

In the "new normal" to come, will plans conceived pre-Covid still be relevant?

By Richard Wells 12 May 2020

Fast start vs blowout Christmas, what's the new F20 plan?



Richard Wells, CEO of VF!

For many businesses with a June or October reporting cycle, the brilliant business plans written in November or February are now as antiquated as the idea of a braai with your mates or watching Chiefs vs Pirates down at the local. The revised planning cycle may be in full swing but in the absence of any kind of past precedent, what actually are we planning?

A similar sentiment is being fed back from the retail trade. Dusting off an April and May campaign might be fine, but is it still relevant for July and August given the significant changes in shopper behaviour and motivations?



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Research has shown that store trips are down due to poor social distancing protocols, baskets have diminished in the wake of reduced income and previously loyal customers are opting into new and different e-commerce providers. If consumer behaviour has changed so drastically in six weeks, it goes without saying that pre-Covid-19 campaigns are equally irrelevant.

Our weekly Township Shopper Focus Groups have revealed that retailers are right to be concerned. Household costs have near doubled since lockdown, grocery bills have escalated with more people at home for longer, electricity usage is up and the product discounts searched for weekly in broad sheets have ended. Top-up shopping has reduced and luxuries and snacks are a rarity. Hard budgeting is now the norm.



4 protocols to implement now

So, what should brands do? Ride the storm and pick up the pieces or bank all on a return-to-normal, end of year blowout?

We say neither. As retail marketing specialists, we believe that swift adaptation during a climate change will facilitate growth, especially in these uncertain times. We've therefore earmarked four protocols to implement now; not only for that proverbial hole-in-one but to tee up for a very compelling future.

- Campaigns remain crucial: We suggest that for now, the single most important part of the marketing mix is an out-ofstore to in-store, omnichannel campaign. Research has proven that shoppers are still sticking to 'their' trusted brands so they need to be reminded that their loyalty is justified. Now is not the time to test that loyalty by going cold in the hope of a return further down the line.
- Six-week horizons not six months: Everyone is questioning how they'll get through the next three months, including traders and shoppers. By default, what is called for are short-term, high-impact executions.



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- Category not brand: Portfolio offers and cross-category multi-buys will both benefit the trade through increased baskets and will be appreciated by shoppers for the perceived value saving. Making purchasing easy and quick and leaving shoppers with the feeling of having been rewarded will strengthen brand affinity and retailer loyalty
- Feeling not function: At the onset of coronavirus, we would have recommended communicating function over feeling. From a total lockdown to now being given a three-hour window of 'normality', we're seeing the winds of change in motion. For the first time in weeks, we can start imagining a different tomorrow. Hope is a feeling worth building on.

VF! continues to conduct research into SA retail throughout the lockdown period and will be sharing more insights over the coming weeks.

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