

# **Effects of Covid-19 on Global Marketing**

**The year 2021**

**Khyati Gupta<sup>1</sup> & Arnav Singh Negi<sup>2</sup>**

<sup>1</sup>Faculty of Business and Economics, The University of Hong Kong

<sup>2</sup>Department of ECE, National Institute of Technology Karnataka

**Guided by:**

Dr. Michael He Jia

(Assistant Professor, Faculty of Business and Economics, The University of Hong Kong)

Project under:

Common Core Transdisciplinary Undergraduate Research

Common Core Department

The University of Hong Kong

## **Table of Contents:**

Abstract	3
Introduction	4
Background to Study	5
Methodology	6
Result	7
Discussion	13
Conclusion	15
References	16
Appendix	17

## **Abstract:**

This research paper titled: 'Effects of Covid-19 on Global Marketing' aims at figuring out the responses of two major questions: Difference between the marketing approaches by two industries that were affected varyingly during the pandemic and analysing the consumer behaviour with the current marketing strategies of the said companies and prognostication of the response under the post lockdown limitations in the new normal. We will analyse the customers' behaviour and their response to the marketing strategies of the 6 companies in 2 industries during the pandemic. For this purpose, we have designed a survey based on the Peso Model and collected 109 customers' responses and then analysed their responses using various analysis tools.

## **Introduction:**

The research paper focuses on the marketing strategies of the various companies during the covid 19 pandemic and how customers reacted to it. Its main objective is to find out whether marketing played a crucial role in the pandemics for the companies and how. In this paper, we have used surveys filled by the customers of the companies and have taken the opinions of people working in the marketing field regarding the strategies of the companies in the pandemic. In the report, we have briefly introduced the companies and then analysed the survey rs. Later on, we have given the opinions of the experts and discussed the limitations of our research.

## **Background to study:**

Our research paper aims at unveiling the customer's opinions about the marketing strategies adopted by the various companies during the covid-19 pandemic. It sums up the company's image in the people's minds and showcases the importance of marketing even when the company has paused its operations. For the research, we have opted to survey a group of people as the survey is one of the easiest methods of gathering information from a sample. We used a mail survey method to obtain the responses as it is cost-efficient and easier to cover a large geographical area. We also interviewed people working in the marketing field (in person and telephonically) to know more about the marketing aspect and have a broader idea of the marketing strategies adopted by the companies during the pandemic.

## **Methodology:**

People who took part in our research were involved with several study methods including and not limited to: surveys, questionnaires, interviews. For the surveys, the participants were mostly from the age group of 18-30 and had an educational background i.e. were mostly university students or professors. The interviewees were the professors or the people working in the marketing field. The results of the participants are then compared and analyzed. These tests aim to look for links between preference and other factors. These preferences were captured using the following methods:

### 1. Surveys

Surveys involved collecting information employing questionnaires but other techniques such as interviews and telephoning were also used. We used the most straightforward type (the “one-shot survey”) which was administered to a sample of people at a set point in time. Questionnaires typically contained multiple-choice questions, linear scales, closed questions and open-ended questions.

### 2. Interviews

Interviews were conducted with five marketing or industry-related professors by either telephonic means or video conferencing and the verbal responses were recorded with permission.

This research has been carried out under the Common Core TransDisciplinary Undergraduate Research in the University of Hong Kong. Our research project has been approved by the **Faculty Research Committee of the Faculty of Business and Economics** of the University of Hong Kong regarding its ethical aspect. (The consent form can be found in the appendix).

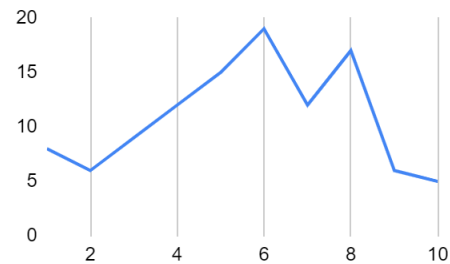
For this research, we first used the Peso Model for designing the survey form for the participants. The survey form is the most important element of this research and it is completely based on the Peso Model. The answers of the respondents are divided into two categories: qualitative and quantitative. The quantitative aspect of the data is analysed using **mode function** while the qualitative aspect of the data is analysed using **narrative analysis**.

## Results:

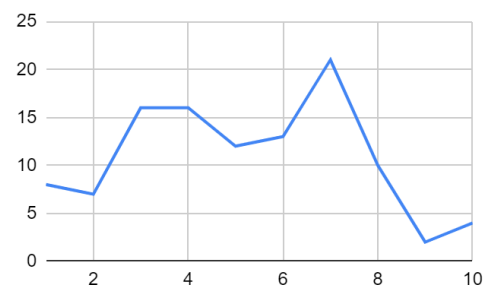
The results have been presented one industry at a time. The questions have been categorically formulated into statements for easier understanding and comprehension.

### 1. This section talks about the various marketing strategies of the Airlines Industry during the covid pandemic.

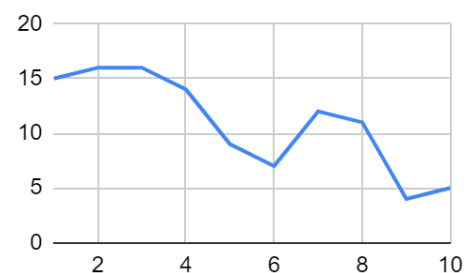
- 1) Faith regained by blogs/articles in the industry according to our participants (scale of 1-10)



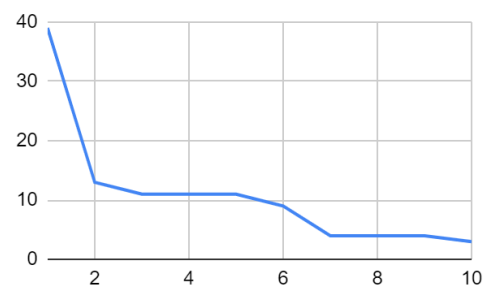
- 2) Influence of social media influencer campaigns on our participants (scale of 1-10)



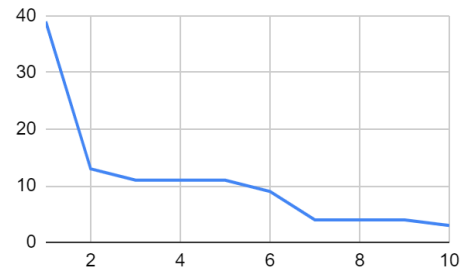
- 3) Influence of social media ads on our participants (scale of 1-10)



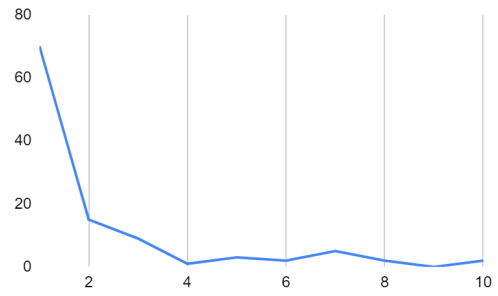
- 4) Influence of website updates on our participants (scale 1-10)



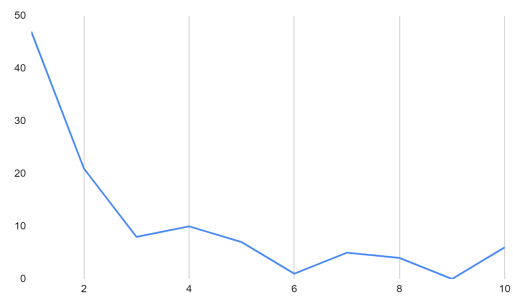
5) The activity of participants on airlines' discussion forums(scale 1-10)



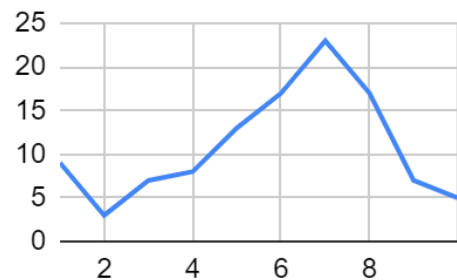
6) Charity event awareness amongst the participants(scale 1-10)



7) Participants' activity on the airlines' websites. (scale 1-10)



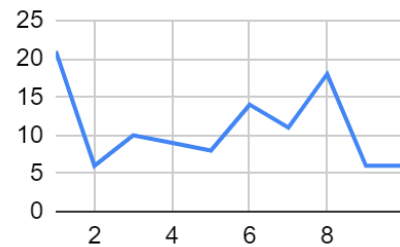
8) Participants' opinion on email marketing of the airlines. (scale 1-10)



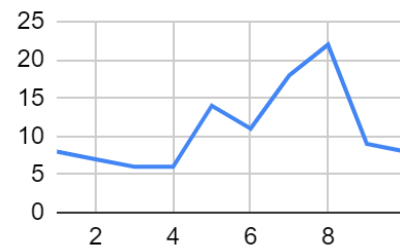


2. This section talks about the various marketing strategies of the OTT Industry during the covid pandemic.

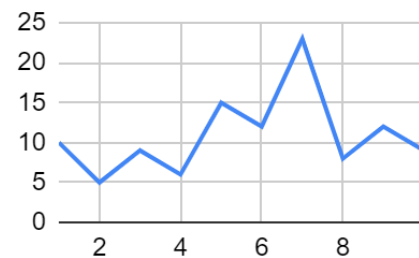
- 1) Faith regained by blogs/articles in the industry according to our participants (scale of 1-10)



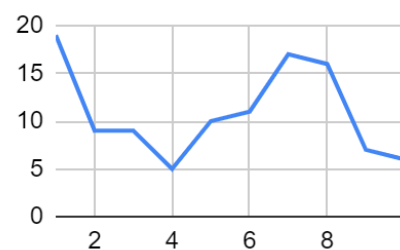
- 2) Influence of social media influencer campaigns on our participants(scale of 1-10)



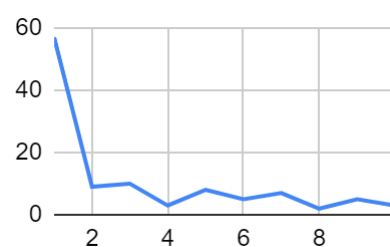
- 3) Influence of social media ads on our participants(scale of 1-10)



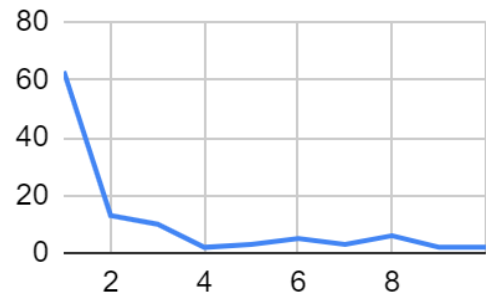
- 4) Influence of website updates on our participants(scale 1-10)



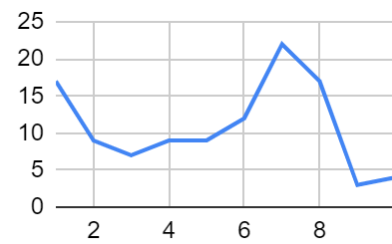
- 5) The activity of participants on OTTs' discussion forums(scale 1-10)



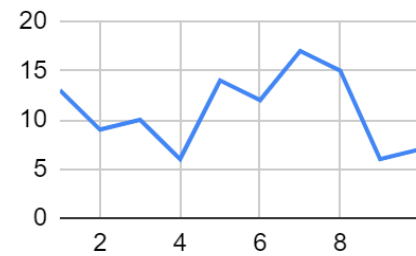
6) Charity event awareness amongst the participants(scale 1-10)



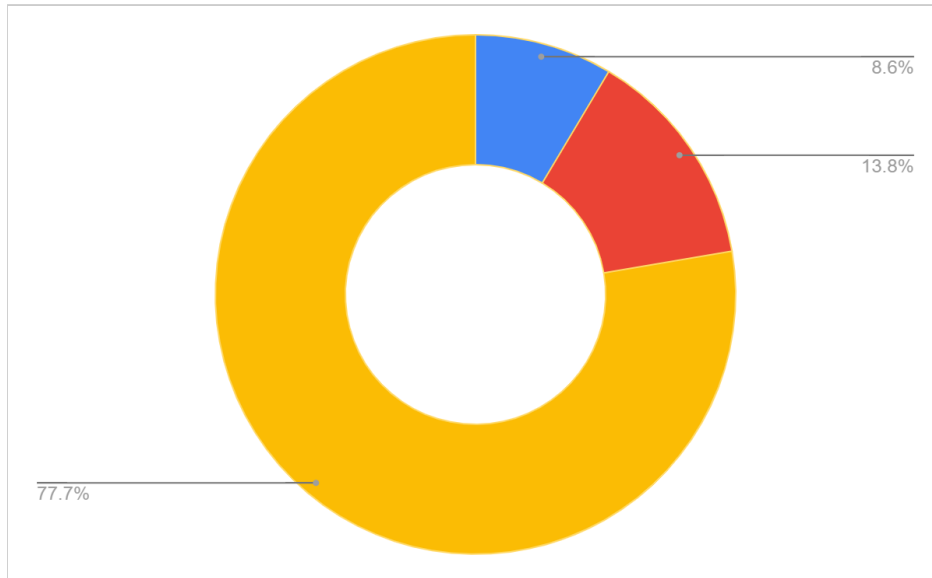
7) Participants' content suggestions on OTT websites/apps.(scale 1-10)



8) Participants' opinions on the helpfulness of marketing alliances across platforms. (scale 1-10)

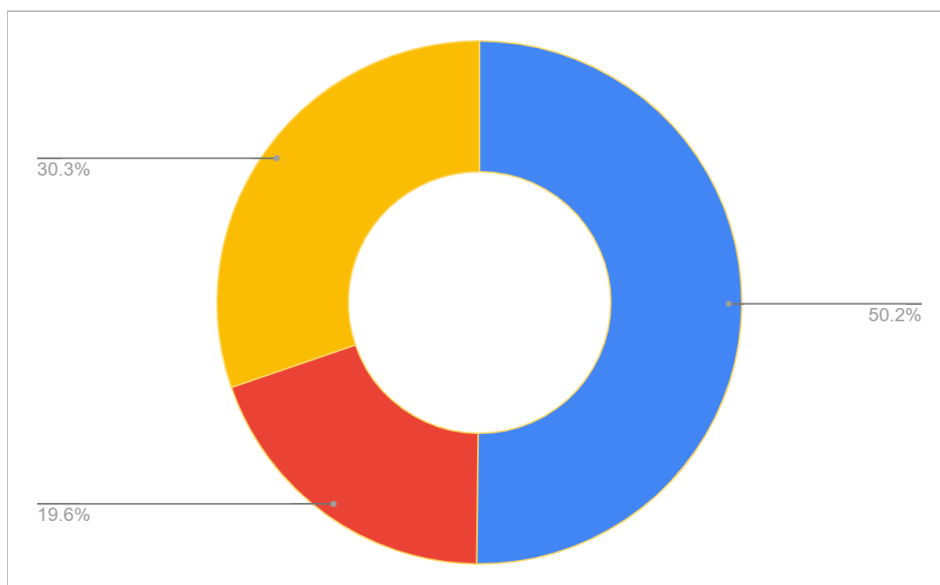


Given the situations that arose from the COVID pandemic (including the lockdown), participants were asked to mark the time frame in which they felt the most connected to the marketing schemes of the understated companies: (Cathay Pacific, Lufthansa, Emirates) and (amazon prime, Netflix, Apple TV+).



**Chart 1** (Airlines)

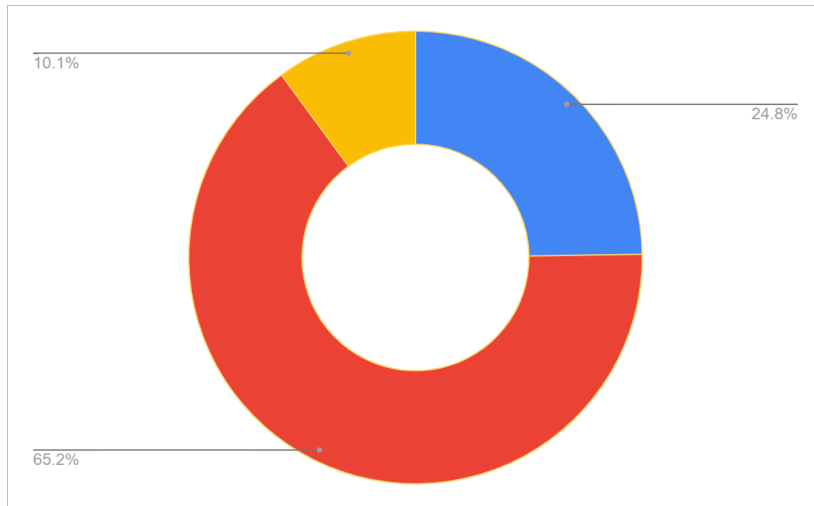
	New Normal
	Pre Covid
	Lockdown Period



**Chart 2** (OTT)

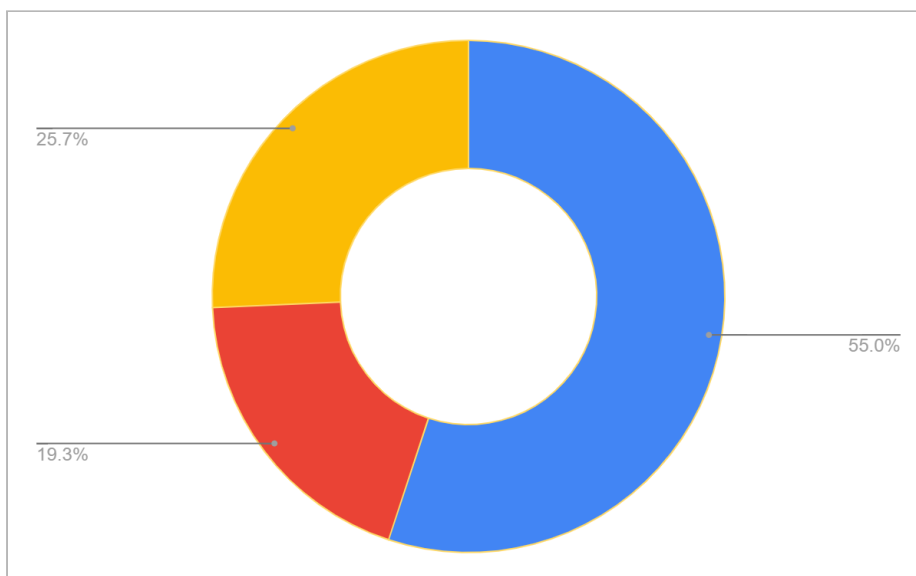
	New Normal
	Pre Covid
	Lockdown Period

Post-Covid aftermath, our participants were asked if they would be less willing/same/more willing to use the services from the understated companies:(Cathay Pacific, Lufthansa, Emirates) and (amazon prime, Netflix, Apple TV+).



**Chart 3** (Airlines)

	Same
	More
	Less than before



**Chart 4** (OTT)

	Less than before
	More
	Same

## **Discussion:**

### **Part-1**

After looking at chart 1, we can get an idea that people were the most connected to the airline industry during the pre covid phase and the industry lost more than half of its customers during the pandemic. According to a layman, the reason might be the suspension of flights during the lockdown. But as mentioned before the marketing was still working regardless of the company's operations. The results obtained through the linear scales explains the interaction of various companies in the industries with their customers. So in table 1, we have divided the 8 questions into the 3 groups and then added their peaks. Later on, we have calculated the percentage by dividing the sum by the total number (10\* the number of questions taken). The percentage denotes the success rate of the companies in the particular category.

The first category is the rate at which the company was successful in regaining the faith of their customers from the lockdown period to the new normal. It includes the responses of the participants for the first 2 questions in the linear questionnaire. The second category rates the company's interaction and success rate to touch with their customers. It includes the 3, 4 and 8th questions in the linear questionnaire.

Here is the success rate of the airlines' industry in all these 3 aspects:

<b>Regaining Faith</b>	<b>Company Interaction</b>	<b>Customers' Response</b>
6 + 7 = 13 (65%)	7 + 1 + 3 = 11 (36.66%)	1 + 1 + 1 = 3 (10%)

(table 1)

After having a look at the results from table 1 we can observe that the airline industry did fairly well in regaining the faith of their customers, post the initial lockdown. Now, this was not initiated by the interaction between the company and its customers as the numbers don't support that. At the same time, customers did not engage actively with the various interactive gimmicks employed by these companies.

After looking at chart 2, we can get an idea that people were the most connected to the OTT industry during the lockdown phase and the industry took off even more steeply during the COVID times. Now a majority of this behaviour might be linked to the marketing strategies implied by them.

Here is the success rate of the OTT industry in all these 3 aspects:

OTT:

<b>Regaining Faith</b>	<b>Company Interaction</b>	<b>Customers' Response</b>
1 + 8 = 9 (45%)	7 + 1 + 7 = 15 (50%)	7 + 1 + 1 = 9 (30%)

(table 2)

After examining the percentages in table 2, we can observe that OTT did a decent job in regaining the faith of their customers. Companies try to interact a lot with their customers and somewhere they get a decent response from them. So in sum, we can say that OTT's marketing strategies were somewhere on a path of success during the pandemic.

## **Part-2**

The aspect of regaining faith in the airlines and OTT industry is explained in charts 3 and 4 respectively. Approximately the same percentage of people (in table 1 and chart 3) had the same willingness for the airlines' services in the new normal as compared to the period before the pandemic. But the number of customers who are willing to try the airline's services more in the new normal is very small. The probable reason could be because the service of airlines can't be completely ended but due to very little marketing, they failed to increase their customer base.

The case with OTT is different from the airline's one. In chart 4 we can see that there is a good amount of people who have the same and even more willingness to enjoy OTT services in the new normal. The industry was continuously engaging with their customers in the lockdown period and hence they enjoyed the fruits in the new normal.

## **Conclusions:**

The survey and its analysis show how customers responded to various marketing tactics following the PESO model. The results were divided into Faith Regain, Company Interaction and Customer Response. The dependence and correlation of marketing and industry performance were quantifiably defined and studied in the given period.

These results obtained for the airlines and OTT industry can be used to design customer-feedback based marketing strategies to overcome the subsequent waves of pandemic led economic shutdown and study the past performance-marketing correlative workings.

The current research didn't take into account the external variables that were brought about by the COVID pandemic. Taking those factors into account and getting more concrete results would be our next step.

All business strategy is a marketing strategy, hence its importance is carried through even when the operations are hindered.



## **References:**

1. Scheuren F., (2004). What is Survey?
2. Interviewee:
  - Dr. Michael He Jia
  - Mr. Alex Schueli
  - Mr. Jack Tsao



## **Appendices:**

1. The Ethical Approval form:  
[https://docs.google.com/forms/d/e/1FAIpQLSe\\_sN1beruCUHgAqWAddfdqWNRpa5oMyGfAkoQTshd-yzNgBQ/viewform?usp=pp\\_url](https://docs.google.com/forms/d/e/1FAIpQLSe_sN1beruCUHgAqWAddfdqWNRpa5oMyGfAkoQTshd-yzNgBQ/viewform?usp=pp_url)
2. Link for the survey:  
[https://docs.google.com/forms/d/e/1FAIpQLSe\\_sN1beruCUHgAqWAddfdqWNRpa5oMyGfAkoQTshd-yzNgBQ/viewform?usp=pp\\_url](https://docs.google.com/forms/d/e/1FAIpQLSe_sN1beruCUHgAqWAddfdqWNRpa5oMyGfAkoQTshd-yzNgBQ/viewform?usp=pp_url)
3. Link for the responses:  
<https://docs.google.com/spreadsheets/d/1k3pP1AqbYAdSY38taZtNzsb6ms9f6QhDiuedZ5DFZEU/edit?usp=sharing>