

BRANDING IN A TIME OF CRISIS: THE FOUNDATION OF CREDIBLE, CRISIS-RESILIENT AND SOCIALLY RESPONSIBLE COMMUNICATION

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***Abstract:** The aim of this paper is to review the changes in brand strategies as a result of the COVID-19 pandemic situation and the changes in customers' preferences as a result of the lockdowns. During the pandemic, brands found themselves in a difficult situation, as they were not sure at the time of the first closure what the best solution would be in terms of customer satisfaction: to stop marketing campaigns, continue them without any changes or adapt to the situation. Since then, consumer research reports have shown that what people needed the most was being surrounded by brands being part of their daily lives to provide predictability and certainty – often even replacing slow-responding governments in providing information. Our paper will summarize the main findings of recent consumer research on this topic and highlight the best practices of brands that have successfully demonstrated their credibility, crisis resilience, and social responsibility in the eyes of their customers.*

Keywords: consumer trust, coronavirus, brand communication, Corporate Social Responsibility

1. Introduction

Not only has the pandemic had a significant impact on the global economy and people's lives, but it has also caused major changes in the relationship between brands and consumers.

At the beginning of the pandemic situation, consumer attitudes changed significantly. The focus shifted from brand preferences to function, with category availability and product advantage coming to the fore. There was a shift away from status products, which are often used by consumers to impress others, but this was not possible during the closures, and the uncertainty also led to several people spending more wisely.

There is also a growing interest in social behaviour alongside functional performance, and corporate social responsibility has become important. In this context, there is a particular focus on how companies treat their own employees: whether they let them go or try to keep them or help them in difficult situations (Knowles et al., 2020).

Priorities have changed during the coronavirus pandemic, as highlighted in the 2021 summary by the international PR agency Edelman (Edelman, 2021). During the coronavirus pandemic, the government sector and the traditional media in most countries failed and were seen as neither ethical nor competent. In contrast, companies were seen by people as more flexible and also performing better in terms of communication. Not only has the role of trust increased in consumers' lives overall, but 68% felt it was more important than ever to be able to trust a brand.



Although at the beginning of the pandemic, companies stopped most of their marketing campaigns and temporarily suspended a large part of their marketing activities, after the first few weeks it became clear that this was not what consumers were expecting – on the contrary, the provision of a familiar environment provided them with peace of mind and predictability. According to Datareportal’s international research conducted in summer 2020, 55% of respondents expected brands to continue with their marketing activities as before. Among the neighbouring countries, 71% in Romania and 70% in Poland agreed with this statement (Datareportal, 2020).

In another study (Sheridan et al, 2020), consumers were asked about their expectations of brands during COVID-19. 74% of consumers agreed that they would like to hear about helpful brands, while only 6% said they would not, and the rest could not give a clear opinion. 72% agreed that companies have a social responsibility to offer financial or in-kind assistance during the time of the Coronavirus pandemic, while only 8% disagreed. It was also found that 71% of consumers would like to hear from brands that can help them navigate during this crisis period, and only 12% would opt out. Finally, a still considerable percentage (70% overall) said they would like to know more about what companies and brands have to offer.

Consumers were also asked how they would like to feel when seeing and hearing advertising during the coronavirus period. Safety came out on top with 37%. The second most important (with 31%) was that consumers want to feel positive about the impact of the ad. Only 4% of consumers said that advertising should be stopped, and advertising budgets should be cut (Sheridan et al., 2020). This is an interesting result because, at the beginning of the pandemic, companies feared that consumers would take a dim view of their marketing campaigns.

The 2021 ‘Me, my life, my wallet’ study by KPMG, another major consultancy (KPMG, 2021), found that consumers are increasingly seeking to incorporate their personal values into their brand choices. As a result, 80% of consumers buy from a brand that they can identify with. 90% are willing to pay more for a product whose profits are used to support social causes. 37% prefer sustainable products and services as a result of COVID-19. Finally, 73% are concerned about the pandemic situation and 59% about climate change.

2. Methodology

The empirical part of the study examines how to reconcile Corporate Social Responsibility in brand communication with the response to the coronavirus epidemic by introducing relevant examples. A further research question is the extent to which this different approach to communication can be aligned with brand values, and whether these communication objectives can be achieved while respecting the brand’s core values.

3. Research results

3.1 Creative communication of social distancing

While brands have for a long time treated their brand as the Holy Grail, with only Google allowing itself the leeway to play with its own logo, in spring 2020 a number of big brands called attention to social distancing by distancing elements of their logo from each other. For example, the four circles in Audi’s logo no longer fit together, nor do Volkswagen’s V and W, and even the two legs of McDonalds’ M have been moved apart.

The global brands involved in this unusual initiative were trying to signal the seriousness of the situation, but some experts argue that the playful reaction may have had

the opposite effect, i.e. reducing the perception of the seriousness of the situation (Valinsky, 2020).

The controversial perception of playing with the logo thus illustrates the importance of the balance between message content and creative execution in social campaigns in order to achieve the desired goal. It is important that creativity and any punch lines or jokes do not distract from the original message and are not perceived by consumers as an end in themselves.

Social distancing has also made it difficult for brands to connect with consumers, and to overcome this, they have devised and presented a number of creative solutions in their advertising (Bilir, 2020): Heinz, referring to the 57 varieties of ketchup available, has created a puzzle of 570 pieces, all in the same colour: red. Those who participated in the company's call could win one of the 57 packs of puzzles – to play with in the time freed up by the closures. Nike has raised awareness that people can now become heroes by staying at home, exercising in their own homes. The campaign message is that they can now play for millions of people around the world. And Apple emphasised the many creative ways people can spend their time despite being isolated – and of course Apple products can help them. AirBnB, which connects accommodation seekers and accommodation providers worldwide, has been hit hard by the travel restrictions and has responded by bringing the travel experience online, providing their users with learning, entertainment, and contact opportunities. They learned to play an instrument, cook, and even play sports together.

3.2. IKEA creative campaigns

IKEA has managed to launch several real-time marketing campaigns that have travelled the world as memes. Real-time marketing campaigns are content marketing or advertising solutions that become viral rapidly, responding to news or trending phenomena in a creative and proactive way (Chaffey & Ellis-Chadwick, 2019). This type of campaign is particularly well suited to IKEA's direct, playful style, which allows them to respond quickly to local and global phenomena by engaging with their consumers.

During the closures that began in spring 2020, IKEA sought to help parents and their children locked in their homes in the iconic style of its furniture assembly guides. In total, six guides were created to help children build their favourite bunkers at home, using some of the furniture and accessories from IKEA. In this way, existing objects were turned into play areas. (Blunden 2020).

The campaign fits very well with the simple, creative communication strategy characterising IKEA, which explores humour in all situations. The brand would probably have found a dramatic and serious campaign on the pandemic situation very alien.

The components used in the assembly instructions are of course all IKEA products, but in fact, any similar furniture and accessories can be used to „build“. As with other similar campaign elements, this is not about sales or marketing activities that consumers might consider aggressive, but about the brand, about helping and strengthening the brand-consumer relationship.

The brand's agency in Israel has also adopted the style of IKEA's iconic visual assembly instructions when drawing attention to the importance of staying at home and the essential necessities for doing so (Arinci, 2020). According to the illustrations in the guide, the main condition for staying at home is having a home and not leaving it. And the 100 rolls of toilet paper are a further response to the consumer reaction causing panic buying, which made toilet paper, for example, a scarce commodity for weeks, while many people had large quantities of it stored in their homes.



IKEA's agency in Spain interpreted the message of people's homes, speaking on behalf of the homes in a video, listing the many previous situations in which their homes had helped them and reminding them that they could rely on the security of their homes in that period, too (Arinci, 2020).

The brand took part in the #StayHome campaign with this hilarious and endearing commercial. Many companies from several industries produced commercials highlighting the importance of staying at home – replacing marketing campaigns that were temporarily and abruptly halted. These emotionally charged videos not only reinforced similar messages from governments, but also sought to strengthen the emotional bond between brands and consumers. This made brands appear more human and empathetic, and also showed that this is a situation that affects everyone and requires cooperation (Sobande, 2020).

3.3. Local community initiatives at Santander

In 2020, employees of the Spanish financial service provider's subsidiaries volunteered a total of 140,000 hours. 38,000 people took part in the initiative and helped wherever they were most needed (Santander, 2020):

- In the UK, customers over 65 were regularly called by local branch staff to ask how they were or if they needed any help.
- In Poland, staff sewed a total of 15,000 masks, which were donated to health centres, social homes, and other institutions.
- In Spain, volunteers spoke regularly by telephone to elderly people living alone and to residents of nursing homes that were closed to visitors. They also launched an expert volunteering initiative, where professionals with expertise in the field produced financial education videos in their homes, which were uploaded to the programme's website.
- In Chile, schoolchildren and university students were mentored to help them with their studies and advice on further education and career choices.
- In Brazil, staff regularly spoke to residents of old people's homes via video chat. They asked about the well-being of the person they were talking to, discussed their concerns and also provided educational activities.
- In Uruguay, members of the bank's management, local analysts and international experts gave online presentations on business topics such as how companies can respond to the crisis triggered by the coronavirus.
- In Mexico, a series of online Work Café events were organised to help entrepreneurs and community members better cope with challenges during the pandemic. They discussed topics such as creativity, strategic management, finance, digital transformation, and remote workplace management. In total, the event attracted more than 23,000 participants.

The Santander Group is a good example of how a large international company can provide local support to the community it belongs to, and how to adapt quickly in an emergency, choosing the best solution for the local community. In the case of the group, it was also able to make good use of its staff's experience in customer relations and finance, not only to reinforce its image as a responsible financial institution but also to demonstrate its expertise and willingness to help in a multi-country volunteering campaign. It also demonstrates that donating money is not always the biggest help and that donating time and expertise can be just as important in a crisis.

3.4. Product portfolio changes for luxury and cosmetics brands

The pandemic situation has created a variety of serious challenges for all industries – luxury brands, for example, faced the challenge of people not buying their products in a crisis situation, as no one will see the clothes, bags and accessories they have bought as status symbols due to the closures. At the same time, they could use the capacity of their sewing facilities to produce masks and protective clothing, and instead of perfumes, they produced hand sanitisers using the alcohol they had.

The Italian company BVLGARI, founded in 1884 and part of the LVMH luxury brand group, converted its perfume factory to disinfectant production in March 2020, with the promise of producing hundreds of thousands of 75 ml disinfectant gels per week. Initially, they were able to produce 6,000 units a day but later increased their capacity to 20,000 units a day with the help of employees volunteering for the task. In early May 2020, 1.6 million units were donated to hospitals in the United Kingdom. Parent company LVMH offered to supply 50 tonnes of disinfectant gel per week to French hospitals (Ahmed et al. 2020). They also provided assistance with the procurement of masks: through their global procurement network, they managed to order 10 million masks from China, and later donated a further 40 million masks to the French health authority (Moussavian, 2020).

Prada, another Italian company, also put its sewing factory at the service of the fight against the coronavirus: 80,000 medical overalls and 110,000 masks were produced in spring 2020. They joined the initiative by H&M, Gap, and Canada Goose to donate protective gear for healthcare workers (Moussavian, 2020).

French-backed L'Oréal launched its coronavirus solidarity programme in April 2020, supporting local hospitals with alcohol-based disinfectants, helping with food distribution to endangered residents, and assisting health and pharmacy workers. In Brazil, 170 tonnes of disinfectant produced in their Sao Paulo factory were donated, while in India 60,000 litres were donated to health institutions, police and NGOs. Two Indian NGOs have been involved in providing food and basic commodities to local communities at high health risk. 85,000 hand sanitisers were provided in Ukraine, 100,000-100,000 in Russia and Egypt; and food and masks were donated in the United States, as well as support to charities and small businesses (Ahmed et al. 2020).

Estée Lauder, founded in 1946, donated \$2 million in the summer of 2020 to Doctors Without Borders, an international NGO working primarily in disadvantaged regions. In addition, \$3.2 million was donated to support the fight against coronavirus in Argentina, Brazil, Chile, China, Colombia, India, Italy, Mexico, Panama, Peru, South Africa, South Korea, Spain, the United Kingdom, and the United States. Their employees' emergency fund was used to support workers in difficult situations. In the United States and the United Kingdom, employees eligible to receive assistance for loss of wages could choose to donate the money they were entitled to – in which case the company would quintuple the original amount and donate it to charities involved in the fight against COVID-19 (Ahmed et al. 2020).

3.5. Allbirds – a social campaign for a sustainable brand

The success story of New Zealand sportswear brand Allbirds began less than six years ago. The brand name is a tribute to New Zealand, where there are no native mammals, only birds ("all birds"). The startup's goal was to use community funding to create a sustainable sports shoe with a minimal carbon footprint. Its rapid growth was marked by the fact that it took just two years to sell its first million pairs of shoes (Huddleston, 2018).



In the spring of 2020, they donated \$500,000 worth of sneakers in five days to healthcare workers who signed up with them but had to change their donation campaign to ensure business sustainability. So they launched a special "buy two, get one" promotion: consumers could buy a second pair of shoes for half the original price of their purchase as a donation, which the company delivered to the healthcare workers who signed up with them. They also offered the option to buy shoes as a donation only (Leighton, 2020). By providing comfortable shoes, the brand wanted to ease the work of doctors and nurses exposed to long shifts and heavy workloads.

In this case, it is worth highlighting the brand's honest communication, i.e. that they were able to change the concept on the fly and involve the community in the implementation of their charity programme. In this way, their consumers could feel that they could help healthcare workers from their homes and show their appreciation by supporting them, even if it was a small step. In addition, as word of the campaign spread quickly, many people who had never heard of the brand before became aware of it – as was the case with the authors of this chapter.

4. Conclusions

What is common to all the examples presented is that the brand in question tried to respond to the changed circumstances caused by the coronavirus and help members of the community as best it could. It can therefore be concluded that it is possible to align important social messages with the core values of the brand.

How a brand behaves in a crisis can have a long-term impact on its business results. According to research by Edelman (Edelman, 2020), 33% of consumers have talked their friends out of using a brand because they felt it did not behave appropriately during the pandemic. However, a similar proportion (37%) of brands gained new consumers by responding in a compassionate or innovative way. 66% of the respondents felt that the response to the pandemic would have a significant impact on their willingness to choose a brand in the future.

Overall, we can state that brands that demonstrate their credibility, crisis resilience and social responsibility to consumers through honest communication can stand their ground and even strengthen in the period of the coronavirus pandemic.

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