

BRANDING IN TIMES OF CRISIS: BUILDING BRAND ATTACHMENT AND TRUST DURING COVID-19

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Abstract

When a crisis strikes, it is important for brands to react and respond with adapted messages in order to remain relevant during the crisis and beyond. The way brands respond during and after a crisis will have a significant impact on consumer perceptions and also on the sales. During the crisis caused by the COVID-19 pandemic, the world has been faced with an unprecedented situation, quite unlike any other modern crisis regarding its breadth and consequences. The COVID-19 pandemic has had an effect including on brands' performance. Brands had to rethink their strategies in order to cope with this situation and to limit the impact of the crisis. Companies have started to create marketing campaigns and activities that show how they are helping during the crisis. One of the early responses to the pandemic was a rush by brands to educate consumers about the need for social distancing and about the need to comply with the protective measures to prevent COVID-19 transmission. As the situation evolved, brands aimed to create a solid position from which to respond in a meaningful way to world events and to consumer needs. The aim of this paper was to identify the ways brands responded during this crisis. Also, this paper aimed to investigate, through a secondary data exploratory research, the aspects that matter more for consumers during this time of crisis and confusion, and to identify what type of marketing messages have an impact on consumers' trust in a brand.

Keywords: COVID-19, brand trust, brand attachment, branding, crisis.

1. Introduction

An essential element of a company's success is the relationship that a brand has managed to build with its customers. Loyal, satisfied consumers, who maintain a long-term relationship with the brand, ensure the stability of a company. In this sense, companies must give great importance to brand management and to the process of building a solid consumer-brand connection.

In a normal, stable market context, in which the evolution of processes is predictable, a company must develop brand management strategies taking into account two categories of elements¹:

- *Tangible elements* - the product itself, its packaging, price, etc.
- *Intangible elements* - the experiences offered, the customers' relationship with the brand, the brand values and the value offered to the customers, the level of trust in the brand, etc.

By combining these elements, a brand manages to create a certain image in the minds of consumers, it manages to be associated with a certain user experience and to gain the attachment and trust of consumers.

When the situation on a market becomes unstable or unpredictable, companies can face more easily unforeseen situations or even crises, caused by various factors, and the relationship between consumers and brands can be easily affected. In such situations,

companies should focus primarily on intangible brand elements because crises generally lead to a dramatic decline of consumers' trust in brands².

According to a Deloitte study conducted on 1000 respondents, emotional factors inspire brand loyalty and "83% of customers believe that trust is the first emotional metric that influences brand loyalty"³, while rational factors play a key role at the beginning and in the end of the customers-brand relationship.

"Brands, like people, form relationships with consumers and other stakeholders built off trust, reputation and recommendation."⁴ In general, "the trust that consumers place on a brand is a mix of empathy (based on positive experiences offered by the brand) and pragmatism (the usefulness of the products, in relation to their needs)"⁵. During a crisis, however, consumers often re-evaluate their priorities, and the emotional factor is minimized, so that pragmatism comes to dominate purchasing decisions⁶.

The crisis caused by the COVID-19 pandemic is no exception. During the last year, the world has been faced with an unprecedented situation, quite unlike any other modern crisis regarding its breadth and consequences. The COVID-19 pandemic has had an effect including on brands' performance. In the last year, a series of important changes in consumer behaviour have been observed. Relationships with brands have been under greater pressure and companies have had to rethink their brand strategies to meet new

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¹ Puișor, "7 Strategii".

² Puișor, "7 Strategii".

³ Deloitte, "Deloitte study".

⁴ Edelman, "Brand resilience".

⁵ Puișor, "7 Strategii".

⁶ Puișor, "7 Strategii".

challenges. Brands had to adapt their strategies in order to cope with this situation and to limit the impact of the crisis because the way brands respond during and after a crisis will have a significant impact on consumer perceptions and also on the sales.

The aim of this paper was to identify the ways brands responded during this crisis. Also, this paper aimed to investigate, through a secondary data exploratory research, the aspects that matter more for consumers during this time of crisis and confusion, and to identify what type of marketing messages have an impact on consumers' trust in a brand.

2. Brand management in times of crisis

In general, "a crisis is an unexpected situation that calls into question the organisation's responsibility to its public and threatens its ability to continue its activities normally"⁷. A crisis implies the existence of negative effects at both the material level (sales, production, etc.), and the symbolic level (deterioration of the image of the organization, decreased consumer trust, etc.).

Since 2020, the entire world is experiencing a great challenge, the society and the economy have largely been brought to a standstill and the COVID-19 crisis is affecting every aspect of our lives. It is already obvious that the COVID-19 crisis has substantial consequences for our way of living, working and shopping, and more specifically for consumer behaviour. All these changes affected many businesses. Furthermore the COVID-19 crisis is continuing to have a transforming impact on the lives of consumers and on the activity of businesses. In this context "it would probably be a mistake to assume things will simply return to 'normal' post COVID-19. It would be equally wrong to suggest that the world has been changed forever, but one can reasonably expect a change in multiple areas of consumption going forward, at least in some categories."⁸

In 2020, Edelman, a global communications firm, conducted a study on 12,000 people from Brazil, Canada, China, France, Germany, India, Italy, Japan, South Africa, South Korea, the UK and U.S regarding the critical role brands are expected to play during the coronavirus pandemic. According to this study, 65% of the respondents have affirmed that "the way a brand acts during the pandemic will have a significant impact on their likelihood to buy that brand in the future"⁹ and 62% of respondents said that brands are "playing a critical role in addressing the challenges"¹⁰ of this

pandemic. Also, 60% said that they are turning to brands that they absolutely can trust. The study revealed that brands that are perceived to be acting unsympathetically are exposed to a greater risk since "one-third of respondents have already convinced other people to stop using a brand that was not acting appropriately."¹¹ This study shows that there are negative consumer reactions to the misconduct of brands or companies. This demonstrates that during this period "brands can build a new level of connection with consumers or lose the relationship forever."¹²

In these times of crisis, companies need to adapt their marketing strategies because the COVID-19 crisis is affecting consumer behaviour and thus the way in which marketing can be used. Companies have realized that it is important to react and respond with adapted messages in order to remain relevant during the crisis and beyond. Companies have started to create marketing campaigns and activities that show how they are helping during the crisis. One of the early responses to the pandemic was a rush by brands to educate consumers about the need for social distancing and about the need to comply with the protective measures to prevent COVID-19 transmission. "First of all, we observe that companies are adapting their goals and are launching initiatives designed to contribute to tackling COVID-19. Such activities are referred to as 'purpose marketing' or 'cause-related marketing' and demonstrate corporate social responsibility."¹³ As the situation evolved, brands aimed to create a solid position from which to respond in a meaningful way to world events and to consumer needs. "In the face of the COVID-19 crisis, brands must figure out how they can help and what actions can be taken that are consistent with their values and abilities."¹⁴ During this period "in terms of messaging, consumers are asking for brands to focus on value, authenticity, social awareness. Brands that clearly communicate a sense of purpose, tap nostalgia and are proactive about social issues will generate greater loyalty and minimize the negative impact of the pandemic."¹⁵

Thus, brands have now an opportunity to strengthen their relationship with consumers and their bonds of trust by "using data to help determine which actions will have the greatest impact on their employees, customers, and communities."¹⁶ According to a Euromonitor International report, consumers are looking for reliable information about COVID-19 and its consequences, and are also looking for stability and emotional connection with reliable companies. During this period, consumers have the tendency to show a

⁷ Coman, "Relatiile publice".

⁸ Sarrazit, "COVID-19".

⁹ Edelman, "Brand resilience".

¹⁰ Edelman, "Brand resilience".

¹¹ Edelman, "Brand resilience".

¹² Edelman, "Trust barometer".

¹³ Hoekstra & Leeftang.

¹⁴ Qualtrics, "How your brand".

¹⁵ Lewis, "COVID-19 changed".

¹⁶ Qualtrics, "How your brand".

stronger emotional connections mostly with important and well-known brands and to become more engaged with businesses that are characterised by moral and ethical values.

Numerous researches have been carried out and have highlighted the fact that during the pandemic there are a series of communication strategies that will ensure the strengthening of the relationship between the brand and consumers. In this regard, companies need to focus on issues such as¹⁷:

- *Safety and health* - companies need to assure consumers that all the activities they carry out are responsible and are meant to protect people's health.

- *Responsibility* - companies must transform the business and adapt it to the new context in order to help the business recover as soon as possible after this difficult period.

- *Connecting with the audience* - the audience must be fully understood during this period when people's needs change in real time and emotions become stronger than in normal times.

- *Transparent, positive communication* - companies must rely on correct information during this period and send positive messages of hope and confirmation that things will evolve well.

- *Concrete, authentic actions* - consumers will appreciate actions that demonstrate a real involvement of a company in today's problems. However, it is important that these actions are in synergy with the brand identity and are authentic.

In communication campaigns, companies must have a clear vision, set a mission, and identify the values they want to rely on. In their relationship with consumers, it is advisable to communicate naturally, sincerely, transparently and to show that behind the brand are people with common needs and aspirations as consumers, meaning that the brand has to be humanized. It is also necessary to strengthen the presence on social networks. In this respect, digitalization is more important than ever. This will satisfy the need for connection that people feel stronger during this period.¹⁸

3. Building brand trust during COVID-19

Brand management strategies must be supported by a constant and effective communication process that will help build, strengthen and develop consumer trust in the brand in times of crisis. Trust plays a central role in this process because "it gives consumers confidence when choosing to engage with a brand. A fundamental component in building trust in today's environment is keeping a pulse on consumer behaviours, drivers of

brand preference, and how brand actions influence perception. Ultimately, it's knowing how your consumers want to be engaged - and then delivering against their expectations."¹⁹

A brand strategy designed to ensure its resilience in the market during this period must take into consideration five attributes, namely²⁰:

- *A brand must be risk tolerant*: this means that a company must assess risk from the combined perspectives of protection, management and opportunity. Brand management involves identifying the risks that "the brand needs to prepare for, which it needs to mitigate, and which can help the brand grow and thrive through uncertain and prosperous times alike."²¹

- *A brand must be built to serve*: this means that a brand must provide value to its customers, but also it needs to receive value in the form of trust or attachment.

- *A brand must be values led*: this means that a brand's identity must be built on a solid set of core values, aligned with the company's goals and the brand's broader purpose.

- *A brand must be connected*: this means that a brand should cultivate meaningful relationships with its consumers across multiple media, using appropriate communications and engagement.

- *A brand must be adaptable*: this means that a brand should be "able to respond, pivot, evolve and transform based on changing conditions caused by severe disruption. Being adaptable requires flexibility in how the brand responds, acts and anticipates the needs of its audiences."²²

In order to better understand the impact of COVID-19 on consumers' trust in brands, Qualtrics, an experience management company, conducted a study on more than 1000 U.S. consumers to test what actions can be taken to build and keep trust among customers. As shown in Table 1, consumers will trust brands that don't take advantage of a crisis to maximize their own profits, that take care of their employees and customers, and that act in a way that demonstrates a real involvement in today's problems. On the other hand, consumers find less impactful the messages of hope, optimism, nostalgia or even statements about strong moral principles. The study showed that 65% of consumers indicated that "during this crisis a brands' actions have a significant or major impact on their trust in that brand."²³

¹⁷ BizTeam, "10 idei".

¹⁸ Puior, "7 Strategii".

¹⁹ Ross, "A lesson".

²⁰ Edelman, "Brand resilience".

²¹ Edelman, "Brand resilience".

²² Edelman, "Brand resilience".

²³ Qualtrics, "How your brand".

Table 1. Factors that make consumers trust brands more in the midst of COVID-19

They don't take advantage of a crisis to maximize their own profits	33%
They take care of their employees	24%
They take care of their customers	24%
Maintain reasonable pricing	22%
Go above and beyond the safety standards and recommendations	21%
Don't overreact or underestimate the circumstances	19%
Help keep me and my loved ones safe	18%
They give back to the community, particularly in times of need	18%
They communicate in a transparent and timely manner	16%
They are among the first to respond in a time of crisis	14%
They represent strong moral principles such as integrity	13%
They demonstrate expertise in their industry	13%
They have established track record of responding well in times of crisis	12%
They deliver a message of hope and optimism	12%
They empathize by showing compassion	11%
They provide a sense of hope	4%

Source: Qualtrics, "How your brand".

The current COVID-19 pandemic has resulted in a series of brand messages that are based on concepts such as human connection, care and community. Companies understood that building brand trust in a time of crisis can make or break a brand and this will ultimately have lasting effects on their brands. Ultimately, brands that fail to take action during this period put their reputations and trustworthiness at risk²⁴.

The study conducted by Edelman²⁵ highlighted a number of important issues regarding consumers' expectations during this period. The study showed that most of the consumers (84%) would like brands to offer solutions and focus on how they can help people to cope with pandemic-related life challenges. Consumers (77%) think that companies should communicate in ways that show they are aware of the crisis and the impact on people's lives. Consumers (84%) consider brands as a reliable source of information during the crisis and they are willing to receive brand messages in order to remain informed. Consumers (85%) would like brands to use their power to educate and to offer instructional information about how to protect yourself during this pandemic. Brands should also use their

power in order to bring people together at this difficult time. Consumers (84%) think that brands should use social channels in order to facilitate a sense of community, to show empathy and offer support to those in need. A large part of consumers (65%) find it comforting and reassuring to receive from the brands they use messages about what they are doing in response to the pandemic. "In short, respondents believe that brands can and should make a difference throughout the Coronavirus crisis"²⁶.

4. Conclusions

This global COVID-19 crisis has fundamentally changed a series of aspects regarding how consumers think, behave, and buy products and services. Since this crisis shows no signs of a rapid return to normal, many companies adapted or changed their brand strategies and took into consideration the fact that the way a brand responds to this crisis will have a huge impact on consumers' likelihood to buy that brand in the future. Given the fact that creating trusted relationships is an important objective for every brand, companies have adapted their messages in order to grow an emotional connection and to maintain a long-term relationship with consumers during this period. Many brands position trust at the center of their marketing efforts, since emotional connection is vital to customer loyalty, and customer-brand relationship needs to be built on more than rational factors. During the last year, consumers didn't judge brands based only on their functionality, but also on their wider contributions to society. This period became an opportunity for brands to prove that they put people, not profits, first. So, the COVID-19 pandemic can be a transformational opportunity for brand management.

Companies should adopt a holistic approach, regarding how they treat their employees and how they protect their customers. The main message that a brand should communicate is one of real interest to people's needs and desires. Companies must act in the interest of their employees, stakeholders, consumers and society. They should try to solve problems, offers a sense of protection, compassion and care for consumers, and act in the public interest. At this moment of global crisis, consumers want brands to step up, keep us safe, guide us and help us. Brands that act in this manner will manage to reinforce their trust and to strengthen the bond they have with consumers.

To conclude, this crisis is undoubtedly a threat, but offers many opportunities for companies and brands to demonstrate their value for consumers and to facilitate how they deal with the pandemic.

²⁴ Qualtrics, "How your brand".

²⁵ Edelman, "Trust barometer".

²⁶ Edelman, "Trust barometer".

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