



Healthcare Marketing

Getting on with the business of America? Marketing during continued uncertainty

As little as a week after the terrorists attacks, President George Bush and New York Mayor Rudolph Giuliani urged Americans to return to work and resume business as usual. But this return to normalcy is not an easy task, even for marketers with a penchant for versatility and resiliency.

When the twin towers collapsed, a feeling of helplessness and indignation reigned. Returning to our marketing desks in light of recent tragic events has seemed petty and insignificant. I wished - along with many others across the country - that I were a rescue worker in New York, so I could feel as if I were "doing" something to make a difference and to help save lives.

In the aftermath, the marketing work I returned to and had worked so hard to build - customer case studies, bylined articles, nurtured media contacts, and executive speaking tours - now seemed somewhat void of meaning, especially as organizational and media priorities changed. My work lay in emblematic ruin, and I was faced with the personal challenge - as many Americans were - to rebuild and get back to the work at hand.

How do we find meaning in marketing today? As everyone in marketing knows, reaching out to consumers also means reaching inside ourselves. Responding to sympathy ads and patriotic messages in the recent media, I began to comprehend that the only way to do my part in this war against terrorism was to go back to business as usual. It was time to don my creative thinking cap and find marketing messages that spoke to consumers during this unstable time. Only by doing this could I shake a defiant fist at terrorists.

So much hinges on consumer confidence ...

There is no question that the attacks on the World Trade Center and the Pentagon have thrown the nation and the world into uncertainty. No one knows what the future holds: How long will the war on terrorism last? Will terrorists strike again? Are we safe? And how will the economy be affected?

It's obvious that getting back to "normal" is not altogether possible, and things will, in fact, never be the same.

Faced with unexplainable acts of violence, destruction and terrorism, the consumer psyche has gone into shock. In addition, the United States faces recession and increased unemployment rates. With more urgent issues on their minds, Americans have become disconnected from marketing brands and have forsaken their normal spending habits.

Since Sept. 11, consumer confidence - a key economic indicator - has decreased to

its lowest level since the recession in early 1990. In the week following the attacks, the University of Michigan's index of consumer sentiment plummeted 16.1 points to 72.2. This does not bode well for our nation's economy, two-thirds of which is driven by consumer spending.

The index, although a measure of consumer sentiment, does not immediately reflect consumers' actions and changes in the market. For instance, a few consumer surveys found that a surprisingly small 10% of Americans were planning to cutback on expenditures, indicating that as consumers begin to digest the attack and come to terms with their emotions, they will return to daily economic realities and regular spending.

What the American public has shown in U.S. history is an amazing sense of resiliency, bounding back from incidents such as Pearl Harbor, the assassination of President Kennedy, the resignation of President Nixon, and the Oklahoma City bombing. A study by Ned Davis Research found that the U.S. stock market climbed 12.5% higher, on average, 126 days after the outbreak of the aforementioned incidents. Candlelight vigils and flying flags demonstrated an immense sense of American unity and support, showing the world that our citizens will endure, persevere and stand united.

Marketing history in the making

Experts have tried to draw parallels between the terrorist attacks and other historically tragic events - such as the attack on Pearl Harbor. Through comparison, experts attempt to understand what consumers may want and need in the months ahead, and how the economy may respond. These terrorist attacks, however, perpetrated on American civilians in a time of peace with no clear enemy to retaliate against, are unprecedented. As a result, we can only guess at how vulnerable Americans feel and for how long.

In the days that followed the crisis, many companies scrambled to pull ads that seemed inappropriate and insensitive to the pain and suffering of victims and the loss of lives among rescue workers.

Looking at ads that were pulled, we can see the complete and immediate shift in the American mindset. What was once innocuous is now offensive. What might have been considered humorous is now in bad taste. These ads allow marketers to see how the new "sensitivity filter" works, and begin to formulate new campaigns and marketing messages to consumers:

IBM: At some point, infrastructure does matter. IBM and its agency, Ogilvy & Mather, New York, pulled a print ad showing the Leaning Tower of Pisa and the accompanying copy, "Infrastructure. Sooner or later, it matters."

Lou Dobbs' Moneyline: It's 6 p.m. Do you know where your CEO is? With so many companies in the World Trade Center missing employees, this ad now raised questions too painful to answer.

Russell Athletic: "Yes, New York. It comes in black. The tagline on this sweatshirt was meant to poke fun at New York's brash attitude and fashion sense, but in light of the tragic events, many have stepped away from what was meant to be humorous New York-bashing.

We are definitely marketing to a more somber nation, as individual consumers continue to grapple with their personal tragedies and emotional responses. As a result, marketers have been struggling to find new ways to speak to consumers. Many have expressed messages of patriotism, reconstruction and faith in the American system.

For instance, Kenneth Cole, a leading shoe designer, slightly transformed its original marketing message, "What you stand for is more important than what you stand in" to a message of American unity - "What we stand for is more important than what you stand in." The American flag is illustrated on the ad, and the copy cleverly places the product secondary to America's democratic beliefs and principles.

Many companies ran sympathy ads, sending out condolences to those who lost loved ones and conveying thanks to the teams involved in the rescue effort. Other companies donated ad space to cause-related efforts such as the American Red Cross and other relief funds.

Many marketers now appear eager to get back to business, with marketing departments moving ahead with major campaigns in the next few weeks. Some companies are looking to redirect their marketing budgets to more results-driven media channels. For instance, the Internet, direct marketing, and e-mail campaigns may hold more of a direct response and immediate trigger effect. Many companies are also avoiding all-news channels that may be an inappropriate environment for certain marketing messages.

Marketing psychology

Marketing is all about psychology - how do we to read the psyche of consumers today in light of catastrophe, and how can we market in meaningful ways when consumers are uncertain of how they feel, moment to moment?

Marketers must continue to look closely at consumer attitudes. As they begin to digest what has happened, there will be subtle and incremental changes in sentiment. Usually after a crisis, people feel vulnerable and are acutely aware of risks. There is a tendency to approach buying decisions with caution and to even reduce financial holdings. This further exacerbates an already weakened economy and job market.

Until now, consumers have shaken off bad news, but particularly worried about job security, people now are cutting back on spending. In other tragedies, like natural disasters, consumers have more predictable patterns of action, with an initial blow to spending that picks up as life returns to normal. But the terrorist attacks have global and long-term implications.

Government leaders have tried to accelerate the economic healing process by encouraging patriotic spending. The American people are being persuaded to hold their stock or even buy more, to get on airplanes, get on with business, and to start shopping again.

The problem with promoting consumer spending now is that Americans are truly beginning to struggle financially - their personal savings are at a 70-year low, consumer debt is at a record high, and many Americans have suffered huge losses in the stock market.

Although the market looks bleak, branding has a distinct value in these uncertain times. Consumers rely on their brands as reassurance that some things don't change. This is why it is important for companies to be true to their brand concepts even during this time of crisis. For brands perceived as symbols of certain American values - such as freedom and liberty - many will thrive in the aftermath of Sept. 11.

How will healthcare fare?

Healthcare is one of those rare industries that could continue to prosper in these times, in large part because demand for healthcare will remain strong. People will still get sick and need healthcare services and pharmaceutical medications. In fact, drug companies are expected to see earnings increases of 14% in the fourth quarter. Drug companies are also planning to continue high levels of direct-to-consumer advertising as part of their overall promotional efforts.

In light of these changes, marketing professionals must continue to help their clients, companies and management teams solve the marketing and branding challenges. Advertising and marketing messages must continue to be carefully crafted with a new consumer sensitivity in mind that addresses a need for security, a desire to protect loved ones, and new levels of risk aversion. Consumers will continue to plan and make decisions, but they are more likely to rely on messages and products that they have faith in and see as reliable, tried and true.

In the months ahead, here are some helpful guidelines and approaches during this time of uncertainty:

- Your marketing team may want to update market research to assess how attitudes, perceptions and buying patterns have changed.
- During times of instability, there is greater effectiveness in "cause-related marketing."
- Build on emotional solidarity, greater awareness and a desire to help those in need.
- Show Americans how they can do something and make a difference. Embody images of consumers as they take care of their families and remain strong.
- Portray your organization as one in which consumers can find people and services that are reliable and unchanging.
- Symbolize choices that are a wise use of money.
- Show consumers how they can "carry on" and continue to make wise choices for their future.

Even the media relations process will change. Many companies have had to announce sensitive company news related to the recent incidents. As time goes on, organizations will need to prepare and comment on new developments brought about by the Sept. 11 terrorist attacks. As we begin to approach reporters on non-terrorist topics, we must remember that they might have been personally affected by the tragic events. It is definitely not the time to be overly aggressive or pushy.

Not knowing whether the country is entering war footing or sliding deeper into economic recession, we must continue to move forward, above all, with a new sensitivity. In the months ahead, market and consumer surveys will become available that help to read consumer attitudes and spending patterns, but perhaps more important to our continued approach is authenticity to our brands, good taste

and a little bit of common sense.

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