

POWERED BY **Ogilvy Consulting**

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What's Next:

*Steering brands  
through COVID-19*

**Ogilvy**

# *Welcome*



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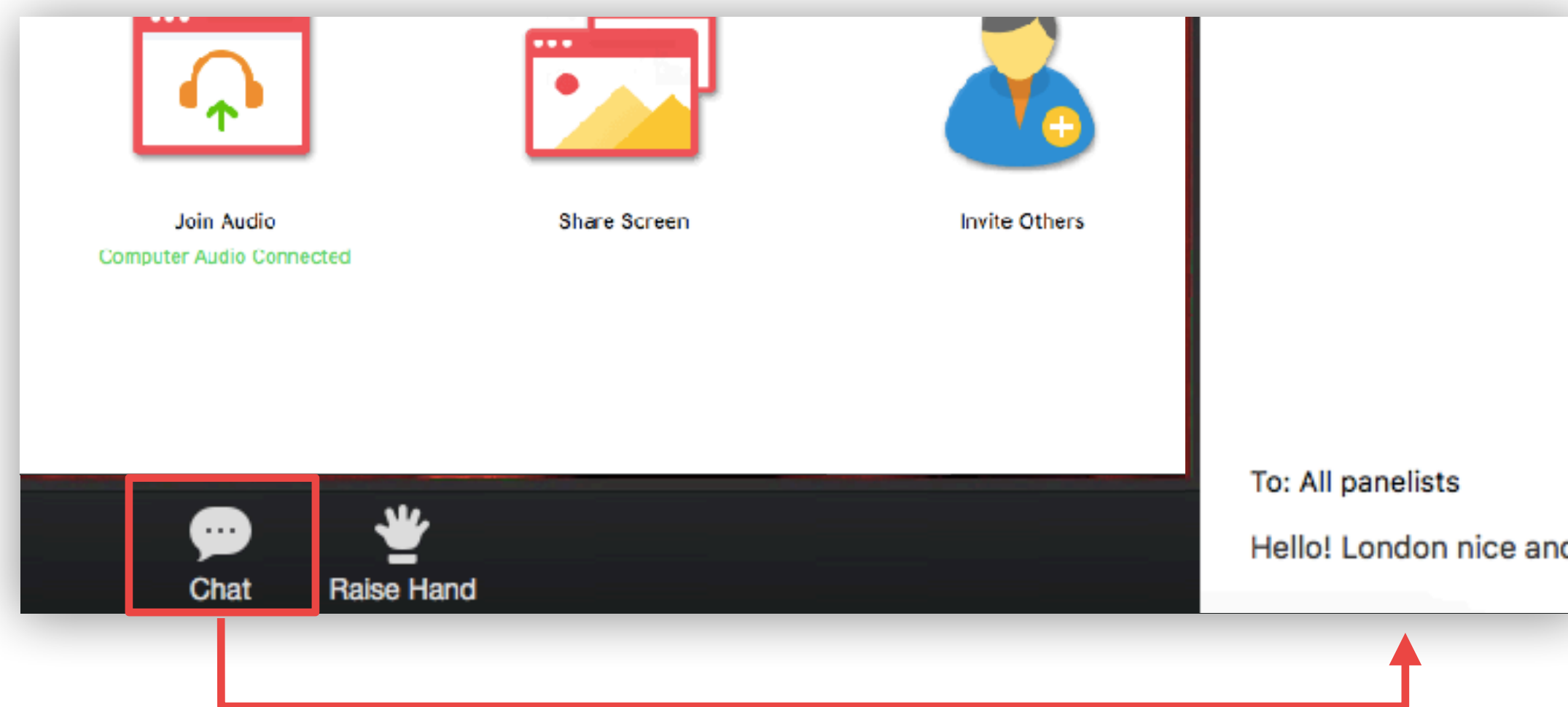
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*Ask  
questions  
using the  
chat feature*



# HOW TO STEER BRANDS THROUGH A CRISIS

*Making brands matter in turbulent times*



Ogilvy

# *Agenda*

## A view from Asia

*Planning for now and  
for recovery*

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## A view from Europe & the US

*What brands can do now*

*Key Themes:*

## WHAT ARE WE HEARING FROM BRANDS?

*“Pencils down and survival mode”*

*“Cancelling our HQ projects so local markets can focus on commercial issues”*

*“How do we innovate to find solutions in line with the new reality?”*

*“Should we put all our research and plans on hold?”*

*“Moving ahead with business plans and new launches”*

*“How to move from a physical to a virtual event or product launch”*

*“Adapting to the new reality”*

*“Confused about how to engage in a way that won’t backfire”*

*Brands fall into one of three categories:*  
SURVIVAL, SUSTAIN OR SURGE

## SURVIVAL

Very short term focused.

Characterised by fear and confusion.

Need for a strong business case for any marketing.

## SUSTAIN

Adjusting to the new market conditions.

Continuing/revising existing plans.

Tentative with marketing investment.

## SURGE

Managing demand-side pressures.

Shift to new channels and business models to meet demand.

Rapidly recalibrating marketing priorities.

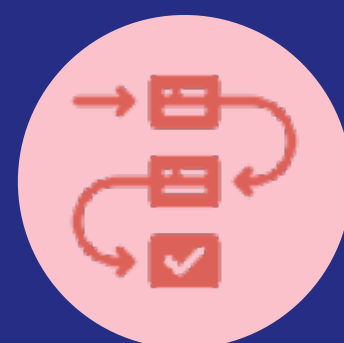


*Common needs:*

REGARDLESS OF MODE, THERE ARE COMMONALITIES



*Looking for  
thought  
leadership*



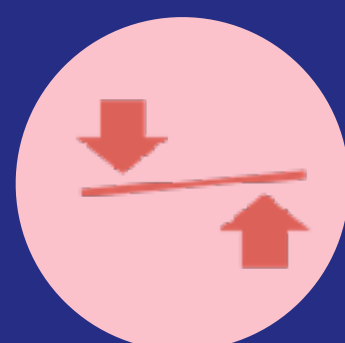
*Want to  
develop an  
action plan*



*Trying to set  
the right tone*



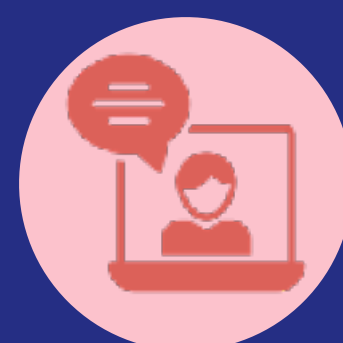
*Concerned  
about appearing  
exploitative*



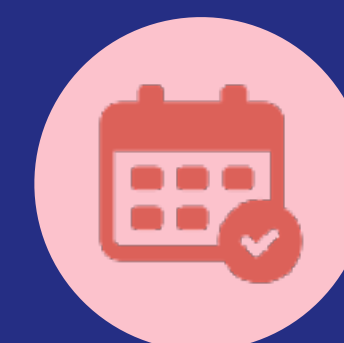
*Balancing  
stakeholder  
concerns*



*Uncertain  
where to focus  
in the funnel*



*Shifting to  
online, across  
the business*



*Aware of  
'An After'  
... but when?*

# 危机

Wēi

Jī

*In a crisis there is always  
the seed of opportunity*

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The Chinese word for crisis carries two elements,  
danger and opportunity.

No matter the difficulty of the circumstances, no  
matter how dangerous the situation,  
at the heart of each crisis lies a tremendous opportunity.

**162,000,000**  
Results (Feb 12)

*on Google for COVID-19*

**7,130,000,000**  
Results (March 25)



CHINESE LANGUAGE SEARCHES FOR "CORONAVIRUS"



Sources: Baidu Search Index, Capital Economics

# SARS, a notable precedent

During the nine-month outbreak, more than 8,000 cases of SARS were confirmed and 774 people died – 648 of them in Mainland China and Hong Kong. Initially the Chinese institutions were playing catch-up, but over time they came to terms with the challenge. The Chinese government has an unparalleled ability to marshal resources, and Chinese culture prizes stoicism and the ability to work through hardships.

SARS was the tipping point for the internet as a mass medium in China as people looked to mobile phones and the web for information and updates about the outbreak. Shares in Sina, Sohu, and Net Ease soared. Investor interest in Chinese technology took off. It also triggered the digital home entertainment market as millions of people, confined to homes or dormitories, looked for distraction.

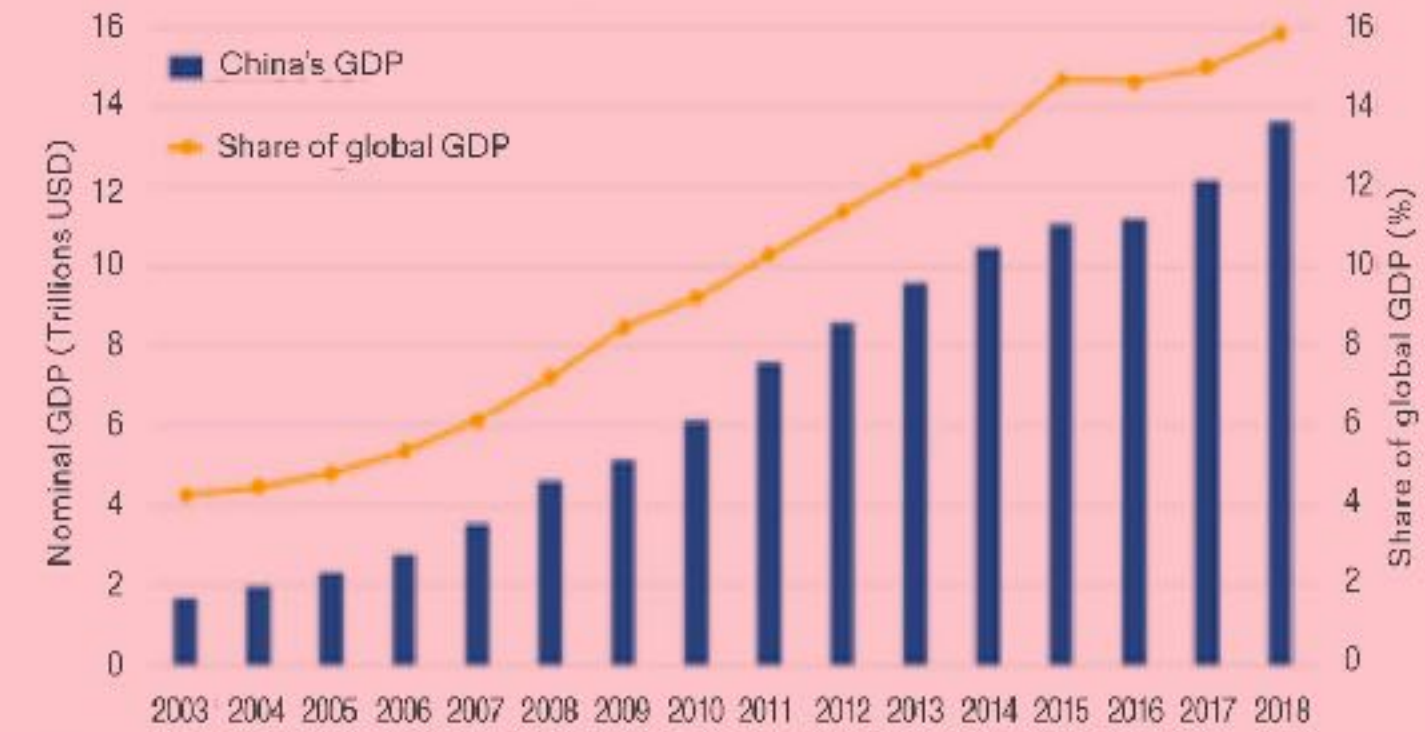
It is seen as the point that led to Alibaba taking off as those millions, afraid to go outside, began to shop online. Recovery was also rapid and most Asian economies bounced back. Shares in Cathay Pacific Airways tumbled 30 per cent from December 2002 to April 2003 only to nearly double in the next year as populations proved keen to not only return to normal, but make up for lost time.



# Much is different this time

CHINA IS THE BELLWETHER OF GLOBAL GROWTH

## From sixth-largest economy at time of SARS to second today



Source: World Bank

## Multiplied impact on global economy, growth and profits

### CHINA'S RISE TO MANUFACTURING DOMINANCE

Chinese and U.S. share of global manufacturing output\*

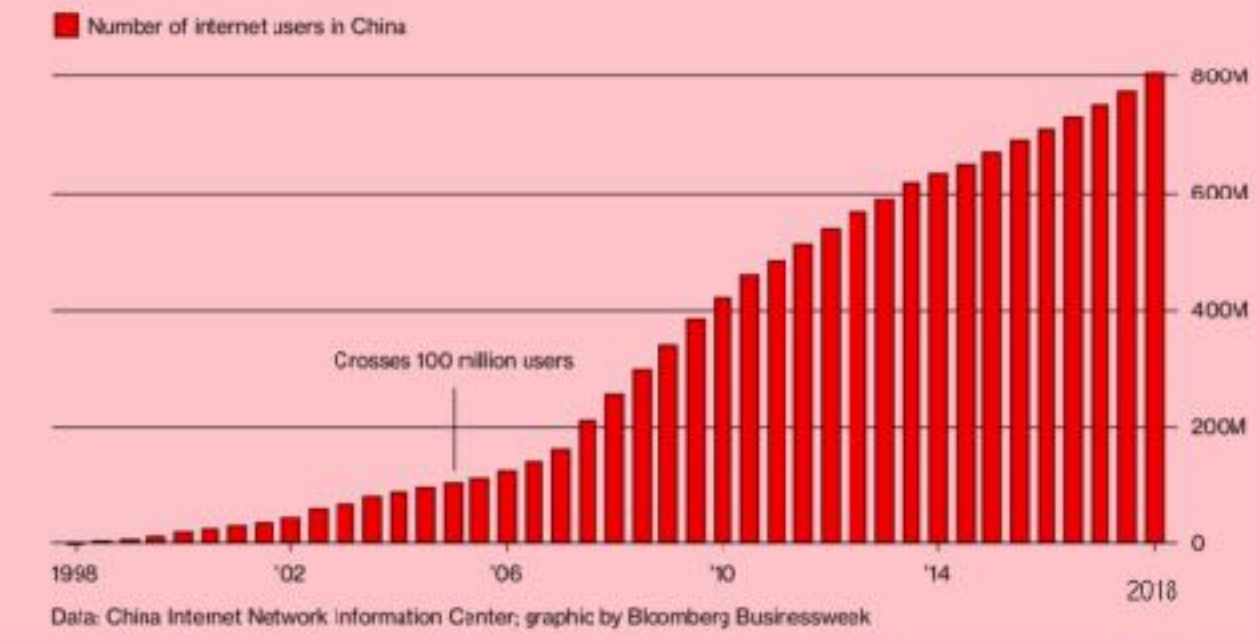


\* output measured on a value-added basis in current U.S. dollars  
Source: United Nations Statistics Division

# Much is different this time

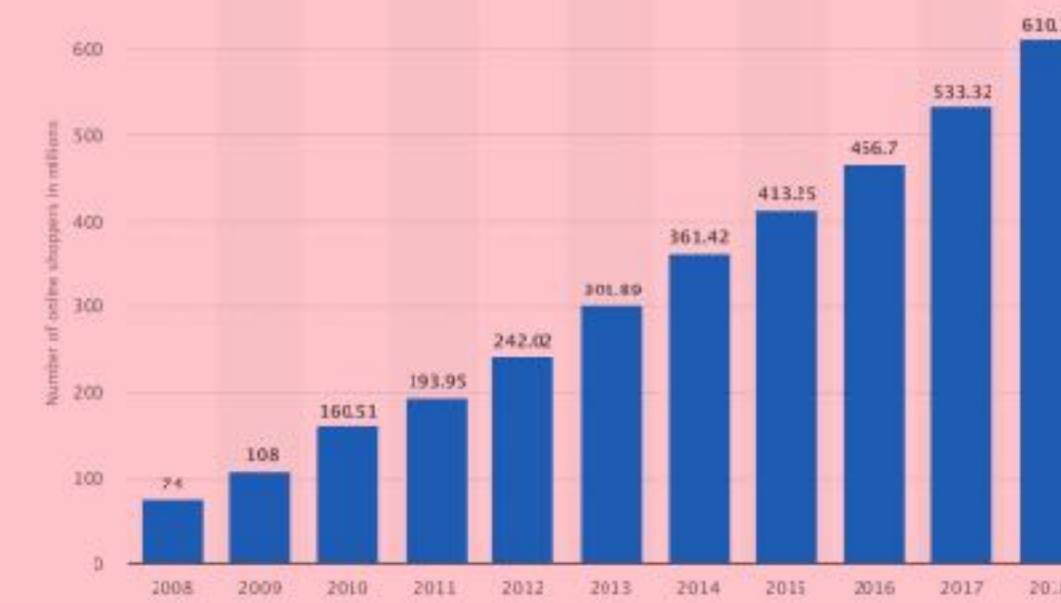
CHINA, AND THE WORLD, ARE FULLY DIGITALLY-CONNECTED

## Web Supremacy: China internet users top combined population of Japan, Russia, Mexico and U.S.



**Accelerated spread of information and mis-information. Greater opportunity for shifts from offline to online in all aspects of life: e-com, e-learning, e-work, e-fitness etc**

### NUMBER OF ONLINE SHOPPERS IN CHINA FROM 2008 TO 2018 (millions)



# 5 Lessons

*Despite the differences, 5 timeless & timely lessons from the past are relevant today:*

## 1

***'BLACK SWAN' EVENTS CAN BREAK A BRAND – OR MAKE IT***

'Black Swan' events like SARS, the 2008 GFC or COVID-19 are moments-of-truth for brands (and marketers) - of their purpose, values, commitments; but equally of their agility, creativity and spirit.

## 2

***THERE WILL BE ANAFTER***

We don't yet know when, but when it happens, it will happen fast, releasing pent-up demand.

## 3

***BUT IT WILL BE A DIFFERENT PLACE***

Marked by lasting shifts, both attitudinal and behavioural, creating new needs, new priorities – and new competitive opportunities.

## 4

***THE KEY IS MANAGING ALL TIME HORIZONS***

Marketers who manage to turn crisis into opportunity are those who consider and address impacts across the short, mid and long term.

## 5

***BE PREPARED***

Fortune favours the prepared, agile and decisive – true in good times, even more so in testing ones.

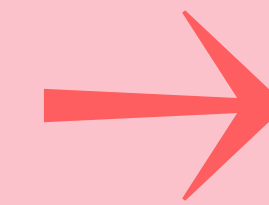
# How to make your brand matter across all time horizons

In times of crisis even more than in 'normal' times, a key challenge is to **reconcile the distinct dynamics and requirements of different time horizons** - winning in the now, while preparing for the medium-term, and transforming for longer-term growth in changing times.

Ogilvy's OS helps marketers **manage their brand as a holistic and agile system** - where every action, every experience, builds the brand and business in interconnected ways.

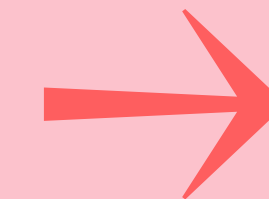
In times of crisis, the OS helps marketers prioritise actions to take in the heat of the outbreak, while looking ahead to ensure their brands are **primed to take advantage of the recovery and 'new normal' beyond.**

**MATTER  
LONG TERM**  
*(New Normal)*



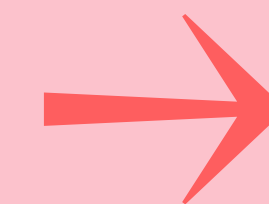
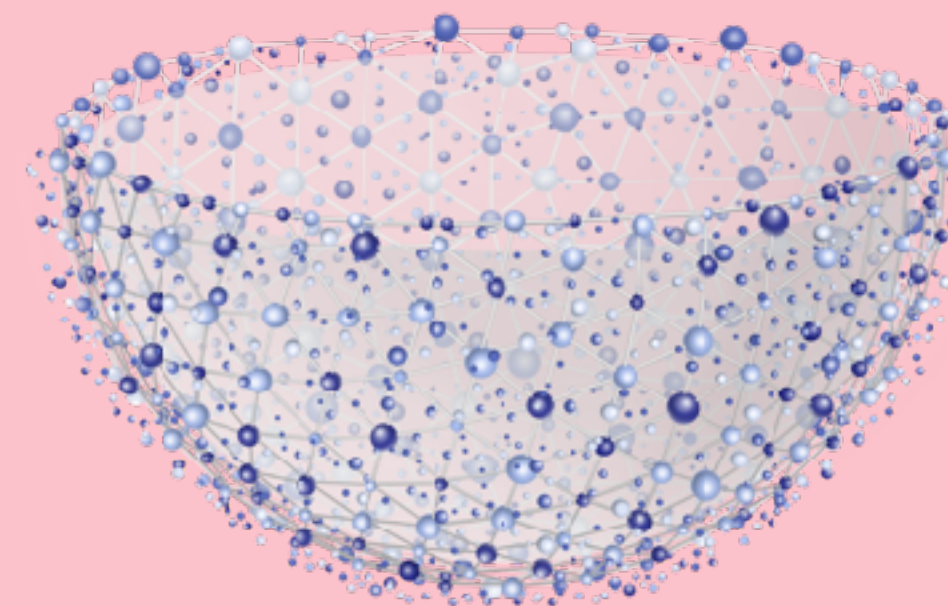
How do we get on the front foot in a changed landscape?  
\* transform & be fit-for-purpose

**MATTER  
MEDIUM TERM**  
*(Recovery phase)*



How do we make up for lost ground?  
\* leverage shifts & drive momentum and competitive edge

**MATTER  
RIGHT NOW**  
*(Acute outbreak phase)*

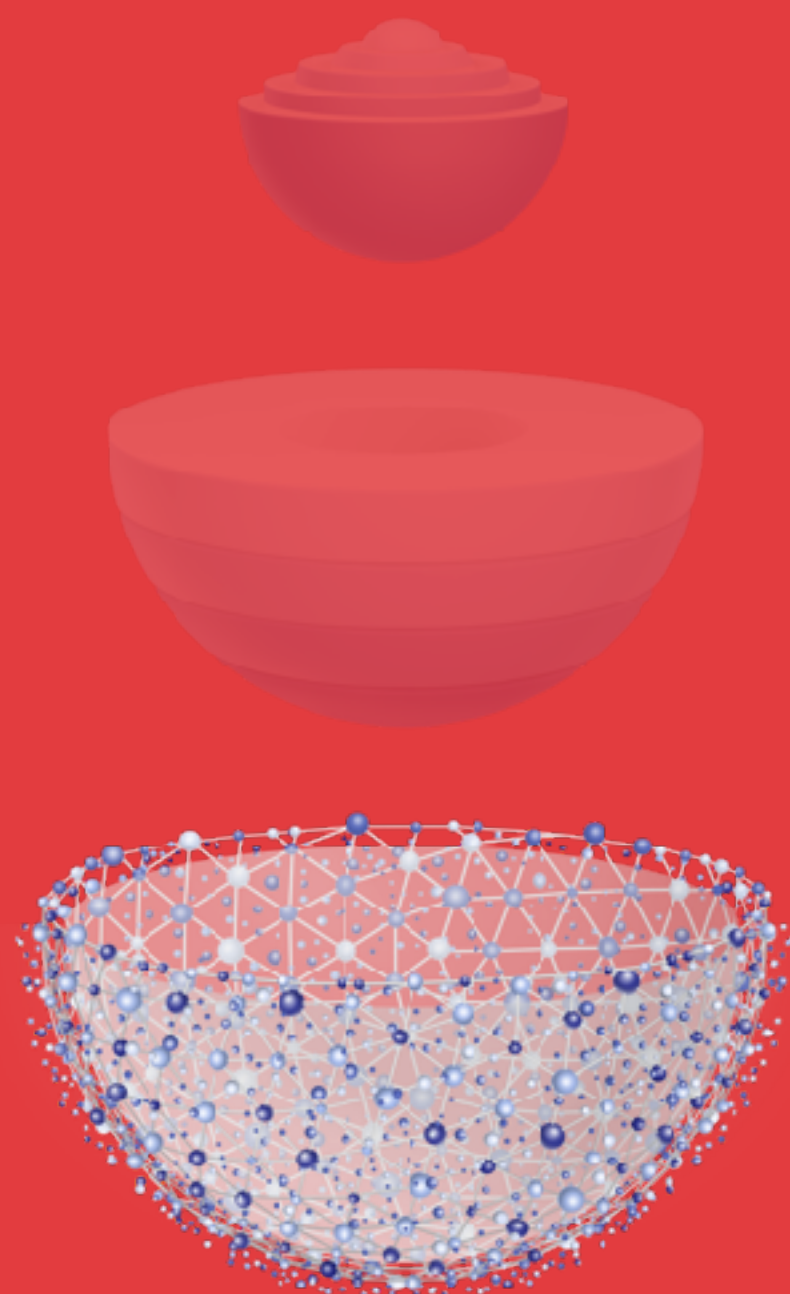


How should we respond in unfolding situation?  
\* be agile & optimise



*Brand actions  
to matter right now:*

## DURING THE ACUTE PHASE OF OUTBREAK



### ACTIVATE PURPOSE & OPTIMISE FUNNEL MIX

#### *SUSTAIN SHORT-TERM SALES*

- **Re-allocate spend behind most topically-relevant segments** and SKUs.
- Optimise channel mix for shifts in media consumption.
- Rise above self-serving and transactional - tailor messaging and offers in real-time, to respond to shifting topical needs and emotions.
- Sustain broad reach to facilitate new users exposure and trial.

#### *ENGAGE ALL AUDIENCES AND STAKEHOLDERS*

- Beyond customers /consumers comms, **carry out stakeholder mapping** to consider the needs and concerns of all stakeholders, internal external, individual + institutional.
- Leverage social channels for open & real-time response and communication.
- Identify opportunities to **create 'shared value' programs**, mobilising and connecting all parties for common benefit.

#### *ACTIVATE YOUR PURPOSE*

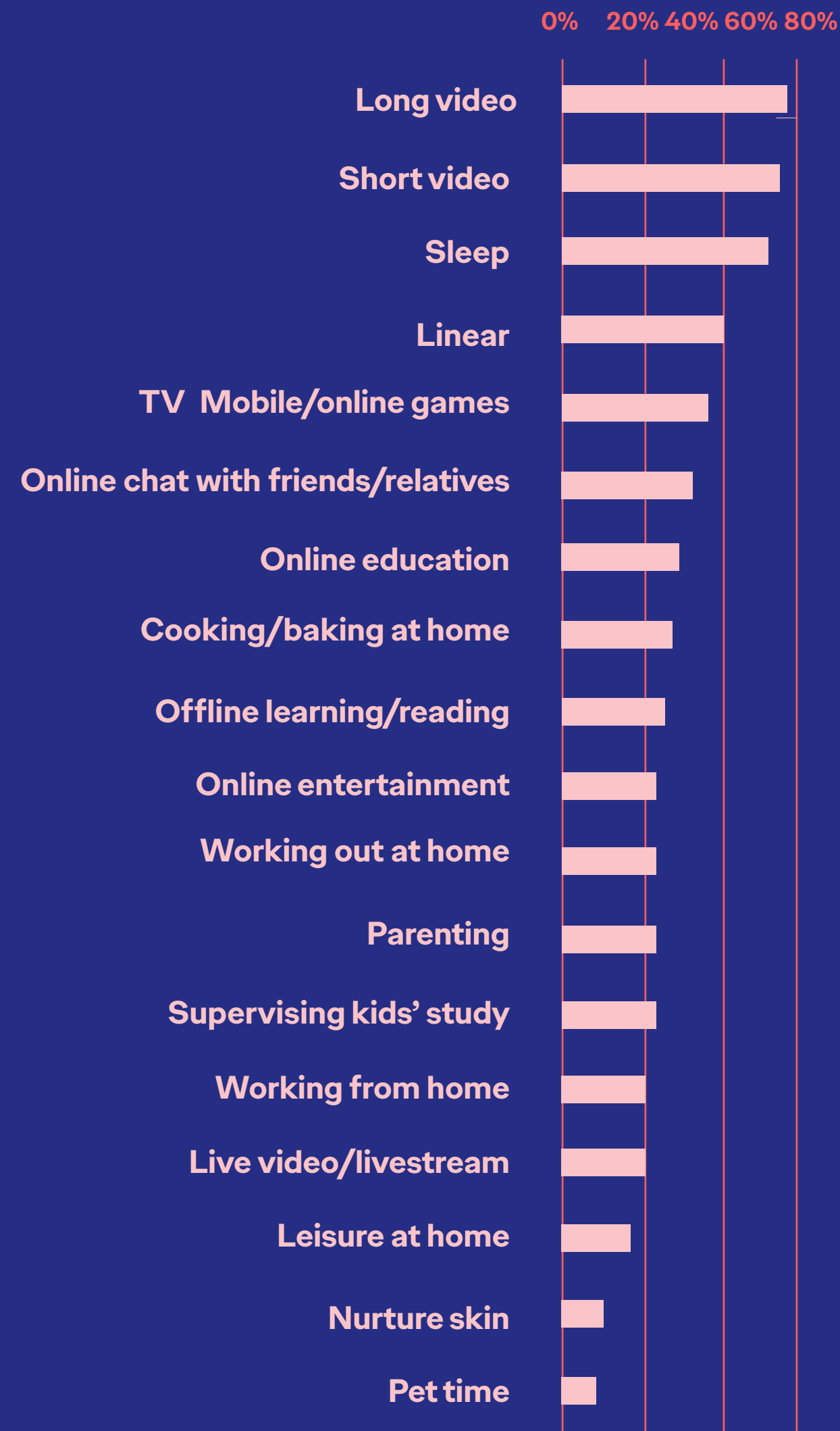
- **Do more, say less.**
- Activate brand purpose to support hygiene and virus containment efforts, and keep life (and livelihoods) going - add 'brand-aligned' value to people, the community, and broader nation.
- **Not every brand needs to turn 'caregiver':** support across all needs and emotional need-states, in line with brand benefit and persona.

#### *SPEND SMARTER /MORE FOR LESS*

- Make every \$ count: leverage data analytics for full funnel optimization & fix weak links.
- **Optimise drive-to- web, drive-to-commerce;** make online visibility + transaction easier.
- Review channel mix to secure reach vs shifts in media consumption. **Put bets on surging channels.**
- Identify opportunities and expand database.

*Brand actions to matter right now:*

**ADJUST CHANNELS AND CONTENT MIX FOR SHIFTS. PUT BETS ON SURGING CHANNELS AND NEW ACTIVITIES**



*Be where people are now. Support what they're doing now.*

People's attitudes and behaviours are changing during COVID-19. As a brand this is a moment to recognise, connect, engage and support these new changes.

Adjusting channel mix, content and potential partnerships will help secure efficient reach as well as relevance.

Responding, adding value and being agile in the NOW, especially in lower-familiarity areas where people will most value support and be open to new brands and will support relevancy in the LATER.

Source: <https://us.kantar.com/business/brands/2020/survey-measures-coronavirus-outbreaks-impact-on-china-s-consumption/>

*Brand actions  
to matter right now:*

## SUPPORT PARTNERS AND ASSOCIATES TO MANAGE THROUGH CONSTRAINTS



Real-estate group **Wanda** implemented a waiver of one month's rent and property fees for Wanda Plaza nationwide, sharing the burden of reduced footfall with its tenants.



**Alibaba** announced 20 measures to help businesses and merchants in China, which included:

- Reducing operational cost on Alibaba platforms.
- Providing financial support by waiving or lowering interest rates.
- Subsidising delivery personnel and ensuring higher logistics efficiency.
- Providing flexible job opportunities to ensure income.
- More tools for enterprises to accelerate their digitisation.
- Remote working management for enterprises.

*Brand actions  
to matter right now:*

## SUPPORT PARTNERS AND ASSOCIATES TO MANAGE THROUGH CONSTRAINTS



**Bytedance** offered all enterprises and organisations in China access to its Feishu remote collaboration platform free of charge.



**Deliveroo** announced a 15-20% discount in commission fees to restaurants to support them as the number of dine-in customers fall, and a delayed commission payment.



Alibaba's grocery-store network **Hema Fresh** hired offline restaurant staff to create a "shared employee" model. 2,700 employees from 40 companies affected obtained a job in Hema Fresh.

*Brand actions to matter right now:*

# BUILD MEANINGFUL UTILITY & CONTENT TO HELP PEOPLE TIDE OVER CRISIS TIME

Supporting the full breadth of human needs, both functional and emotional – for distraction, for fitness, for boredom relief, stress relief, for learning, connection and everything else.



**NetEase Youdao** provides Free Online Lecture Service for primary and middle school students who can't go to school.



**Under Armour** realised remaining healthy in difficult times is important. They shared exercise tips on their official account

*Brand actions  
to matter right now:*

## ADD CHEER AND POSITIVITY TO PEOPLE'S LIVES AS THEY STRUGGLE WITH UNCERTAIN TIMES



**KFC** introduced special safety measures for in-store dining, take-out and delivery services to help keep their customers and staff safe. And to show their appreciation of staff who remained in their posts in critically hit

areas, personal stories were shared on social platforms. This grew to be a national mission to support society's return to stability.

KFC also supported the frontline medical caregivers by offering them free meals.



**IKEA** leveraged its brand promise of 'bringing joy into the home', DIY philosophy and creative cheeky persona, to bring light relief to all those forced to spend Valentine's day quarantined at home, or even worse, in isolation.

*Brand actions  
to matter right now:*

## TAKE A STAND AND RE-FUNNEL YOUR EFFORTS

### WE'LL BE OFF AIR FOR A WHILE...

These are challenging times for all of us, and we are fully committed to doing everything we can to help.

Starting today, commercial advertising of Coca-Cola and all our brands in the Philippines will be put on hold. All our committed advertising space and budgets will be redirected towards supporting COVID-19 relief and response efforts for the most affected communities.

We will re-channel PhP 150 million to the following efforts: provision of protective equipment and beverages for health workers, delivery of food packs to the most vulnerable families and support for affected small retailers.

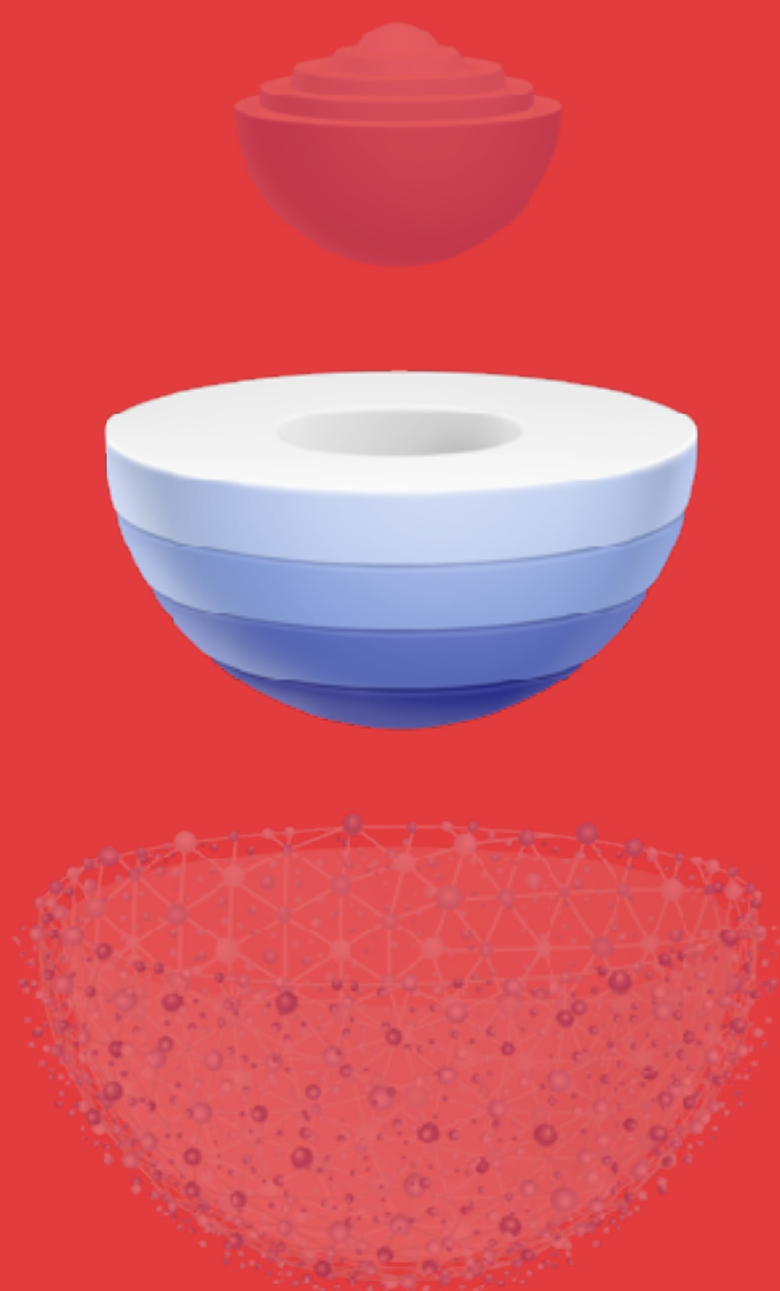
Together, we can  
make a difference.



**Coca-Cola** stopped all spending in the Philippines to focus on supporting recovery efforts.

*Brand actions to matter medium term:*

## DURING THE POST-OUTBREAK RECOVERY



### IN THE RECOVERY PHASE MAKE UP FOR LOST GROUND BY PRIMING MOMENTUM & LEVERAGING SHIFTS

#### *FUEL BRAND SALIENCY*

- Sustain spend and earned exposure / talkability to **keep brands salient** in anticipation of the rebound.
- IPA data shows brands that sustain exposure throughout a crisis, **can increase share 3x** during downturns, but also **rebound faster and stronger** in recovery.

#### *PRIME FOR MOMENTUM UPON REBOUND*

- Identify **categories and segments that will most benefit from pent-up demand and economic stimulus**.
- Identify priority parts of portfolio with greatest potential.
- Work with your media agency to re-allocate budgets and secure quality ad stock.
- Leverage CRM and social platforms to **activate existing users, and turn new followers into trialists**.

#### *INNOVATE AND RESHAPE YOUR PORTFOLIO*

- Leverage data and insights to identify the most significant and lasting shifts.
- **Accelerate claims innovation, product innovation, CX innovation.**
- Consider how to leverage and strengthen **Health & Wellness** connections, across categories.

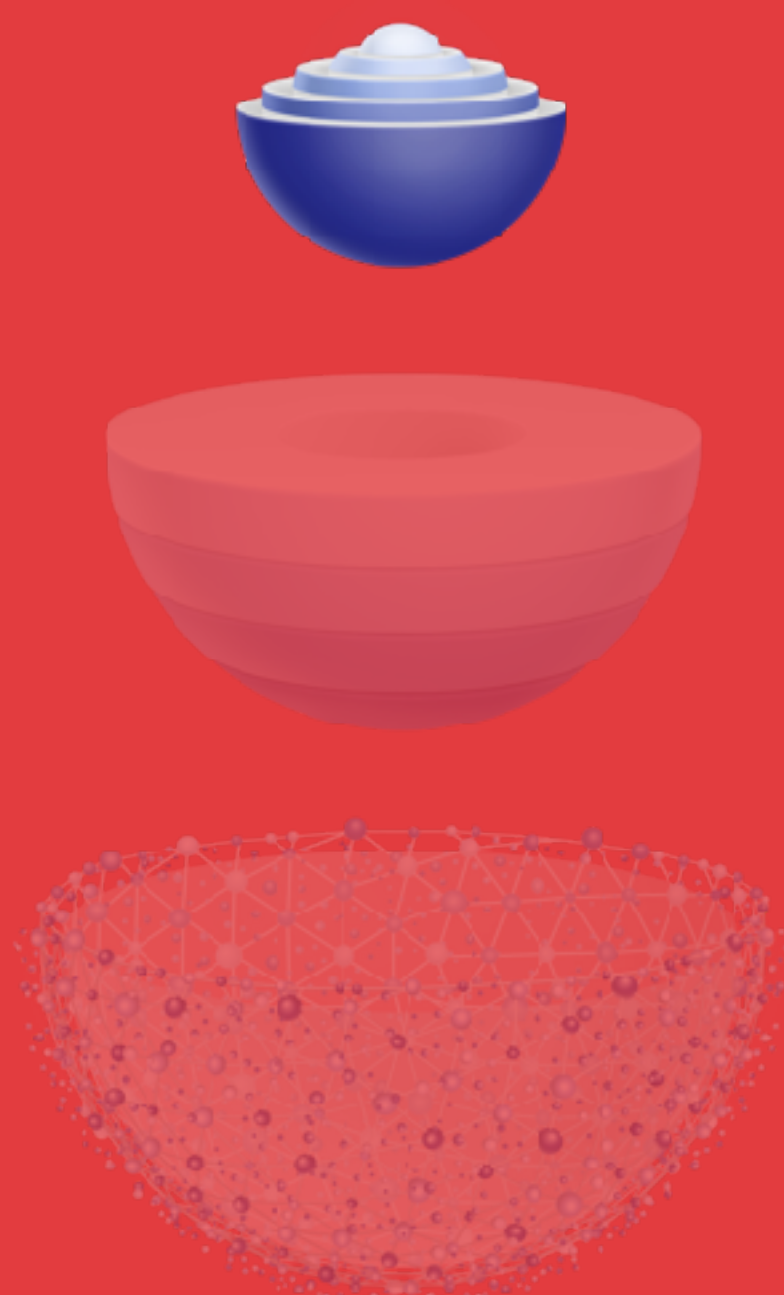
#### *SHIFTS TOWARDS DIGITAL CHANNELS AND BEHAVIOURS*

- Review Customer Engagement & Content plans.
- **Address new needs and priorities in Digital content / Digital services / Utility / Commerce.**
- Leverage martech and automation to enable more personalised and contextual creation and distribution of content in real-time.



*Brand actions  
to matter long term:*

## DURING THE NEW NORMAL PHASE



### TRANSFORM TO LEAD IN A CHANGED LANDSCAPE

#### **BRAND** TRANSFORMATION

- **Re-evaluate brand positioning, proposition and portfolio** priorities for accelerated growth in new landscape / segments.
- Identify opportunities for first-mover edge serving future needs by creating or modifying a product / service / experience.

#### **SUSTAINABLE** TRANSFORMATION

- Turn **crisis-time Corporate Responsibility into ongoing purposeful brand engagement** - across full value chain, and across all stakeholders.
- Innovate to create shared value and drive impact across locally- and category-relevant SDGs.

#### **CE & CX** TRANSFORMATION

- Re-evaluate Customer Experience for greater **personalised value and responsiveness**.
- Accelerate employee experience transformation for greater personalised engagement, productivity and flexibility.
- Leverage data and Martech to **enable personalisation-at-scale**.

#### **CRISIS & REPUTATION** TRANSFORMATION

- Implement **crisis preparedness plans**, incl. risk-assessment audit, crisis response plan and training, reputation repair plans.
- Update **stakeholder and influencer ecosystem** – focus on top 100 stakeholders.
- Revisit Public Affairs strategy and activation plans.

#### **DIGITAL** TRANSFORMATION

- Revisit and prioritise digital transformation goals, strategy and roadmap
- **Accelerate shift to mobile- and e-com-first business models.**
- Identify opportunities to accelerate digital innovation, leveraging emerging technologies for competitive (and data) edge.

# Summary

*While there is uncertainty about how and when the virus will be contained, one certainty is, the crisis will pass, and there will be an After.*

When that After emerges, the landscape will have shifted, new growth opportunities will come into view, and **wINNERS and loSERS** will transpire.

Much has been written about how 'black swan' events are a test of every brand's purpose, values and commitments, however they are also a moment-of-truth for their **agility, creativity and resolve**.

IPA analysis shows businesses that continue making their brand matter during times of crisis are rewarded with a greater opportunity to **grow trial and shares** through the downturn. They are also proven to **rebound faster** when good times return, capturing more than their fair share of the stimulus-induced bounce.

As we progress through the outbreak and beyond the initial reactive phase,

**it is now time to take a more proactive stance.** In actions; in communications; and in transformation, in both brand, product and services offerings, comms and commerce channels, and CX.

Marketers who manage to turn crisis into opportunity are those who consider and **address impacts across all time horizons.** They will secure the now, and make up for lost ground as the recovery kicks in, and

get on the front foot to turn shifts into long-term growth opportunities.

By staying agile and competitively-minded, these brands can turn bold and creative moves through the crisis into disproportionate share gains.

By building on them decisively once better times return, they can turn them into sustained growth and competitive edge.

*A view from Europe and US,*  
WHAT BRANDS CAN DO NOW



Consumers are  
concerned with  
macro-issues



But also  
fundamental  
human needs

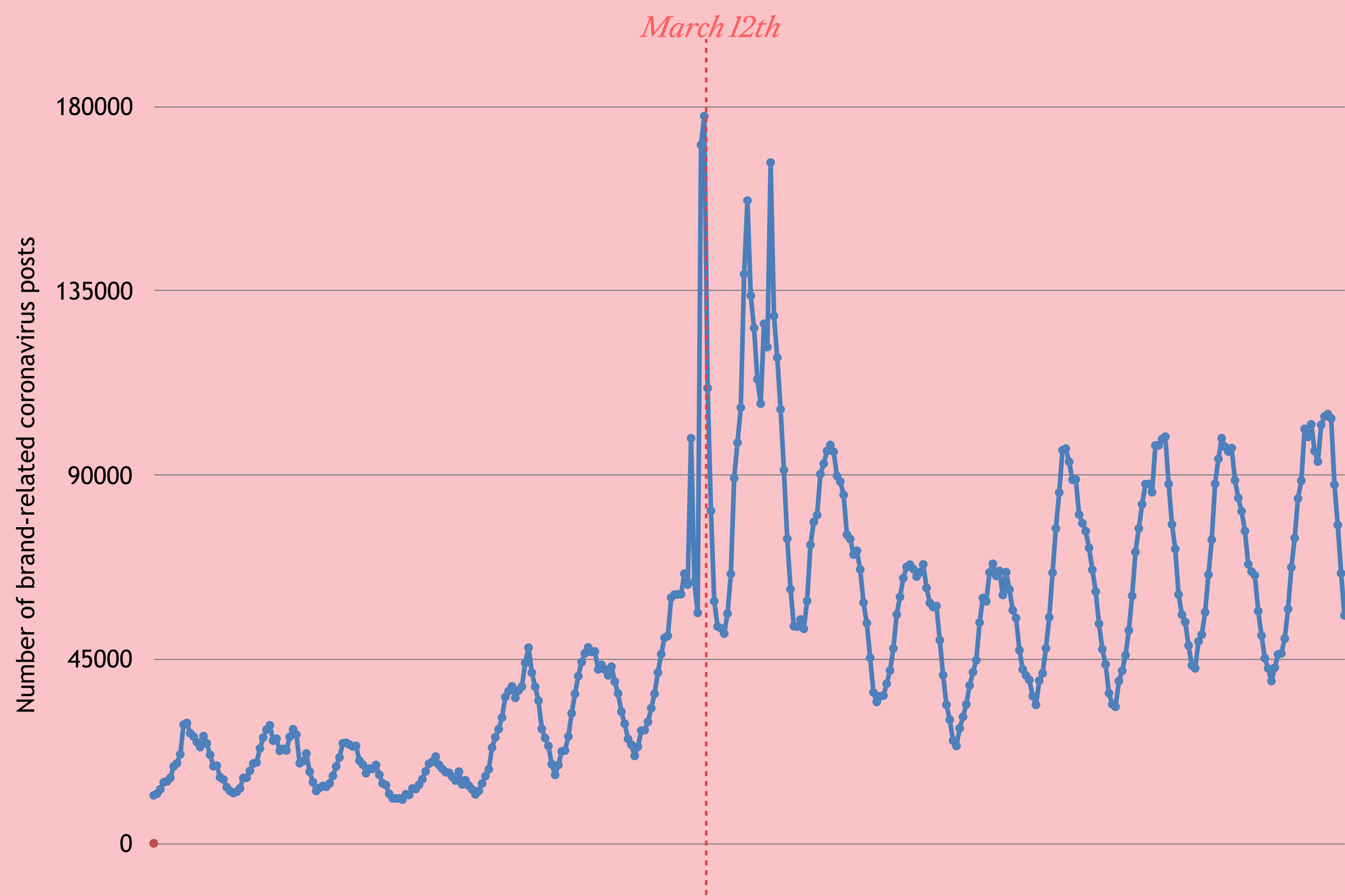
*Brands are still part of the conversation:*

In the last 48 hrs, there have been 30m emotion-related posts but also 13m brand-related posts about COVID-19



*Brands play a significant role in the conversation:*

# Isolated and anxious, many consumers are reliant on brands to step up (and many have)

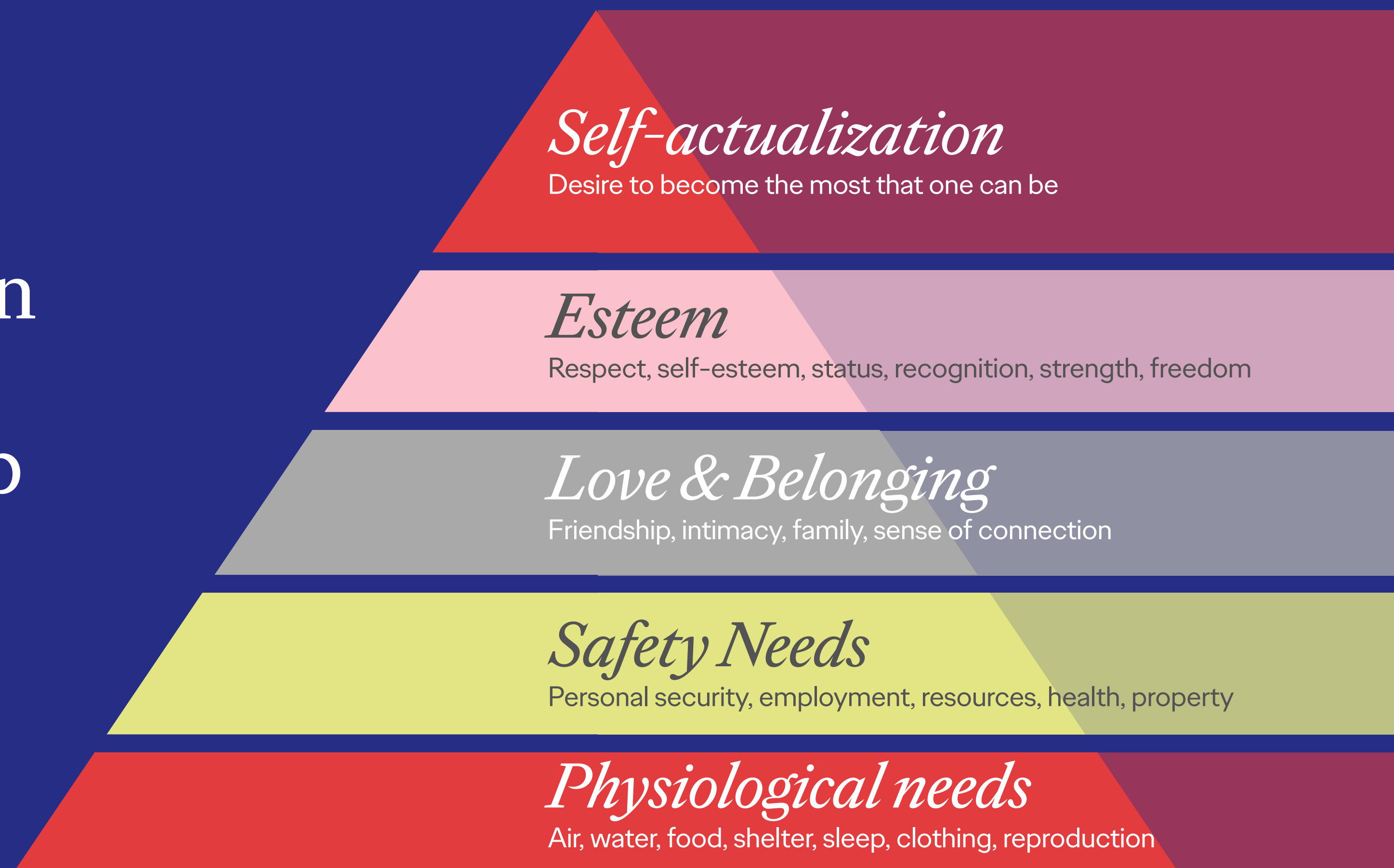


*Brand-related coronavirus posts almost doubled the week after March 12 compared to the week before.*



*Key Themes:*

Brands have license to play across the gamut of consumer needs states, where there's an intersection of their purpose and an issue they can step up to credibly





## Physiological needs



**Unilever** announces a commitment to provide free soap, sanitiser, bleach and food to the value of €100M to consumers and communities around the world.



**KFC** has partnered with nonprofit Blessings in a Backpack to help provide weekend meals to kids who might otherwise go hungry.



**F1** to produce 20,000 ventilators to support NHS.



**Sushi Soba** offers a second order for free for customers to give food to a neighbour or person in need.



**Kraft-Heinz** announced that it was donating \$12 million in support of communities impacted by the COVID-19 outbreak.



**LVMH** converts perfume facilities to hand sanitiser production and orders 40 Million masks from China for France.

## Safety needs



**Netflix** pledges USD 100M relief fund for out-of-work creatives, in support of freelance creatives.



**Freshly** and **Nestlé** partner to donate \$500,000 to Meals on Wheels America.



**Microsoft** has worked with the CDC to create a chatbot aimed at helping to answer people's questions about the virus.



**Zara** makes protective face masks and scrubs to fight COVID-19 in Spain.



**Ford** aims to reassure with sensitive COVID-19 campaign.



**Nike** releases new campaign to promote social distancing (after it announced the closure of stores).



**U-Haul** has announced 30 days of free self-storage to all college students who have been impacted by schedule changes.



**TimeOut** becomes **TimeIn**, helping to bring fun activities for individuals and families to do at home through editorial content.



**NBC Universal** releases new films about to hit the cinemas directly to streaming platforms Amazon and iTunes.



Comcast, Charter, Verizon, Google, T-Mobile and Sprint have pledged to keep Americans **internet-connected for the next 60 days**, even if people cannot afford to pay.



**Headspace**, which recently partnered with Hyatt on a wellness offering, has unlocked a new “Weathering the storm” collection in its app that includes support around meditation and sleep.



**Chipotle** is hosting virtual lunch parties with celebrities and giving away free burritos.



**Lyft** is donating tens of thousands of rides to those with essential transportation needs.



**Pret** extended its support for hard-pressed NHS workers. Many cafes, McDonalds, Greggs etc. followed.



**&Pizza's** CEO Michael Lastoria notified employees last week that the company is offering free, unlimited pizzas to them and their immediate families, as well as to hospital workers.



Footwear company **AllBirds** is offering free pairs of shoes to all NHS workers on the front line.



**Bodyshop UK** dropping off care packages to local hospitals for NHS workers who work tirelessly.

**Adobe** is giving higher education and K-12 institutional customers of their Creative Cloud apps the ability to request temporary “at-home” access for their students and educators.



**Zoom** signs up K-12 schools to free accounts of the videoconferencing software. Zoom has emerged as one of the leading tools to keep businesses up and running and students learning.



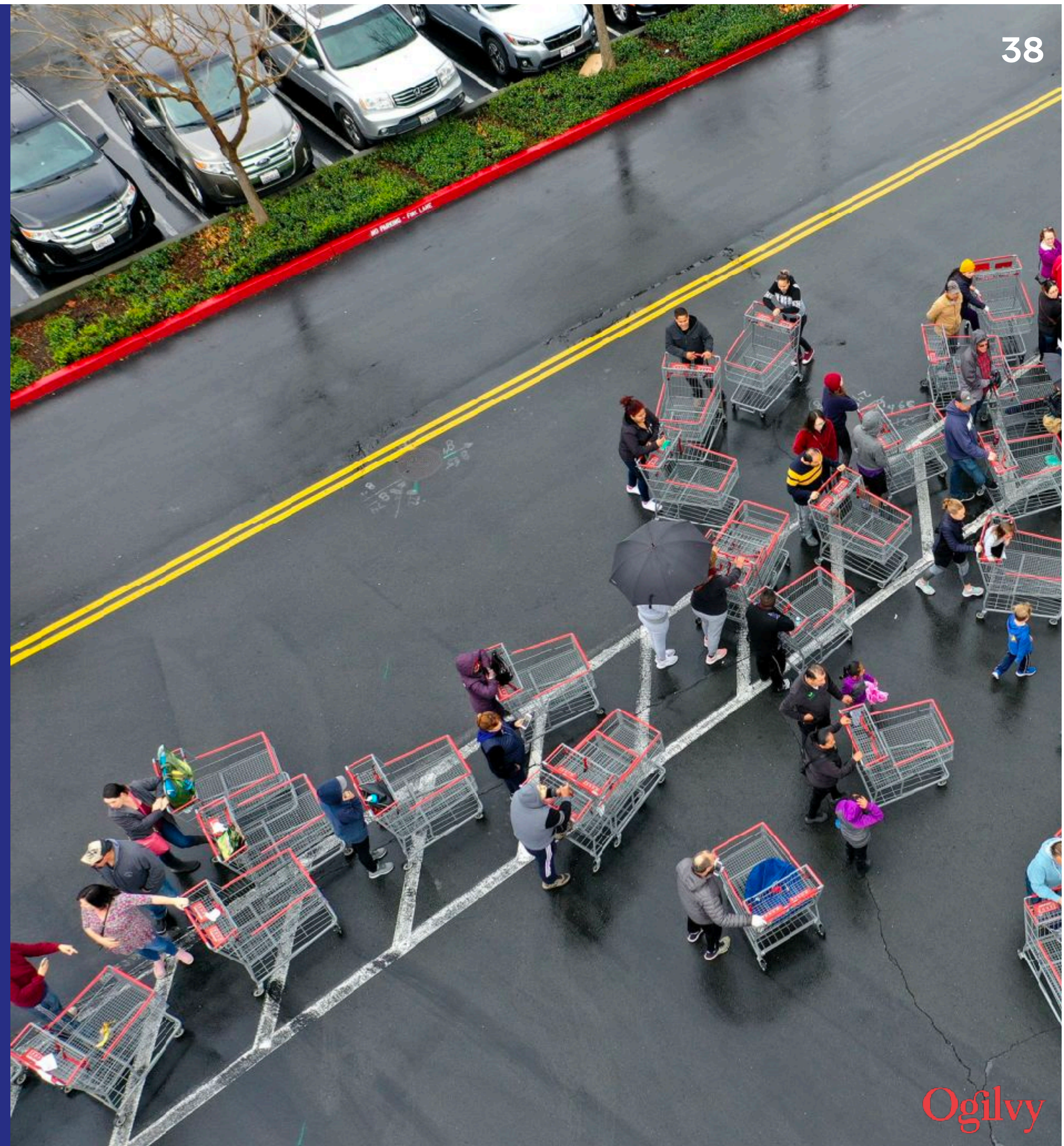
**Under Armour** is helping fitness fans remain active while in confinement, by launching a 30-day 'Healthy at Home' challenge.



**Audible** is offering free streams on a select number of children's stories across six languages to keep kids "dreaming, learning, and just being kids,".

*People trust  
business more  
than government....*

And are looking to  
business to solve the  
world's problems



*An entire period of  
corporate responsibility*

This is a decisive moment  
that will define who you  
are as a brand and  
company for the next  
decade... For your  
employees, customers,  
communities, partners

#wewillrememberthesebrands



# What matters now

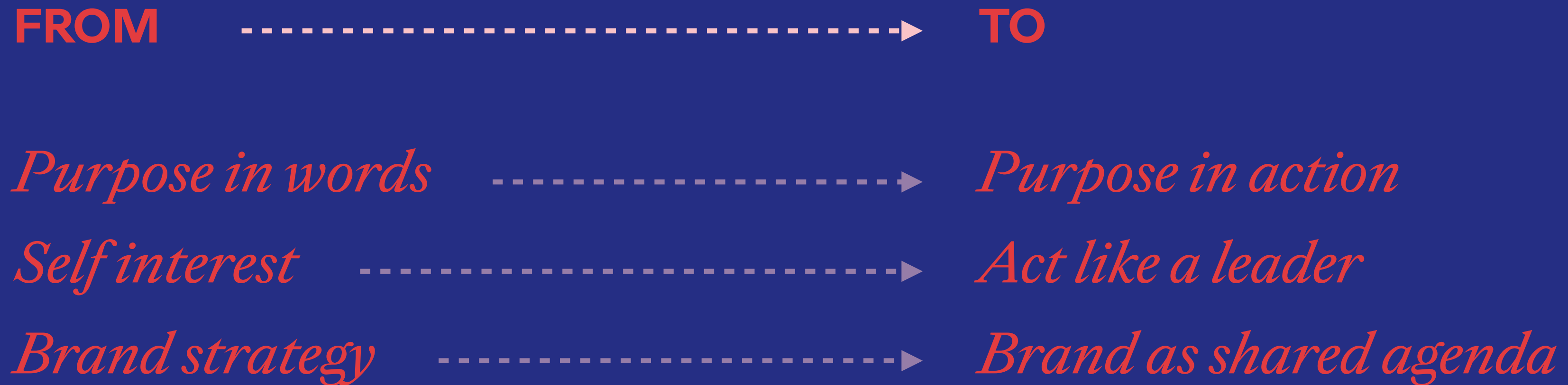




# What matters now



# What matters now



# What matters now



# What matters now



# What matters now



# What matters now



# *Our collective call for action*

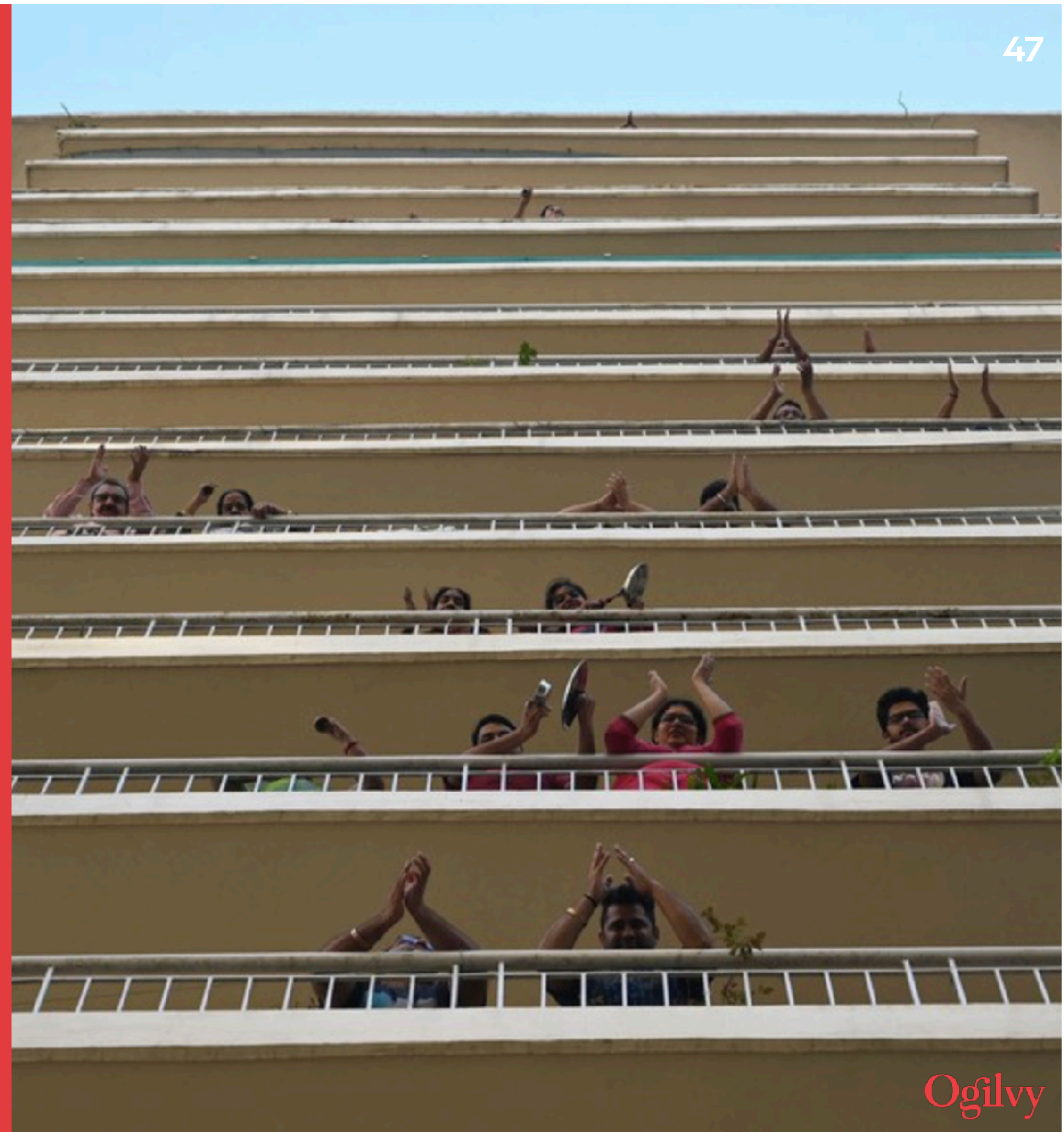
Your Brand Purpose x Needs  
of People and Communities.

Be agile.

Be engaged, don't stand by  
for recovery.

Taking action now will set  
you up and create new  
opportunities for the future.

Do the right thing.



# QUESTIONS?

*Get this deck at:*

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*Thank You*