



*Presents*

CRISIS MARKETING

# What Local Marketers Need Right Now

*March 24-25, 2020*



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# Welcome!



**TODD HANDY**  
Chief Digital Officer  
Beasley Media Group

Questions? E-mail [webinars@bbgi.com](mailto:webinars@bbgi.com)

# Advice for Local Marketers



**GORDON BORRELL**  
CEO  
Borrell Associates Inc.

# What We'll Cover Today

## AGENDA

- Overview: Gordon Borrell
- Effect at Local Level: Corey Elliott
- Advice for Local Marketers: Jim Brown
- The Role of Promotions: Jim Brown
- Your questions

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*Please Share What You Hear Today*



@borrellassoc



LOCAL  
Advertising &  
Marketing  
TRENDS

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# Smart Businesses Excel In A Crisis



**Marketing** – It's critical to communicate openly with your customers about the status of your operations, what protective measures you've implemented, and how they (as customers) will be protected when they visit your business. Promotions may also help incentivize customers who may be reluctant to patronize your business.

Source: <https://www.autonews.com/article/20080630/OEM/306309949/how-gm-kept-america-rolling-in-2001>

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# Smart Businesses Excel In A Crisis



THE  
NEW YORKER

THE FINANCIAL PAGE APRIL 20, 2009 ISSUE

## HANGING TOUGH



By James Surowiecki  
April 13, 2009

In the late nineteen-twenties, two companies—Kellogg and Post—dominated the market for packaged cereal. It was still a relatively new market: ready-to-eat cereal had been around for decades, but Americans didn't see it as a real alternative to oatmeal or cream of wheat until the twenties.

So, when the Depression hit, no one knew what would happen to consumer demand. Post did the predictable thing: it reined in expenses and cut back on advertising. But Kellogg doubled its ad budget, moved aggressively into radio advertising, and heavily pushed its new cereal, Rice Krispies. (Snap, Crackle, and Pop first appeared in the thirties.) By 1933, even as the economy cratered, Kellogg's profits had risen almost thirty per cent and it had become what it remains today: the industry's dominant player.



Illustration by Christoph Niemann

Source: The New Yorker, <https://www.newyorker.com/magazine/2009/04/20/hanging-tough>

# Smart Businesses Excel In A Crisis

## Automotive News

June 30, 2008 01:00 AM

### How GM kept America rolling in 2001

TWEET

f SHARE

in SHARE

EMAIL



If you want to touch off a lively debate among auto people, just mention the word incentives. You'll get as many points of view as there are people in the room.

General Motors considered all those opinions after Sept. 11, 2001, the day terrorists hijacked four airliners and crashed two of them into New York's World Trade Center and another into the Pentagon.

It was a frightening time. Car sales ground to a halt. People were afraid to buy big-ticket items or much of anything else.

And GM shouted, "Keep America Rolling," offering 0 percent loans on all its cars and trucks. The plan jump-started auto sales and the entire U.S. economy. America breathed a massive sigh of relief.

The rest of the industry joined the parade. GM estimated that it added about 1 million total sales of cars and trucks by the end of the year. That's a shot in the arm of more than \$20 billion in sales.

Source: <https://www.autonews.com/article/20080630/OEM/306309949/how-gm-kept-america-rolling-in-2001>

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# Taking The Pulse of Local Businesses



**COREY ELLIOTT**

EVP of Local Market Intelligence  
Borrell Associates Inc.

# Before Coronavirus, Local Businesses Were Optimistic

## Have things gotten better?

DEC 2018

Harder: 46%

DEC 2019

Harder: 39%



## Current economic climate?

DEC 2018

Excellent: 5%

DEC 2019

Excellent: 18%



## What will next 6 months bring?

DEC 2018

Better: 9%

DEC 2019

Better: 12%



## Will you be spending more?

DEC 2018

More: 28%

DEC 2019

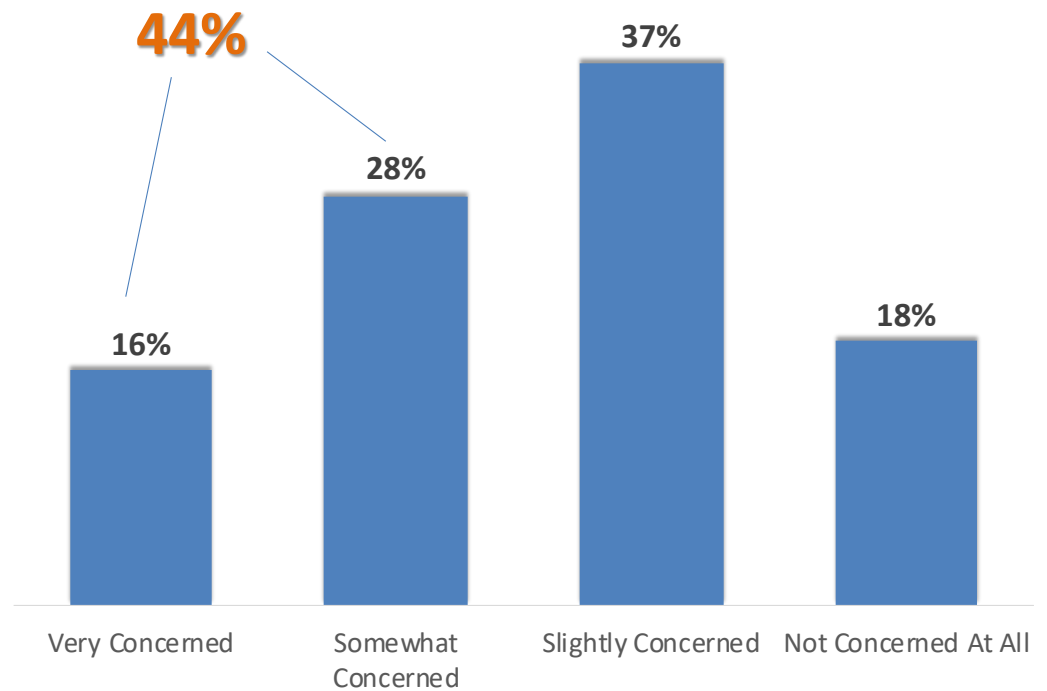
More: 32%



# Two Weeks Ago, Things Changed

MARCH 10-11

*Are you concerned about Coronavirus impacting your business?*



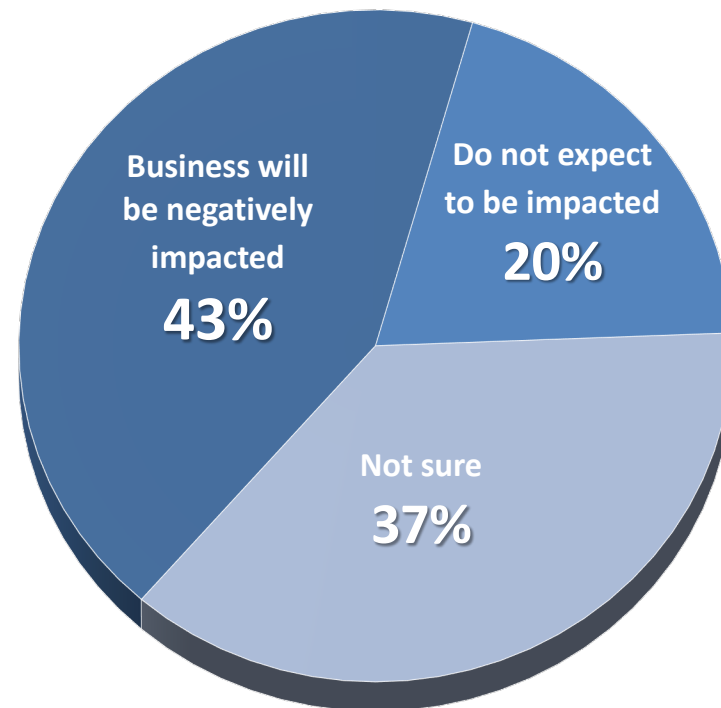
SOURCE: NFIB Research Center

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# Impact As Of Two Weeks Ago

**MARCH 10-11**

*How will Coronavirus impact your business?*



SOURCE: NFIB Research Center

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# Impact As Of Two Weeks Ago

SOURCE: NFIB Research Center

MARCH 10-11

Of businesses already  
negatively impacted...

- ✓ 39% experiencing supply chain disruptions
- ✓ 42% experiencing slower sales

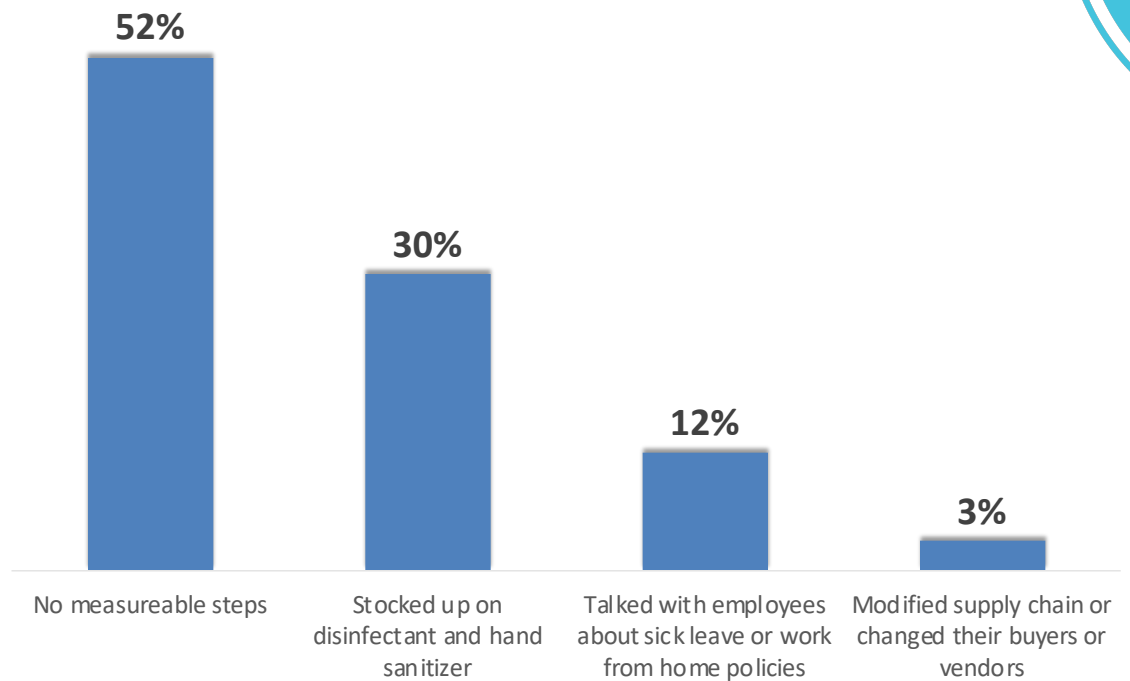




# Impact As Of Two Weeks Ago

**MARCH 10-11**

*What actions are you taking as a result of the Coronavirus outbreak?*



SOURCE: NFIB Research Center

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# Coming into 2020, They Were Confused About Marketing

## EXISTING CONCERNS ABOUT ADVERTISING


- 50% agree with Wanamaker's lament\*
- 48% have no strategy for setting ad budget
- 58% unsure they're spending the right amount
- Most try to handle marketing on their own

*\*"Half my advertising works. The trouble is, I don't know which half." –1900s retailer John Wanamaker*

# Marketing Channels Boom In a Crisis



*Nielsen data suggests that media consumption rises **nearly 60%** when consumers are asked to stay at home.*



SOURCE: Nielsen

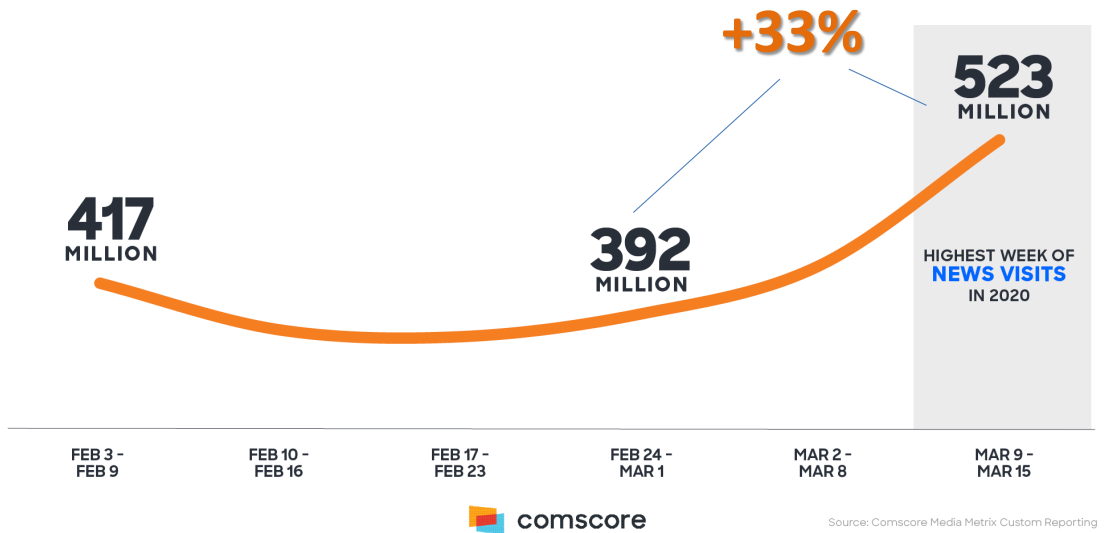
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# Marketing Channels Boom In a Crisis

March 18, 2020

## Total Digital News Site Visits

Aggregate Data of ~40 Selected News Sites



SOURCE: [Comscore.com/Insights](https://comscore.com/Insights)

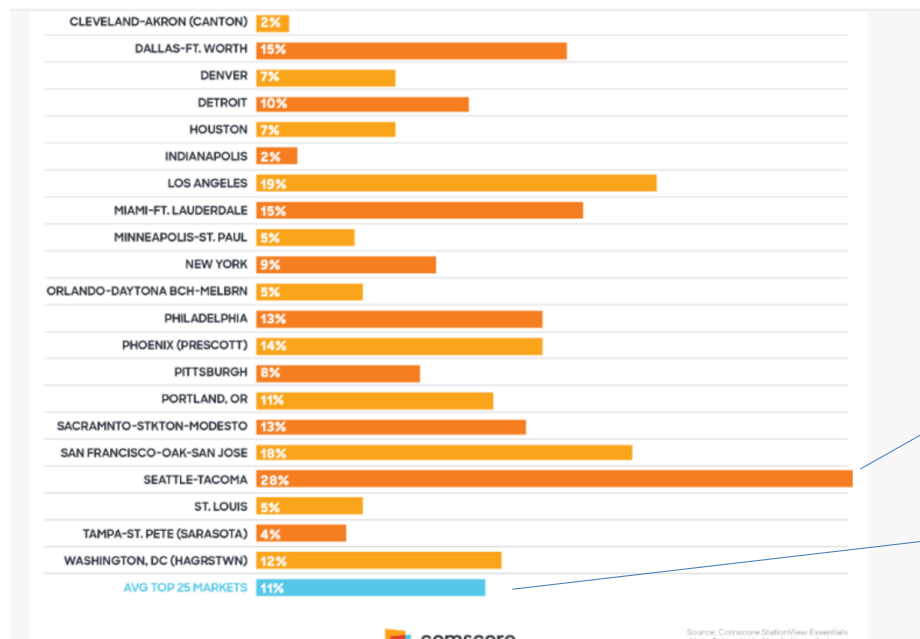
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# Marketing Channels Boom In a Crisis

## Broadcasting+Cable

March 18, 2020

## Coronavirus driving more Local TV news viewing



High  
**28%**

Avg.  
**11%**

SOURCE: <https://www.broadcastingcable.com/news/coronavirus-crisis-driving-more-local-news-viewing-comscore>

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# Local SMBS: What's Protected?

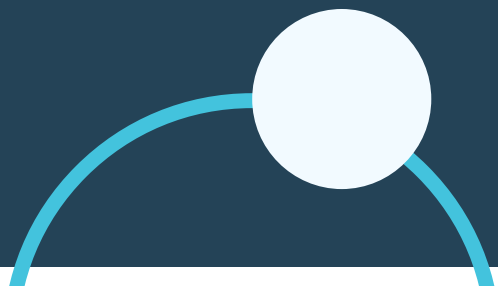
## 'Essential' Businesses

- ✓ Healthcare operations
- ✓ Grocers, farmers' markets
- ✓ Convenience stores
- ✓ Food cultivation businesses (farming, fishing)
- ✓ Businesses or organizations providing social services
- ✓ Newspapers, television, radio and other media
- ✓ Gas stations
- ✓ Auto repair shops
- ✓ Banks and financial institutions
- ✓ Hardware stores
- ✓ Plumbers, electricians, and other service providers
- ✓ Shipping and mailing businesses
- ✓ Educational institutions for distance learning
- ✓ Laundry services (laundromats, drycleaning companies)
- ✓ Restaurants for delivery and take-out only
- ✓ Businesses that ship groceries and supplies directly to homes
- ✓ Airlines, taxis, and private transportation services
- ✓ Home-based and residential care for seniors, adults and kids
- ✓ Legal and accounting services
- ✓ Childcare facilities, with certain stipulations
- ✓ Businesses that supply people with items required to work from home
- ✓ Businesses that supply essential businesses with necessary supplies

SOURCE: The Mercury News, March 2020

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# Local SMBS: Who's In Trouble?



*Any business that attracts a crowd of shoppers, workers, sports enthusiasts, or students, and those located near them, including:*

- ✓ Sporting Events
- ✓ Nightclubs
- ✓ Travel Services
- ✓ Colleges, Universities and other schools
- ✓ Restaurants without drive-throughs or delivery
- ✓ Movie Theaters
- ✓ Department Stores
- ✓ Malls
- ✓ Hotels
- ✓ Museums
- ✓ Casinos
- ✓ Race Tracks
- ✓ Tourist Attractions
- ✓ Amusement Parks

## Businesses fit into three 'crisis' categories

ESSENTIAL	AT-RISK	LIMBO
Automotive Parts and Supplies	Amusement Parks	All Other Business Locations
Automotive Repair Services	Beauty Salons	Apparel and Accessory Stores
Banks	Gambling Casinos	Automotive Sales
Cable and Other Pay Television Services TV Services	General Merchandise Stores	Contractors-Building
Credit and Mortgage Services	Ground Transportation	Contractors-Specialty
Food Stores-Retail	Hotels/Motels	DotCom Businesses
Home Health Care Services	Live Entertainment	Financial Services
Hospitals	Movie Theaters	Furniture Sales
HVAC Installation and Repair	Museums Art Galleries and Zoos	Government
Medical Doctors	Other Recreation Places	Legal Services
Office Equipment and Supplies	Physical Fitness Facilities	Miscellaneous Retail
Pest Control Services	Race Tracks	Other Medical Professionals
Radio Broadcasting Stations	Religious Organizations	Pharmacies
Retail Home Improvement	Sports Clubs	Real Estate Services
Television Broadcasting Stations	Travel Services	Telecommunications Services

### Essential AND At-Risk

Eating and Drinking Places
Colleges and Universities
Other Schools
Child Day Care

NOTE: This list is not all inclusive – but represents the top 15 ad spenders in each designation





In the  
Field Now

# New SMB Business Barometer Survey

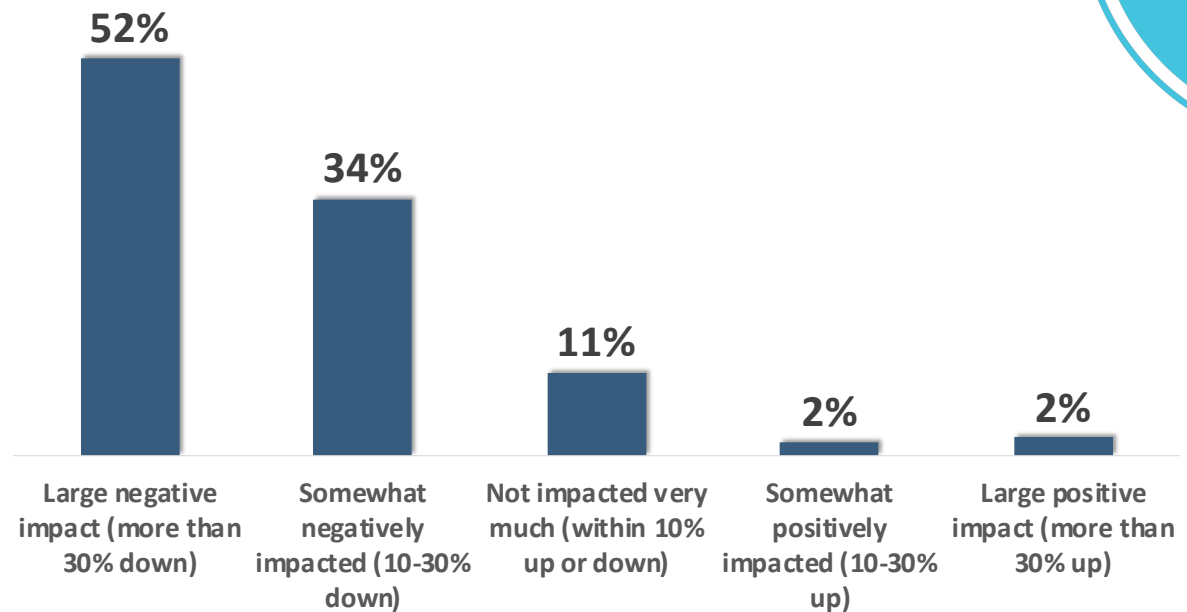
## **WE'RE ASKING THESE QUESTIONS:**

- How are you being impacted?
- When will it end?
- What could local media companies do to help you?



# How Are You Being Impacted?

*"Which best describes how much your business is being impacted by the novel coronavirus pandemic?"*

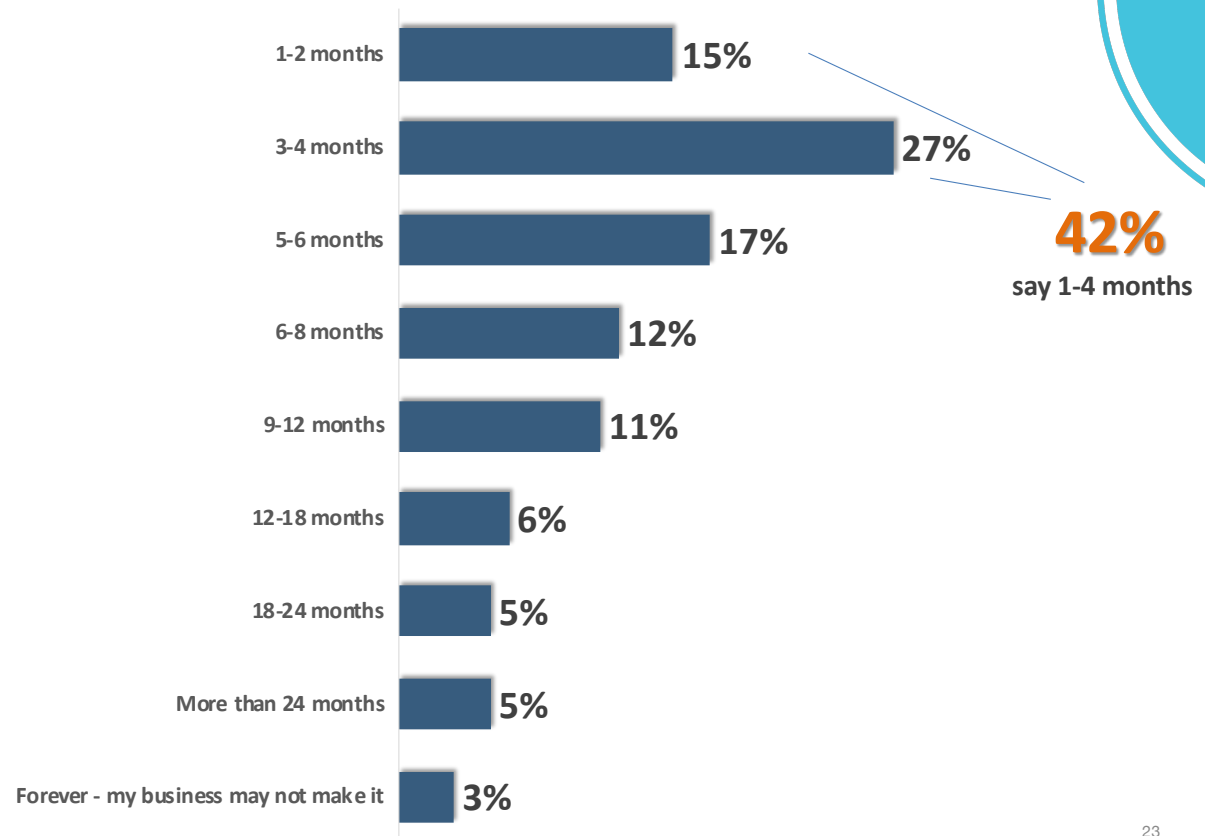


SOURCE: Borrell Business Barometer

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# When Will It End?

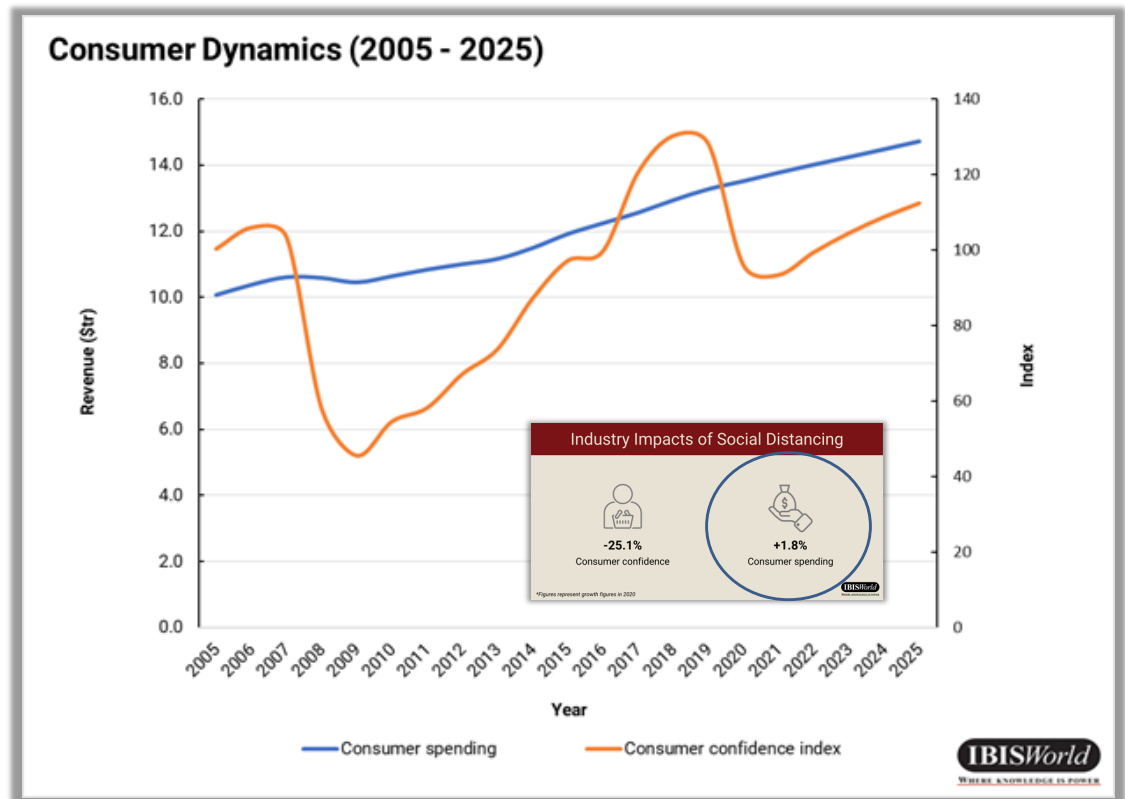
*"How long do you anticipate the impact on your business will last?"*



SOURCE: Borrell Business Barometer

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# In a Crisis, Consumer Spending Remains Constant



# Advice for Local Marketers



**JIM BROWN**

President  
Borrell Associates Inc.

# Marketing Help Needed!

*"Aside from costs or issues related to payments, what could local media companies and/or ad agencies offer you right now that would help the most?"*

**"Advise!"**

**"Promote us"**

- ✓ "A good way to deliver a calm and confident message to our clients"
- ✓ "Local Radio or even newsprint to talk to area about local businesses and what is available. Have business owners on air talking."
- ✓ "I am not sure anything can be done. Can advertise more right now, but not sure that is wise as people are not concerned about what we sell right now."
- ✓ "Perhaps keeping the public informed about local businesses and what we are doing during this time of turmoil."
- ✓ "Ideas to keep us relevant even though we cannot interact face-to-face with customers"



# Advice for Local Marketers

- ✓ Communicate to customers via email, **phone calls**, social media
- ✓ Seek expert advice on marketing tactics and creative messaging
- ✓ Communicate to non-customers via media channels, street signage
- ✓ Assure them you're open for business (or when you will be)
- ✓ Think of offers/promotions that may be truly helpful to the community
- ✓ Be careful with your messaging
  - ✓ *Don't feed the panic*
  - ✓ *Don't downplay concerns*
  - ✓ *Don't provide medical advice*
  - ✓ *Empathize with customers/share your concerns*
  - ✓ *Stay positive*



# Advice for Local Marketers

## *Competitors, Customers, Community*

### ✓ *Consider your Competition*

- *A time to gain or lose market share*
- *Hinges on communication with customers*

### ✓ *Consider your Customers*

- *Adjust to new market conditions*
- *What do they need at this time and how can you help?*
- *Are there new sets of customers you could serve?*

### ✓ *Consider your Message*

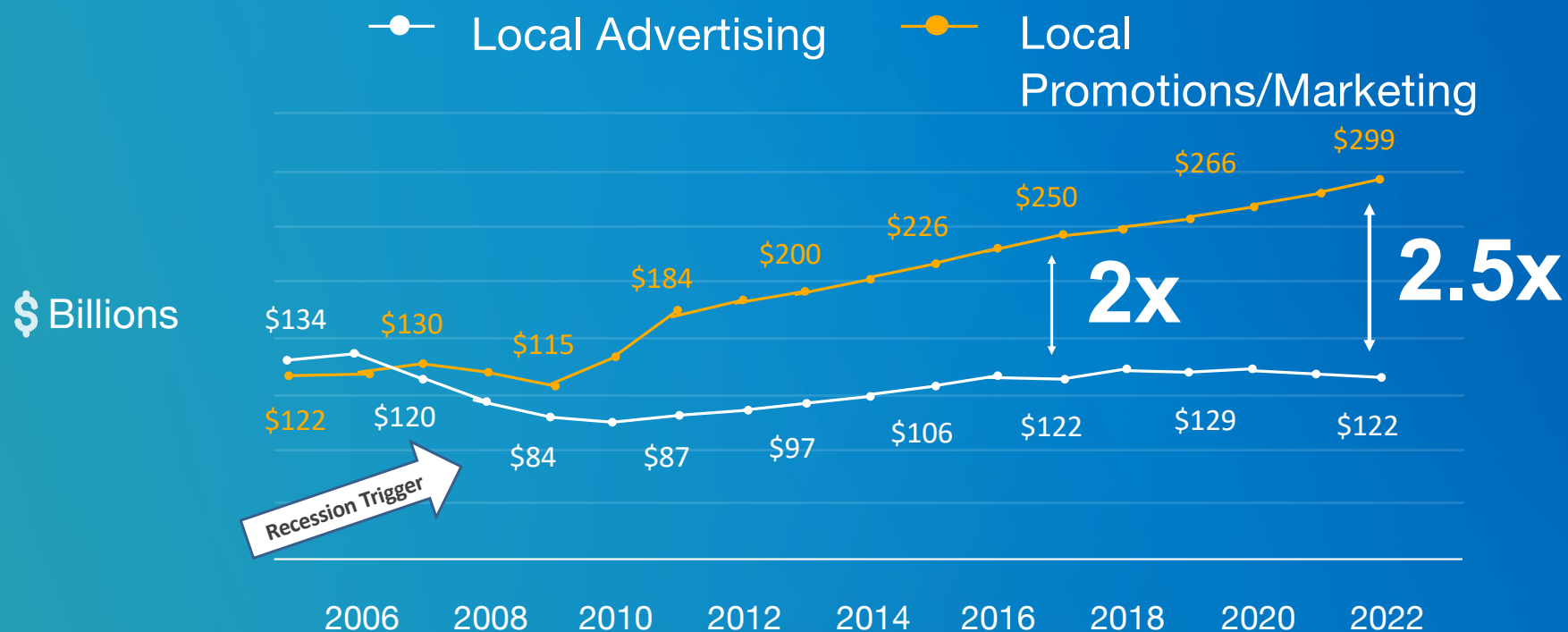
- *Is your value proposition still relevant? Does your message need to change?*

### ✓ *Your employees, your customers, their families, your community*





# The Big Shift to Promotions



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# What Are Promotions?

## DEFINITION

Promotions are special offers or events created for the express purpose of driving **immediate, short-term business**. They have expiration dates.

Marketers use promotions to not only generate sales, but also build lists of customers and potential customers. Promotions can be free-standing (i.e., promoted only in a merchant's store window or on the aisle), but are often driven more broadly by advertising in various media channels.

# Examples Of Local Promotions

Thousands of **promotional campaigns** are being launched in local markets. These campaigns are designed to ease tensions, disperse useful information, and provide entertainment. They tell consumers:

- ***We're a part of the community!***
- ***We're open!***
- ***We want to help!***

## EXAMPLES

- ✓ Most creative “Working From Home” photo contest
- ✓ Tips on “entertaining kids during your workday” contest
- ✓ Tweet/post why we should deliver a free <XXX> to your home
- ✓ Register to be notified when we reopen and get a 50% off coupon
- ✓ We-come-to-you oil change/car repair/car cleaning
- ✓ Buy a 2<sup>nd</sup> one (pizza, cookies, flowers) for hospital volunteers



# Thanks for Joining Us!

Webinar replay link & slide PDF will be sent soon

Questions? E-mail [webinars@bbgi.com](mailto:webinars@bbgi.com)



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