

OUTBREAK OF COVID-19: ITS IMPACT ON BRAND HEALTH AND MARKETING COMMUNICATIONS

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COVID-19 is expected to plunge around 11m people in Asia to live into poverty, and it is deduced that the governments in this region are to face issues of rising crime, political instability and social unrest (World Bank). In Southeast Asia, it is estimated that 1 in 3 workers earn US\$2 per day for an informal work, the sheer volume of these workers is massive in this region spread and clustered in small towns and at the border of big cities including Pakistan (International Labor organization)

The aftermath of COVID 19 has already been witnessed by the ‘socio economic classes’, however, the footprint of COVID-19 propels us to use simple standard of upper, middle and lower economic class in order to facilitate the marketers in making blunders in the existing pandemic situation. In the given region, the lowest class is at risk, however, many brands can facilitate the middle income class by not just virtue signaling but providing fruitful advices. Telcos can provide appropriate packages to small businesses, typically supporting bricks and mortar retailers to provide omni-channel presence, even tech brands can buckle up provide solutions to the economy.

The influence of COVID-19 on number of industries and sectors operating in Pakistan is yet to be explored, however, based on understanding of consumer behavior and behavioral science theories the marketers *need to dilute fear*. The sales loss is colossal, industries such as travel, dining (restaurants) and entertainment are directly affected; however, the overall effect is there for all products and brands as consumers stay at home and are locked down from their routine (Sethi, 2020)

The brand team needs to warrant positive communication with consumer, building and framing the message with the aim on safety and trust they offer. Nonetheless, because of the fear of what is ahead the actions and behavior of the consumers is swayed typically by social herding.

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ACTION ORIENTED COMMUNICATIONS

Reem Rice (Pvt) Ltd launched branded commodity in Pakistan, selling high quality rice variants using ‘Reem Ka Steam’ as its slogan (Khan, Moiz, & Effendi, 2018). According to MarTech Advisor (March 2020), a brand should indulge in action oriented communications and avoid speculation and unverified updates; that is exactly what RKS has done, refer to Exhibit 1, 2, 3 and 4.



Exhibit 1 (Left): RKS first digital media poster (Right): RKS second digital media poster
Source: Company records



Exhibit 2 (Left): RKS third digital media poster (Right): RKS fourth digital media poster
Source: Company records

COMMUNICATING WITH ALL THE STAKEHOLDERS

It is imperative that the brand should be sure that its communication is articulate for all the concerned audiences which includes its employees, consumers and investors (PWC, March 2020). Hence, the brand

should be able to transverse during this pandemic confidently (Jugenheimer, Kelley, Hudson, & Bradley, 2014).

English Biscuits Manufacturers (Pvt.) Ltd Pakistan or EBM has been operating since 1966. The variety of biscuits manufactured by EBM and the brand loyalty of its various brands continues to be strong due to the company's consistent ability to deliver on its promise be it 'Sooper', 'Rio', 'Gluco' or 'Jam Delight'. According to Public Relations Crisis Playbook (ANA) the brands must manage crisis by being prepared and focusing on recovery and that is what is exactly EBM had done in its communication with its stakeholders and public (Exhibit 5).

McDonald's Pakistan recognizing the potential and volume of Gen Z in Pakistan acknowledged the efforts and dedication of the medical experts, staff, and doctors at the frontlines of the war against COVID-19. Using #HealthCareHeroes the announcement went viral and created positive WOM for the brand (Exhibit 6). There were brands who sound desperate during these and this is exactly which should be shunned by the brand's communication team (Ray, 2020). The brands should not focus on their own self-interest which is evident in their marketing communication. Response of Pepsi Pakistan was similar which lacked instantaneity with its communication as compared to McDonald's and it felt more forced rather than responsive, refer to Exhibit 7.



Exhibit 3 (Left): EBM communication with all its stakeholders about its initiative

Exhibit 4 (Middle): McDonalds Pakistan using hashtag #HealthCareHeroes

Exhibit 5 (Right): Pepsi Pakistan communication

Source: Company records

MARKETING COMMUNICATION IN CRISIS

Brands can also take a strategic decision to suspend its TV advertising. The study by Kantar Millward Brown indicates **that brand health weakens when there is lack of communication about the brand** in a long run. And, when this happens it is nearly impossible to strengthen the brand health. To ensure that the brand health can be maintained if the levels of spend on communication by the brand managers is consistent.

(Millward Brown, 2008). **The brand is to improve on its brand health when its share of communication increases and soars the market share, refer to Exhibit 8. And, if the budget is being cut by the competitors then the long term impact of maintaining the investments in communicating with the consumers will reap benefit (Field, 2008).**

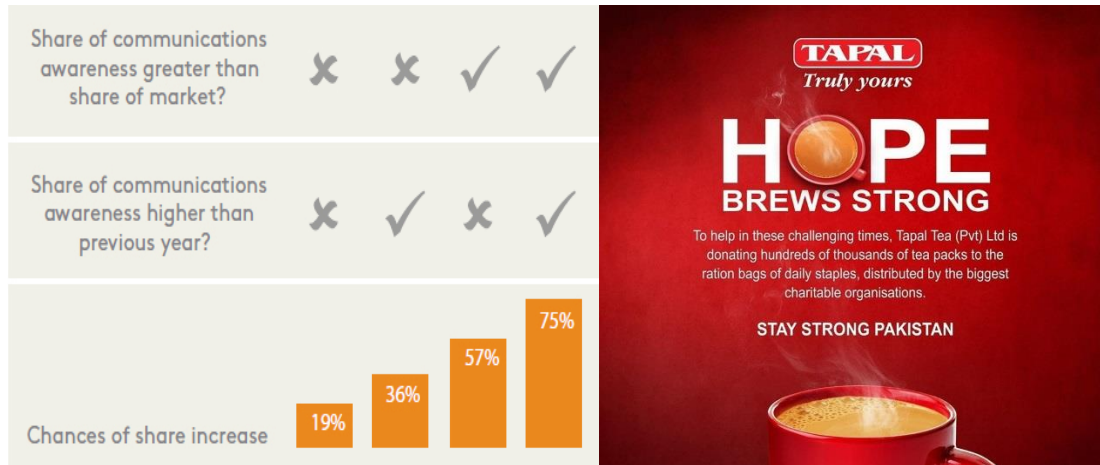


Exhibit 6 (Left): Probability of share growth/decline. Source: Millward Brown, 2008. Exhibit 7 (Right): Tapal's communication during the crisis. Source: Company records

Tapal Tea (Pvt) limited a tea company based in Pakistan, which started its operation in 1947 from one of the oldest wholesale market in Asia, Jodia Bazaar Karachi. The company's and its brands are a signal of innovation and a market leader. Tapal continues to make Lipton, a Unilever Pakistan tea brand, a challenger brand taking much of its market share due to its consistent creative marketing communication. It has done the same being consistent in its communication where the other brands remain indifferent to the current situation, refer to Exhibit 9.

Implications for brands: Those brands which have maintained their communication will probably have advantage over their competitors, who are slashing their advertising expenditures in these times. Focusing on the sales on a short-term via promotions will weaken brand health and it is imperative that even in the time of pandemic the communications should be relevant and not just virtue signaling.

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