

MRG Presentation

# HOW TO ACT DURING A CRISIS



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# THE QUESTION

## WHAT SHOULD MARKETERS DO DURING A CRISIS

1. What do consumers think? Should we adjust advertising during a “Corona” crisis?
2. What happens when we decrease or increase our marketing budget? What can we learn from science and data?
3. What are the main ingredients for growth during a crisis according to marketers?
4. Should we adjust our ads during a crisis or invest in the same ads as we did before?
5. Should our innovations also consider the crisis or is this just business as usual?





# RESEARCH

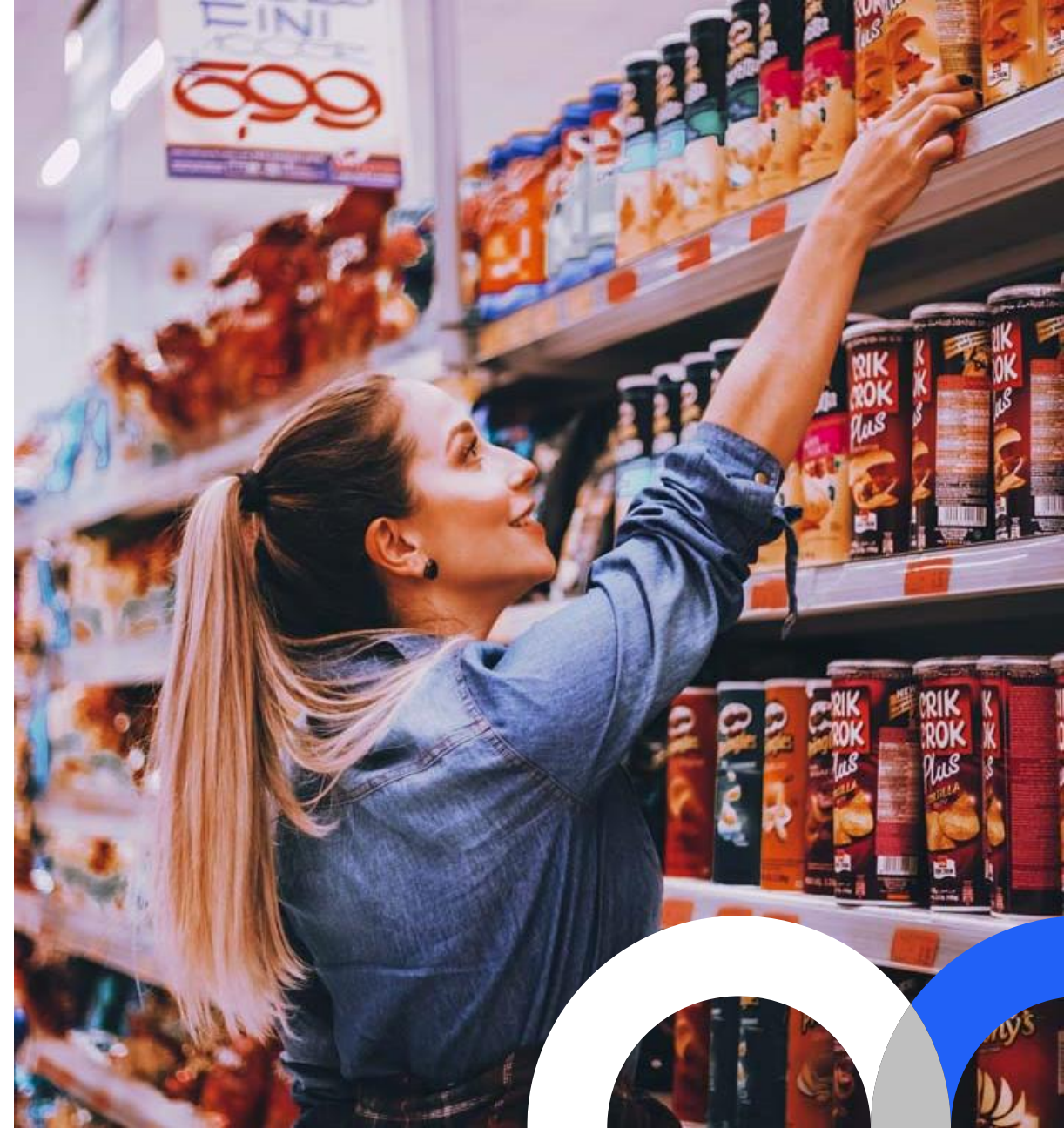
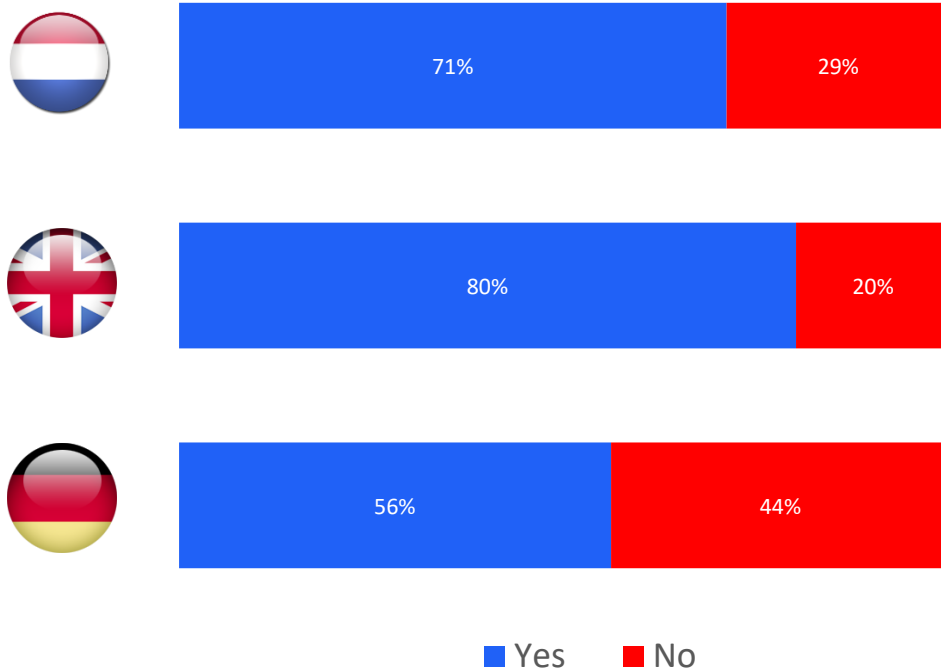
## WE HAVE USED DIFFERENT DATA SOURCES TO LOOK AT THIS

1. Brand Growth Study
2. Historical databases
3. Research: Bi-weekly measurements
4. Research: > 100 commercials and Online Videos
5. Research: 100 > Covid related advertising



# CONSUMERS

## COMPANIES SHOULD CHANGE THEIR ADVERTISING





# CONSUMERS

**A LOT OF CONSUMERS BELIEVE THAT COMPANIES SHOULD STOP ADVERTISING**



# SCIENCE

## THE ACADEMIC WORLD SAYS WE SHOULD INVEST DURING A CRISIS

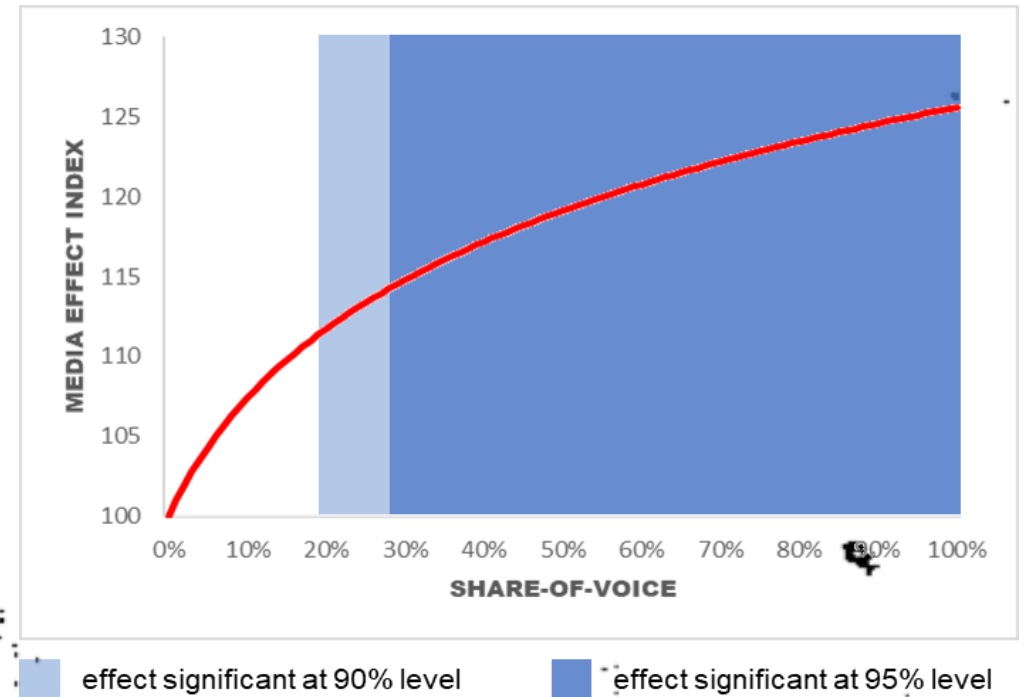
- Stronger brands return faster to a normal situation after a crisis than weaker brands!
- Investing during a crisis has two main advantages:
  - More impact
  - Higher Share of Voice
- *During a crisis, is it important to have the highest share of voice?*



# OUR TRACKING DATA

## OUR OWN DATA ALSO SHOWS A SIGNIFICANT RELATION BETWEEN SPEND AND SUCCESS

- Despite the focus on share-of-voice, the analysis results first of all show that the level of **own** expenditure still plays the largest role in determining media effectiveness.
- We see that media use becomes increasingly effective as a larger share of voice is achieved with this effort.





# BRAND GROWTH

## MARKETERS ALSO BELIEVE THAT COMPANIES SHOULD CONTINUE INVESTING (IF POSSIBLE)

*“Our media strategy needs to be agile now, more than ever before, and adapted to the new reality. For FMCG brands that are able to, the historic case studies suggest that they should continue to invest above the line.” Relevance is also reiterated: “If you have the resources and can convey a relevant message that suits your brand, I would certainly advertise in these times.”*

*“In a crisis, completely different things emerge, and sales figures may drop. But you would not immediately pull the plug on all brand campaigns. When it comes to the budget allocation, brand campaigns should not lose out, otherwise you can start building your brand from the ground up again in 2 years’ time.”*





# BRAND GROWTH

## RESULTS OF BG STUDY SHOW THE SAME FINDING

Marketing Investments decreases

Marketing Investments increases



WINNERS

31%

WINNERS

19%



LOSERS

56%

LOSERS

7%



# BRAND GROWTH

TWO MAIN INGREDIENTS FOR GROWTH ARE IDENTIFIED

In our advertising?



Even during a crisis?





# OUR STUDY

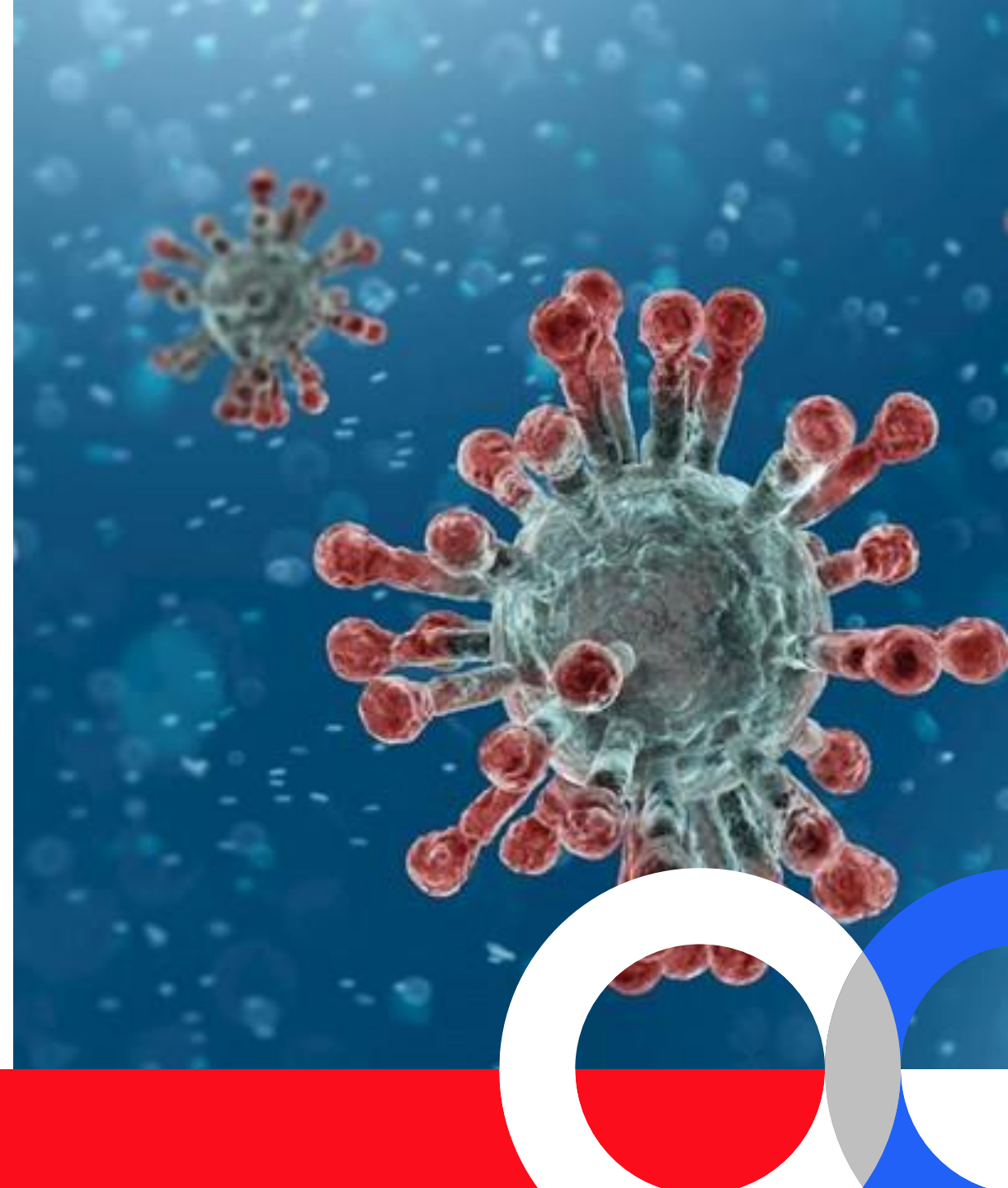
## WE HAVE TESTED OVER 100 DIFFERENT ADS IN 3 MARKETS

### Our Study

- 56 TV commercials and 64 Online Video's
- Three markets: Netherlands, United Kingdom and Germany
- Fieldwork during Corona Crisis

### Our KPI's

- Attention
- Relevancy
- Impact



# ENGAGEMENT

PEOPLE SPEND MORE ATTENTION ON ADS THAT INTEGRATE CORONA IN THE STORYLINE

	CORONA RELATED	NON-CORONA RELATED
OVERALL ENGAGEMENT	63%	55%
AVERAGE DURATION	67%	61%
AUDIENCE RETAINED AFTER 10 SEC.	69%	58%
COMPLETELY WATCHED	52%	47%

Δ Difference

+14%





# EVALUATION

**ALSO MORE PEOPLE WERE POSITIVE ABOUT THESE ADS AFTER A FULL EXPOSURE**

	CORONA RELATED	NON-CORONA RELATED
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Δ Difference

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# IMPACT

**HOWEVER, IMPACT FOR THESE ADS WERE LOWER THAN FOR OTHER ADS**

	CORONA RELATED	NON-CORONA RELATED
OVERALL IMPACT	62%	67%
UNAIDED BRAND RECALL	45%	49%
AIDED BRAND RECALL	61%	75%
MESSAGE RECALL	51%	51%

Δ Difference

**-7%**







# IMPLICATION

## IF ADVERTISERS USE CORONA IN THEIR ADS, THEY SHOULD BE CAREFUL

### CORONA RELATED COMMERCIALS ARE STRUGGLING TO CONNECT TO THE BRAND

In order to bring across the message and the brand, advertisers should not forget their existing memory structures!

### NOT ALL CORONA RELATED TV COMMERCIALS ARE SUCCESSFUL

Within the range of corona related TV commercials, big differences in performance are seen, implying that not all are successful. It is easy to generate attention, it is difficult to link that to the brand





# OUR STUDY

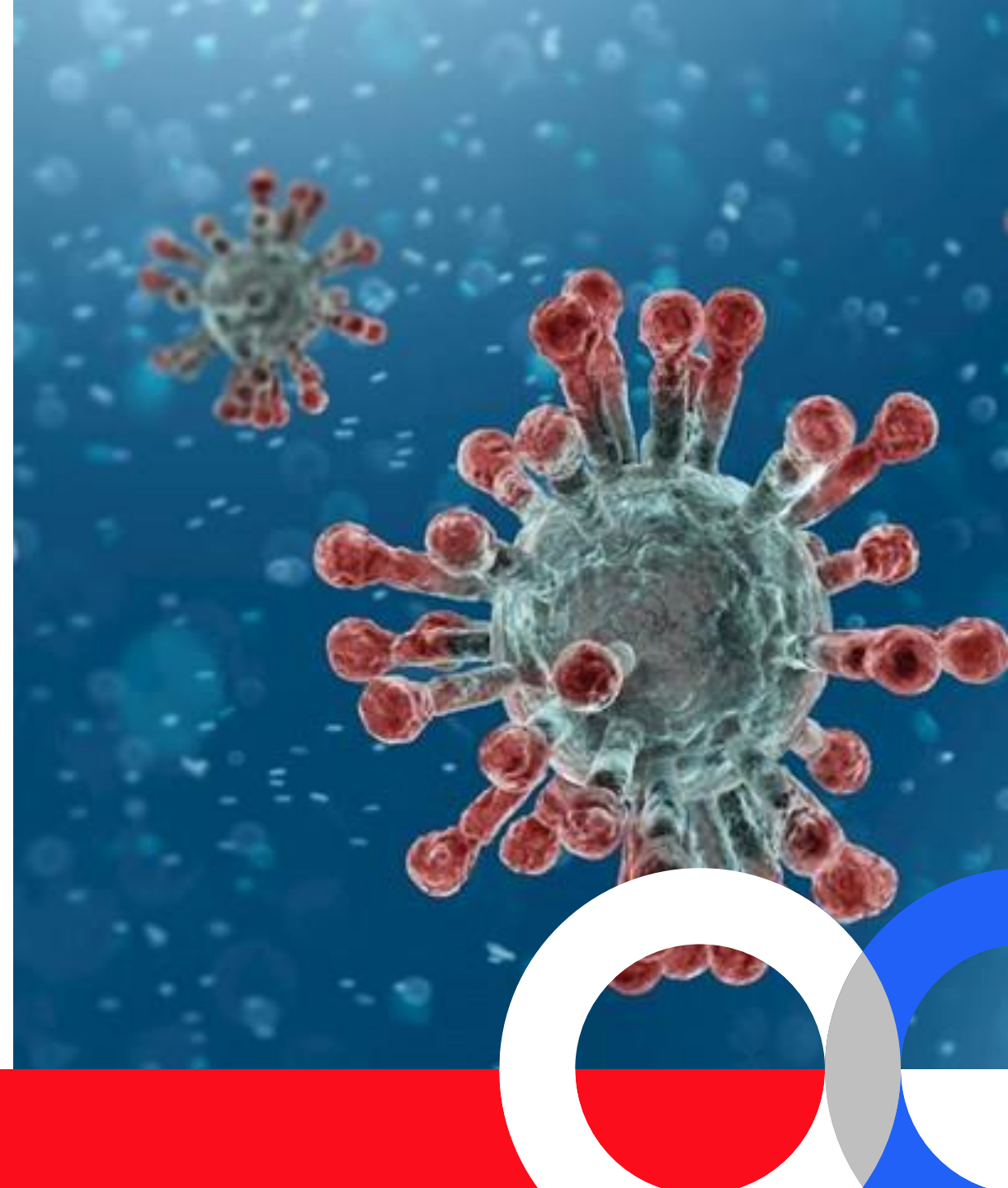
## WE HAVE TESTED OVER 25 DIFFERENT INNOVATION IN 3 MARKETS

### Our Study

- 25 innovations in 6 categories
- Three markets: Netherlands, United Kingdom and Germany
- Fieldwork from 17-21 April

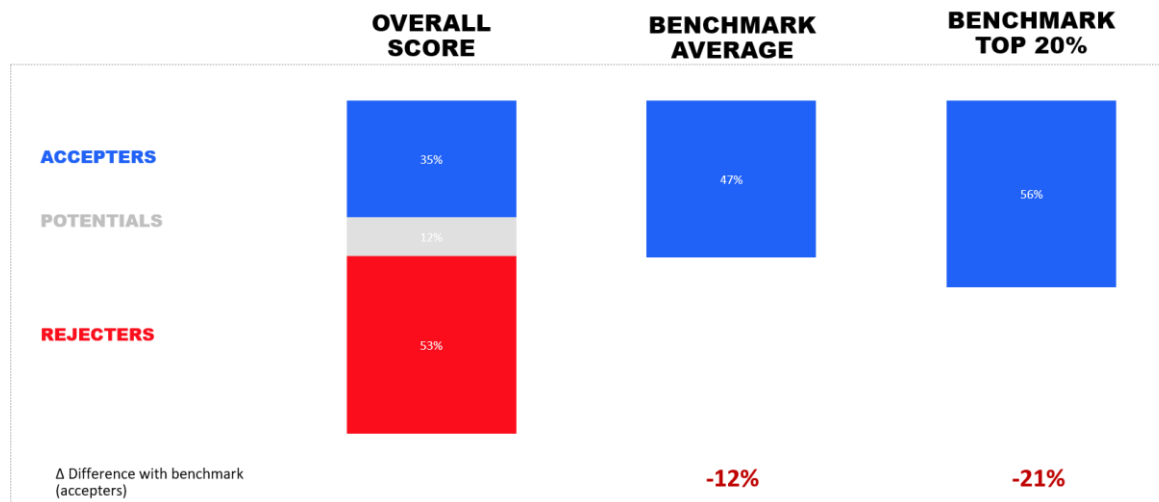
### Our KPI's

- Attention
- Relevancy
- Impact



# ACCEPTANCE

## OVERALL ACCEPTANCE OF CORONA RELATED INNOVATIONS WERE LOW





# IMPLICATION

## INNOVATIONS ARE TREATED DIFFERENTLY BY CONSUMERS

### DEEP UNDERSTANDING OF THE UNDERLYING FRICTION – GOING BEYOND SOCIETAL IMPACT

- Just tapping optimistically into general frictions of corona isn't good enough. One needs to understand the insight and friction at a personal level. Otherwise one risks everything crumbling down.

### THE GOLDEN RULES STILL STAND – AND ARE EVEN MORE STRICT IN TODAY'S WORLD

- As people are more in their 'security mode' one doesn't take decisions overnight. 'What's in it for me' has become even more important.
- The value proposition needs to be a well thought construct, more than ever before, a value proposition needs to be a seamless connection between people's personal relevance, the value proposition as such – in light of the current era.



# THE ANSWERS

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# AND PERSONALLY

## MY PERSONAL STORY DURING THE CRISIS

1. We invested in our own people
2. We invested in content, content and content.
3. What we did:
  1. 15 measurements on Covid
  2. 5 benchmark studies
  3. 35 interviews with CMO's
  4. 12 database analyses
4. We stopped having sales conversations





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