY MARK MCKINNEY

As businesses struggle to cope with the COVID-19 pandemic, our marketing clients have been reaching out for advice and guidance. Here are some quick thoughts about marketing during a crisis that disrupts both cultural norms and economic realities. **We believe efforts will cluster into four distinct stages.**

## STAGE 1

# Reassure

The COVID-19 crisis is fully upon America. Shelter-in-place orders have led to shuttering many businesses, and others have had their typical business models fully disrupted. The supply chain has been stretched to a breaking point in many areas as people try to gain some sense of control. And key services, such as healthcare, are overwhelmed. Anxiety is running high.



*This email from Lowes, simple in its format and organized to address customer concerns, is a great example of giving people paths to actionable information.*

## As marketers, our job in this stage is to *reassure*.

*To provide that reassurance, consider doing the following:*

### **Provide high levels of information**

How are you continuing to provide goods and services to your customers? What are doing differently to help meet needs, such as online ordering and delivery? Your messaging should authentically state the facts; simply and completely. One sure-fire antidote for anxiety is knowledge.

### **Resist bandwagoning**

It is a good time to let people know of the helpful actions your brand is taking, but make sure what you are doing is seen as altruistic, not opportunistic. And don't just parrot messages you see other brands sharing. Make sure your communications are specific to how customers interact with your brand. Add value, or you risk your email reminding customers to unsubscribe from your communications.

### **Build trust**

People are scared, and naturally are becoming less trusting and more wary. Your messaging should emphasize how you are credible (you keep your promises), how you practice empathy (you understand customers' fears and want to help), and how you are guided by your core values (you are good and want to do good). Walk the walk, don't just talk it.

## STAGE 1

# Reassure

Regarding the activity of building trust, for quite a while we have known that brands who are clearly purpose-based tend to do better with Millennials and Gen-Zers. A great example is Unilever's 28 sustainable living brands, those that focus on their environmental footprint and societal impact. These brands delivered 75% of the company's growth in 2018, and grew 69% faster than other brands in the portfolio (Deloitte Insights, Purpose is Everything, October, 2019). If you aren't crystal clear about your values and why you exist, now is a good time to engage in that introspection. Marketing certainly has a right to lead such efforts inside your business.



Stage 1 is upon us and will most likely last another four weeks, at least. Act now to reassure your customers that you are trustworthy and acting in their best interest.

### STAGE 1: REASSURE

## Do

provide lots of information about how you are continuing to make your goods and services available. Be **clear, concise,** and **conversational.**

## Don't

try to use your crisis response as a point of **differentiation.** People are scared, and anything that smacks of profiteering on the crisis will permanently stain your brand.

## Do

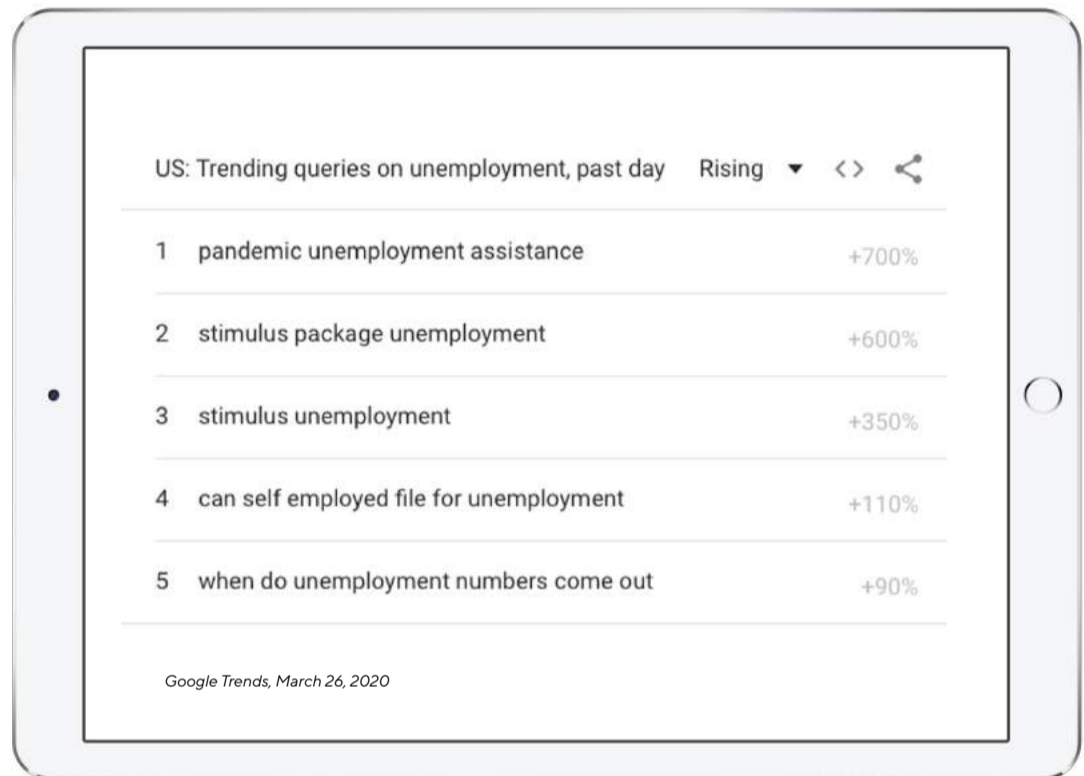
focus on building customer trust. Be **credible,** **empathetic,** and **values-driven.**

## STAGE 2

# Resume

As you resume your normal marketing functions, what will be your message? It certainly should still be about your products, services, and differentiating factors. But recognize how **people's lives have changed**. Now is the time to highlight your programs that can help people regain a sense of control.

As the number of persons who are infected grows to a peak, then begins to recede, our country will breathe a collective sigh of relief. But the truth is, many will then shift from worrying about the diseases to worrying about their finances. In fact, many are already in the new normal, where literally millions have lost their jobs, their investment values, and their sense of security. Google search trends bear out the fact people are concerned about their own economic health.



### Provide deals to earn win-backs

Are there customers who stopped buying from you because of price or availability? Talk to them directly, offering price-friendly opportunities to do business again. Every marketer should think of himself or herself as marketing for a start-up. Getting customers back is key, because people are rapidly learning about new brands and new ways of shopping.

### Value will be king

Learn the lesson from the Great Recession of 2008. Economic difficulties can change the permanent buying habits of consumers. Just as 2008 taught people to try private label products and learn how to coupon efficiently, this economic disruption will drive people to try value-based offers and learn about new alternatives to the old ways of shopping. Now is the time to implement your loyalty and/or subscription options for customers to give them greater value in exchange for ongoing commerce.

### Make the experience flawless

Make sure your services are ready to go. Send the message that you are eagerly awaiting a chance to serve your customers again. And if you are a delivery-based enterprise, or have been forced to become one, secure the supply and delivery chains. Now is the time to always be in stock and quick to deliver.

## STAGE 2

# Resume

Our best guess is that the Resume Stage will last two - four months, as consumers sort out who they will do business with. This is the time to be in market with a strong message of value, availability, and eagerness to serve.

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## STAGE 2: RESUME

### Do

think about how you can win back former customers, and secure current ones, with **economically advantageous offerings**.

### Do

consider how you can **increase the value** of your products and services, either through loyalty rewards, ongoing subscriptions, bundling, or simple pricing adjustments.

### Don't

go it alone. Push your Operations friends to make sure the supply chains and delivery chains are up to snuff and will **meet customer demand flawlessly**, then tell your customers, and potential customers, about your readiness to serve.

### STAGE 3

# Recover

It's September 1, 2020, and you are ready to be done with this year. But there are still some things to resolve. The markets are most likely still bearish, and consumer confidence has been shaken like never before. A presidential election is looming, and the government is facing its own economic issues, what with bailouts and stimulus measures that were costly and now impact other recovery factors.

As a marketer, your day-to-day life has sort of resumed, though you may be working with fewer colleagues as every business tries to reconcile the gut punch that was the COVID-19 Spring.

*In this stage, smart marketers are focused on the following:*

#### **Brand building**

By necessity, consumers had to be scrappy during shortages, and that led them to try things they hadn't before. They got introduced to new brands. Remind your customers (and the market in general) of what they can love about your brand; its heritage, its values, its place in their lives pre-crisis, during the crisis, and post-crisis. Some brands are already ahead of this trend. Have a look at how Guinness addressed missing St. Patrick's Day this year:



<https://www.youtube.com/watch?v=GWVW5p62sO8>



### STAGE 3

# Recover

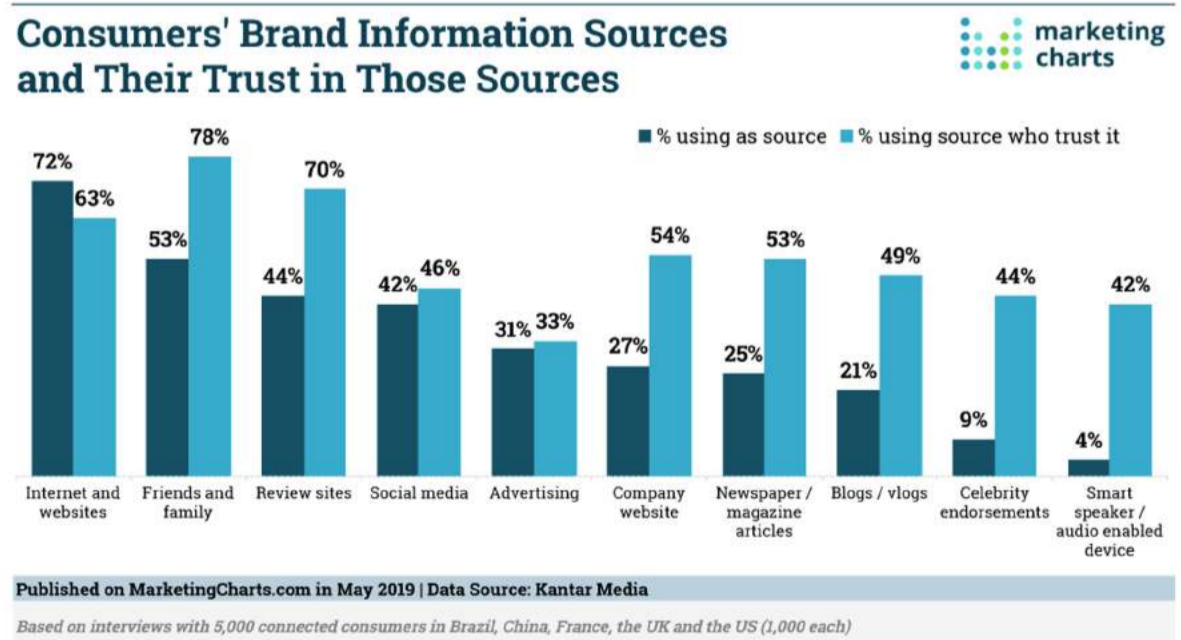
Guinness used this ad to remind customers of its St. Patrick's Day heritage, with events such as pub gatherings and parades. Guinness was an integral part of this heritage. But now, Guinness wants to remind everyone that "on St. Patrick's Day we are all Irish, but let's not forget that every day, we are all human. What matters is being with people you care about. Whether you are planning to safely celebrate at the pub, or hosting at home, if you can call the people around you friends or family, you've already won. When you raise a pint of Guinness, also remember to raise each other up." Then they remind us that they will be there, waiting, for the next St. Patrick's Day street party or parade. Guinness was there previously, is supporting people now in times of crisis, and will be waiting on the other side.

### Digital experiences investment

Your customers have had to get used to talking with you, and finding you, in new places. Online transaction during the crisis was not just about convenience, it was a safety measure, and now you have customers who want to continue to serve themselves. Smart marketers will be ramping up digital marketing spends and taking advantage of the many emerging digital media opportunities such as social media, addressable television, paid search options, and digital out of home. They will also be focused on ensuring their digital experiences via websites, mobile apps, and customer service are stellar.

### Brand advocacy

Now is the time to go heavy on word of mouth. Consumer trust has been shaken, and we all know that consumers trust friends and family more than brands (see chart below).



### STAGE 3

# Recover

Now is the time to invest in brand ambassador programs that encourage reviews, and to beef up loyalty programs that provide rewards based upon willingness to engage as ambassadors for the brand.

The average length of a bear market is 22 months, according to Fidelity Investments (Fidelity Viewpoints, <https://www.fidelity.com/viewpoints/market-and-economic-insights/bear-markets-the-business-cycle-explained>, 3/19/2020). That's the time it will take for investments to recover fully. Consumer confidence may bounce back quicker or slower, but there will be a period where the weary and wary consumer continues to restrict spending. Expect the Recover Phase to last six to twelve months.



Now is time to *invest* in brand ambassador programs.

### STAGE 3: RECOVER

## Don't

take your customers for granted. Pay attention to the potential for your customers to switch. Now is the time for **great customer appreciation**.

## Do

invest in your digital channel messaging, including **emerging channels**. People have been pushed over the tipping point, and this will become the normal way of marketing.

## Do

give your **brand advocates** and **influencers** a strong voice to promote your brand. In times of shaken trust, word of mouth is the golden channel.



## STAGE 4

# Ramp Up

Let's face it. We're marketers, so we are optimistic by nature. We don't focus on scarcity; we focus on growing the pie. This crisis will pass, and economic vitality will return. In fact, with a presidential election in late 2020, 2021 is ripe to be a year of growth, again.

During the crisis, while focusing on Stages 1-3 of React, Resume, and Recover, we also encourage you to overlay those efforts with solid planning for Phase 4, the Ramp Up Phase. When you again have budgets and customers, how will you invest your revenues? Today is when you should be planning for 2021 and beyond.

*In the Ramp Up Phase, smart marketers are getting ready to implement these strategic pillars that will match the needs of the post-crisis consumer.*

### **Customer Relationship Optimization**

The leading marketers will have abandoned trying to "manage" the customer through messaging and will instead have moved to listening to the customer wants and needs and optimizing their brands' responses. The post-crisis customer wants deep understanding, and no surprises. If they stuck with you through the crisis, they expect you to know that and help them. If you don't know your customer constantly and thoroughly, you will be left behind.



### **Digital Marketing**

Your customers have moved. Stop investing in getting messages to them through "spray and pray" techniques and instead target, at the most granular level possible, messages that meet the customer where they are, when they need it. This means giving your marketers the right tools and training to make them modern marketers who provide relevant messaging.

## STAGE 4

# Ramp Up

### Employees as Marketers

You stuck with your most productive and needed employees through this crisis. They worked hard, doing the things needed to keep the business afloat. Now is the time to activate this untapped marketing resource. Your employees want to tell others about what they do, and in the post-crisis environment, it will be more important than ever to have a human face to your brand. Employee-generated content can become your authentic messaging. And, by the way, 90% of people surveyed in a recent study by Edelman say brands should protect employees at all costs (Adweek, "US Consumers Are Keeping a Close Eye on How Brands Handle the Coronavirus Crisis," 2020).

Employee-generated content can become your *authentic messaging*.

The Ramp Up Phase can run concurrently with the other three. Planning can happen while you keep body and soul together, making you ready to hit the ground running when consumers again have money to spend and confidence to spend it. But heed this warning: if you get to 2021 and you don't understand who your customer is or how to reach them in new ways, the hill will be steep.

## STAGE 4: RAMP UP

### Do

invest in knowledge of your customer. Now is the time to **build real relationships** based on listening and responding to their needs.

### Don't

forget to make **digital marketing** the core of your marketing efforts. Invest in tools and training to make your marketing team excellent.

### Do

activate your powerful employee base as word-of-mouth mavens. They can **tell authentic stories** about the brand that **humanizes your messaging**.

Navigating the four stages of crisis marketing isn't easy, but it is easier with a plan. Let's all map a strategic approach that helps our customers in these tough times and prepares our businesses for the more prosperous times to come.



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I look forward to some productive discussions.