Brands are immune to infection

Brand behaviour during a crisis and beyond



'It is how we handle moments of crisis that truly defines us. Want to make an impact? Handle this crisis in a way that reflects who you are, in a way that contributes to all those around you.

This will increase trust, brand equity, and the power of your communication after you emerge from this situation will be stronger than before and stronger than your competition.'

Introduction

Before anything else, the Coronavirus epidemic is a humanitarian challenge. Like every humanitarian issue, this one also carries emotional and economic consequences that reach far and wide. Switch has put together a list of action points any business would benefit from, especially in this time of crisis. After all, we don't have time to read the entire internet before developing your own response strategy.

We are not health and safety specialists, so please do not take this as a medical position. But we have the responsibility to look at the threats and opportunities that this crisis brings, and are communicating accordingly.

We believe that business continuity is paramount for all, both from a financial point of view (if people lose their jobs because of the virus, it's still a major stressor in their lives) and from a humanitarian point of view (people need to feel like life is going on as much as it possibly can).

Context

One day it's a problem far far away, and now COVID-19 (better known as Coronavirus) is getting closer to home each passing day. It is only compounded by another epidemic - that of digital misinformation - and together they are more dangerous than either one is. Let's take a moment to assess the situation as of today (12/03/2020) before we go on:

- Travel restrictions, as well as mass gathering restrictions, are in place until the 3rd of April. That's 3 weeks from today. We can handle 3 weeks.
- <u>The World Health Organisation</u> (WHO) is the only source you should be reading for medical recommendations and updates, and if you still have questions, you can call this helpline set up locally for this case specifically: **111**
- Panic begets more panic, and panic buying disrupts stability at large, so let's not contribute to that
- People are worried and anxious. Let's all be mindful of the heightened levels of concern amongst those around us.
- For business implications, we suggest reading McKinsey's <u>excellent briefing</u> on the subject.
- Bain's <u>analysis</u> compares the outbreak to the SARS outbreak in 2003, and reminds us that the hardest-hit industries rebounded very quickly back then.

Threats to your brand

Media sensationalism & misinformation online

create a pandemic of fear that spreads faster than the virus itself.

— Trendwatching.com

Here are a few threats we need to be aware of:

Reacting

This is not the time for your brand to react. This is the time to take a step back, be prudent and act. Act in a way that is consistent with the principles you uphold during normal circumstances. Also, remember your responsibility to act in your community's interest, and in a way that improves the current situation in some way.

Acting like this will never end

Let's not act as if this will last forever. In doing so, your business will find itself unprepared for life after COVID-19. Plan over a 1-week span at a time, and update your approach along with the new reality. Start inside the organisation and work your way out.

Panicking about it and in turn, panicking others

Panic will not heal the situation. It is more likely to lead to bad decisions. Let's consider one typical panic-induced reaction that your business may consider - price cuts. It is a kneejerk reaction that can damage bottom line today and product positioning for a very long time. We wouldn't like to look back and realised that we reacted too fast.

Always communicate with confidence in the areas you know and understand. Don't take on responsibilities you do not understand - it will only create a situation for further misinformation to manifest itself.

Losing your identity in the process

Extraordinary situations often call for extraordinary actions. But this doesn't mean one should take on a different identity as a reaction to a crisis. For instance, unless you're a hygiene expert or a medical practitioner, you might want to hold back on the Facebook posts instructing people how to wash their hands, or how contagious coronavirus is. If someone wants to educate themselves about hygiene, prevention techniques, or the situation on the virus itself, they should consult with the official organisations (such as WHO, and medical entities). Speak about your area of expertise.

Opportunities for your brand

Only 6% of China was online when SARS hit in 2003. Now, the number has increased tenfold to more than 60%.

— Trendwatching.com

A time to consolidate

How many times did you promise yourself to make time for important, but not so urgent projects you've been meaning to embark on? Plenty of times right? Now think about how many times you actually did make or find the time to give them your attention. Probably the list is much shorter. Take a look at the number of times such projects cropped up during 2020. Congratulations, you have your to-do list for the next 3 weeks.

We're so focused on growth, reaching out to new customers and the external communications, that we often forget to look within and take good care of ourselves. Sometimes it's a sacrifice worth making in the name of growth and advancement, but this time we can finally find the time to give ourselves some love and attention.

Life after COVID-19

While your competitors are thinking of how to handle 3 weeks of slowdown and how their products are now available at half the usual price, you should be looking at making sure you have enough resources for the surge in demand that is to follow the end of this epidemic.

According to McKinsey Insights, the most likely scenario is that the global economy will jump back to normality by the end of Q2 2020. That's hardly a lifetime away, which means you should only be panicking about one thing, how to be in a stronger position than your competitors when this is all over, and that takes preparation.

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Plan and prepare

So, prepare plans that you can launch and implement to hit the ground running with communications as soon as possible once we're working our way out of the panic. The first brands out of the block will be the ones to capitalise on the recovery, consolidating and taking market share.

A soul-search

Who is your brand when it's not making money? What is your contribution to the world and your community at its core? Find that out, and stick to it. Base your actions and messages on who you are in the context of this new reality rather than on what everyone else is doing.

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War of the nerves

Panic is the first reaction and without the luxury of time and peace of mind, it is often our only reaction. It is difficult to hold back and not react in the same way your competition is doing. Numbers sometimes justify that behaviour as well. Be bold, hold on, and most importantly don't tell the world your products are not worth the price tag you put on them - don't slash them to half price just because it's not safe to spend money on your products and services at this point in time.

Hold on, and get ready for the surge of demand that is to follow, be proactive while your competition isn't. If you absolutely feel the need to discount, then choose discounts that can help people affected by the virus, so you are giving something back to the community in the process.

Invest in relationships

Now is the time to show your true colours, and that you actually care about those around you. It is the time to show your actions are not just about the wellbeing of the brand, but about the wellbeing of you and those around you. Reach out to your clients, offer a helping hand, don't make it about the money, make it about your relationship. Be authentic, show then you're in this together, because right now, that is what they truly need, not products and services.



How your brand should communicate

"Only a crisis - actual or perceived - produces real change."

- Milton Friedman

Recognise the new priorities

There is a shift away from the material and self-actualising activities and towards more basic forms of human needs across the board, the need for safety, peace of mind, support, and community.

Be yourself

The only way you can build brand equity is if you're consistently acting in a way that's in line with your values and purpose. Anything outside of those parameters is probably the result of panic and rash decisions. This is an opportunity to show your true nature and strengthen bonds with your target audience who align themselves with your brand.

Don't get stuck, look forward

Avoid talking about the current situation in a tone that's counter-productive. Look forward and beyond - this is just a hit, not the end.

Let's do this

Most important of all, act on what you say, and do it now. There's life beyond this speed bump and that's what we should be focused on. We're here to help if you need us at any point along this journey.

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