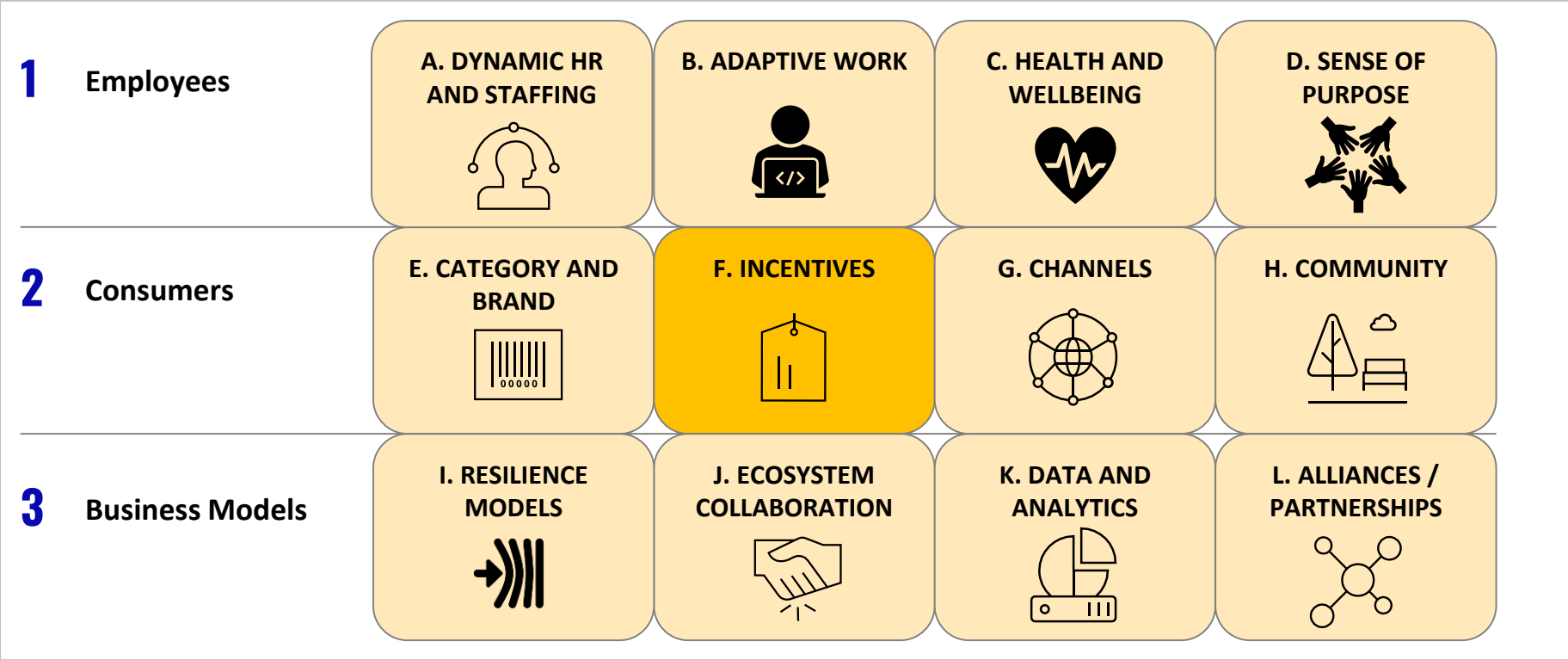


# LEARNINGS & NEW NORMAL FRAMEWORK OVERVIEW



*Looking for similar sections?*

- Filter to any module in the “Covid-19 Framework” filter on the GLM for other module summaries
- Search “**Learnings**” in the GLM for all module learnings summaries
- Search “**New Normal**” in the GLM for all module new normal summaries



# LEARNINGS SUMMARY OVERVIEW



## Maintaining Business Continuity (Short-term)

## Managing the Crisis (Medium-term)

### Challenges/ trends

- Promotional elasticity is likely to decrease given the primary focus on meeting “basic needs”
- Need for consumer health & safety
- Evolution of elderly as consumer group (i.e., shopping support initially)
- Pantry-loading and panic buying: consumers depend on stores to have necessary items and provide safe in-store environment

- Pressure from recession: more focus on discount products and attractive promotions
- Shifts in current consumer segmentations as retailers and manufacturers lose certain consumers but gain on others
- Consumers expect brands to tell the truth, value people over profits, and use resources for greater good

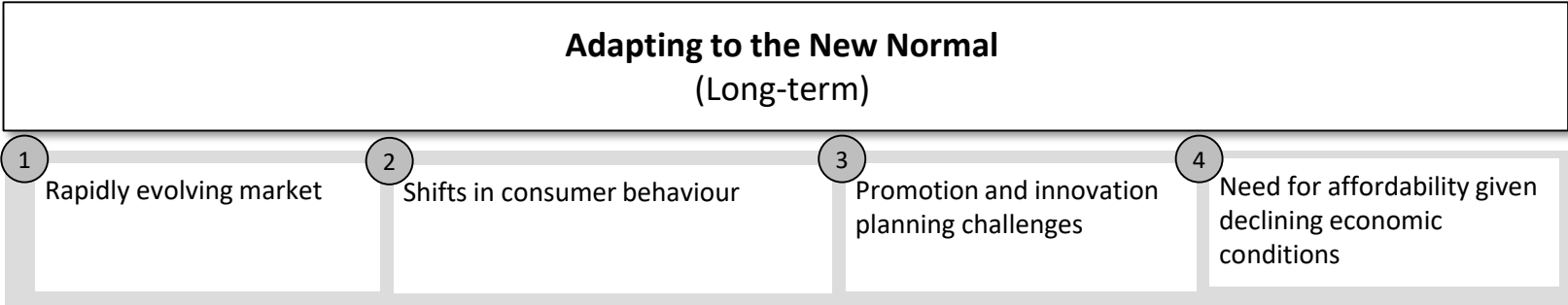
### Key learnings

- Reduce / redirect promotions to ease store and supply chain operations
- Shift focus of promotions to online and reduce / eliminate physical marketing efforts (e.g., leaflets)
- Manage consumer disappointment with out of stocks
- Step-up in-store hygiene and adopt social distancing practices
- Communicate to consumers that the organization cares about their safety and consumption needs
- Promote ways for at-risk groups to shop without physically entering stores
- Manufacturers to collaborate with retailers by maintaining prices during lockdown period

- Tactically revise pricing and promotional plans to meet shoppers’ needs and reduced consumer confidence
- Shift more promotions to consumer-specific actions
- Institutionalize hygiene practices
- Proactive communication with consumers regarding steps retailers and manufacturers are taking to maintain safety for all
- Manufacturers launch social help campaigns (e.g., repurposing manufacturing plants and materials to produce hand sanitizers and PPE)
- Prepare multiple phase 3 scenarios
  - Change promotions strategy to maintain large and less frequent baskets to preserve consumer loyalty
  - The “new normal” proposition where the retailer can lead the market or respond most effectively



# NEW NORMAL HIGHLIGHTED INSIGHTS



**Emerging Issues**

**Strategic implications**

- |  |   |   |   |
|--|---|---|---|
| <ul style="list-style-type: none"> <li>A. Determine desired position in the reset market, and how to migrate current captive consumer base to continue shopping long-term. DON'T wait for the market to determine where you belong</li> <li>B. Adapt "real time" with fresh data from loyalty programs, online channels, and social listening to improve pricing strategies and curate promotional and loyalty programs</li> <li>C. Manufacturers to take opportunity to communicate commitments to society</li> </ul> | <ul style="list-style-type: none"> <li>A. Analyse the structure and profitability of consumer base in context of the market reset</li> <li>B. Decide which shopping styles were predominant in the environment where price was not a deciding factor (i.e., healthier eating, store-cupboard recipes, more e-commerce)</li> <li>C. Re-position your brand for the "new normal" shopping world, including clear view on price position</li> <li>D. Use "new normal" situation to redesign and focus brand and promotional plans: focusing on traffic, innovation, new channels, and value creation</li> <li>E. Manufacturers to leverage recent sell-through data to focus communication and innovation</li> </ul> | <ul style="list-style-type: none"> <li>A. Manufacturers and retailers to plan promotions jointly</li> <li>B. Bring new products through the system faster – COVID-19 showed that this is possible</li> <li>C. Use detailed retail insights to define where innovation is needed</li> <li>D. Adapt promotional planning to new consumer elasticities and supply chain realities</li> </ul> | <ul style="list-style-type: none"> <li>A. Promote affordability for as much of the population as possible by designing specific value propositions (e.g., core products, affordable pack size by unit, product promotions)</li> <li>B. Prioritize ensuring that the target consumer will be able to afford the essential products and communicate to the community</li> <li>C. Innovate products, services, and financial mechanisms to optimize for affordability for as much of the population as possible</li> </ul> |
|--|---|---|---|



# HIGHLIGHTED CASE STUDIES

Case Study (CS) Module Legend:   
 (E) Employees    (D) Digital and online   
 (S) In store      (C) In communities

Logo	Name/Region	CS Module	Overview	Contact
	Amazon 		<p>Prioritize shipments for medical supplies &amp; household staples</p>	<p><a href="#">USA Today Article Link</a>, or contact Sharon Bligh at The Consumer Goods Forum</p>
	Tesco 		<p>On promotions, focuses on 'simple pricing' for single products and removed multi-buy promotions</p>	<p>Judith Robinson, Head of Health</p>
	Coop 		<p>Froze prices of packaged goods for two months (private-label &amp; manufacturers)</p>	<p><a href="#">Coop Italia Link</a>, or contact Sharon Bligh at The Consumer Goods Forum</p>
	Walgreens 		<p>Frontline Hero Discount Day – 30% off regularly priced Walgreens brand and 20% off national brands on 4/25 at all open US locations</p>	<p>Robert Tompkins, Group Vice President, GrI. Merch. Manager, Health &amp; Wellness</p>
	Auto Mercado 		<p>Campaigns for consumers to embrace healthy lifestyle and reinforce distance needs</p>	<p>Anabelle Durán, Marketing Manager</p>
	Disney 		<p>Released video on how to make their famous Churros since they have closed for COVID-19</p>	<p><a href="#">Deseret Article Link</a>, or contact Sharon Bligh at The Consumer Goods Forum</p>
	Walmart 		<p>"Los Esenciales" program includes 125 products which will be sold at the lowest prices on the market for a period of 60 days</p>	<p>Marcus Osborne, Vice President, Walmart Health</p>
	Lush 		<p>Offers free hand washing facilities at its stores across the UK; promote hand washing guidelines</p>	<p>Contact Sharon Bligh at The Consumer Goods Forum</p>

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