



The Impact of COVID-19 on Marketing

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ABSTRACT

After reading and going through 5 different articles, I concluded that the economic recession caused by the recent pandemic has significantly affected consumer shopping and media habits and altered firms' marketing activities and performance. Marketing research over the last decades has provided insight into how economic recessions affect consumer behavior and how firms should adjust their marketing mix activities in response to these macro-economic contractions.

Even if we cannot prevent dangerous viruses from emerging, we should prepare to dampen their effects on society. This special issue is a global effort to address some of the pandemic-related issues affecting society.

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Introduction

Marketing is not the art of finding clever ways to dispose of what you make. It is the art of creating genuine customer value (Philip Kotler).

At one time, artificial intelligence, data-driven marketing and voice search engine optimization were ambitious concepts bordering on the ridiculous. Today, these innovative digital marketing trends are among the top priorities for most business owners in 2020. And why wouldn't they be? After all, if your business has any intention of remaining competitive in today's online landscape, you must adapt to the rapidly evolving changes in digital Marketing.

COVID-19 (coronavirus) which occurred on 28th April 2020 which caused an outbreak is a sharp alert that pandemics and catastrophes are to occur at any time and what has happened in the past is likely to occur in the future.

The COVID-19 pandemic caused a huge lock down in many businesses.

Literature Review

In the digital age, the transformation of communication channels is a challenge for all industries, but especially for the communications and marketing industry. To be clear about understanding the definition of "digital marketing".

There are several researches on Digital Marketing and/or online marketing that come up with many definitions of Digital Marketing. According to digital marketing as a projection of conventional marketing, tools, and strategies, on the Internet. The digital world and its application to marketing have driven the development of channels, formats, and languages that lead to marketing tools and strategies. (Kotler, et al,2009; Armstrong, 2009)

Themes



Marketing in COVID-19

The recent coronavirus has forced immediate, far-reaching lifestyle shifts for consumers around the world, and these changes are likely to stay beyond the period of pandemic itself. The global retail industry is experiencing an unprecedented crisis in the wake of the COVID-19 lockdown and its economic recession (Tucker,2020).

Google, among many other firms, has recently announced a cut in marketing budgets by as much as half, while before the pandemic, they expected to increase marketing spending from the previous year, as they did after the Economic Recession(ER) of 2008.

While some businesses are struggling, some businesses are thriving. This is true for a number of Internet-based businesses, such as those related to online entertainment, food delivery, online shopping, online education, and solutions for remote work (Jaworski, & Sahay, 2000).

COVID-19 and the shift in Consumer Behavior

On the other hand, the impact of ER on non-durable industries, such as consumer packaged goods, could even be positive, given that it is more difficult to cut back on non-durable consumer goods. Therefore, in the consumer packaged goods (CPG) sector, consumers are likely to switch to cheaper alternatives, to cheaper stores like discounters, or to look for special-deal products (Campbell, 2020).

Advertising, pricing and new product launching

In Advertising, firms should try their best to play on this point during an ER since all consumers have access to online advertising in order to increase the brand's share of voice which is also easy and cheaper for consumers. Price reduction is an important point that enables the firms to grab people's attention and make them want to purchase their products (Talay, et al ,2012).

Corporate Sales

COVID-19 has destroyed many lives, countries, industries and many businesses in many countries.

Many leaders started to take care of their people and customers and they started treating them as their priority.

Corporate sales is also known as Business to Business(B2B). A survey has been done across 11 countries in 7 sectors and across 14 categories of spend to try and better understand how both customer and sellers are reaching.

1. Spend: some companies are generally

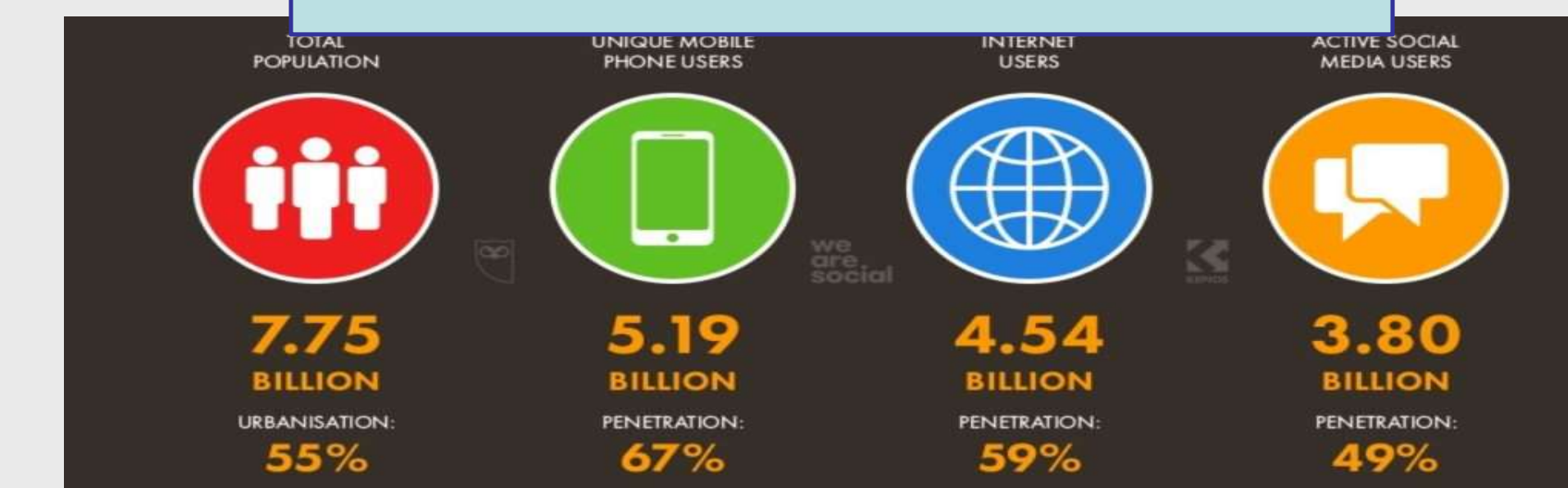
reducing spend, some others are increasing it.
2.Digital: B2B companies see digital interaction is more important.
3.Remote: 90% of sales have moved to a video conferencing, using online models.

The Special Issue

The desire to do everything at home has impacted consumers' impulse buying habits. Slowly but surely, work-life boundaries will be blurred when both tasks are carried out from home. We can expect a dramatic change in consumers' behavior because of sophisticated technology. In addition, consumers may discover new talents as they spend less time on the road and more at home.

In my own perspective staying at home and working digitally using online models may benefitted many employees by making them creative (because they had more time to work on their weaknesses at home). However, the negative part is that the true communication (face to face) is lost.

Digital Around the World in 2020



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