
The Marketing Conundrum for Lifestyle Brands During Times of Crisis



We've run out of adjectives to describe what we are currently going through, but the word "unprecedented" seems to have emerged as the widely accepted victor. In the marketing world, unique as lockdown is, it's not the first global disaster or financial catastrophe in recent times. Both now and then we've had to confront the question; "Should I pull my marketing budgets, sit this one out and save money or should I remain pertinent, active and present by continuing to spend?"

[The marketing theory on this is indisputable.](#) It remains unequivocally clear that brands who increase their consumer presence during these tough times, are more likely to enlarge their market share over competitors who aren't investing. A decrease in spending, however, is likely not only to backfire during the downturn period, but will also see a residual decline in sales once things get back to a new version of normal. It might seem against instinct to do so, but, armed with the hindsight of previous experiences, the data indicates that brands who refuse to shy away from maintaining their share of voice right now, will advantageously springboard from the recessionary period.

Perseverance is not only the domain of global FMCG powerhouses. Lifestyle brands are sailing the exact same waters. Think back to earlier this year. Even a month ago. Most lifestyle brands will have been using their marketing budgets to maintain and align their voice with culture so as to be heard, relevant and credible. Right now, that same culture is being impacted dramatically with only limited community and face-to-face exchange. Virtual activity is popping up at the speed of urgency. Physical environments, normally bursting with footfall, are opening online access, artists are streaming snippets to fans and the use of meeting apps have become prolific. We're inherently wired to communicate and are finding innovative ways to do so. Brands and media who are nimble enough to respond to these cultural reconfigurations will be able to play an authentic role in educating, entertaining, informing or rewarding their communities in a way that a [traditional big brand can't](#) or simply won't through lack of confidence in the face of adversity.

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Some lifestyle industry brands who have stopped spending money are genuinely in financial meltdown and have no alternative but to pull costs in an effort to survive. Many independent, new or smaller brands are in this position. Others though, have potentially deep pockets which they are not reaching into, choosing instead to protect their 2020 P&L. Regardless of the rationale behind cost-cutting, marketing results are predictably the same; absence of quality or relevant brand messaging anywhere, low or zero PR presence, and social media activity that has, in most cases, considerably declined in quality.

For brands who choose the opt-out route, it's hard to avoid thinking about what happens when a competitor remains active and is particularly effective at tapping into a shifting cultural nerve. The effect of inactivity is magnified when your competitor is doing great work and appealing to your audience in a way that you're not.

Take the example of gaining a competitive edge in the lifestyle fashion category. [Levis](#) reacted quickly to the lockdown and created 5:01, an Instagram LIVE #UseYourVoice series of gigs at 5:01pm daily simultaneously celebrating and reinforcing the "stay home" message. Their swift and effective action powerfully demonstrates their close and current connection with music culture by entertaining their core audience, whilst providing a platform for PR and word of mouth. This is a global brand building initiative at a time when most other brands in the sector are still posting pre-existing product shots which not only have limited impact due to being out of sync with what's happening, but are also unlikely to be remembered by consumers when they next hit the high street.

KINC works with a diverse range of clients in the lifestyle sector. Whilst each has reacted slightly differently, they broadly fall into one of two camps; 1. Those who are maintaining their marketing budgets and imaginatively refocusing their campaign directions, and 2. Those who have pulled budgets across the board, believing this to be the safer financial option in the face of global economic uncertainty.



Let's focus for a moment on those who have remained undeterred in their commitment to marketing during the Covid-19 crisis. One particular client of ours, whose sales have been devastated by lockdown, considers the drastic change in circumstances as an opportunity to increase their marketing budget. In turn, this has given us the chance to test our mettle. Belief in their agencies creativity is simply inspiring. We've found that, even within the current constraints, a variety of dynamic and inventive ideas can be developed and delivered without breaking the lockdown rules, or the bank.

Some of our clients have not moved far from previously committed plans. Product launches have continued and spend commitments on communications and digital have remained constant. One client has merely tweaked their campaign messaging with considerable effect. In their pursuit of greater relevance they have been able to take a more emotional public sentiment into account. In all cases, it is KINC's role to generate reach and we're finding there are bountiful opportunities for relevant and targeted PR stories.

As we continue to converse with media, we're finding they are especially reactive to approaches where the message is acutely on point and, with less brand activity, the channels are clearer. With less chatter of course, the impact of each communication effort is more significant in the eyes and ears of the recipient. Tech journalists, as an example, have been more receptive than ever to testing and review products.

Digital distribution opportunities are also proving to provide excellent value at the moment. Despite consumers having more hours to spend online, the cost of reaching them is actually declining. CPM costs have dropped 35-40% in the last few weeks for reach and brand awareness ads. Cost per click has also dropped dramatically, up to 80% on average. During the same period, click-through-rates have at least doubled. The cost per Thruplay on video-centric ads has dropped by 60%. Facebook's average cost per new follower has fallen by just over 30%.

So, with creative solutions proving possible and media distribution for quality ideas never better, are consumers open to marketing and advertising at this time? According to [Kantar](#), only 8% of people believe that companies should stop advertising. Their insights suggest that in most cases, marketers can and should continue to be active, though of course, with common sense and sensitivity of messaging congenial with in the current environment.

Understandably not all brands are in a position to take the optimum marketing route through a crisis like Covid-19. Maybe for such brands, the best course is an urgent and weighty reaction once lockdown rules are relaxed. Though for brands who are agile enough to switch gears, there is momentum to be gained, sentiment to be shared, and the opportunity to be top of mind once everyone gets back to buying.

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EXAMPLES

of great lifestyle brands pushing through the Covid-19 crisis....

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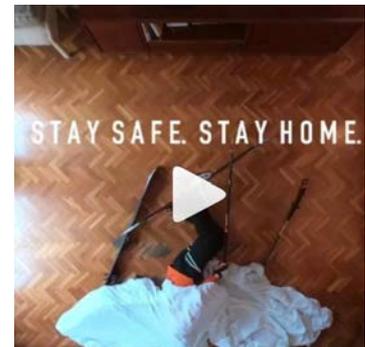
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