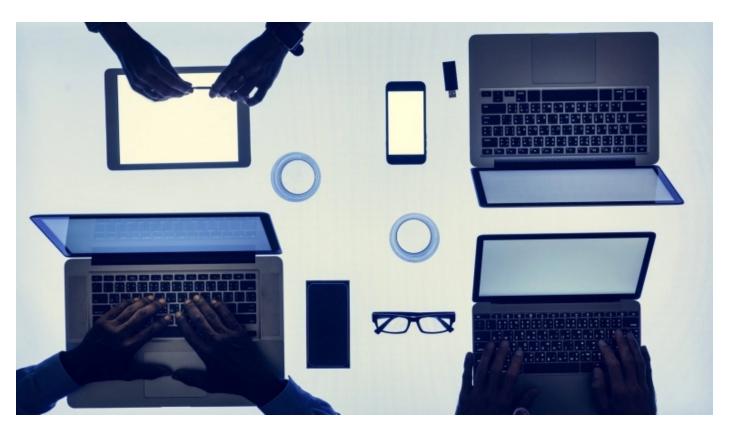


Digital Marketing: An Emergency Stopgap or a Way to Strategically Position Your Business for Future Success in the Time of COVID-19?

13 May 2020



By Dr. Diane Kalendra, Discipline Leader, Australian Institute of Business.

Digital marketing is a game changer—a radical shift from traditional marketing. Beyond simply enacting marketing online, it allows marketers to take advantage of existing digital tools, platforms, networks and resources to interact with customers then monitor and evaluate engagement to best position a brand for competitive advantage.

Success depends on effective development and implementation of strategies in a rapidly evolving, often disrupted, business landscape. This requires an understanding of the emerging, evolving megatrends that shape society and business operation and various tools and resources that enable the development and delivery of digital marketing. It is also crucial to understand the need for human connection—this is key for merging digital tools to enable a human-centred digital experience and can set a brand apart in saturated online marketplaces and communities.

Very recently, a new and powerful player has emerged in the business landscape: COVID-19.

The current global health crisis has heightened the attention received by digital marketing, which has come under the spotlight because traditional face-to-face marketing channels in both business to business (B2B) and business to consumer (B2C) markets are no longer as viable as they were a short time ago.

However, we must ask if the shift to digital marketing is simply an emergency stopgap or whether it may strategically position a business for future success?

According to digital marketing futurist, Bernard Marr, during the pandemic, <u>B2B companies are going to become more reliant than ever on digital strategy</u>. Common face-to-face marketing channels such as events, tradeshows/exhibitions and in-person sales calls are no longer possible; these will be replaced with virtual events and platforms (e.g., Facebook and LinkedIn) that previously played only minor roles. He states:

As long as businesses approach the shift to digital marketing strategically, there's no reason why it should just serve as an emergency fill-in but could carry on providing long-term value when the world eventually gets back to normal. And of course, it would make companies more resilient to deal with any future pandemics. (Marr 2020)

Marr also makes the key point that larger companies currently facing huge losses due to cancelled events could mitigate these losses through flexible strategies such as utilising cancelation policies and building resilience through re-assigning these funds to digital marketing.

The importance of strategy is echoed by e-commerce expert, Michael Zakkour (in a B2C context). In identifying seven major retail trends, Zakkour predicts that COVID-19 will cause acceleration of highly integrated digital retail technology. Clicks will be integrated with experiential bricks and the adoption of unified commerce will accelerate globally, with implications for digital marketing as clicks are ramped-up to engage consumers with brands.

Kelly Ehlers, an experienced marketer and influencer, suggests that now is the time to increase digital visibility, strategically leverage digital media channels and plan for predicted e-commerce acceleration. Her recommendation is based on many consumers now being at home and on a recent Opinium survey of 2006 US adults, which highlighted expectations of increased communication from brands across multiple sectors during this time, particularly essential goods such as food and beverages, healthcare/pharmaceuticals and household goods. Ehlers explains that:

Overall, this time serves as an opportunity for marketers to reinforce what works and solve for what doesn't. More online viewership and opportunities to dive into digital lets brands develop their perfect mix for retaining, connecting and motivating purchases from their audiences. Measure your success and <u>pivot as necessary</u> to find your brand's adaptive approach for thriving during COVID-19. (Ehlers 2020)

The current need to make strategic choices in B2B and B2C markets, highlighted by these experts, is crucial for business survival and success.

As we respond to the novel and ongoing challenges of the COVID-19 disruption, businesses will increasingly perform tech pivots to offer new customer experiences that aim to engage customers *now* with the brand and also position the business for success in the *future*.

How can your business be one such success?

Many businesses are currently finding innovative ways to keep connected to their customers in these challenging times. Innovations that boost customer contact and sales also assist to mitigate any losses caused by the pandemic and associated regulations.

In their recent ad campaign, Nike combined an on-brand motivational message about social distancing with the launch of a digital workout series comprising challenges for at-home users set by athletes. Nike is also offering live YouTube workout classes and will make its Training Club app free for all users. These pivots are in line with Nike's 'emotional', inspirational brand and promote the business as one committed to public health.

After being forced to close their dine-in restaurant, Melbourne business Atlas Dining is thriving following a move to begin selling meal kits online. Meal ingredients are delivered to customers, who are able to follow an online cooking masterclass by the head chef himself. Within the first two weeks of this initiative, the business has seen two of its most lucrative days on record.

Since widespread closures of bars and clubs, online gatherings are gaining popularity. E-commerce giant JD has partnered with four alcohol brands to offer online sales during 'online clubbing' events. The initiative has already proved immensely successful, generating record liquor sales. JD intends to continue leveraging live music broadcasts for products marketing, creating a long-term program to enrich customers' shopping experience. This represents the kind of strategic digital marketing that will position a business for future success, rather than simply providing a stopgap measure in a time of crisis.



Dr. Diane Kalendra

Discipline Leader, Australian Institute of Business

Diane has over 25 years of experience as a professional marketer contributing to the success of major brands including Bristol-Myers Squibb, Faulding Pharmaceuticals, SOLA Optical and Australia Post. Diane also has entrepreneurial experience building multi-million-dollar businesses and Board experience with not-for-profits. Diane completed her doctoral degree (PhD) in 2007 on the topic of developing a market orientation using an action research approach while working full-time in industry.

References

Bhardwaj, A 2020. 'Instagram marketing in the time of the coronavirus', *Daily Insights*, 1 April, accessed 22 April 2020, https://www.gartner.com/en/marketing/insights/daily-insights/instagram-marketing-in-the-time-of-the-coronavirus?
utm_campaign=GML_GB_YOY_GMLDI_C_NL_PSPT&utm_medium=email&utm_source=Eloqua&cm_mmc=Eloqua-_-Email-_LM_GML_GB_YOY_GMLDI_C_NL_PSPT-_-0000&mi_u=000025017290&mi_send_date=2020-0402&elqTrackld=773f9137ce80468594ff8d3bdcb477df&elq=46fdb5f3e243474c8f7fdebb1bef589f&elqaid=41386&elqat=1&elqCampaignId=12026>

Ehlers, K 2020. 'Doubling down on digital: Pivots for brand marketing in Q2', Forbes, 17 May, accessed 22 April 2020, https://www.forbes.com/sites/forbesagencycouncil/2020/04/17/doubling-down-on-digital-pivots-for-brand-marketing-in-q2/#55c10b8a6861

Gilliland, N 2020. 'How Nike is striking the right tone with its response to Covid-19', *Econsultancy*, April 15, accessed 22 April 2020, https://econsultancy.com/how-nike-is-striking-the-right-tone-with-its-response-to-covid-19/

Litsa, T 2020. 'Human connection to shape marketing in 2020, according to Deloitte', *Clickz*, 21 February, accessed 22 April 2020, https://www.clickz.com/human-connection-to-shape-marketing-in-2020-according-to-deloitte/260272/

Liu, R 2020. 'JD'S "online-clubbing" drives liquor sales', *JD.com*, May 16, accessed 22 April 2020, https://jdcorporateblog.com/jds-online-clubbing-drives-liquor-sales/

Marr, B 2020. Why companies turn to digital marketing to survive COVID-19', *Forbes*, March 20, accessed 22 April 2020, https://www.forbes.com/sites/bernardmarr/2020/03/20/why-companies-turn-to-digital-marketing-to-survive-covid-19/#247a52892425

Palmer-Derrien, S. This Melbourne restaurant is seeing business boom after COVID-19 forced it to make a tech pivot', *SmartCompany*, April 14, accessed 22 April 2020, https://www.smartcompany.com.au/coronavirus/atlas-dining-pivot-covid-19/

Reeves, M 2019. 'This is how companies can compete in the 2020s', *World Economic Forum*, 18 December 2019, accessed 22 April 2020, https://www.weforum.org/agenda/2019/12/business-trends-for-next-10-years/

V, J 2020. 'The future of retail: 2020 industry trends from e-commerce expert', *Hive Life*, March 25, accessed 22 April 2020, https://hivelife.com/future-of-retail-2020/