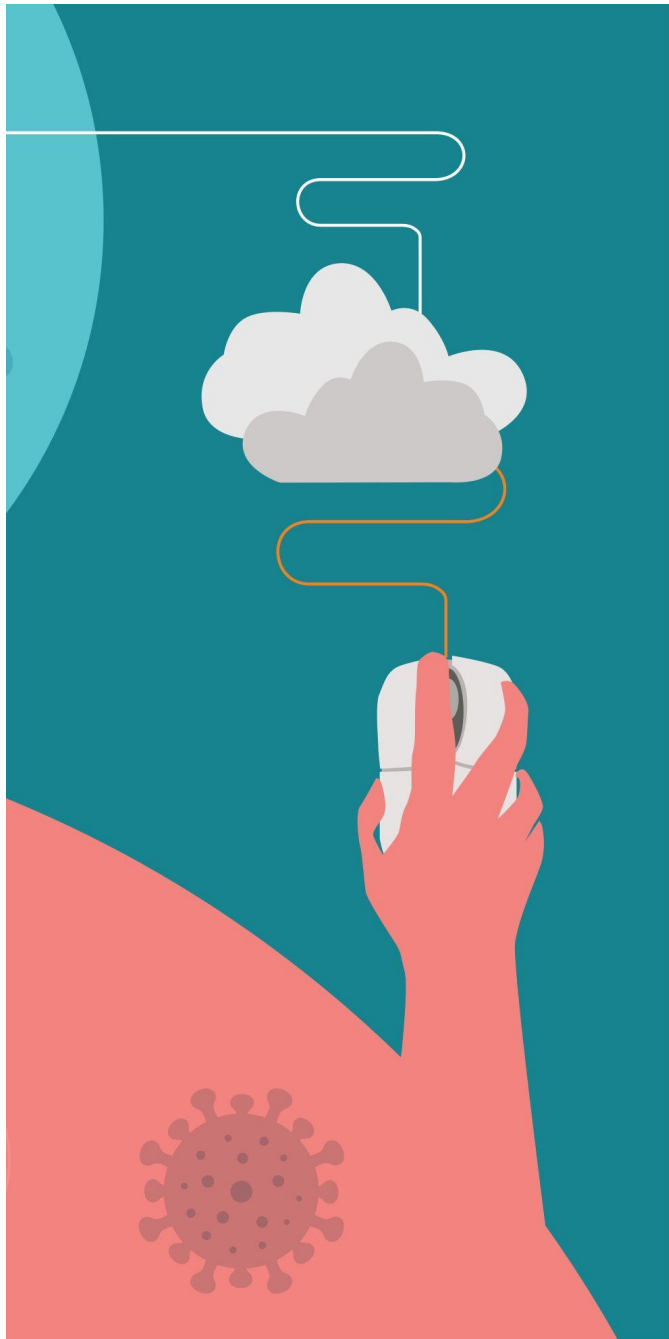




# New normal, newer opportunities

*COVID-19 has invariably shaped a new buying paradigm, but businesses have umpteen ways to leverage it.*

◆ SRIDHAR SAMU AND ANUBHAV MISHRA



**T**he intense lockdown India went through in the early days of the coronavirus outbreak is now over. We are in phase 6 of the unlock process and the economy is opening up rapidly. Indian consumers and companies have managed to survive, and perhaps even made positive strides as the economy went through the different stages of unlock.

In an article titled 'Seize the opportunity', which appeared in the August issue of this magazine, we had identified rethink, reset, and restart as the three stages that need to be

implemented as the economy opens up. We continue this time around with an extended focus on the 'restart and after' phase by focusing on three important types of brands.

**Comfort brands:** Consumers continue to depend on comfort brands as they navigate their way through the unlock phase. Research suggests that food products and personal care items are two categories where we see continued consumer focus on comfort brands. Whether it is placing orders through an app-based service provider or visiting a microbrewery/restaurant, consumers have flocked back to their favourite places. This can clearly be seen in many cities (for example, Bengaluru) where crowds are converging and discussing how much they have missed their favourite places. Similarly, far away in Lucknow, groups can be seen doing a serious *chai pe charcha* about Bihar elections while enjoying tea at a roadside stall. This is the comfort consumers were craving for, right through the lockdown. It is up to each of these brands to signal to consumers that they offer additional emotional cushion apart from their functional utility. Brands should communicate the messages of hope and inspiration to bring back normalcy to the consumer's conscious mind. For example, Savlon is doing an excellent job of alleviating the fear of corona with their multiple offerings.

**Power brands:** As the unlock process continues to evolve, consumers are seen to be playing it safe and reacquainting themselves with power brands. During the lockdown, some experimented with smaller brands due to scarcity and also because they had to shop at unknown places. Now that the unlock process is expanding and broken supply chains are being restored, consumers are returning to the power brands. For example, during the lockdown, people were forced to buy any milk brand that was available. But now they are moving back



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to national power brands like Amul, Parle, and Britannia that are showing increasing sales after the easing of lockdown. This is even though Amul was able to manage its supply chain better than most other brands during the lockdown ('Seize the Opportunity', Samu and Mishra). Power brands need to step up and rebuild their relationship with consumers by showing how they provide far better benefits than others. They need to build agile supply chains as various parts of India are enforcing different ways of night curfews or selective lockdowns. Some top brands are doing their best to offer safe and secure delivery of products, thereby taking care of concerns about potential infection and rebuilding consumer confidence.



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**Normalcy brands:** People have been sorely missing sporting events during the lockdown. However, they are now allowing themselves the luxury and fun of watching big games like IPL and international cricket (with India touring Australia). More than anything else, these events provide them a sense of normalcy. And this is

happening worldwide—it is true of even other big sporting events in Europe and in the US. Traditional TV—which had lost its mojo during the lockdown—has the opportunity to storm back and dominate, making it easier for normalcy brands to reach the consumer. This is especially the case for those segments who have not fully migrated to social media and online streaming services. We can also see an interaction between power and normalcy brands with more ad dollars that will be able to reach consumers much more easily.

What about changes in behaviour, and what should we expect to see?

One major change is the new set of consumer beliefs that have taken shape during the lockdown—like being extra sensitive about cleanliness and awareness of the need to use sanitisers as and when needed. This provides an excellent opportunity for brands to continue to connect with consumers and to leverage that connection to seize new opportunities. A good example would be app-based taxi companies, like Uber and Ola, who can win over customers with extra focus on safety. Another way could be to use continuous, honest communication to establish their dominance and to spread awareness about the procedural changes adopted in the wake of the pandemic. For instance, Behrouz Biryani sends printed information regarding the temperature of their delivery boys along with the bill. Similarly, firms could publish information on their efforts towards following guidelines, in order to cater to the new consumer beliefs. These are indeed tough times for businesses, but this is also when ethical and true information-sharing is required to build customer trust. Consumer beliefs about safety in new and safer places could be addressed by providing relevant information and identifying new pockets of growth. The tourism industry can promote local destinations by switching the focus of their strategy from

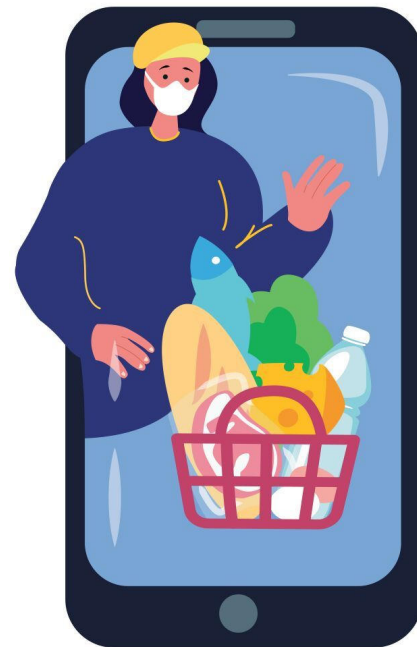
**Companies need to make sure that any new offering aligns with the core values of the respective brand. If not, it is likely that the product is rejected and the brand is accused of exploitation.**

weekend getaways to ‘day’ getaways—they could encourage people to visit places that can be seen in just one day and hence do not require overnight stay.

A second major change is the consumer need for new products that would make their daily lives easier, say, while shopping or even

travelling to the workplace. New mask styles and designs, smaller sanitisers that are easier to carry, and services that will allow them to observe social distancing are all possibilities. For example, no contact deliveries are the new norms for the likes of Amazon, Zomato and Swiggy. As consumers venture out, they will need to be reassured that they will indeed be safe; any product that will help them feel secure will be a winner. Brands can introduce the typical drive-in and pickup concept to buy food from quick service restaurants like McDonalds in USA. However, companies need to make sure that any new offering aligns with the core values of the respective brand. If not, it is likely that the product is rejected and the brand is accused of exploitation.

Another new behaviour is related to the reopening of schools and colleges. Typically, colleges will operate in a bubble and so the needs of the consumers (students) will be very different from what it used to be earlier. They will need to do online shopping and depend a lot on courier services. It is important for companies to identify these changing habits and offer new products and services. They need to work with educational institutions and continue to facilitate contactless digital payments and delivery. For example, we expect that the importance of location specific services like Urbanclap will increase exponentially. Also, firms involved with education sector have to address the new needs such as the book



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publishers have to ensure safe and maybe digital deliveries to students. The transport services have to take care of sanitizing the vehicles for each trip. The eatery joints inside and around the campus have to adapt the models of contactless deliveries and digital payments.

### **Retail**

Local retailers (including those based in malls) have suffered considerably during the lockdown. Now that malls and shops are allowed to open, attracting customers back to the stores has become a difficult task. Firms can move to a multi-channel strategy and integrate their online and offline business processes. Decathlon and Chroma are already allowing customers to purchase online; they either deliver the products or allow consumers to pick them up from outside the store, thus ensuring faster availability.

In summary, this article extends the previous 3 R framework and explains changes in consumer behaviour and how brands and retailers can help to provide specialized services. **IM**



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