“The world will never be the same again.”

That’s the typical response of people after they realize the true scope and global impact of the COVID-19 pandemic. And while it is easy to dismiss such a declarative statement as hyperbole, in this instance it comes with a hard truth: The definition of “normal” has changed, in all parts of society, and it will continue to do so post-crisis.

COVID-19 has also changed the game for the marketing industry. New consumer habits and expectations, as well new work processes, will require marketers to evolve and adapt — without the benefit of established playbooks. How quickly marketers can adjust to the fundamental shifts will likely determine their success going forward.

Though changes to consumers’ mindsets and workplace practices were born during the COVID crisis, marketers should expect them to become permanent fixtures as they guide their brands and businesses into a new reality. This piece shines a light on some of the ways marketing has and will transform and why marketers should take action to decrease the risk of being left behind.
New Consumer Habits and Expectations
“Focus on the consumer first. Be sincere and transparent. Align your brand message with the current context of today’s environment. Build trust: Go beyond the product and include messaging focused on the community, family, and CSR efforts.”

— Kirk McDonald, Chief Business Officer at Xandr
It would be unfair to suggest the days of festival-style concerts and packed arena sporting events are over. But they will not likely return until the COVID-19 pandemic has subsided or a vaccine is introduced. Before then, experiential marketing will still play a key role in the marketing toolkit, but in the virtual space. In fact, smart brands are already adjusting.

“We have pivoted from physical experiences to digital experiences at this point in time,” said Raja Rajamannar, chief marketing and communications officer and president of Healthcare Business at Mastercard. “If you’re a consumer and you want to have a priceless experience from Mastercard, we are making that happen. An example could be a cooking lesson with a celebrity chef, or you can have a video chat with a singer or celebrity. What we are doing is opening a new dimension, leveraging digital platforms to curate these experiences, and get into the homes of consumers.”

ANA CEO Bob Liodice said he expects this trend to continue post-crisis. “The coronavirus epidemic has led domestic and global marketers to overhaul their messaging to consumers while accelerating their transformation to digital and virtual platforms,” he said. “As such, we expect that virtual events will become an increasingly important ingredient in marketers’ media strategies.”

Some nimbler brands have already pivoted in this direction. For example, Sarah Akram Skincare is offering virtual consultations and skincare lessons, while the shapewear company Shapermint is doing virtual reveals for new products and streaming guided fitness and meditation lessons.

It will be imperative for other brands to find a niche in the virtual experience space as well.

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**New Habit:** Consumers Widely Adopt Previously Ignored Innovations

COVID-19 is transforming businesses across the globe, but the shifts have largely been dependent on existing technologies.

“*The biggest impact of the global quarantine will be not from the invention of new things, but from the accelerated adoption of existing things,*” said Dave Shulman, chief experience officer at the marketing and communications company VMLY&R. “*Humans are hard-wired to resist change and follow habits, but we are all being forced out of these very habits; it’s a tectonic shift that will reshape both customer experience and behavior.*”

For example, consumers are more regularly using apps for grocery delivery and telehealth services, innovations that have existed for some time but are now taking on a whole new level of importance. As more consumers realize the convenience digital tools provide and become accustomed to using them, new habits will form. That will require marketers to shift their communication and business strategies accordingly. For example, beyond standard SEO strategies, marketers will need to determine how best to drive traffic back to their website and, ultimately, how to close sales there. Every brand must act like an e-commerce business now.
New Habit: Consumers Forge Relationships with Virtual Influencers

Once social distancing is lifted, consumers will return to having in-person interactions, but they may be less frequent than ever before. In fact, some health experts predict people will develop agoraphobia — a fear of places or situations that might cause feelings of panic — while in quarantine.

The potential dearth of in-person interactions will create an emotional void. To fill it, expect consumers to place an emphasis on virtual relationships, which could lead to the rise of virtual influencers.

What is a virtual influencer? It’s a non-human alternative to traditional influencers. Powered by artificial intelligence, these “personalities” are entirely fictional, with animated images created by digital artists.

The pandemic will accelerate the rate at which humans embrace and accept interactions with virtual beings. For brands, this creates an opportunity to take a different approach to influencer marketing, an industry projected to be worth up to $15 billion by 2022.

Samsung and Dior have already experimented with virtual influencers, and more brands will soon follow suit. That doesn’t mean an end to harnessing the power of traditional influencers, but the virtual kind presents new opportunities for brands to engage consumers in a potentially more cost-effective way.

Related ANA Content: Fad or Fixture? Finding the ROI in Virtual Influencers
New Habit: Consumers Place Even Greater Importance on Brand Purpose

One positive outcome of the COVID-19 pandemic is consumers’ changing view of the world and their place in society. Post-crisis, they may be more motivated than ever to make a tangible difference, at home and in the workplace. In fact, according to a recent report from the ANA and McCann Worldgroup, 62 percent of consumers globally want to change their life to reflect what they’ve learned as a result of the pandemic, even after it is over.

This desire to embody new ideals will be reflected in the relationships consumers forge with brands and businesses, which will amplify the need for brands to have a strong and meaningful purpose.

Evidence of purpose amplification is well under-way. A survey of ANA members by the ANA Center for Brand Purpose found that nearly 76 percent of respondents said their brands have embraced purpose more/much more than usual since COVID-19 was declared a pandemic by the World Health Organization, and 48 percent said they are collaborating more/much more than usual with nonprofit partners. Moreover, 72.4 percent said brands that authentically activate their purpose during this crisis will be at a distinct competitive advantage when it ends.

Validation for the latter finding can be found in a separate survey from the marketing and advertising agency RPA, titled “Marketing in Anxious Times: Behavioral Science Insights for Brands in the Wake of COVID-19.” Sixty-five percent of people polled said their likelihood of purchasing a brand long-term depends on how well the brand responds during the pandemic.

“Brands can help people feel socially connected, help them feel valuable during the crisis, and help them feel a sense of larger purpose,” the RPA report states. “Ultimately, brands must still ’be there’ as values shift as well.”

Related ANA Content: Marketing in Anxious Times: Behavioral Science Insights for Brands in the Wake of COVID-19
New Habit: Consumers Move Further Toward Online Shopping

Even before COVID-19, the trend toward online shopping was in full swing. The crisis only accelerated this shift.

Consider data released by the Bazaarvoice Network. This past March, online orders at more than 6,200 brand and retailer sites collectively increased 21 percent over the same period in 2019, while page views rose 25 percent. April saw even more dramatic year-over-year increases in orders (up 95 percent) and page views (up 75 percent).

Additionally, a survey of 3,000 consumers conducted by Bazaarvoice found that 41 percent of respondents said they were shopping online for things during the pandemic they would normally shop for in-store.

The convenience of online shopping has caught consumers’ attention, and it will continue post-crisis. In light of this, the Global CMO Growth Council has some simple advice for marketers: Invest appropriately to support and optimize the end-to-end online experience.

So what does that look like? When surveyed by Capterra, 85 percent of all respondents rated easy payment options and a fast, easy-to-navigate website as most important to their online retail experience.
A worldwide survey of consumers conducted during the height of the pandemic by the global omnichannel communications solutions provider Mitto found that 41 percent of respondents said they were ready to hear from brands about topics unrelated to the pandemic. For many consumers, the striking similarity of COVID-related ads ultimately turned them off, and the messaging fell on deaf ears — bad news for brands hoping to stand out from the rest.

What lesson can marketers learn from this? People have limited capacity for analogous advertising from brands, even when their intentions are good. In the future, to combat ad fatigue, marketers should consider ways to zig while others zag. If a brand can create an ad that is tonally appropriate but wholly different from those of competitors, it could pay huge dividends.
Marketing’s New Work Processes
“Often, as classic marketers, we think there is only one way to do things. Now, out of necessity, we are discovering there are new ways to get the job done.”

— Rand Harbert, CMO at State Farm
New Process: Streamlined Content Creation

The resilience of marketers has been another positive outcome of the COVID-19 pandemic. Archaic content and creative production systems, developed when TV and print advertising powered the industry, were eschewed for faster, more streamlined and flexible processes. This allowed marketers to quickly adjust creative messaging when the crisis hit, as a survey of ANA members found. Expect the new content creation processes to stick post-pandemic. In a piece written by Dan Brown, executive chairman at Manifest and co-chair of the ANA Content Marketing Committee, he urges marketers to follow these guiding principles:

- Reimagine customer journey maps with a clear understanding of the needs that must be met and the questions that must be answered. Google insights, social channels, and customer service channels will be good inputs.
- Overlay content assets across these new journeys and identify gaps where new content is needed.
- Develop content fast and adapt it to each channel where the brand interacts with core audiences. Share the content across the company to ensure consistency in message and to reduce duplication of efforts.
- Ensure measurement and content creation teams operate as one to allow for rapid learning of what’s working and what needs to change.
- Don’t be overly concerned about production quality. Do worry about the clarity of communications and the basics. Spell it out, speak slowly, and repeat.

Related ANA Content: Creative Messaging Development and Production Given COVID-19
New Process: Agile Marketing Becomes the Norm

As for content creation, brands will introduce more streamlined and flexible processes for the entire marketing practice. That will require marketing teams to become more agile and provide support in more areas than before.

“The role of marketing has become more expansive,” said Meredith Verdone, CMO at Bank of America. “We’re using analytics not only to determine communication timing and messaging, but also to inform decisions across the company. For instance, using internal data, we’ve been able to identify employees who can be redeployed into roles to help serve our clients in new capacities.”

That is a preview of what the marketing practice of the future will look like, with multidimensional marketers quickly shifting roles and turning on a dime to adapt to changes in the marketplace.

Marketing teams can set themselves up for success by assembling a cross-functional team built to drive the agile marketing process. It will be key that each of these individuals is multi-skilled and able to slip into and out of roles as needed. They’ll also need to maintain contact with stakeholders across the entire organization, as silos only stand to slow the agile marketing process.

Another key will be regularly conducting small, budget-friendly experiments with marketing tactics, constantly looking to determine what works and what doesn’t. When one of these small experiments proves successful, determine how to scale it accordingly.

Related ANA Content: How to Make Agile Marketing Work for You
New Process: In-House Agencies Become Even More Important

An ANA member survey conducted at the outset of the COVID-19 lockdown in the U.S. found that 90 percent of brands were modifying their ads in response to the crisis. While this statistic proves how rapidly brands can pivot when pushed by forces beyond their control, an argument can also be made for the importance of in-house agencies. In fact, 50 percent of survey respondents identified their in-house agencies as the “most important” resource for producing new creative assets.

In an age when marketing must be more streamlined and agile, in-house agencies become an invaluable way for brands to break down communication barriers that slow content and ad production.

Alex Blum and Andrea Ruskin, faculty members of the ANA Marketing Training & Development Center, addressed this very idea in a piece written for the Marketing Maestros blog. “Communicating with customers, communicating internally, and communicating with the industry resources and suppliers that you need to be successful are all especially important now while the industry is in crisis management mode,” they wrote. “In many large companies, these functions are often siloed between PR, marketing, corporate communications, integrated marketing, procurement, and other teams. This is the ideal time for an internal agency to take on the responsibility of coordinating these differing communication paths and ensuring that the company is speaking with a consistent voice.”

Related ANA Content: Managing In-House Agency Creative Content and Legal Concerns
New Process: CMOs Let Their Voices Be Heard

The COVID-19 lockdown forced marketers to not only work from home but learn how to communicate with the public and their own teams through text and video chats. Now, marketing leaders must become more adept at communicating with, and selling to, the C-suite to influence the direction of their organizations.

“CMOs have to step forward and play a leadership role in the company because every brand has to figure out what to say and how to respond to a changed world — which is the sweet spot for CMOs,” said Tim Calkins, clinical professor of marketing at the Kellogg School of Management at Northwestern University.

Many of the social conditions and consumer expectations to have come out the pandemic (e.g., brands leading with purpose) will still exist post-crisis. So it’s critical for senior marketers to remain a guiding force within their organizations, or as Hunter Zhang, director of corporate marketing and relations at Tencent, advises: “To take up a central role in leading creative thinking and development in the company to turn out something new to help more people.”

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The New Reality for Marketing

New Process: Relevance Becomes the Ultimate Marketing Goal

Relevance has long been a key component of any successful marketing effort. In fact, in a 2018 survey conducted by Accenture, 91 percent of consumers said they were more likely to shop with brands that recognize, remember, and provide relevant offers and recommendations. That was before the pandemic hit. Perhaps unsurprisingly, marketing leaders expect relevance to be even more important in the near- and long-term.

“The success of our business will depend on our ability to anticipate and solve for consumers’ rapidly changing needs and behaviors,” said Jodi Harris, global VP of marketing, cultures, and capabilities at AB InBev. “Leverage the power of your whole business to identify trends, challenge processes, build best practices, and pilot with pace.”

With growing competition and slashed marketing budgets creating the need to get even more earned media from social efforts, the ability to anticipate what will resonate most with consumers will become a marketing skill that can make or break a business.

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New Process: A Reimagined Supply Chain and Fulfillment Approach

Product shortages have been an ongoing theme throughout the COVID-19 pandemic in the U.S., due in part to nervous consumers buying products in bulk. The other culprits are a short-sighted supply chain philosophy known as just-in-time inventory management and the emergence of China as the central hub of the supply chain.

Just-in-time is the business practice of maintaining the smallest amount of inventory possible to meet project needs. Begun in the 1970s, the practice proved to be a shrewd way to save businesses money by minimizing the risk of overstock. However, as the pandemic has demonstrated, things don’t always go as planned.

Another issue that crippled some companies during the crisis was their reliance on China for critical parts and materials. Simply put, when China was forced to shut down because of COVID-19, much of the global supply chain shut down with it.

Marketers and their businesses must now be more thoughtful in how they approach inventory management and their ability to fulfill orders. “Forward thinking is the most important thing we have learned,” said Mathilde Delhourne, global brand officer at LVHM. “We need to be even more sensitive to what is happening globally and to plan-forward how this crisis is going to impact our new normal in the post-COVID era.”

Expect to see just-in-time inventory management take a backseat to inventory planning and projecting that accounts for another potential crisis.

On a larger scale, many businesses will likely reimagine their supply chains, perhaps turning to more local outlets for product and material sourcing and pumping the brakes on the rush to globalize.

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