



Online Marketing during THE NEW NORMAL Adapt or Expand?

MAXLEAD.
PART OF ABOVO MEDIA



TODAY'S AGENDA



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ABOUT MAXLEAD (PART OF ABOVO MEDIA)

Maxlead en Abovo: a powerful combi that can provide clients with an integrated approach for online marketing, media buying and offline marketing in all stages of the customer journey.



DIGITAL MARKETING

SEO, SEA, Video, Programmatic Display, Strategy



CONTENT & ENGAGEMENT

Creative Development, Content Marketing, Creative Concepting



DATA & TECHNOLOGY

GMP / GA360 Reselling & Support, Data Science, CRO, Personalisation



JOOST VIERGEVER

Account Strategist



2019 Finalist



2020 Shortlist - Winner announced on 3-9-2020



2019 Winner



THE NEW NORMAL

Moody's: economists expect 10-35% shrinkage coming 6-18 months

MORE THAN A QUARTER OF the U.S. economy has ground to a halt in recent weeks as the coronavirus pandemic shuts nonessential businesses and generates millions of layoffs and furloughs across the country, according to Moody's Analytics data published on Sunday by [The Wall Street Journal](#).

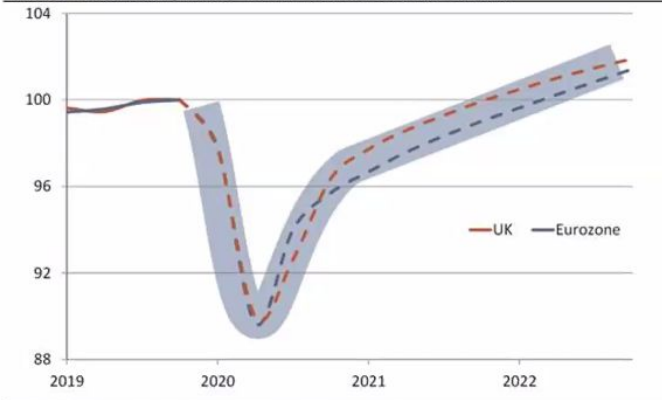
The Moody's report estimates that 8 in 10 U.S. counties are currently under some form of official lockdown, with more than 40 states ordering varying degrees of temporary business shutdowns in a bid to promote social distancing measures that are believed to help contain the spread of COVID-19.

Economic losses vary by state; [California](#) has lost an estimated 31.5% of its daily gross domestic product output as much of the state's economy remains on lockdown, according to the report.

[[READ: Young and Minority Workers Feeling First Effects of Coronavirus Unemployment](#)]

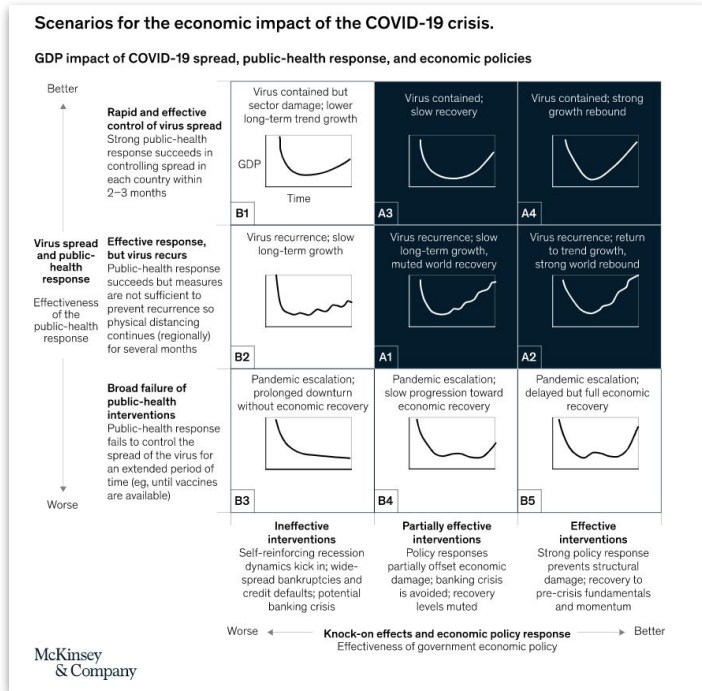
All told, the analysis suggests daily economic output in the U.S. is down 29% from where it sat a month ago, during the first week of March. Analysts have widely described the pandemic as delivering perhaps the most significant short-term economic shock to the domestic economy in modern history.

Chart 1: The tick-shape rebound – real GDP (dotted lines show forecast)

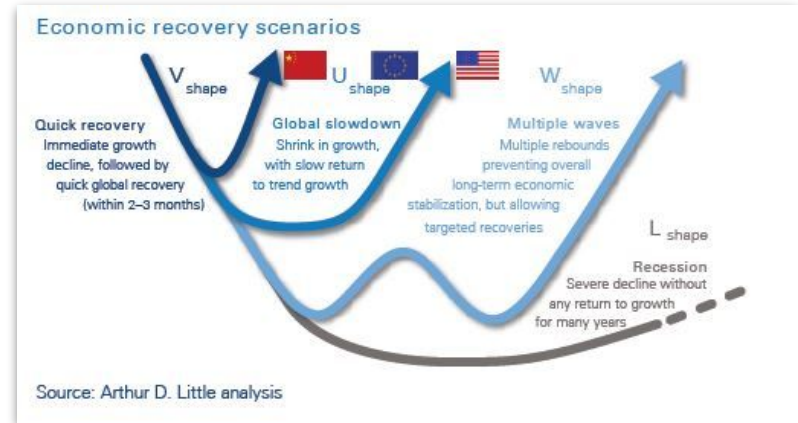


Q4 2019 = 100. Quarterly data. Source: Berenberg, Eurostat, ONS

Most economists expect V or U-shaped recovery pattern for GDPs

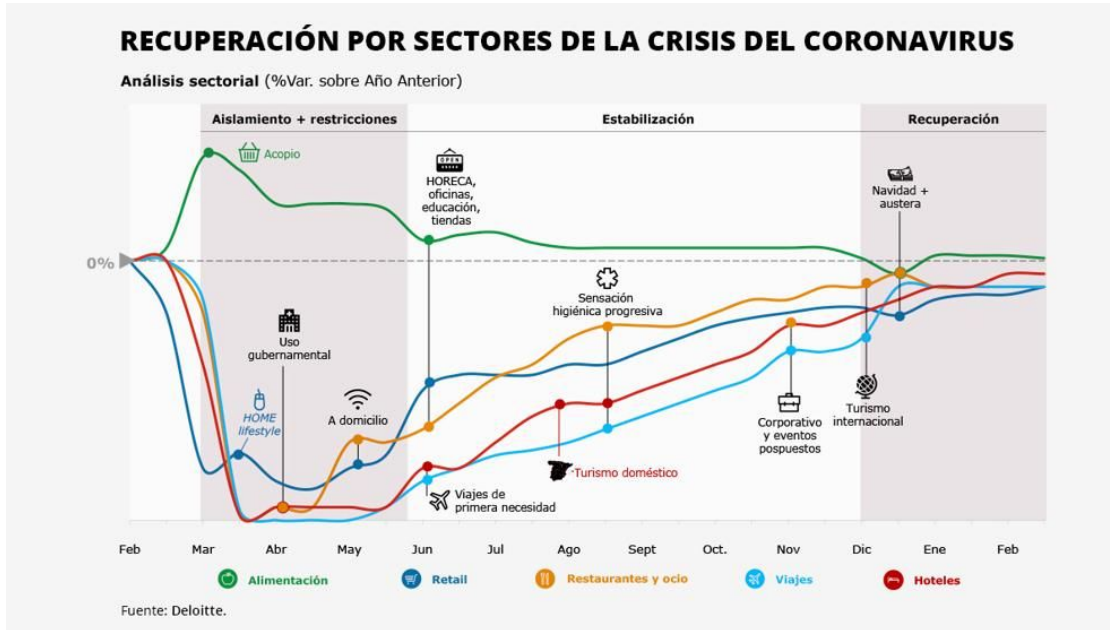


<https://www.mckinsey.com/business-functions/risk/our-insights/covid-19-implications-for-business>



<https://www.adlittle.com.tr/insights/viewpoints/win-automotive-covid-19-rebound>

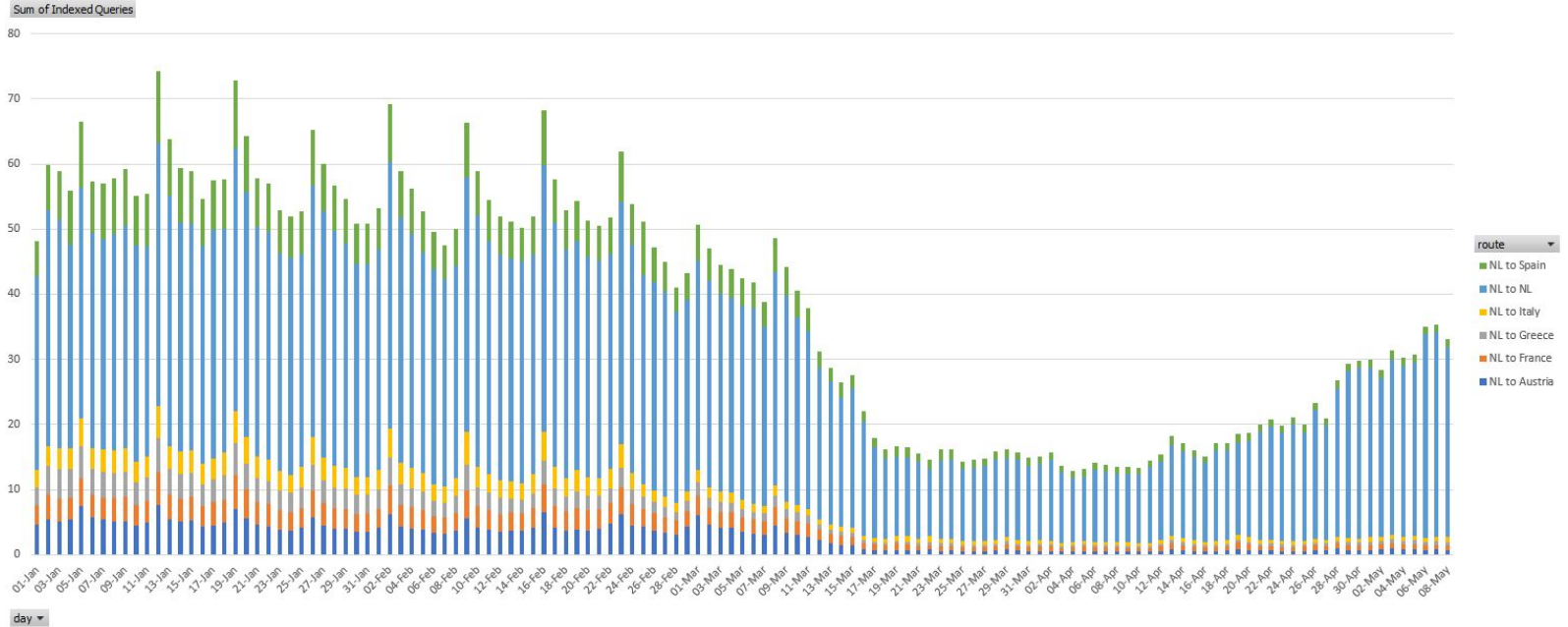
Every sector will have their own recuperation curve



<https://www.lavanguardia.com/economia/20200403/48280345019/recuperacion-economica-coronavirus-covid-19-deloitte.html>



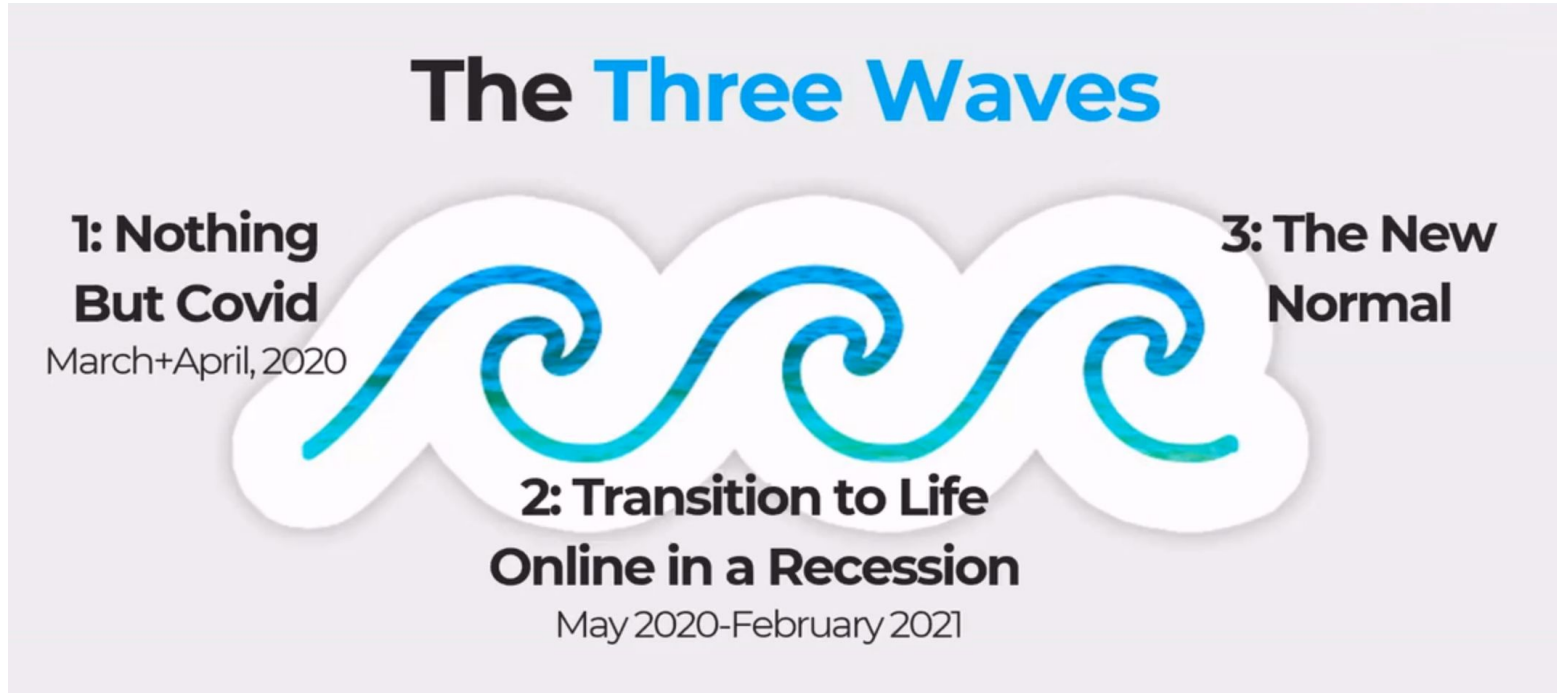
Holidays within own country recuperating



Source: Google internal data



Waves within economic downturn and rebound



Source: Rand Fishkin <https://moz.com/blog/marketing-in-times-of-uncertainty>

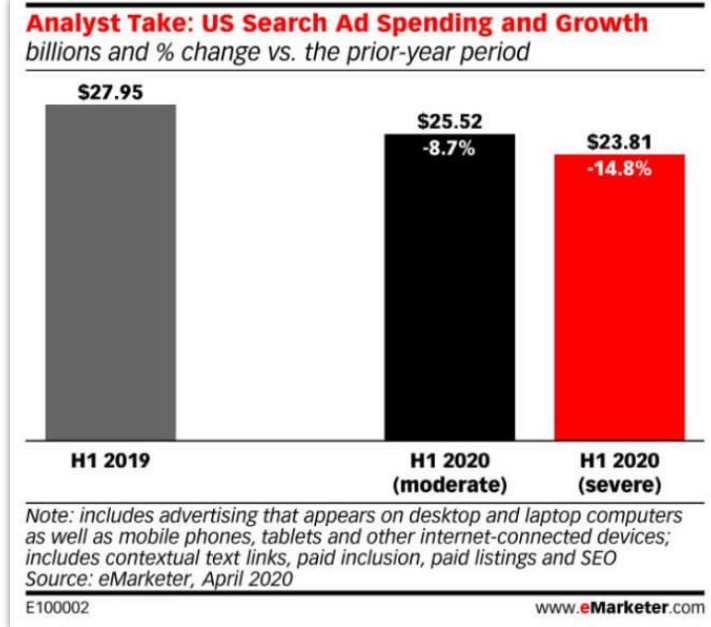
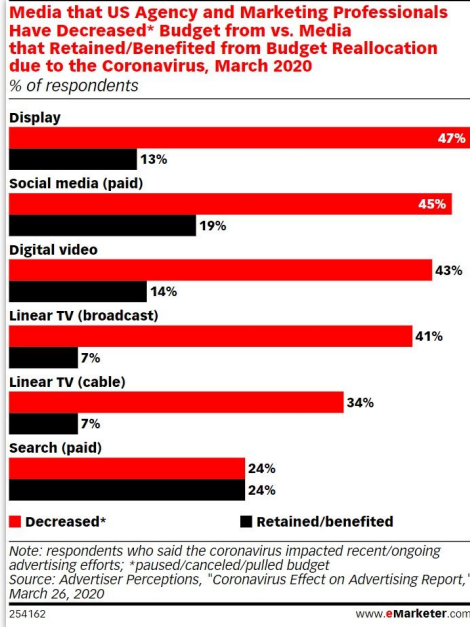
Impact of COVID-19 on Volvo's marketing plan



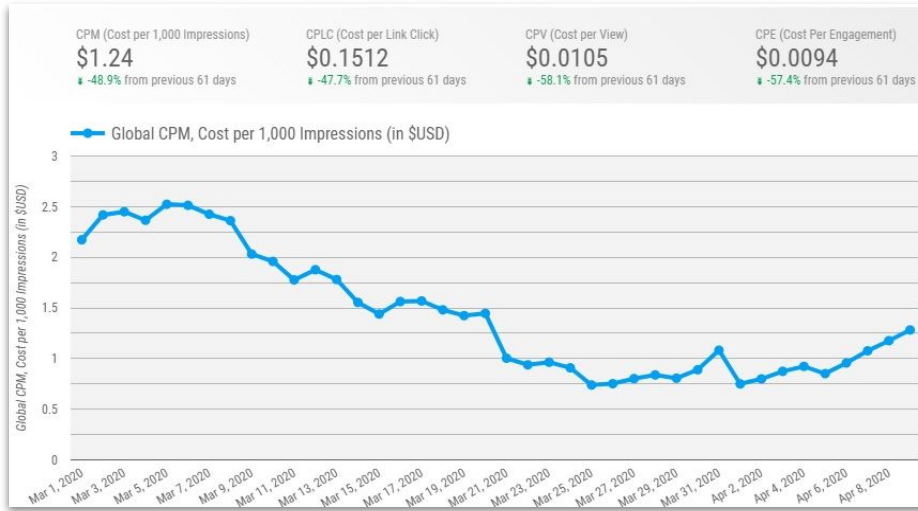
<https://www.clickz.com/how-covid-19-has-dramatically-changed-business-at-volvo-and-what-theyre-doing-about-it/261297/>



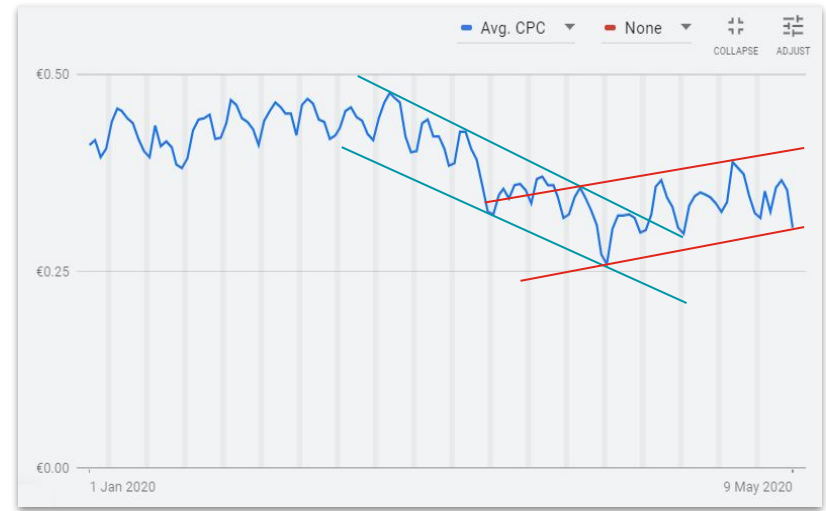
Advertising budget down, but only limited impact paid search



Facebook Ads & Google Ads are really cheap now

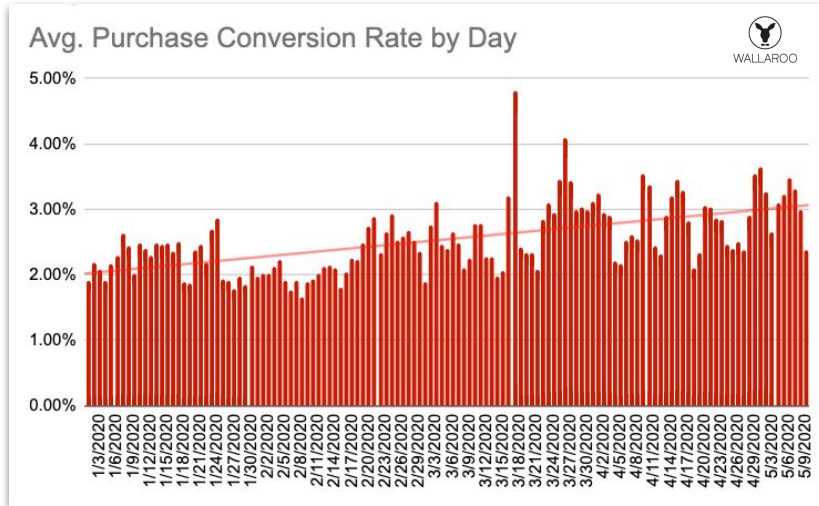


<https://www.searchenginejournal.com/paid-media-performance-covid-19/360914/#close>

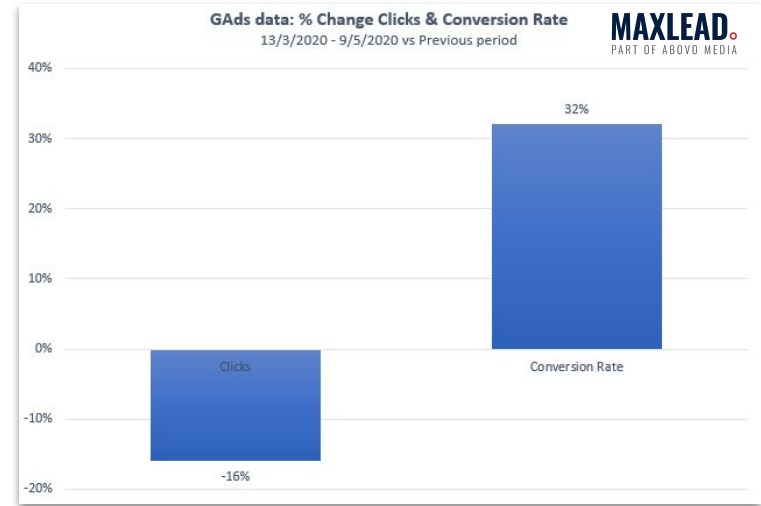


Source: Maxlead Google Ads MCC

Facebook Ads & Google Ads conversion rate up



https://docs.google.com/spreadsheets/d/1L-eBa0GjDiACyZwTQxqef4KT0UlyW-5lCW7B_VtAKc/edit#gid=997037297



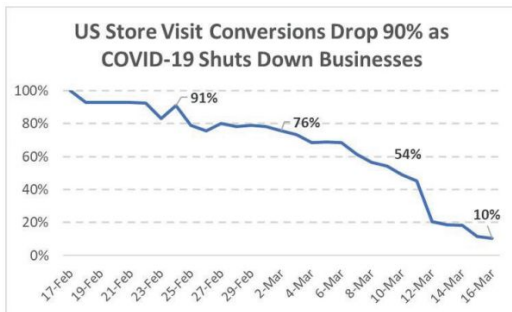
Source: Maxlead Google Ads MCC

Store visits crash by 90%

The trend: COVID-19 plummets store visits by 90% in one month

It may be obvious to state, but as people practice social distancing and avoid unnecessary trips, and as many businesses are forced to close their physical stores or limit their in-store capacity, most brick-and-mortar stores are feeling the pain of limited foot traffic.

In Google Ads, many advertisers track [store visit conversions](#) to understand the offline impact of their online advertising. Many [local advertisers](#) optimize their PPC campaigns using these metrics and have noticed significant challenges in the past month as COVID-19 effectively eliminates unnecessary foot traffic.



https://wordstream-files-prod.s3.amazonaws.com/s3fs-public/documents/small_business_guide_covid-19.pdf

Netherlands May 2, 2020

Mobility changes

This dataset is intended to help remediate the impact of COVID-19. It shouldn't be used for medical diagnostic, prognostic, or treatment purposes. It also isn't intended to be used for guidance on personal travel plans.

Each Community Mobility Report dataset is presented by location and highlights the percent change in visits to places like grocery stores and parks within a geographic area.

Location accuracy and the understanding of categorized places varies from region to region, so we don't recommend using this data to compare changes between countries, or between regions with different characteristics (e.g. rural versus urban areas).

We'll leave a region out of the report if we don't have statistically significant levels of data. To learn how we calculate these trends and preserve privacy, read [About this data](#).

Retail & recreation

-43%

compared to baseline



Mobility trends for places like restaurants, cafes, shopping centers, theme parks, museums, libraries, and movie theaters.

Grocery & pharmacy

-9%

compared to baseline

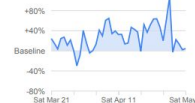


Mobility trends for places like grocery markets, food warehouses, farmers markets, specialty food shops, drug stores, and pharmacies.

Parks

+5%

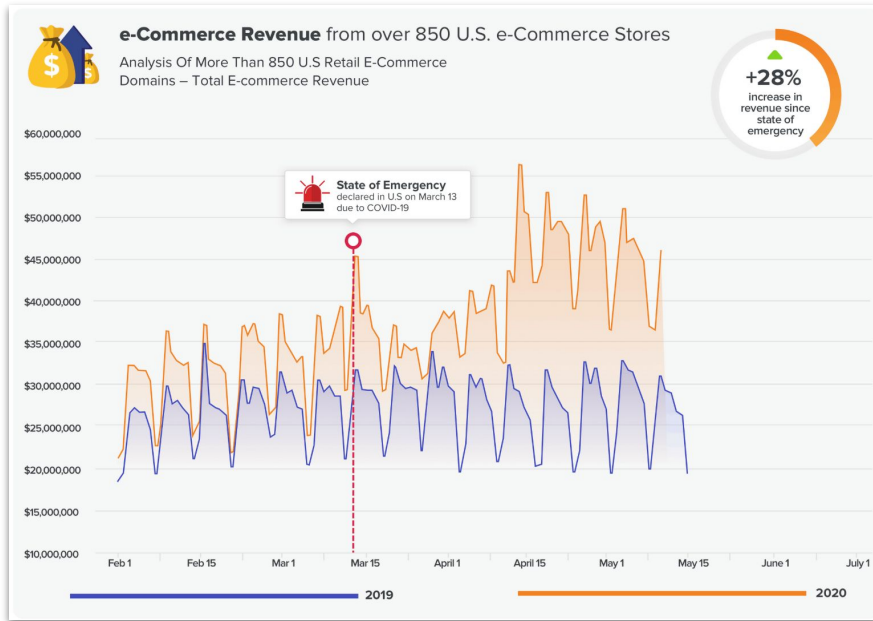
compared to baseline



Mobility trends for places like national parks, public beaches, marinas, dog parks, plazas, and public gardens.

https://www.gstatic.com/covid19/mobility/2020-05-02_NL_Mobility_Report_en.pdf

E-Commerce surges as most brick and mortar stores are closed



<https://www.listrak.com/covid19>

Jean-Michel Lemieux @jmwind · 16. Apr.

As we help thousands of businesses to move online, our platform is now handling Black Friday level traffic every day!

It won't be long before traffic has doubled or more.

Our merchants aren't stopping, neither are we. We need to scale our platform.

shopify.com/careers/covid19

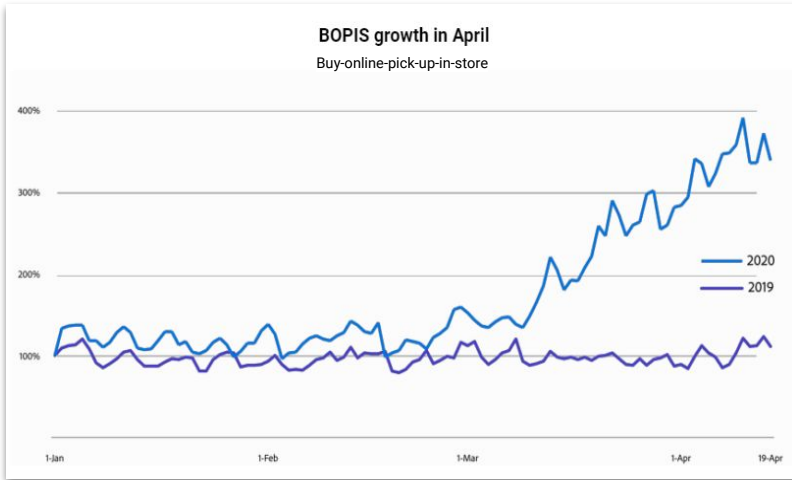
Shopify Global Traffic

BFCM Offline2Online

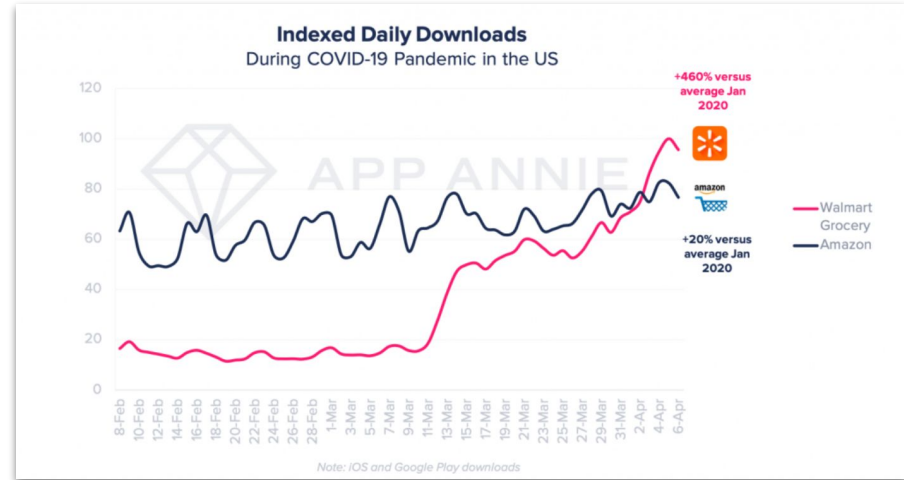
86 447 1.432

<https://twitter.com/ecommerce/status/1250882990072385537>

Not only pure players are in play, also market shares shift

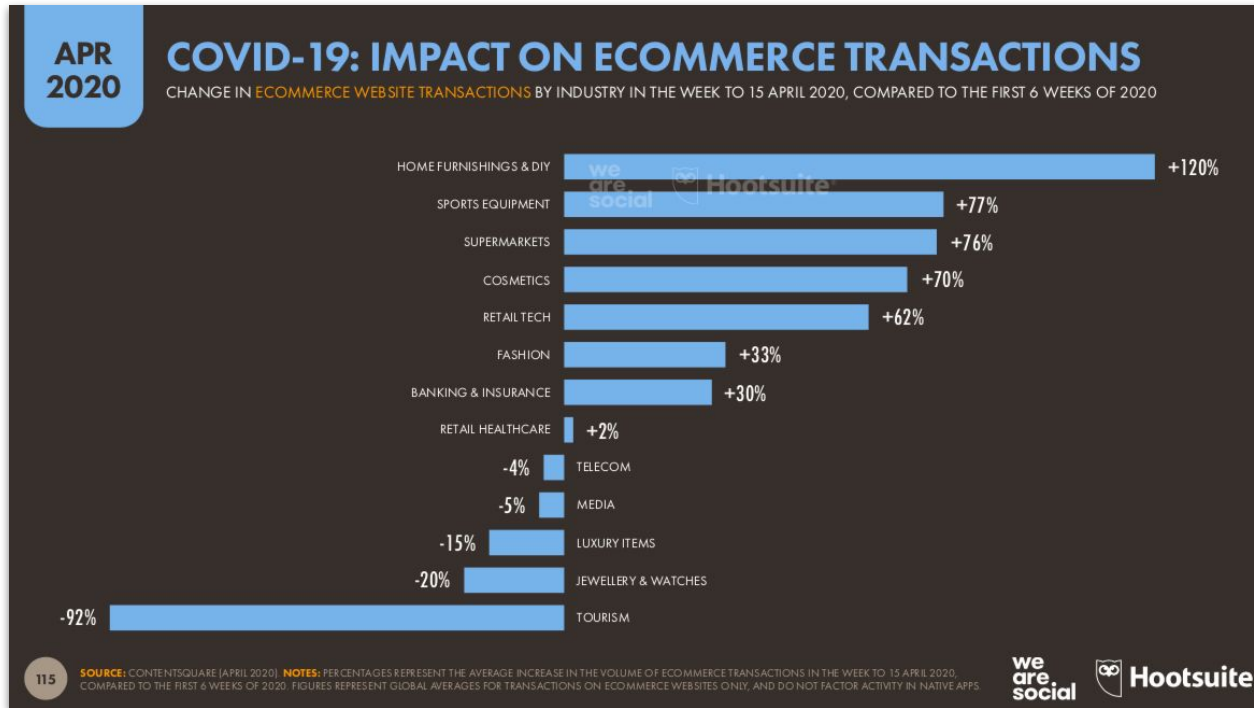


<https://searchengineland.com/black-friday-in-april-e-commerce-is-booming-according-to-three-reports-334648>



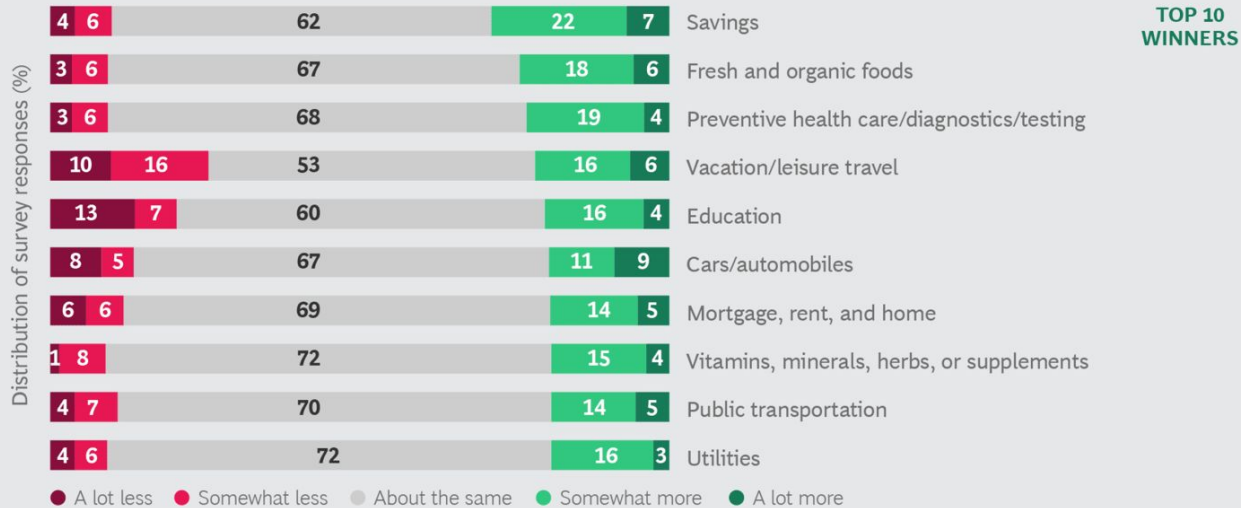
<https://techcrunch.com/2020/04/09/walmart-grocery-app-sees-record-downloads-amid-covid-19-surpasses-amazon-by-20/>

Short term: high increase in FMCG, retail and sports



Long term winners: safety, health, future and pleasure

EXHIBIT 6A | Top 10 Categories Likely to Win in Consumer Spending During the Next Six Months



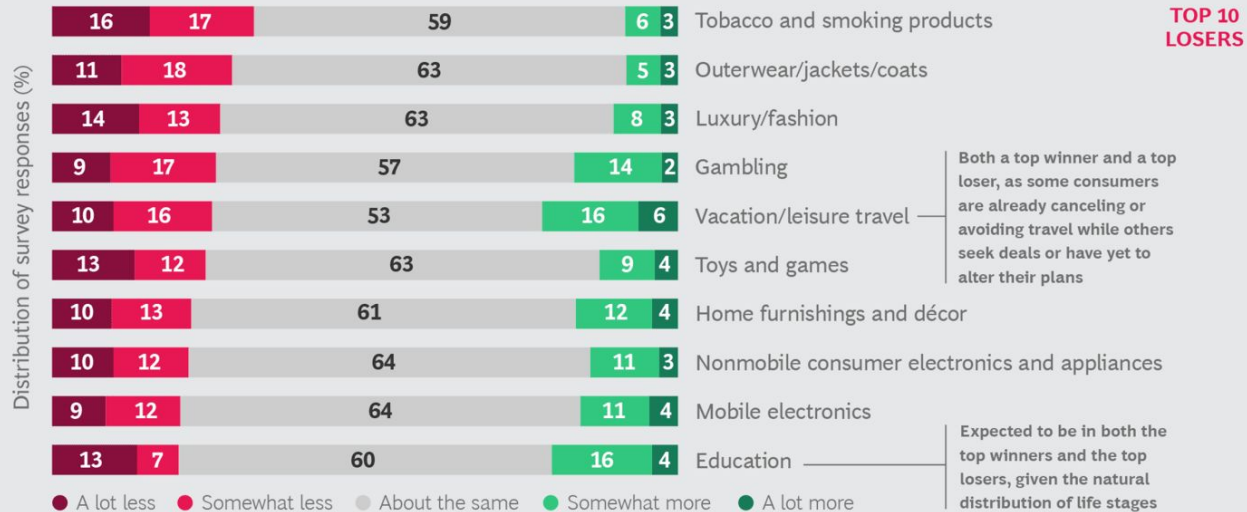
TOP 10 WINNERS

Source: BCG COVID-19 Consumer Sentiment Survey, March 6–9, 2020 (N = 3,465, unweighted; representative within ±3% of US census demographics).

Note: Question text: “How do you expect your spend to change in the next 6 months across the following areas?” Excludes categories with N <~100. US – Wave 1 – March 6–9, 2020.

Long term losers: fun, thrills, luxury and pleasure

EXHIBIT 6B | Top 10 Categories Likely to Lose in Consumer Spending During the Next Six Months



Source: BCG COVID-19 Consumer Sentiment Survey, March 6–9, 2020 (N = 3,465, unweighted; representative within ±3% of US census demographics).

Note: Question text: “How do you expect your spend to change in the next 6 months across the following areas?” Excludes categories with N < 100. US – Wave 1 – March 6–9, 2020.



What will the new reality look like?



Increase in online sales



Increase in ROPO



Less physical mobility, increased social distancing and remote contact



There will be a recovery, however a vaccine or other medical treatment will be critical in the recovery pace

It's Now Or Never: Off-Price, Discounters And Mom-And-Pops Will Have To Take E-Commerce Seriously

Nearly half of global consumers say they will not return to shops for 'some time' or 'a long time' after lockdowns ease

GlobalWebIndex's [ninth release](#) of its coronavirus research has revealed that nearly half of global consumers do not expect to resume shopping in brick-and-mortar shops for 'some time' or 'a long time' once lockdowns ease.

ADAPT OR EXPAND



SUMMER BODIES ARE MADE IN WINTER

“Crash diets don’t work,” says Stewart. “Trim some fat by working out more, don’t cut back on protein or energy to fuel the growth of tougher and leaner machinery. In other words, in times of crisis, smart companies use data and optimize more than ever, not less.”

You’re looking for the right balance of cost cuts and investment, of organizational flexibility and stability. **Knowing your customers better than ever helps.** Knowing that this crisis, too, shall pass does as well. And clinging steadfast to your brand is non-negotiable.

- Bain study - Recession 2007-2008

Think of a recession as a sharp curve on a racetrack—the best place to pass competitors,

but requiring more skill than straightaways. The best drivers apply the brakes just ahead of the curve (they take out excess costs), turn hard toward the apex of the curve (identify the short list of projects that will form the next business model), and accelerate hard out of the curve (spend and hire before markets have rebounded).

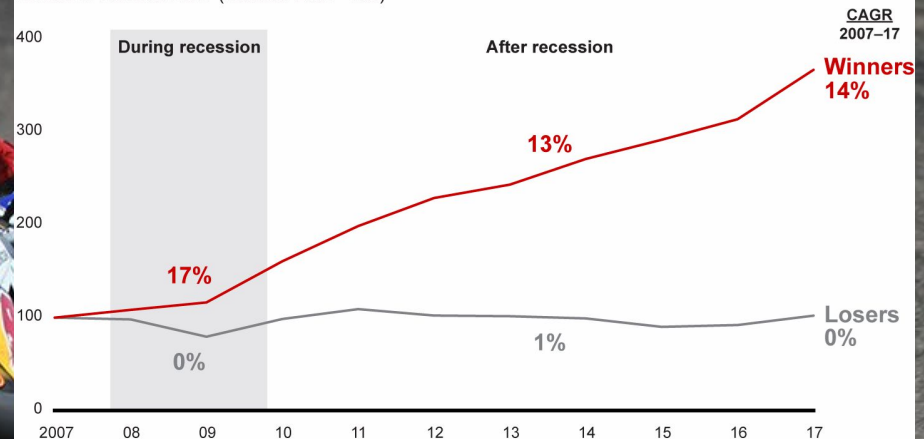
Bain reports

History Shows If You Cut Less During Down Times You'll Gain More in Better Times

While most companies tightened their belts, **successful leaders, trading lower short-term profitability for long-term gain, refocused rather than cut spending** [. . .] Yet in expansionary periods, successful leaders spent significantly less on [selling, general, and administrative costs] than did their former peers.

McKinsey

Growth in nominal EBIT (indexed 2007=100)



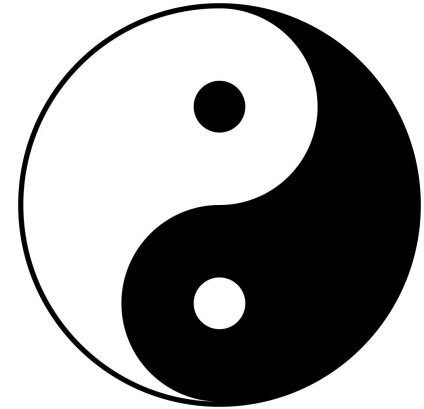
Sources: S&P Capital IQ; Bain Sustained Value Creator analysis, winners (n=415) losers (n=3,449)

Compound annual growth rate (CAGR)



Recession Marketing: Find a Balance between Reducing Costs, Increasing Short-Term Sales and Long-Term Brand Health

1. Cut with a scalpel
2. Know your customers better
3. Improve affordability
4. Adjust your message
5. Bolster trust
6. Different strategies for different Corona impact
7. Invest for later



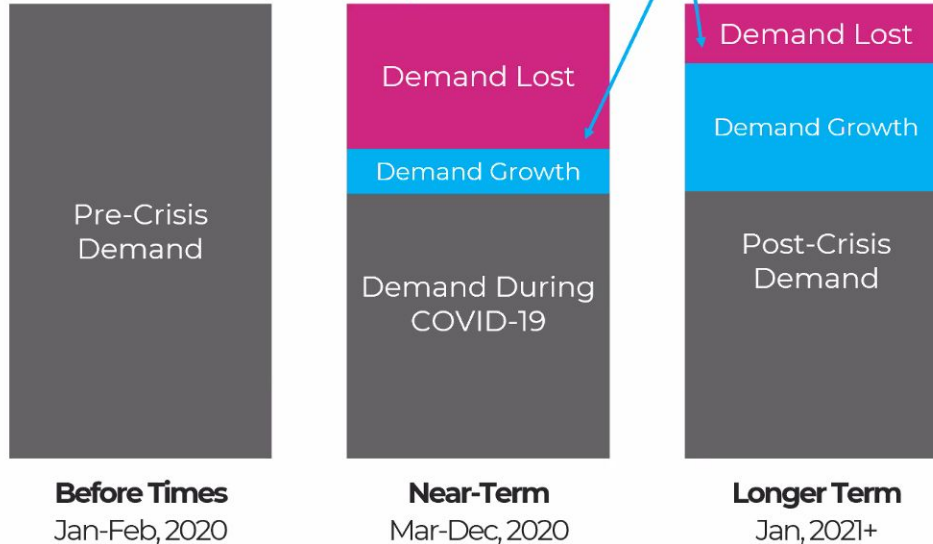
1.

**CUT YOUR BUDGET WITH A
SCALPEL, NOT WITH AN AXE**

CUT IN LINE WITH DECREASED DEMAND; FOCUS ON RETURN

Do not cut marketing by more than this!

And don't cut so deep you remove this potential.



2.

**KNOW YOUR CUSTOMERS
BETTER**



KNOW YOUR CUSTOMER AND HOW THEY MAY CHANGE = KEY

*Search habits change. Social habits change. Email habits change. **Smart marketers** will recognize this and be empathetic to the realities of journalists, customers, and their industries. They **will adapt the way they write, promote, and conduct outreach.***

Ross Simmonds of Foundation Inc.

I'd think the first stop is **analytics**—who dropped off, what channels, who remained, etc., but **polls and surveys** are obvious choices, too.

Ben Labay, CXL Agency

Marketers should prepare now for a possible long-term shift in consumers' values and attitudes.



Tailoring Your Tactics in a Recession (Harvard Business Review)

Psychological segmentation
(instead of demographic or lifestyle)
= consumers' emotional reactions
to the economic environment.

- The **Slam-on-the-brakes segment** feels most vulnerable and hardest hit financially. **Directly hit: eliminate spending.**
- **Pained-but-patient consumers** tend to be resilient and optimistic about the long term but less confident about the prospects for recovery in the near term or their ability to maintain their standard of living. **Not directly hit: economize spending.**
- **Comfortably well-off consumers** feel secure about their ability to ride out current and future bumps in the economy. **Not hit: more selective spending.**
- The **Live-for-today segment** carries on as usual and for the most part remains unconcerned about savings. **Not hit and low & flexible costs: no change in spending.**

	ESSENTIALS	TREATS	POSTPONABLES	EXPENDABLES
Slam-on-the-Brakes	<ul style="list-style-type: none"> ▪ Emphasize price; hit wallet-friendly retail price points ▪ Offer smaller pack sizes for less money ▪ Expand retailer private labels ▪ Promote low-cost value products ▪ Introduce fighter brand 	<ul style="list-style-type: none"> ▪ Shrink sizes ▪ Hold prices down ▪ Advertise as a "you deserve it" small indulgence 	<ul style="list-style-type: none"> ▪ Offer layaway plans ▪ Provide low-cost financing ▪ Promote exceptional deals ▪ Challenge penny-wise, pound-foolish behavior (such as dangerously postponing tire replacement) 	<ul style="list-style-type: none"> ▪ Offer do-it-yourself alternatives to doing without ▪ Continue awareness advertising (for instance, for future vacations)
Pained-but-Patient	<ul style="list-style-type: none"> ▪ Offer a lower-priced option ▪ Hit retail price points ▪ Promote bonus packs to encourage stockpiling ▪ Emphasize dependability of branded product or service 	<ul style="list-style-type: none"> ▪ Reward loyal consumers, even if they consume less (for example, offer frequent-patron points) ▪ Advertise products as morale raisers ▪ Advertise products as affordable alternatives to more expensive luxuries 	<ul style="list-style-type: none"> ▪ Offer simpler models, lower prices ▪ Promote lower-operation-cost models ▪ Promote repair services 	<ul style="list-style-type: none"> ▪ Continue awareness advertising ▪ Invest in core product improvements that will accelerate customers' reentry into the market
Comfortably Well-Off	<ul style="list-style-type: none"> ▪ Continue awareness advertising 	<ul style="list-style-type: none"> ▪ Emphasize outstanding quality ▪ Advertise as a product you deserve because you are successful 	<ul style="list-style-type: none"> ▪ Promote savings from buying now ▪ Advise customers they're "missing out" by postponing 	<ul style="list-style-type: none"> ▪ Enable discreet purchasing that avoids the appearance of flaunting in front of less wealthy people ▪ Advertise benefits of impressing wealthy friends
Live-for-Today	<ul style="list-style-type: none"> ▪ Continue awareness advertising ▪ Remind consumers, "You can't live without it" 	<ul style="list-style-type: none"> ▪ Offer convenient automatic credit card billing ▪ Promote as opportunity to seize the moment 	<ul style="list-style-type: none"> ▪ Offer monthly payment plans ▪ Promote quality-of-life benefits of buying now 	<ul style="list-style-type: none"> ▪ Offer exciting new products and promote as "must have" ▪ Advertise as products you can aspire to buy when your income grows

Four categories of products & services

- **Essentials** are necessary for survival or perceived as central to well-being (**food, housing**).
- **Treats** are indulgences whose immediate purchase is considered justifiable (**dining out**).
- **Postponables** are needed or desired items whose purchase can be reasonably put off (**new car**).
- **Expendables** are perceived as unnecessary or unjustifiable (**designer dress**).

3.

**ADJUST YOUR MESSAGE TO
THE NEW REALITY**



“It seems very obvious to update ads, but the reality is very few advertisers are doing it,” Microsoft Ads

- Clearly communicate empathy for your customers’ current situation. **“Learn X at home”**
- Be sensitive - Better too serious than sorry - Check for insensitive words (**viral, killer deal**)
- Keep a positive, inspirational, and helpful tone. Ease up on urgency.
- Replace irrelevant CTAS (like “join now” if you are closed) with appropriate alternatives (like “sign up for virtual classes”).
- Promote your coronavirus-safe offers (such as contact-free delivery, at-home kits, virtual sessions).
- Be sure your ad copy reflects how your company is responding to this new environment. Modify your offers.
- Data-informed messaging (Google Ads Search Terms, Google Trends, Buzzsumo, etc)
- Think contribution, not conversion



A Safety Driven Lifestyle

#coronavirus_preventions



Staying home with
your family
will save your life



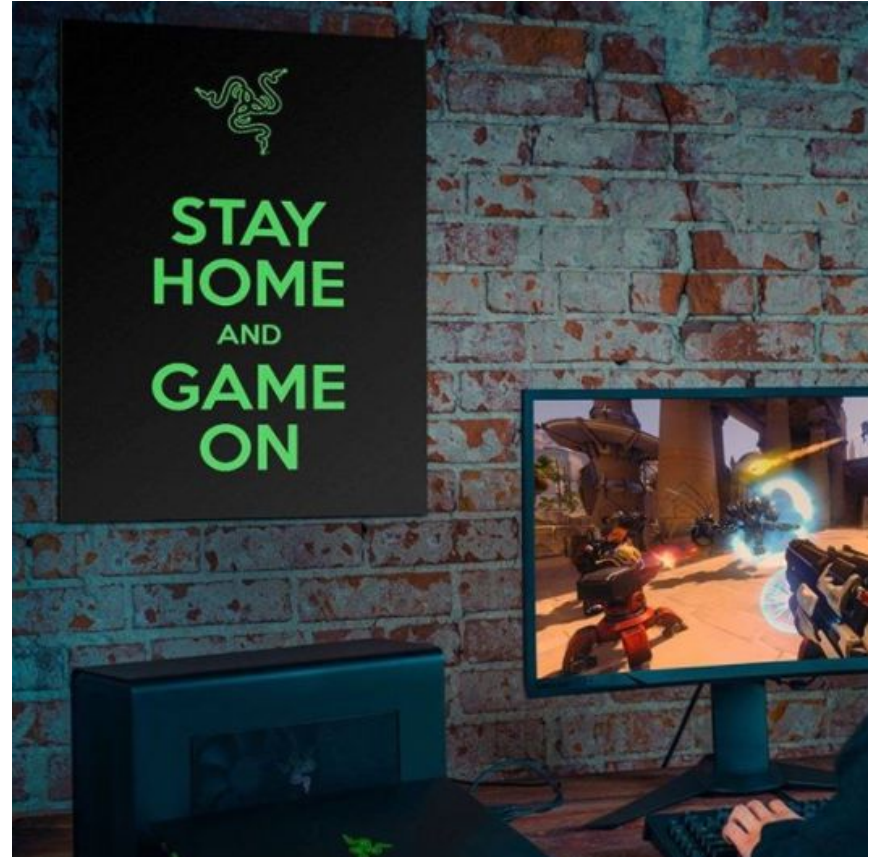
A Safety Driven Lifestyle

#coronavirus_preventions



Enjoying the comfort
of your home
will save your life

Nissan



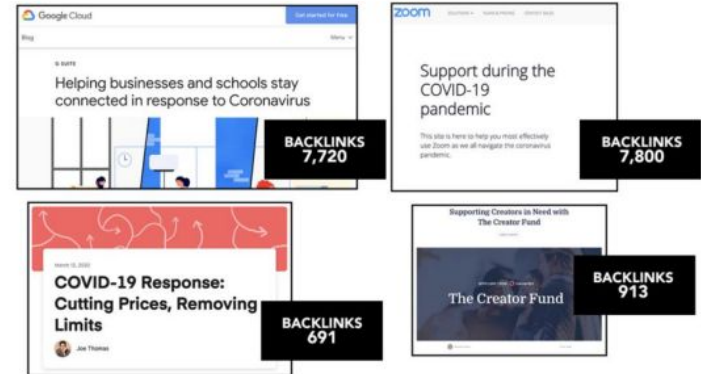
Razer



“I believe that if you profile yourself more as a helping hand and not so much as a sales employee, you will get a lot in return.”

Seth Godin

**THE MOST LINKABLE ASSETS DURING COVID-19
ARE THOSE THAT ANNOUNCE REAL SUPPORT & RELIEF**



SOURCE:
Foundation Labs | 1900+ Blog Posts From 32 SaaS Brands



<https://www.magalidereu.be/stories/seth-godin-on-marketing-in-the-time-of-corona-our-job-is-more-than-ever-is-to-make-a-difference-making-money-doesnt-interest-me-right-now/>
<https://www.youtube.com/watch?v=CT6Kl4buA3w>

4.

IMPROVE AFFORDABILITY

Increased competition on price, but don't change positioning

- **Discounts** that require little effort from consumers
- **Cash back** at the point of sale
- **lowering up-front adoption costs**
- **bundle or unbundle offerings** or offer both options

Changing positioning (lowest absolute price, value for money, premium) is confusing.

Premium brand can introduce “fighter brand,” a lower-priced version of the premium offering sold under a different name and backed by minimal advertising.

Hyundai's Assurance program (2007–08 financial crisis)

*They offered car buyers the opportunity to **return a purchased or leased car if they lost their income** within a year of the sale.*



5.

BOLSTER TRUST



OFTEN BUDGET SHIFTS FROM BRANDING TO PERFORMANCE, BUT...

During recessions it's more important than ever to remember that **loyal customers are the primary, enduring source of cash flow** and organic growth. **Marketing isn't optional—it's a “good cost,” essential** to bringing in revenues from these key customers and others.

Worried consumers see familiar, trusted brands and products as a safe and comforting choice in trying times. Reassuring messages that reinforce an emotional connection with the brand and demonstrate empathy (for example, by conveying a sense that “we're going to get through this together”) are vital.

Brand campaigns “convert poorly,” but they are not meant to convert. They build trust and confidence, which is what is needed right now. It will reassure those who can't buy now but will buy again later—and attract more of those who can or need to buy now but are being hard-pitched by everyone else.

6.

**DIFFERENT STRATEGY FOR
DIFFERENT CORONA IMPACT**



	Highly Impacted	Moderately Impacted	Positively Impacted
Industries	<ul style="list-style-type: none">● Travel & Tourism● Bars & Restaurants● Live Entertainment● Conferences● Sports & Fitness● Building & Construction● Industrial & Manufacturing	<ul style="list-style-type: none">● Real Estate● Home Improvement● Home Furniture● Automotive● Retail● Jobs & Education● Legal Services	<ul style="list-style-type: none">● Health & Medical● Non-profit & charities● Business management● Finance● Personal Care & Beauty● On demand Media● Greetings, Gifts & Flowers
Focus	Long Term	Short term & Long Term	Short Term
Strategy	<ul style="list-style-type: none">- Subscriber based marketing- Brand awareness- Brand activation- Unconventional trial period	<ul style="list-style-type: none">- Optimize on ROI short term- Invest long term branding- Shift ROPO and E-commerce	<ul style="list-style-type: none">- Help (brand activation)- Roam
	Expedia	Heineken	Disney+

Free Basic-Fit Fitness App in exchange for email

High
Impact

THUIS TRAINEN MET DE APP!

IEDEREEN kan nu drie maanden gratis de Basic-Fit app gebruiken! Met deze app kan je thuis virtuele groepslessen doen, onze trainingschema's gebruiken, Audio Trainingen luisteren en nog veel meer. Nee, er zit geen addertje onder het gras, we willen gewoon dat je fit deze corona-tijd doorkomt. Na 3 maanden word je automatisch uitgelogd van de app en zit je nergens aan vast. We hebben dus ook geen betaalgegevens van je nodig. Meld je nu gratis aan!

Zoek een club bij jou in de buurt



or

WORD BASIC-FIT LID

GRATIS APP
VOOR
IEDEREEN!

MELD JE NU AAN





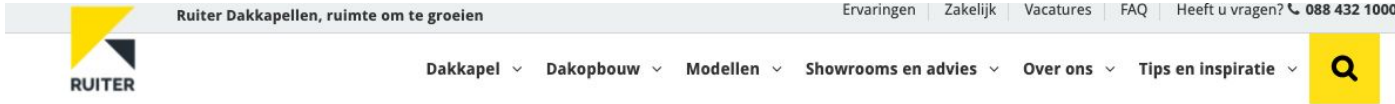
Virtual Cadillac Showroom Visit

High /
Moderate
Impact





Ruiter Dakkapellen: Relevant Message



Bavaria helps with hand sanitizer made from beer

Moderate
Impact



7.

INVEST FOR LATER

POSITION FOR RECOVERY



THIS IS WHERE YOU BEAT YOUR COMPETITION

The higher your share of voice compared to your actual market share, the more likely your brand is to grow its market share in the subsequent year. So, if you increase your marketing investment at a time when competitors are reducing theirs, you should substantially increase the saliency of your brand.

Because they enjoy advantages of scale, big brands enjoy an advantage over smaller ones in terms of attracting repeat purchase and recouping their marketing investments. Therefore, a brand that increases share during a recession stands to benefit from this multiplier once the economy rebounds.

https://www.millwardbrown.com/docs/default-source/insight-documents/points-of-view/MillwardBrown_POV_MarketingDuringRecessionToSpendNotToSpend.pdf
<https://www.forbes.com/sites/bradadgate/2019/09/05/when-a-recession-comes-dont-stop-advertising/#3902471b4608>

The cost of advertising drops during recessions.



WRAP-UP



WRAP UP - NEVER LET A GOOD CRISIS GO TO WASTE

What will our new normal look like?

- More online sales, more ROPO...
- Less mobility, more remote working, more distance...
- Recovery, but not until there is a vaccine...

Pay close attention to the changes, especially the behaviour of your customers and adjust your offering, message and tactics accordingly.

Intelligently invest now for the long term so you can gain a big chunk of market share from your competition once the market picks up.

This crisis is an opportunity to become leaner, meaner and better than ever before.

“
**Never let a
good crisis
go to waste.**
— Winston Churchill

Q&A



WANT TO KNOW MORE?



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HELP US WITH FEEDBACK



<https://pollev.com/maxleadsurvey>

Important sources:

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