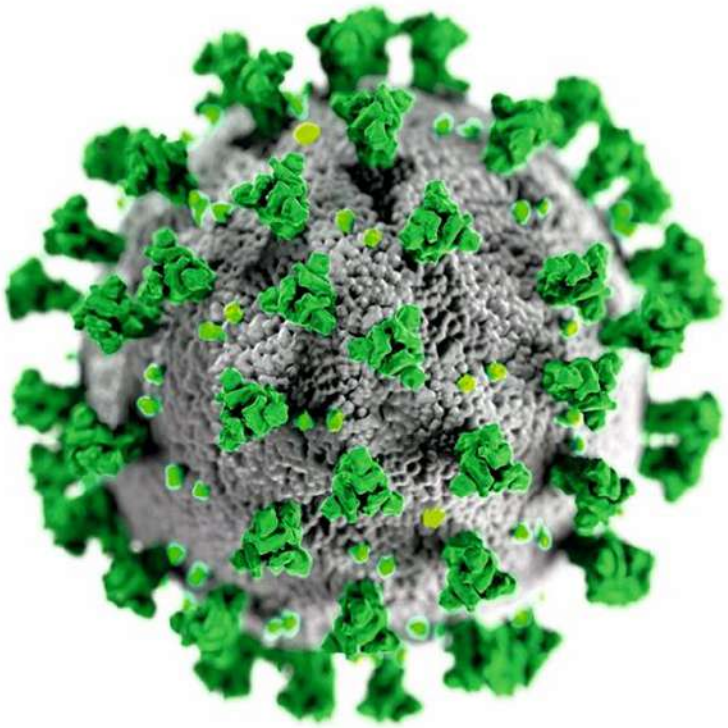

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The Alder COVID-19 Brand Report

Implications for Brands in Nigeria

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In this report…

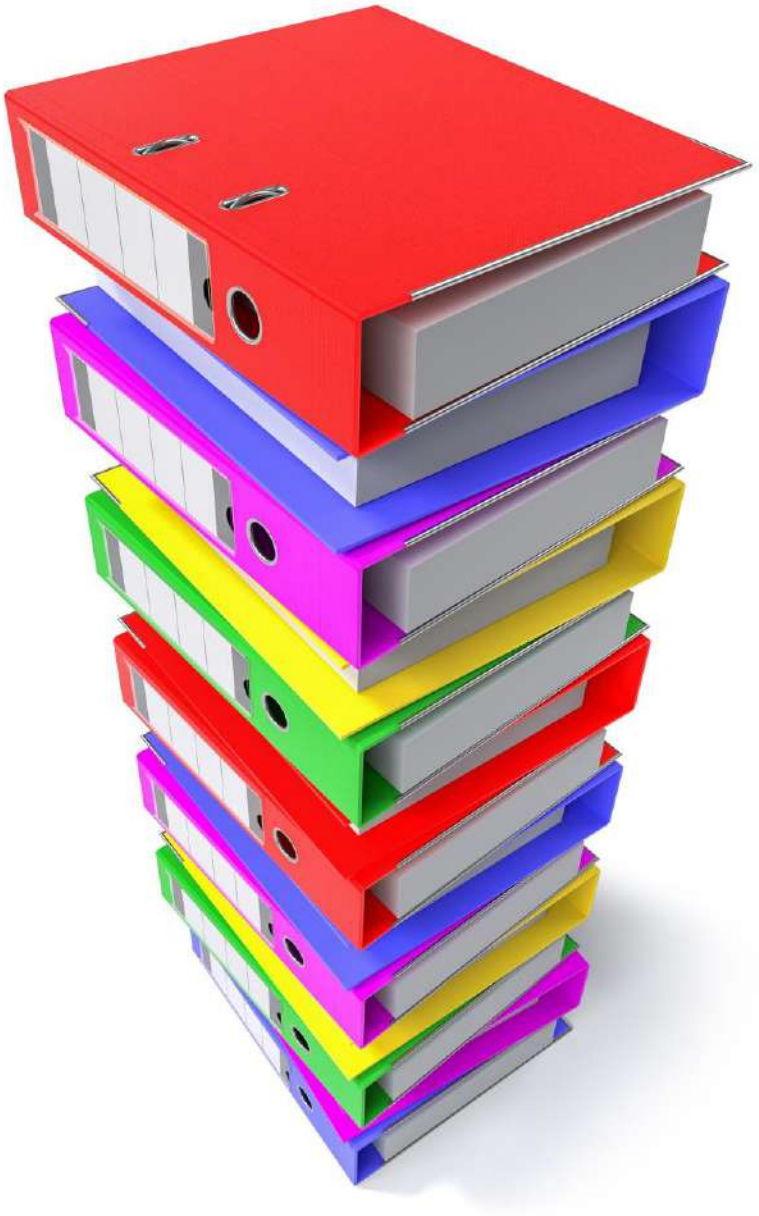
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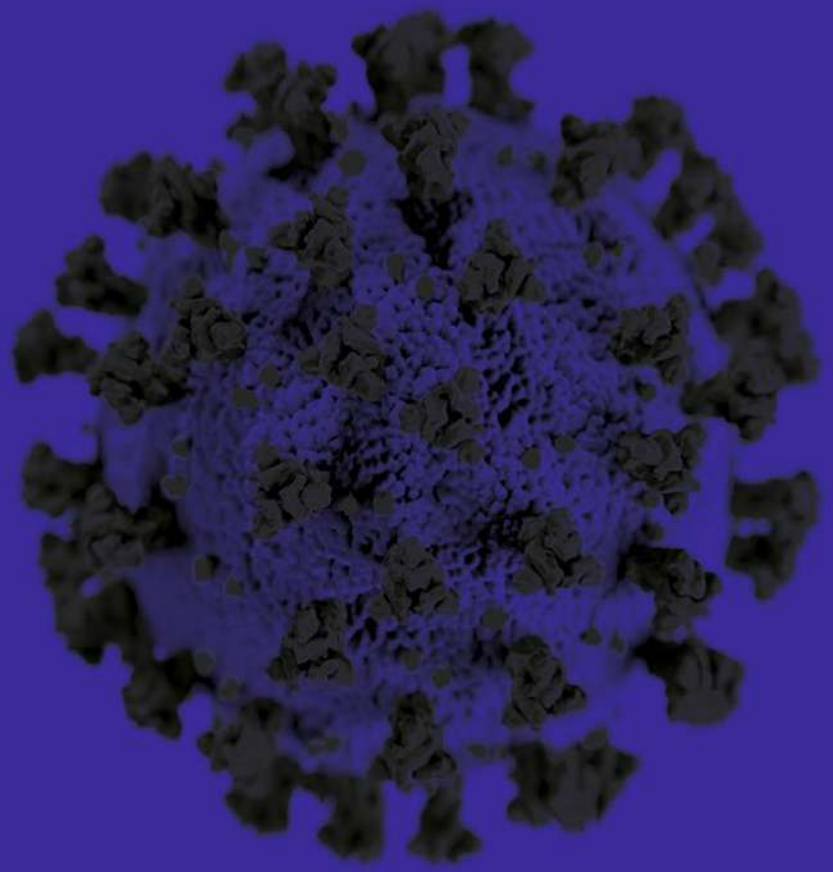
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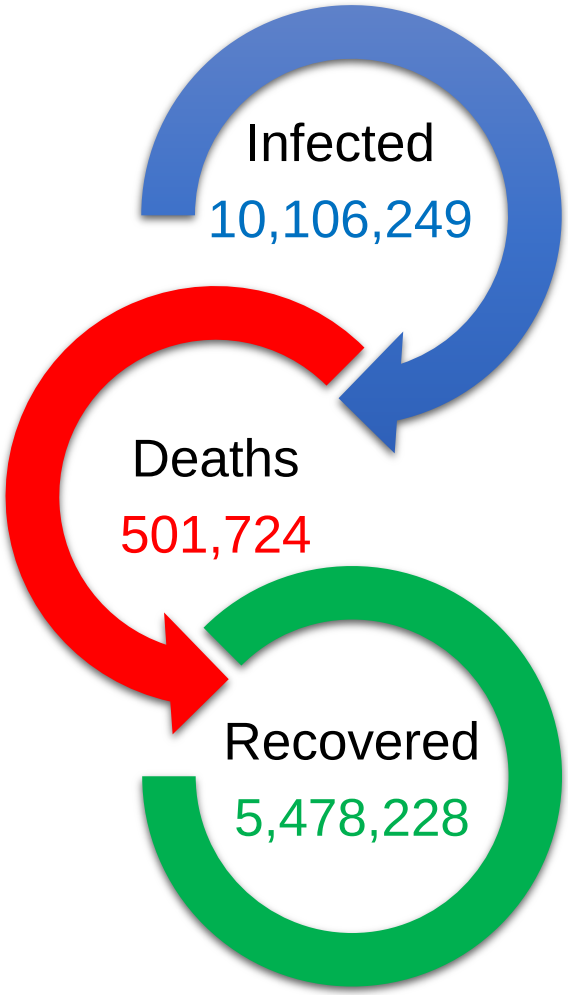
One
First words



The first official case of the COVID-19 virus was reported in Wuhan, China in December 2019. By March 11, 2020, the Director-General of the World Health Organisation (WHO) declared the virus a global pandemic.



Dr. Tedros Ghebreyesus
Director-General, WHO

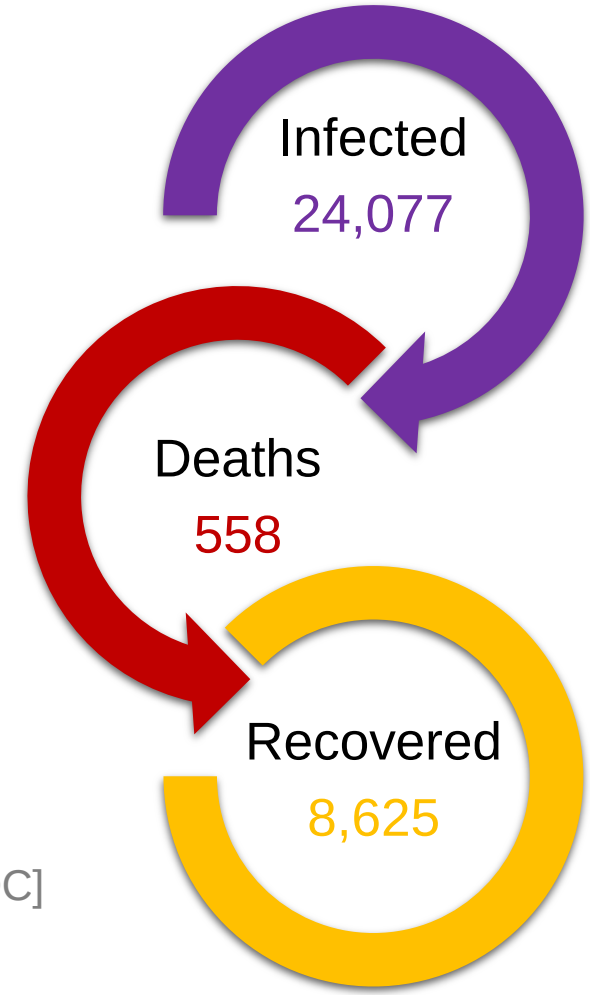


As at 10.22 am (GMT), June 28, 2020, These are the global figures.

These figures are from 210 countries and territories around the world.

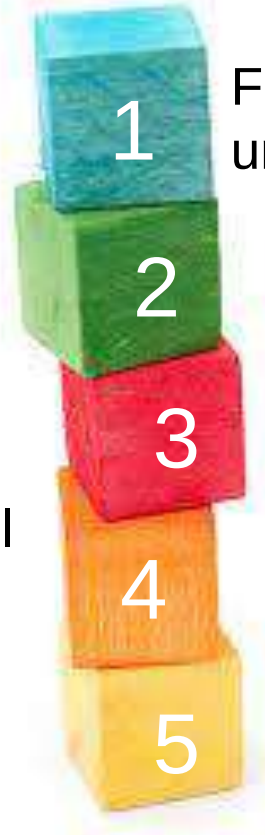
Source: worldometer.info/coronavirus

For the same timeframe (10.22 am, June 28, 2020), these are the numbers in Nigeria.



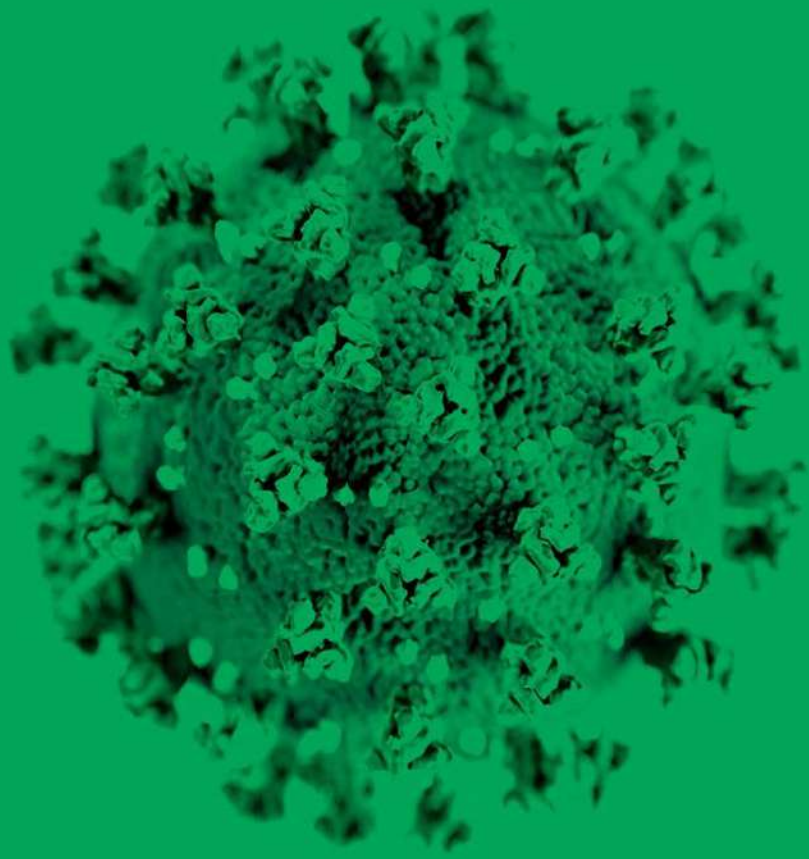
Source: Nigeria Centre for Disease Control [NCDC]

In Nigeria as in most of the world, the pandemic has caused:

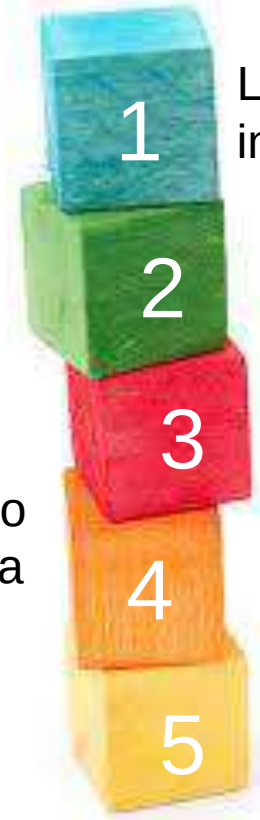


1. Fear & uncertainty
2. Economic downturn & loss of income
3. Restrictions on movement
4. Increased level of insecurity
5. Pressure on government & health services

Two
Implications for brands in Nigeria



Most brands in Nigeria have witnessed some or all of the following:



1. Loss of business income
2. Increased operational cost due to employee downtime
3. Inability to serve customers effectively
4. Challenge of how to remain relevant in a changing business landscape
5. Challenge of how to promote the brand in light of the mood in society

Also, there is the challenge of adjusting to a new way of conducting business. The present operating environment is defined by:

Changing work culture

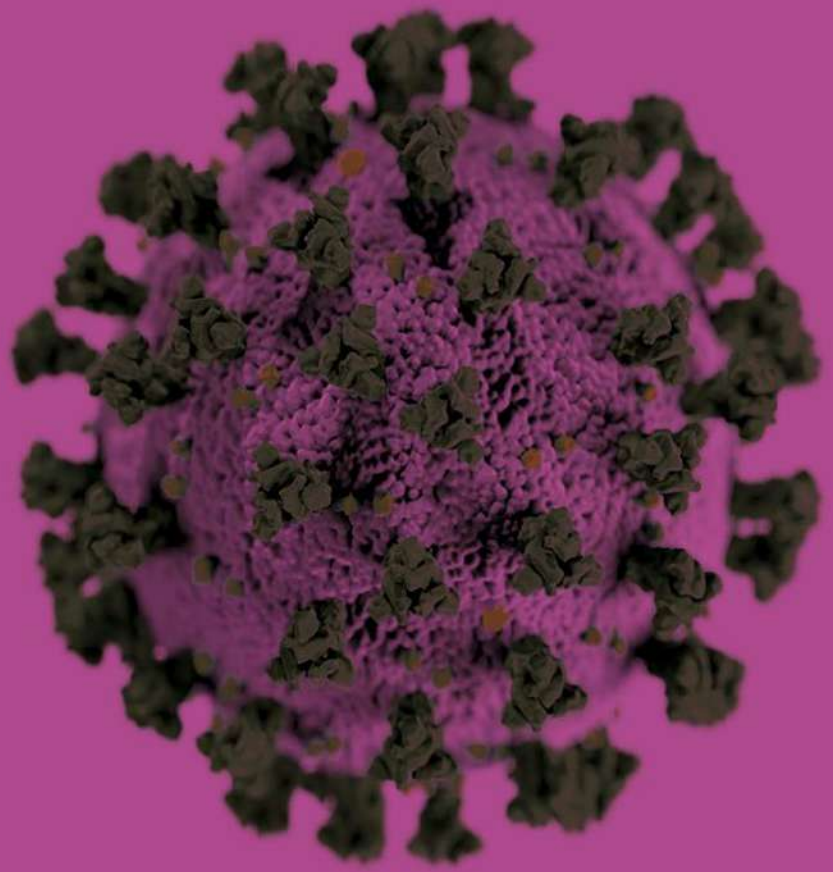
Increased use of technology and digital tools

Increase in digital products and services

Use of digital channels as a means for selling existing products/services

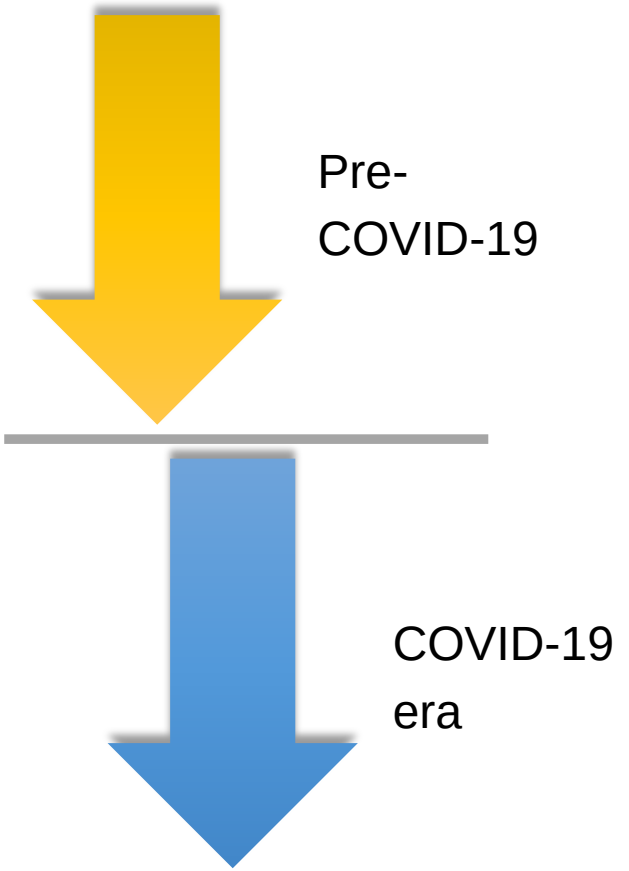


Three
The New Normal



The corporate world is in a new territory and many business rules have been re-defined. The corporate calendar is now bifurcated into two: Pre-COVID-19 and COVID-19 era.

Things will never be the same again.



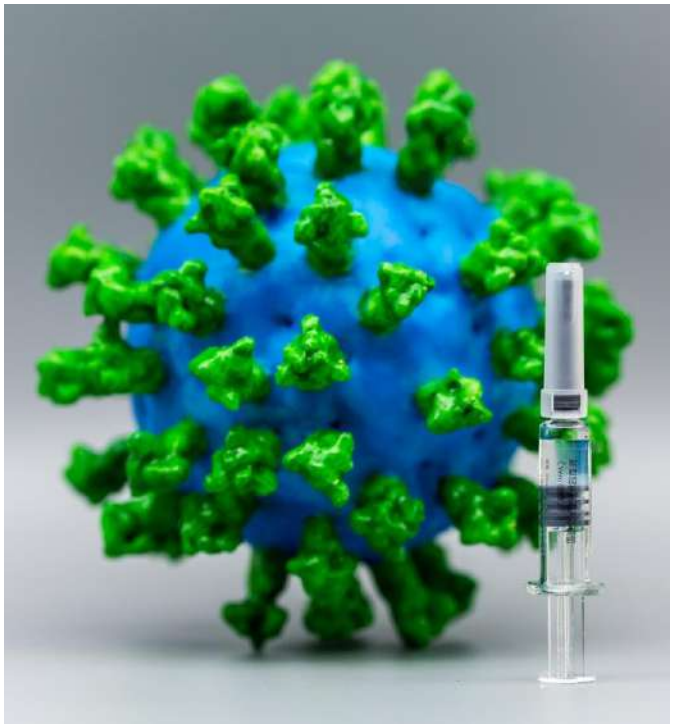


Due to the nature of the new terrain, some businesses are struggling with change. No one knows how long the COVID-19 era will last.

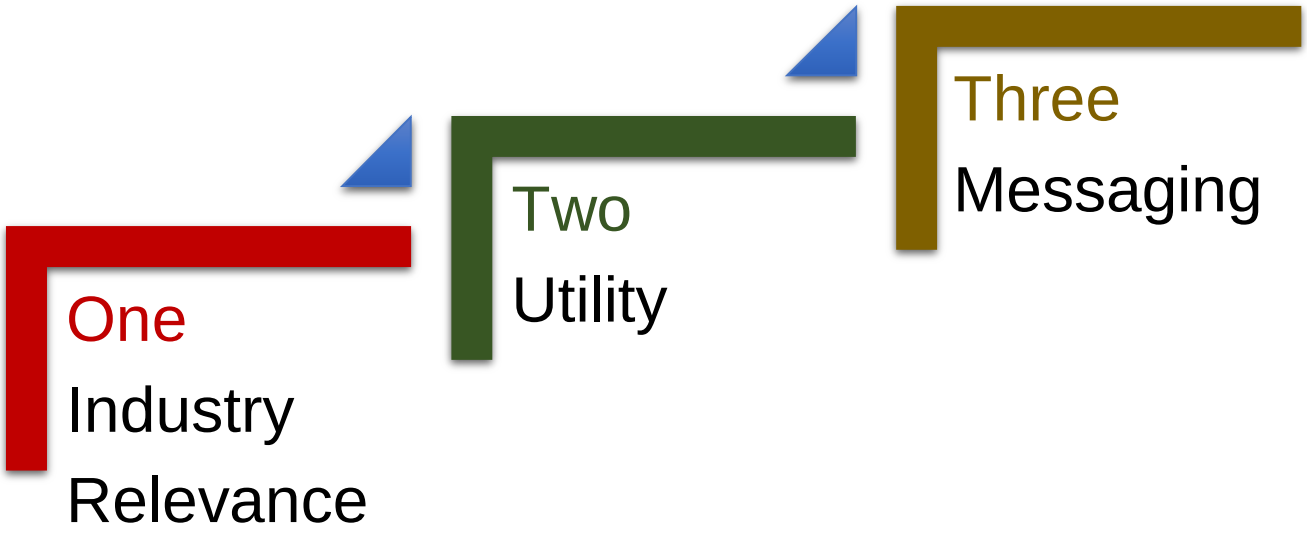
Even though the lockdown is gradually being eased, the threat remains, particularly for a country like Nigeria.

Things will not change much until the release of a vaccine which proves effective. Until then, the world will continue to operate in a largely contactless manner.

This means that businesses that rely on contact alone will not function optimally, while some businesses may become redundant.



3 imperatives will define this new era:



One: Industry relevance

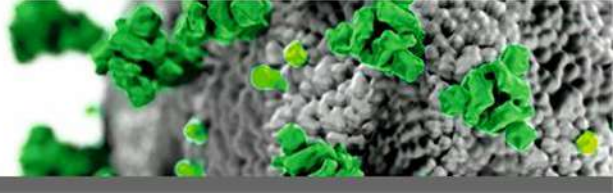
A fundamental question for every business is how relevant is its industry to this dispensation?



Businesses and brands that provide essential services or products (e.g. medical services, food, technology and data) will have what seems like an “unfair” brand exposure advantage as they are in the public spotlight.



In this new dispensation, brands and businesses will fall into 3 broad categories:



Category A: Essential	Category B: Comfort	Category C: Luxuries
Examples include: - Medical & health services - Food - Agriculture - Communication - Finance - Oil & gas - Power/energy - Data & technology - Logistics - Transportation	Examples include - Professional services - Light & heavy industry - Construction - Entertainment - Dry cleaning - Clothing purveyors - Malls - Cinemas	Examples include: - Holiday & travel - Luxury items - Hospitality - Restaurants - Spas - Tourism
For brands in category A, there will be: i. Challenges of collaboration ii. Need for new distribution channels iii. Need for technologically driven finance, procurement & project management systems	For brands in categories B & C, the question is, how can perceived non-essential products/services become essentials? Can services be repurposed? Or will new product lines be required?	

Two: Utility

The value proposition of a product or service vis-à-vis its usefulness to consumers will be vital in this new era. According to Maslow's Hierarchy of Needs, people are motivated to fulfill basic needs before moving on to other, less essential needs.

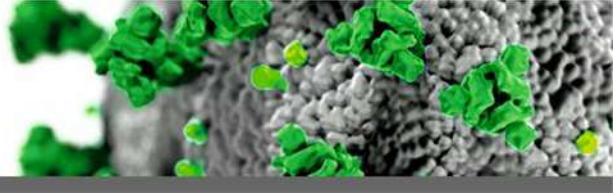


(Abraham Maslow, American psychologist, 1908 -1970)

If we follow this logic, then brands that address basic human needs will likely survive and thrive as they will align with the spending patterns of customers.

For brands that do not offer services in these areas, the question is, how can they redefine their products and services to meet the requirements of customers during this era?





To illustrate, consider these brands.

Gucci is a luxury brand. But to meet the needs of the era, it refocused to produce medical materials such as masks, coverall, etc.

Ford and GE have also retooled to produce ventilators and other medical devices.

GUCCI

Three: Messaging

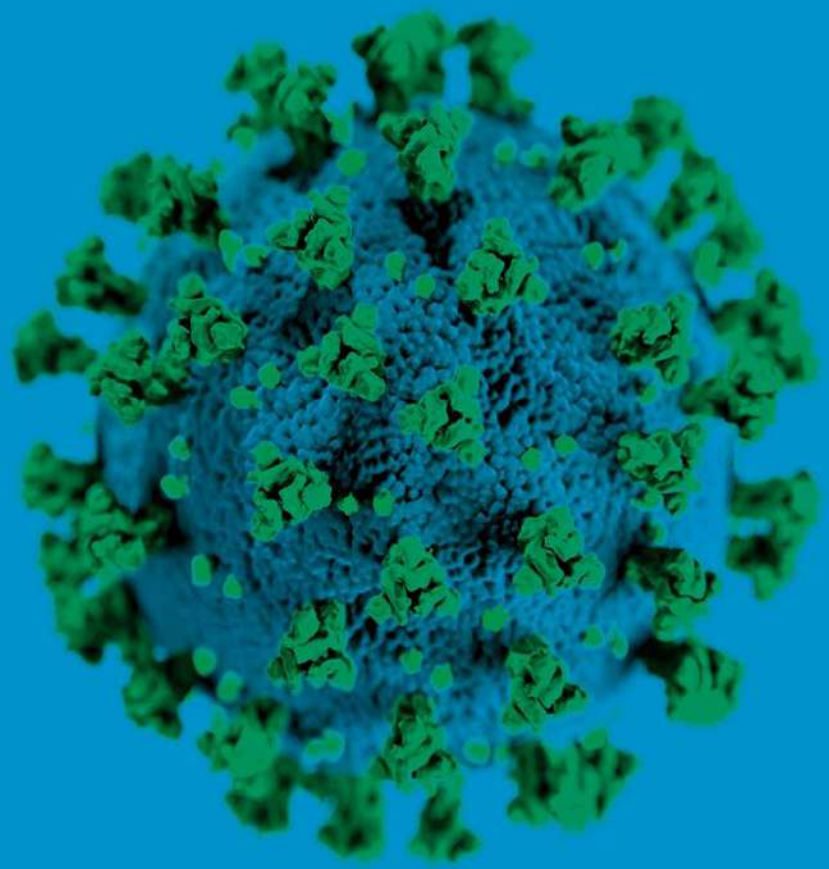
Brands will need to show that they are resilient and retooled to serve. Brand communication during this time must evoke hope, resilience, relevance, trust, authenticity, reliability, and possibility. It must be human-focused and empathetic.

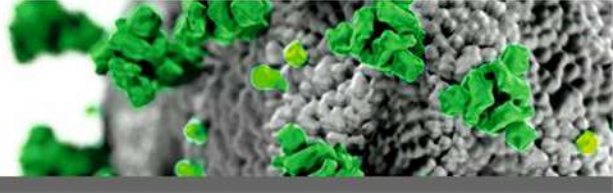


Emirates Airlines has focused on doing this. From the moment it became obvious that the COVID-19 pandemic will negatively impact the airline industry, it has consistently positioned itself as being at the forefront of safety protocols. It deployed a series of customer-friendly videos and other materials that communicate empathy and hope in the future.

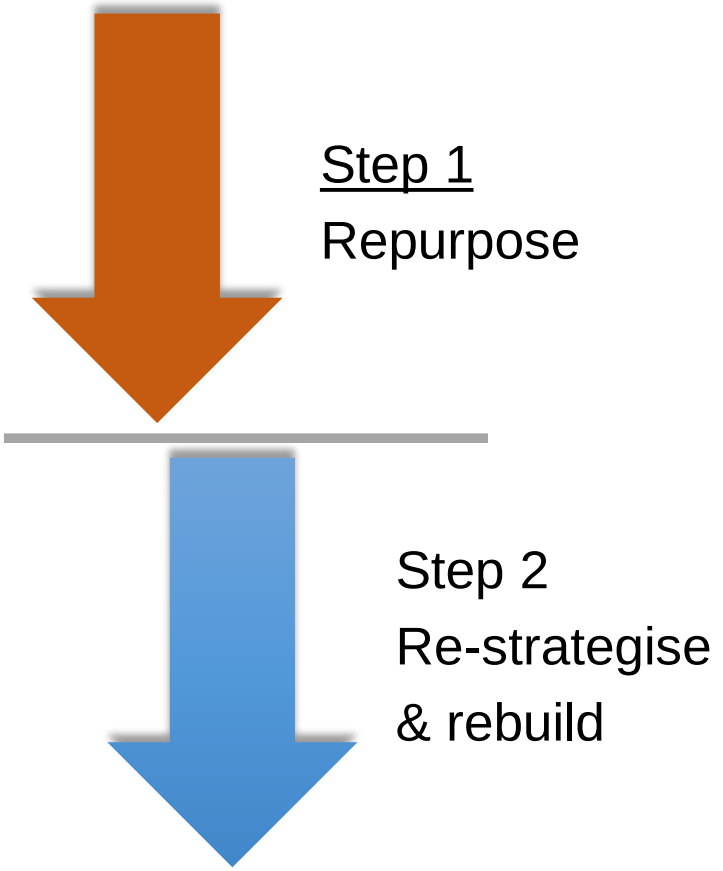


Four
What brands need to do to remain relevant





Based on Alder Consulting's experience advising corporates, multinationals, and SMEs during this period, our conclusion is that brands must take two vital steps if they must survive and remain relevant.



Step One: Repurpose

For brand managers, SMEs, and entrepreneurs, it will be obvious by now that it is no longer business as usual.

Therefore, steps must be taken to ensure that the business can continue to operate during the pandemic regardless of the restrictions that are in place.





What structures are required if staff have to continue working from home over an extended period in view of the rising rate of Covid-19 infection in Nigeria? What services can be deployed or repurposed at this time?

What message should the brand be pushing that will resonate with its customers and the general public? What initiatives can be executed that will show that the brand identifies with the pressures in society?

Consider these examples:

Tiffany Amber is a luxury clothing brand. Due to the negative impact of the COVID-19 virus on its business, the promoter repurposed expertise and resources to focus on the production of medical products such as coveralls, hospital beddings and facemasks. This strategy kept the business open and staff engaged.

TIFFANY AMBER
NIGERIA



For Eko Hotels & Suites, the restrictions on movement and large gatherings did not augur well for its business. The organisation repurposed its redundant resources. It refocused its restaurant capacity on retail food delivery. It also retooled its in-house laundry facilities into a dry cleaning service.

During the lockdown, SuperSport on the DSTV cable service aired sport-based movies and documentaries on one of its channels. While there are no new sporting events to cover, it still had to keep its viewers entertained and engaged.





In summary…

Keep your business running.
Repurpose products & services

Leverage on technology for service delivery & communication

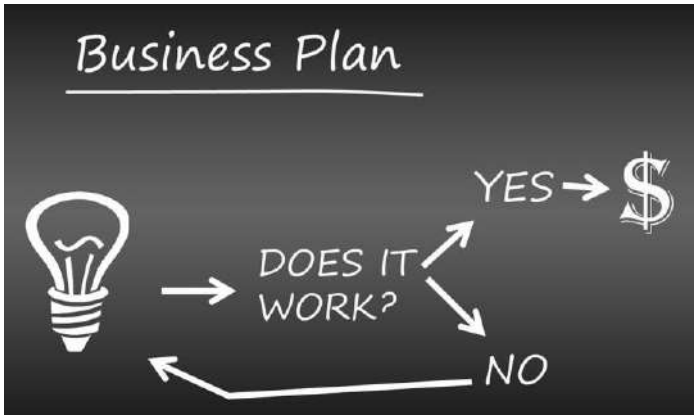
Position the brand as relevant.
Rebuild customer confidence

Use innovative messaging.
Engage directly. Go digital



Step Two: Re-strategise & rebuild

Once the business is stabilised and not hemorrhaging resources, the focus must switch to re-strategising, rebuilding and repositioning in light of new economic realities.



In this era, disposable income is scarce. As such, customers will only spend on things they see as essential.

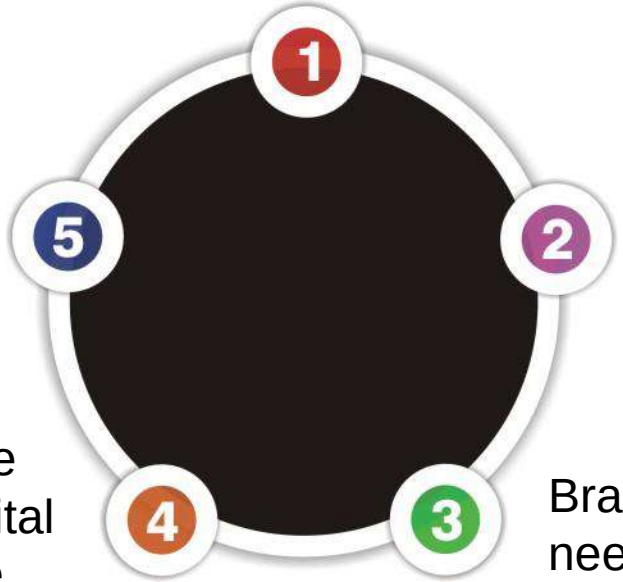
Therefore, the vital strategic questions here are, how can the brand become essential to customers? How can the business be rebuilt to remain relevant?

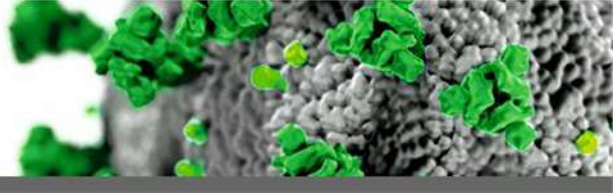


With new and increased awareness by Nigerians that they can survive and transact using digital & technology-based methods, how can the brand reposition to take advantage of this trend?

To rebuild and remain relevant, note the following:

1. Brands will require new strategic focus & direction
2. New products, services, and operational strategies will be required
3. Brand communication will need to be human-centric, educational, yet entertaining
4. Brands must explore how to leverage digital channels for service delivery
5. Remote business interactions are now the norm. Brands must be able to conduct business virtually





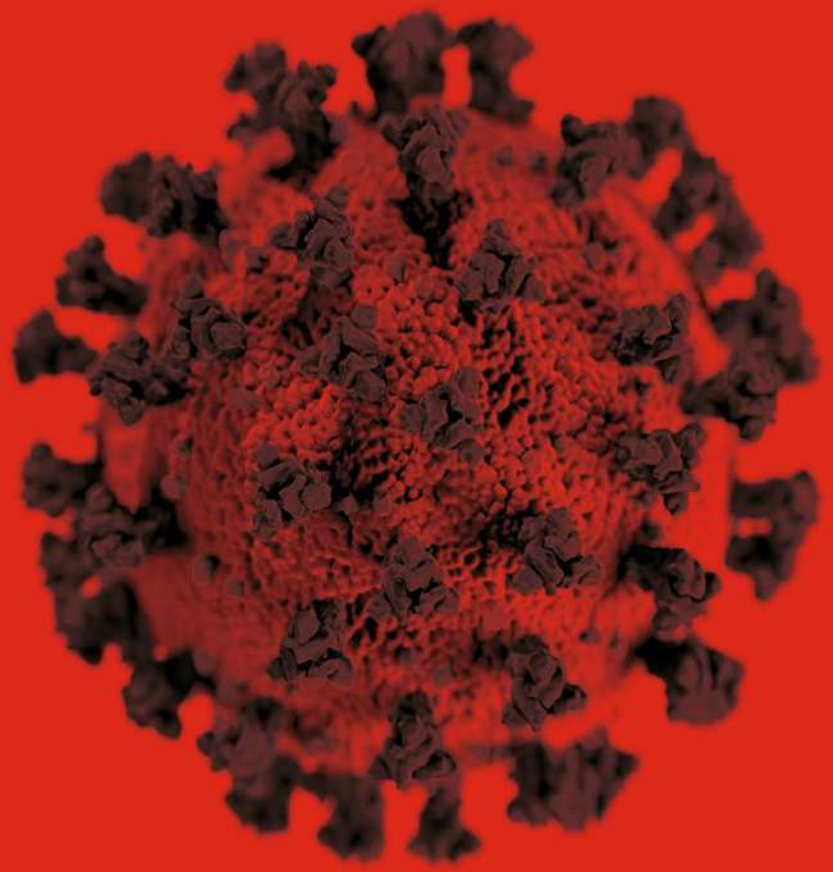
Consider Oxfam. It is an international confederation of 20 NGOs working with partners in over 90 countries (including Nigeria) to end the injustices that cause poverty.

To better adapt to the needs of the markets it serves during the COVID-19 era and beyond, Oxfam is rethinking where and how it should work because a rapidly changing world requires adaptability and nimbleness.

Oxfam is repositioning from a confederation where power is held by its northern members who fund lifesaving work in developing countries, to a global network of organisations working together with allies both to tackle poverty and fight its root causes. It is also phasing out 18 of its 66 country offices and altering how it works in others.



In conclusion…



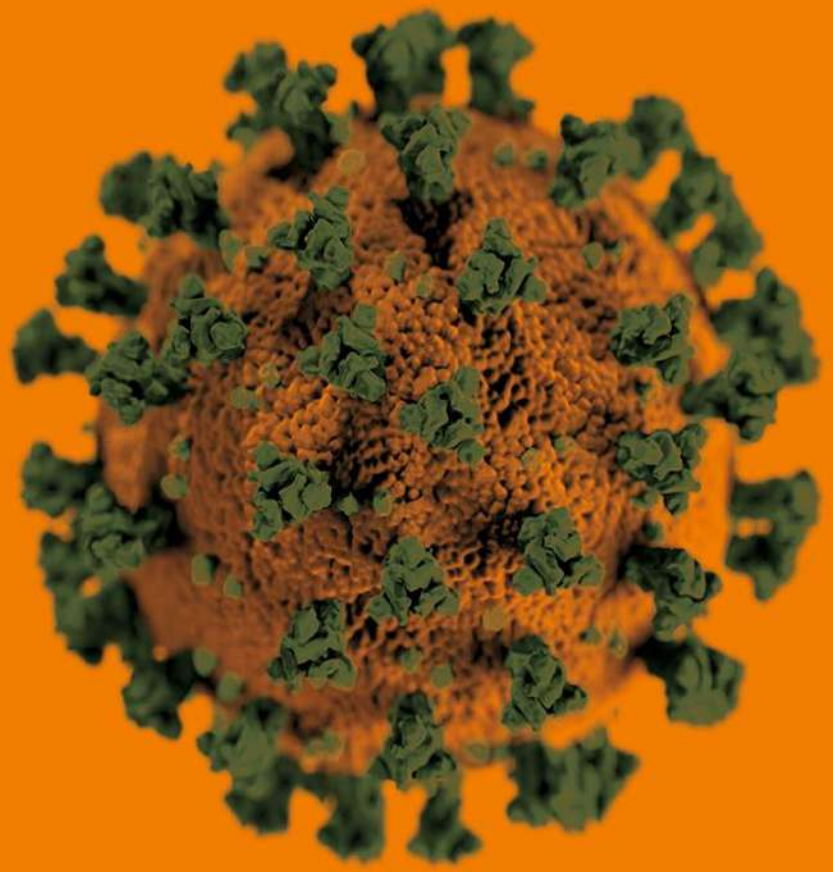
The COVID-19 era has come to stay. This is the new normal. No one knows for how long it will last.

As such, all brands must adapt to the imperatives of the times or risk becoming irrelevant or redundant.

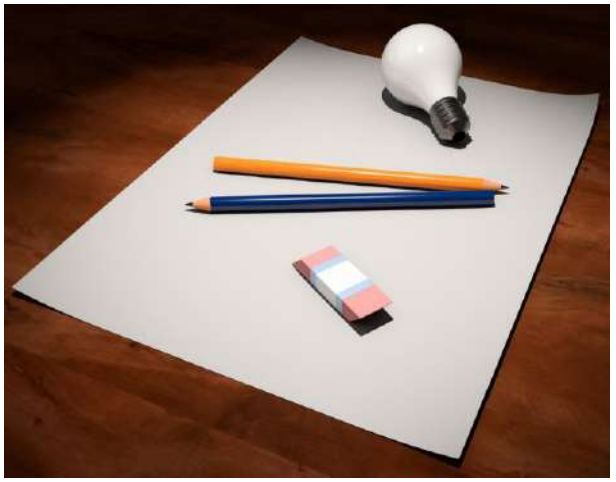


Whether it is by new operational strategies, or new and innovative ideas, products, or services, brands must show and propagate resilience in these times.

About Alder



Alder is a creative intelligence corporation and the leading branding consultancy. We have offices in Lagos and London.

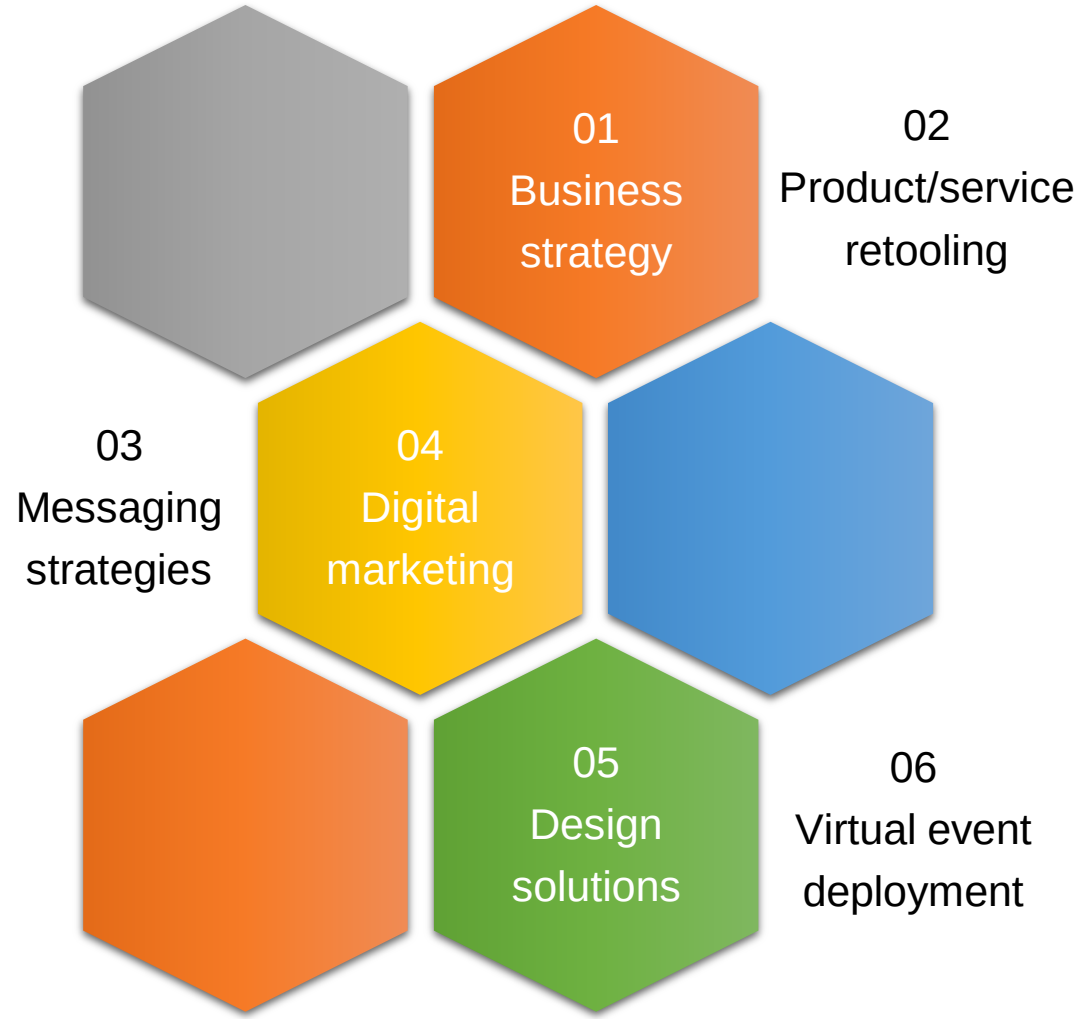


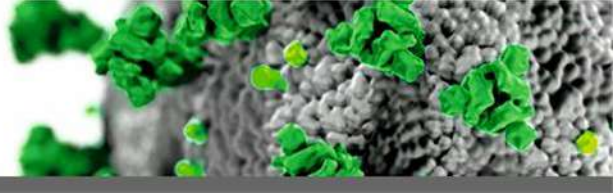
Our client list spans Government, manufacturing, finance, oil & gas, professional services and NGOs.

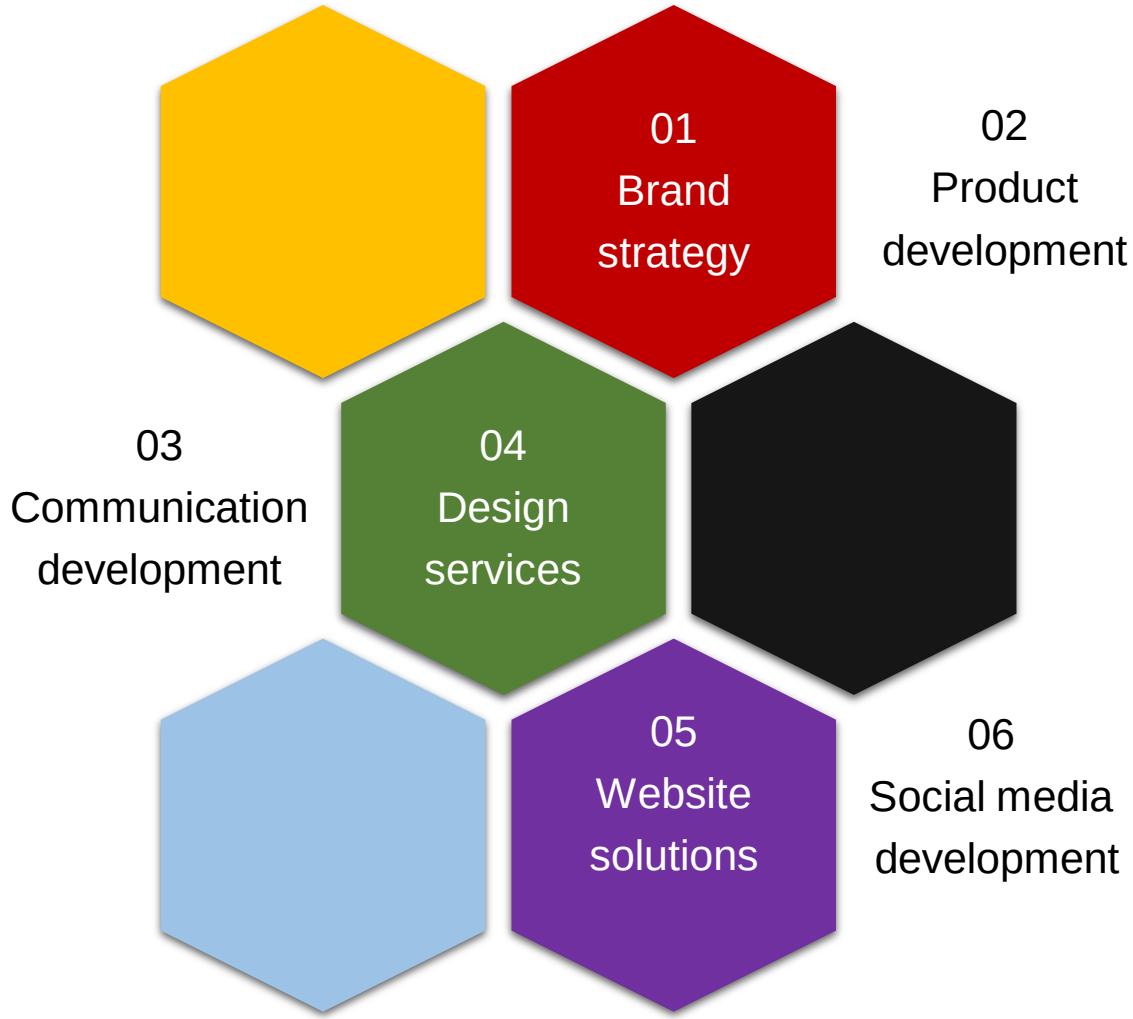


How can we help you?

Keep your brand operational & relevant:

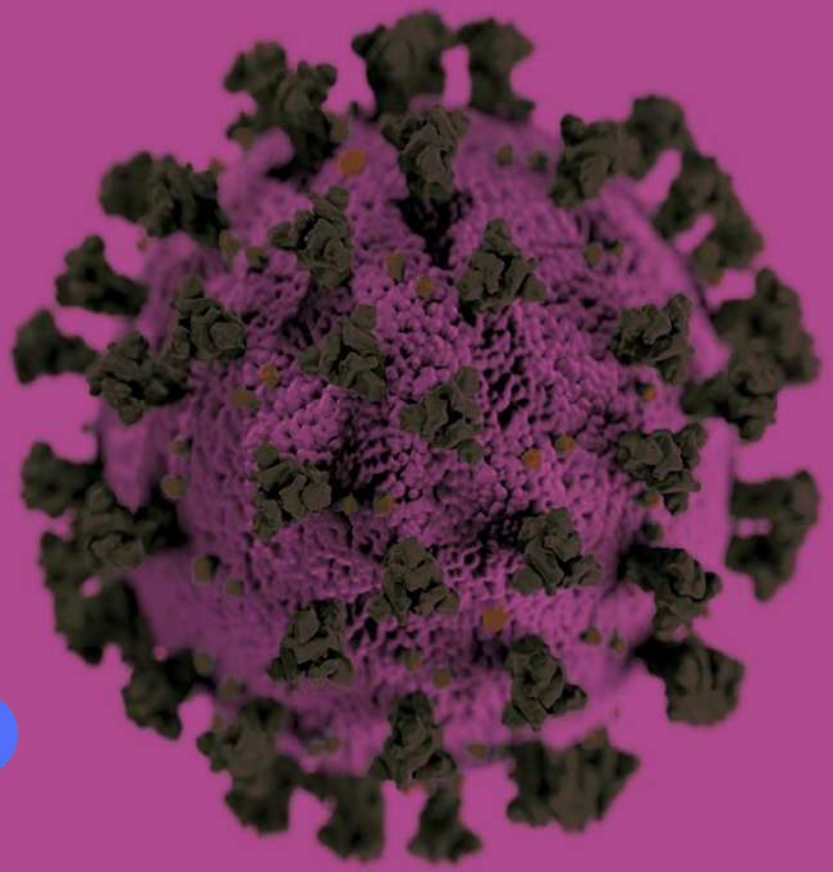






Rebuild and reposition your brand for the future:

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