

Marketing and Productivity: a Post-Pandemic Challenge

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Abstract

The post-pandemic scenario seems to be characterized by the likely increase in demand, supported by revenge spending and the several national recovery plans. This, however, may lead to an increase in competition, which can only be faced thanks to a "good marketing", recovering the founding principles and values of marketing, related to the analysis-strategy-operations-control process, but managed with the most modern tools available today. However, in order to allow the evolution to proceed, acting in an innovative way is necessary as well as activating a stakeholder engagement that is not limited to plain stakeholder satisfaction but can be developed according to a producer-stakeholder (pro-stake) logic. This can significantly improve stakeholder's satisfaction and productivity and the resulting competitiveness and sustainability. Among stakeholders, an important role must obviously be played by customer engagement, but with a more qualified and trained pro-sumership, as to add, and not to take off, value from the offer of companies, institutions and nonprofit organizations. In order to boost these processes, post-pandemic marketing is a true Critical Success Factor and marketers are therefore required to be up to the challenge.

Key Words: Pandemic - Marketing - Engagement - Productivity - Sustainability

Introduction and Objectives

The pandemic is changing the behaviors of people, companies, institutions and the world of marketing will need to adapt from any point of view. Will it be ready to meet the challenge? The aim of the paper is to assess the current status of marketing and identify the main changes it needs to deal with. The reference framework is Italy but within the trends of the wider global eco-system.

Research questions (first indications)

1. Will the epochal pandemic be a marketing opportunity or threat?
2. On what terms can Marketing be a consistent CSF in the coming years?
3. More in details, which activities and tools will be actually important?
4. Taking into consideration the numerous sectors (from consumer goods to nonprofit services) where marketing is used today, which ones will mainly need "good marketing"?
5. Given the lessons Covid-19 pandemic has taught us and the increasing need for sustainability, which innovations will be more critical for marketing to face the challenge?

Conceptual Framework / Literature Review / Research Model

The conceptual reference principles are based on the traditional approach to marketing (Kotler and others) and further broadened by applying marketing to services (public and nonprofit ones too), reconsidering them in the digital and global context, and taking into consideration

the resulting need for a more sustainability-oriented approach, especially in the post-pandemic, all this from the perspective of "Mediterranean marketing".

Method

The Research is based on the observation of the experiences occurred during the pandemic period rather than on the analysis of literature on the marketing at the time of a pandemic, which is still being developed. The aim is therefore to carry out a "holistic" or multi-technique research. In particular, there is a qualitative phase based on the analysis of some corporate cases, digital papers from top research centers and global consulting companies. The authors provided a summary of the results.

Bibliography / Webliography

The limited number of pages of the paper does not allow us to list the entire bibliography / webliography.

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1. The Pandemic and Marketing

An epochal pandemic, like Covid-19, inevitably implies changes in individual, corporate and institutional behaviors. In this scenario marketing must adapt making the most from its ability to improve analysis, strategy, operations and control.

The context, as it often happens, is very complex: threats and opportunities are overlapped and the role of marketing becomes increasingly important. It is clear that if on the one side the demand was negatively affected during the pandemic, on the other the restrictions applied due to COVID19 resulted in more, even though forced, savings. The result is likely to be revenge spending, which is already emerging, as well as inflation, which starts to show its first signs albeit under control. In addition to this, there are the several recovery and resilience plans connected to Next Generation EU, which provide new liquidity, thus supporting the investments of public and private organizations and, consequently, a greater purchasing power for workers/consumers.

However, the growth in consumption is expressed in different ways from the past: everyone experienced a strong change in purchasing and consumption habits, which will stay with us to some extent even in the future (in particular with regard to phygital), so that offer will be forced to change. "Nothing will ever be the same again" is one of the most frequent statements heard during the pandemic. Perhaps it may not be 100% true, but certainly, in many situations, innovation is already the rule. However, the positive and growing trend in demand (opportunity) is also expected to be paralleled by an increase in competition (threat), in terms of both quantity (thanks to digital tools) and quality (thanks to easier investments).

In such an attractive, but competitive scenario, marketing is meant to play a key role as it needs to provide guidelines for investments and innovation. However, will it be up to the task? For the past 10/15 years, due to the strong economic crisis, the focus has been limited to plain marketing operations, also encouraged by the use of the Internet, thus often forgetting the fundamental and original principles and values of marketing.

2. Marketing for Recovery and Resilience

In a phase of new development, often marking the time following great crises, a structural strength must be rebuilt within which the ability to make proposals by the world of marketing can be better expressed. With reference to this, the research highlighted that the world's leading experts identify a number of aspects that must to be applied again as to characterize "good management" and, in particular, "good marketing".

Even though innovation can be the only characterizing factor of the marketing for recovery and resilience, given the aforementioned change of scenario, it is also necessary for this change to create greater productivity, or "higher output quality with lower input costs". This is essential to stand out when compared to competitors.

"Good Marketing" needs to recover the "principles and values" of original marketing and to apply them with the "new tools" available today.

In particular, the conceptual underpinnings of marketing must be recovered, which are mainly based on the importance of analysis. We are talking about professional analysis carried out by

marketing experts, which is not the analysis based on an incorrect use of non-representative internet research.

Another aspect is the recovery of a medium-long term vision that must characterize professional marketing, which, not by coincidence, takes into consideration customer satisfaction and customer loyalty as the pre-conditions to have a long-lasting company.

What mentioned above requires to pay new attention to strategies and to the need to turn them into real projects detailing managers, schedules, locations, costs and clear benefits in order to be able to constantly control their implementation or fine-tuning. From such a perspective, marketing integration and marketing control can be again regarded as substantially relevant.

At an operational level, the result is the new focus on "beautiful and well-made" product or services, which are not meant as luxury product but as a product (in ergonomic and ecological terms) functional to the real needs of the different types of customers.

Of course, these are important challenges for Marketers (and in particular for CMOs or Chief Marketing Officers), who today have highly effective tools available in terms of performance and costs. Therefore, it is not an impossible challenge if you have the right expertise and courage to innovate!

3. Stakeholder Engagement and its Evolution

In the view of the "spirit of collaboration" the community experienced during the pandemic emergency, it can be noted that many benchmarks applied it to their management and marketing activities, so that the attention to Stakeholder Satisfaction can productively include true Stakeholder Engagement, with reference to both consumers, suppliers, personnel, distributors, finance, media and others, and public institutions. This is perfectly in line with the aforementioned original concept of marketing integration.

The critical issues emerged during the pandemic draw the attention of companies on the need for a better and more stable relationship and satisfaction of stakeholders in order to achieve Total Sustainability. It is only thanks to the participation of the extended group of stakeholders that a company can legitimately be considered a CSF as well as benefit from their constructive collaboration. With regard to this, NRRP (National Recovery and Resilience Plan) guidelines must be considered in terms of sustainability, in particular with reference to youth employment, to understand the importance of the shift from plain customer satisfaction to stakeholder satisfaction to get to stakeholder engagement.

On this point, it is interesting to note that according to the Stakeholder Engagement Standard (AA1000SES) "inclusivity requires the consideration of 'voiceless' stakeholders including future generations and the environment".

It is however difficult, if not impossible, to satisfy stakeholders if they do not involve themselves in a positive way. In other words, the same stakeholders need to collaborate actively and directly with companies in the process of engagement including also production activities, according to a logic of producer-stakeholder role (pro-stake), recalling the similarity with prosumer (producer-consumer). The point is they cannot be satisfied unless they contribute directly with their engagement.

It is clear that the passivity and indifference of stakeholders in the engagement process:

- on the one hand, translate into a low level of stakeholder satisfaction;
- on the other hand, mean too high costs companies cannot bear in the long period, both in the process of improving stakeholder satisfaction, and, more in general, in the process of stakeholder engagement.

Stakeholders should also often to be held responsible when products or services do not meet satisfaction requirements, as on the one hand they complain not to be satisfied, but on the other they do not do what they should to create producer-stakeholder relationships of trust, which must be activated in the engagement process.

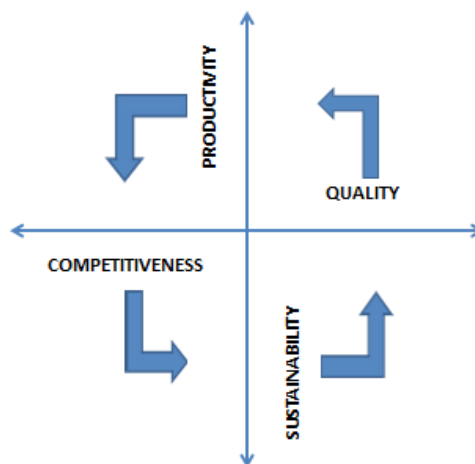
In brief, three Cs are to be considered: Collaborate, Construct, Contribute. It is no coincidence that a recurring sentence during the pandemic was actually "everyone plays their part".

In other words, by way of example, a public service company cannot ensure a satisfactory performance if citizens do not collaborate, workers do not collaborate, suppliers are not reliable, mass media are biased, any other part of the public administration does not cooperate, etc.

It is easy to protest, but it is difficult to build and contribute in a positive and successful way.

Only the development of a virtuous circle of stakeholder engagement can generate an overall better quality of supply, which leads to better productivity that, in turn, brings about greater competitiveness and consequent sustainability, thus resulting in several multiplier effects in the entire ecosystem.

The Virtuous Circle of Stakeholder Engagement



4. Benefit Corporations

A new interest in the social dimension, which emerges from the aforementioned attention to stakeholders and total sustainability, draws again attention to Benefit Corporations, described by the lawmaker as those "companies that in the conduct of the business, in addition to the

purpose of profit sharing, pursue one or more public benefit purposes and operate in a responsible, sustainable and transparent way toward people, communities, territories and the environment, cultural and social assets and activities, institutions and associations and other interested stakeholders” (Italian Law n. 208/2015).

The interest in those companies, which can be considered as an ex LEGE type of B Corp (Benefit Corporation), and in their activities is confirmed by the fact that they can be established thanks to the grant of special financial assistance and a fund was created to promote them.

In particular, according to Hiller (2013), the model of B Corps stood out both in response to global financial crises and the resulting low levels of trust, and due to the need to stimulate companies to voluntarily adopt ethical and socially responsible decision-making standards. More in detail, B Corps are companies subjected to certification that in the conduct of their business aim to increase the positive impact of their activities on communities, their employees and suppliers, the environment and more in general on their own stakeholders, in line with the observations contained in the previous paragraph.

Companies must be able to develop business models that can guarantee greater profitability and a number of benefits (positive effects or reduction of negative effects) to their stakeholders at the same time. It follows that even marketing must be engaged in developing consistent and innovative dimensions.

With regard to this, particular attention must be given to the public services sector, in which B Corps can be particularly functional to achieve the goals of public interest and social utility.

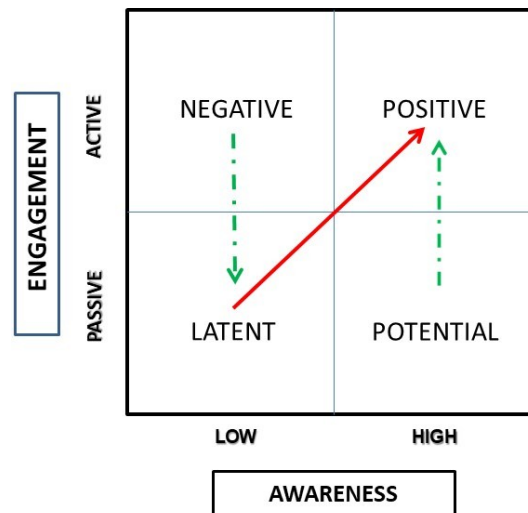
5. Customer Engagement for Productivity

As part of the aforementioned “pro-stake” approach, consumers must obviously play a role of "Primus Inter Pares". However, this role can NO LONGER be just the one as evaluator of their own customer satisfaction and buyer through their own customer loyalty; they also need to play a leading role that, through new customer engagement, turns into a true "productivity factor"!

The positive contributions from consumers can increase the productivity and added value of a company because, thanks to them, misuse and potentially harmful uses can be limited (with recovery costs), self-service activities can be increased, which improve synchronization between supply and demand and speed up exchange, a better level of fulfilment between demand and performance can be achieved, they can set an example of use to new users and much more. Furthermore, consumers are increasingly involved in the marketing activities of organizations in many ways, both as carriers of ideas and suggestions, also as a result of brainstorming, assessors of prototypes and prices in focus groups and other research groups, key players in market tests, sales promoters through Tell your friends word-of-mouth, unconventional marketing activists, commentators on social media, trend-setters and more.

Actually, as shown in the following figure, Customer Engagement is not always positive. This is only the case if there is high awareness and active engagement.

Customer Engagement: Co-Producer



In order to play their role in an effective way, consumers therefore need to be “properly trained” and this can be done through functional customer education & care (in line with the concept of lifelong learning), which can be developed by both the same consumers and the organizations concerned. This implies that companies, institutions and nonprofit organizations need to carry out, increasingly more often and in a systematic way, activities aimed at promoting awareness and ability to make choices and to use products and services addressing current and prospective consumers, as to make them know how to promote positive engagement for themselves and the community.

The aforementioned observations also make it possible to interpret the well-known acronym CSR not only as Corporate Social Responsibility but also as Customer Social Responsibility.

6. Conclusions

The brevity of this paper, which is essentially a “conceptual paper”, does not leave room for further insights that will be made later on; however, the main and brief findings can be summarized as follows:

1. The post pandemic scenario offers important "opportunities and threats" that must be addressed using adequate strengths and reducing pre-pandemic weaknesses.
2. Marketing will have to make a significant contribution and it can therefore be described as a consistent Critical Success Factor, as its aim is to promote innovation but also productivity, which is essential.
3. For marketing to provide a support that can be regarded as professional, and therefore “100% valid”, there is a strong need to turn back to original principles and values but implemented using the most modern tools.
4. The sectors that most need to develop themselves from the point of view of post-pandemic marketing will be likely to be those of retail, services (with particular reference to public services and public utility services) and nonprofit.

5. In this reference framework it becomes increasingly more essential to pursue Total Sustainability, which can only be achieved through a true and effective stakeholder engagement that goes beyond plain stakeholder satisfaction.
6. When considering the involvement of the different stakeholders, consumer contribution is to be considered increasingly more essential, provided that it is based on consistent training and developed as to make it a true productivity factor for their own benefit and the benefit of the entire community.

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