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Covid-19 Best Practices Emerge

Takeaways from top marketers outside the marine industry who participated in The CMO Survey

WANDA KENTON SMITH · AUG 28, 2020

While I've enjoyed an ongoing feast of Covid-19 strategy conversations among marketers throughout the industry, I've also made a concerted effort to learn how those outside the boating space are navigating the pandemic. I scored big with recently published reports from The CMO Survey. Its June issue had a Covid-19 focus, directed by Duke University Ph.D. Christine Moorman, editor-in-chief of the *Journal of Marketing*.

Twice a year, chief marketing officers in for-profit businesses throughout the United States participate in a research study that Duke's Fuqua School of Business produces under Moorman's direction. Published since 2008 with support from Deloitte and the American Marketing Association, it is the "longest-running noncommercial survey for and about the field of marketing." It typically addresses priorities, trends, budgets and investments, including notable shifts from previous periods.

A Covid-19 version of the survey was distributed to nearly 3,000 top-level marketers, with a 10.32 percent response rate including people at the vice president level or higher. Participants represented both B2B and B2C organizations in sectors such as technology, banking, retail, health care, communications/media, consumer services and packaged goods, manufacturing, transportation, energy, mining/construction, education and more.

Unlike past events with major economic impact, the Covid-19 pandemic has actually increased the importance of marketing, according to 62.3 percent of respondents. With companies forced to deploy strategic communications and marketing messaging — coupled with the need to engage two-way communication channels with customer audiences — the reliance on sound marketing leadership has never been more necessary.

Marketing budgets rose to the highest percentage of organization budgets and revenues in the survey's history, with 41 percent of respondents noting budget increases, 30 percent reporting no budget changes, and only 28 percent reporting budget reductions.

Budget areas showing the most notable increases during the pandemic included mobile, which increased 70 percent, surpassed only by social at a whopping 74 percent. Both areas are expected to receive further budget gains within the coming year.

The survey also found that while overall marketing budgets will likely see a reduction next year, social media spending is spiking because of its unique ability to address customer retention, customer acquisition, customer engagement and brand awareness.

Also taking a major leap forward is digital marketing, as 85 percent of respondents noted "an increased openness among customers to their digital offerings." Some 84 percent said "customers place more value on digital experiences than before the pandemic."

The survey also noted that 61 percent of marketers “shifted resources to building customer-facing digital interfaces,” with an additional 56 percent “transforming their go-to-market business models.”

Read that last paragraph again. Those are two huge insights you don’t want to miss.

While marketers reported that only 7.5 percent of their budget was focused on online influencers, primarily via LinkedIn, company blogs, Instagram and Facebook, they anticipated “large gains in the use of influencers in the next three years.”

A few months ago, I wrote a column about influencers and their increasing play in the marine space. My suggestion was that industry marketers study known successes, analyze options and conduct test-marketing programs. This survey group concurs with my recommendations.

The report concluded that marketers expect customers to “place the highest priority on trusting relationships.” That means businesses need to be looking at what they are doing to create a trusting relationship with customers and prospects. Strategies for trust-building must be a top priority.

There is also, according to the report, a need for “a greater acknowledgment of companies’ attempts to do good.” This means cause-based marketing programs, wherein businesses invest in community stewardships that contribute to the greater good. Such activities ultimately build goodwill and contribute to positive feelings and trust — such as boatbuilders that stepped up to support hospitals, first responders and other essential businesses during the pandemic. This survey validates the fact that people like to do business with companies that do good.

One of my clients was reticent to share its good works relative to Covid-19. C-suite executives were concerned that their efforts might appear purely self-promoting if publicized. After lengthy discussion, they let us craft and share their story, which spotlighted real people whose hearts and souls were authentically committed to the cause.

In terms of where marketers spent their time and efforts during the pandemic, the report revealed that 69 percent were actively engaged online to promote their company and its offerings; 66 percent developed new advertising and promotional strategies; 65 percent reached out to current customers with information; 62 percent improved digital interfaces for customers; 54 percent worked to improve the customer experience; and half deepened their back-end digital marketing capabilities.

In addition to these efforts, more than 30 percent of the survey respondents also focused marketing resources on customer research: developing new product and service ideas, generating and making contact with leads, and exploring new partnerships.

As we all start to focus on post-Covid marketing plans, note that those surveyed believe “marketers of tomorrow will focus on digital essentials, convert social investments into dollars, and pivot to respond to new priorities and opportunities that emerge over the next uncertain year.”

Like the survey respondents, we all need to stop and contemplate the countless lessons we’ve learned in recent months. Only then will we be able to collaborate, innovate and share best practices going forward.

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