

Challenges marketers are going to face in 2021

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The covid-19 pandemic has been a global disaster like no other. The last eight months, since the first lockdown in March 2020 have seen economic activity disrupted like nothing else. As India reels under the impact of this disease and its associated healthcare challenges, businesses and the government must collaborate to revive the limping economy. Marketing plays a key role in stimulating demand for goods and services, many of whose value chains have been severely disrupted. Here are five major marketing concerns for 2021, in light of the ongoing covid-19 pandemic.

1. **(Re)building customer relationships:** Professor Christine Moorman of Duke University's Fuqua School of Business conducts the annual chief marketing officer (CMO) survey, and this year's outlook is predictably bleak, even though many report the increased importance their firms have afforded to their marketing departments. While this survey is of American CMOs, their current concerns should mirror their Indian counterparts' as well. This year, these CMOs report major dips in sales revenues and customer acquisition, with consumer facing companies hit harder than their business facing counterparts. They report consumers as being more price sensitive and less loyal than before, with the development of trusting relationships with customers emerging as their top priority. Not only do relationships need to be developed, but also existing relationships that were interrupted by the pandemic need to be revitalized, for example, in the hospitality, travel, and corporate training sectors.
2. **Retail:** India's industries themselves have seen mixed fates since the pandemic's onset. Sectors involving discretionary spending and physical interaction have naturally been hit the hardest. These include aviation, ridesharing, hospitality, and physical retail. On the other hand, online retail, online education, and food delivery have seen an upturn in their fortunes. Brick and mortar retailers, especially those in malls, are likely to be affected as long as the specter of covid-19 looms over India – designed to soothe customers in calm, air-conditioned spaces encouraging extensive product trials, these retailers have now lost their edge over their online counterparts. To compensate for their dwindling footfall, these retailers could explore short term tie-ups with online delivery partners wherever possible (Dunzo and some food delivery players like Swiggy and Uber Eats who now also deliver groceries along with their traditional restaurant deliveries). Offering consumers discounts is another short-term tactic that may be explored, but with the associated risk of reduction in brand image, especially in premium segments.

3. **Salesforce management:** Pharmaceuticals, equipment manufacturers and enterprise service providers often rely on salespersons who directly meet potential buyers and clients. Much of this has been disrupted, thanks to temporary work-from-home policies of many large institutional buyers – often talking to multiple stakeholders like top management, procurement managers, financial approvers, and actual end users within these organizations. While many of these meetings may have shifted online, often affecting the efficacies of salespeople with decades of experience selling via offline personal meetings.
4. **Consumer protection:** Covid-19 has unfortunately led to many unethical advertisers targeting vulnerable consumers with misleading, and occasionally blatantly false claims. While many of these are about Ayurvedic cures for the coronavirus, others include claims of corona-resistant paint and clothing, and even immunity-boosting confectioneries. The Advertising Standards Council of India upheld complaints against 90% of 317 reported advertisements in August and September 2020 alone. Beyond covid-19 as well, consumers are increasingly falling prey to many scams via misleading and false advertising in domains as diverse as education tech, banking and healthcare.
5. **Digital marketing – a double edged sword:** Marketers are gung-ho about digital advertising. With the growing reach of social media thanks to falling costs of internet access, the ability to send targeted ads based on someone's personal characteristics and past behavior on search boxes and social media are indeed something that traditional ads on TV, newspapers and radio never afforded. However, consumers and regulators alike realize the implications of this, and have been pushing for increased restrictions on both access and usage of personal data for targeted advertising. Alongside this, digital marketers are threatened by widespread fraud arising from influencers buying fake followers, and app makers using botnets to mimic real users, and cheating advertisers of their ad budgets. Naïve advertisers may be misled by the large number of likes, retweets and comments on their social media content, while in reality these may be coming from shady click farms paid to do so. Digital marketers need to figure out ways to deal with both privacy concerns and fraud to ensure advertising reach and effectiveness. While this is not directly related to covid-19, this issue is one of utmost importance to marketers.

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