

Marketing in the New Normal

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Despite the global pandemic, it is reasonable to assume that it will pass into history at some point. But many changes it has ushered in are here to stay. In this article, the writer discusses recent research and case studies pointing to how the world of Marketing is changing in sometimes dramatic ways.

2020 was a year unlike any other—COVID-19 affected everyone on the planet, and consumer behaviour has been altered, perhaps forever. As we continue to observe and comprehend the complexities of what has occurred globally, what consumer trends should marketers watch for in 2021? How should we respond, and what will we need to do beyond emergency pivots and stopgaps to strategically position a business for future success in this radically different, new normal?

Consumer Behaviour Altered Forever

The rules have changed considerably; the internet has helped consumers manage their work and lives better, and their behaviour has changed accordingly. In crystal-balling consumer trends for 2021, Global Web Index interviewed over 700,000 internet users in 46 countries via an online questionnaire. Their 2021 Connecting the Dots report identified eight key consumer trends:

There's no place like home: despite sea- and tree-change predictions, the big city is still appealing, as demonstrated by urbanites continuing to choose to live there. However, cultural practices more often associated with suburban or rural areas have emerged: 'cooking, home improvements and gardening have come to symbolise our new reality' and cities have become 'hyper local'.

All work and no play: remote working has positively affected performance, productivity and employee satisfaction. Further, we're not all going back to the office! Since 2019, office staff are 32% more likely to work from home and 5% more likely to work more flexible hours.

More than lockdown blues: mental health and wellbeing are key concerns for 31% of consumers. While vaccines might deal with the virus itself, the mental health impact of the pandemic will persist for years to come.

It's a kindness magic: since COVID-19, consumers want brands to focus more on supporting people, consumers desire accountability from businesses, and employees want increased attention from their employers. Brand-building is increasingly tightly wound with brand purpose: organisations must demonstrate both broader social responsibility and empathy in everyday interactions with consumers.

A green awakening: despite initially promising reductions in CO_2 emissions and improved air quality, any green value gains due to the pandemic have since been wiped out—as normality returns, hopes of environmental recovery have been dashed as emissions and pollution return to pre-pandemic levels. Brands sustainable behaviour is now more important to 72% of consumers due to COVID-19.

Coming of age: Generation X and baby boomers are increasing their reliance on the internet and online shopping, and their market power is consequently soaring.

The digital storefront: e-commerce is shifting gears – '49% of consumers expect to shop online more frequently even after the pandemic'. Consumers want 'seamless' shopping experiences and they want to be entertained, too. 'Livestreaming e-commerce' is bringing community and entertainment to online shopping.

Data for good: with the advent of contact-tracing apps, data privacy concerns are declining.

Responding to the New Normal: Marketing Trends

What has worked for businesses before might no longer work. To better understand how consumers and C-suite executives are responding to their new environments, Deloitte conducted two surveys of 2,500 adult consumers in selected countries in North America, Europe, the Middle East and Asia and over 400 C-suite executives from global companies. The resulting 2021 Global Marketing Trends report identified that consumers had a relatively positive perspective on brands' responses to the current environment. Almost four in five consumers were able to cite a brand that had responded positively to the pandemic, and one in five strongly agreed that this led to increased brand loyalty. However, executives were feeling the pressure of uncertainty, prioritising survival through improving efficiency and productivity over human connection initiatives such as strengthening customer engagement, retaining talent, increasing the company's social impact and growing revenue.

To chart a path forwards, marketing and sales leaders must anchor on what matters most and execute multiple initiatives well. As McKinsey partners suggested in their <u>Leading with Purpose article</u>, this means, first and foremost, that they must take care of their people, customers and communities. Simultaneously, they must focus on three horizons to shape the way forwards: navigate the present by building up cash reserves, plan for recovery by accelerating digital ambition and analytics engines and capture every demand and lead in the next normal by accelerating new business models.

Therefore, marketers will need a new playbook to position a business strategically in the new normal. In their <u>Reimagining Marketing in the Next</u> Normal article, McKinsey partners suggested marketers will need to address the following questions:

- How should the brand's vision and strategy be adapted to emerging trends and customer demands?
- How well do you know your customers at a meaningful segment level?
- What analytics capabilities do you have to not only identify opportunities but to act on them quickly?
- What kind of working relationships will the CMO need to forge with the CEO, CIO, CFO and the rest of the C-suite so that reimagined marketing drives real growth for the business?
- How can personalisation drive the next order of customer experience in an increasingly borderless environment?
- Which channels and messages are most effective in reaching and influencing consumers across their decision journey?
- How can prices, products and services be customised to changing needs?
- How will your organisational and operating model need to change to be quick and flexible enough to meet consumers where they are going to be?

How Might Organisations Respond to New Consumer Trends?

Many organisations are already leading the way in responding to consumers' needs in 2021, in line with the consumer trends identified by Global Web Index. <u>General Mills</u> plans to bring back classic, nostalgic snacks and recipes to appeal to millennials, thereby catering to the new urbanite culture. In terms of evolving strategies regarding remote engagements, <u>GoBe Robots</u> offers organisations a telepresence solution to enable a more human-like workplace connection while maintaining social distancing.

To address mental health concerns associated with lockdown, <u>Skillshare</u> provides a platform for people to learn and teach creative skills and hobbies while they are spending more time at home and possibly not working. To combat isolation, American artist <u>Travis Scott partnered with Fortnite to host a virtual concert</u> inside the gaming world, which concert-goers could watch on their computer screen or with VR headsets.

To support people during COVID-19, Apple launched a second generation of the low-cost iPhone SE, in line with demand for affordable yet high-quality products. Similarly, Atome launched a buy-now, pay-later solution with 500 merchants to support the recovery of Singapore's retail sector during and beyond COVID-19. And, UK based supermarket, Asda, joined forces with Dell to provide laptops to schools to help children at risk of falling behind in their education.

In line with the green awakening, purpose-driven initiatives like <u>Giki Zero</u> help consumers in the UK track their carbon footprint and provide recommendations to reduce their impact. At the corporate level, <u>Leaders on Purpose</u> is a community of CEOs formed to work towards sustainable innovations by aligning corporate strategies with environmental concerns.

As consumers move online and adapt to the COVID-era, Starbucks planned to expand curb-side services in 2,000 stores by the end of 2020 to allow for faster payment using handheld devices while customers are parked nearby. Technologies and virtual experiences are increasingly driving customer interactions and facilitating human connections online and in person. Apple's Fitness+ subscription service allows consumers to follow home-based workout routines delivered by recognised fitness instructors. Similarly, Currys PC World launched ShopLive, a video-calling service with in-store experts to assist while shopping online. And, Whatnot is a new live-streaming platform that helps people connect to buy and sell across a range of product categories.

In facing up to the task of responding to the complexity of our current world, which has recently and drastically changed, understanding how consumer behaviour has altered will be more critical than ever before. To be successful, businesses will need to respond holistically and authentically to human needs by demonstrating a strong sense of purpose and agility, a focus on human connection and trust and the ability to garner consumer participation and forge new solutions and talent models. Already, many organisations are demonstrating a pivot towards new consumer needs and preferences in the post-COVID-era.



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