



# Taking a Closer Look at Marketing Spend

In Uncertain Times

April 2020

# Efficient Marketing in a 'Brave New World'

Many brands are realizing the impact of COVID-19 on their businesses.

As companies are quickly focusing in on the immediate health and safety of employees and customers (e.g., closing brick and mortar locations, shifting to work-from-home), they also should look closely at their critical business units to help ensure they are being managed effectively, and are realizing the most value from limited resources. How can marketing savings be found without damaging long-term potential?

## Unlocking Value through Strategic Savings & Opportunities

Customers continue to look to brands to provide them affordable solutions and experiences in these trying times. That heightens the need for Marketing organizations to be cautious with their resources. Meticulous triaging of spend in these trying times helps brands achieve quicker time to value by adapting capital to higher priority initiatives. Brands quicker to the draw have prioritized spend savings, and have seen significant savings, and are planning ahead with broader marketing transformation.

Businesses should exercise agility in making these bold decisions even in light of shifting market dynamics and customer demands so they can utilize their spend judiciously and manage requirements to adapt to global market changes<sup>1</sup>.

### LOOK AT THE POSSIBILITIES



Increased  
Spend Visibility



Potential  
Monetary Savings



Streamlined  
Strategy

<sup>1</sup>The CMO Survey Feb. 2020 – Deloitte – Duke Fuqua – AMA

# Respond

Triage initiatives and identify savings for quick-wins



## NEAR TERM FOCUS

Marketing Spend Triage & Branding Response: Look for quick wins in day-to-day operational areas and optimize campaigns to ensure relevancy

# Operational

Revise short-term agency / partner service agreement terms & conditions, find potential opportunities in rate reductions, cost recovery and clawbacks

Identify and eliminate non-essential or overinvestments.

Reduce redundancies between in-house vs. outsourced work.



Review campaigns and discontinue those that while in earlier times may have been on-point, may now appear to be not considerate of the current climate, and may damage the brand proposition.

Shift funds towards affordable brand purpose-driven initiatives and shorter-term brand innovation.



# Brand



## Immediate operational savings

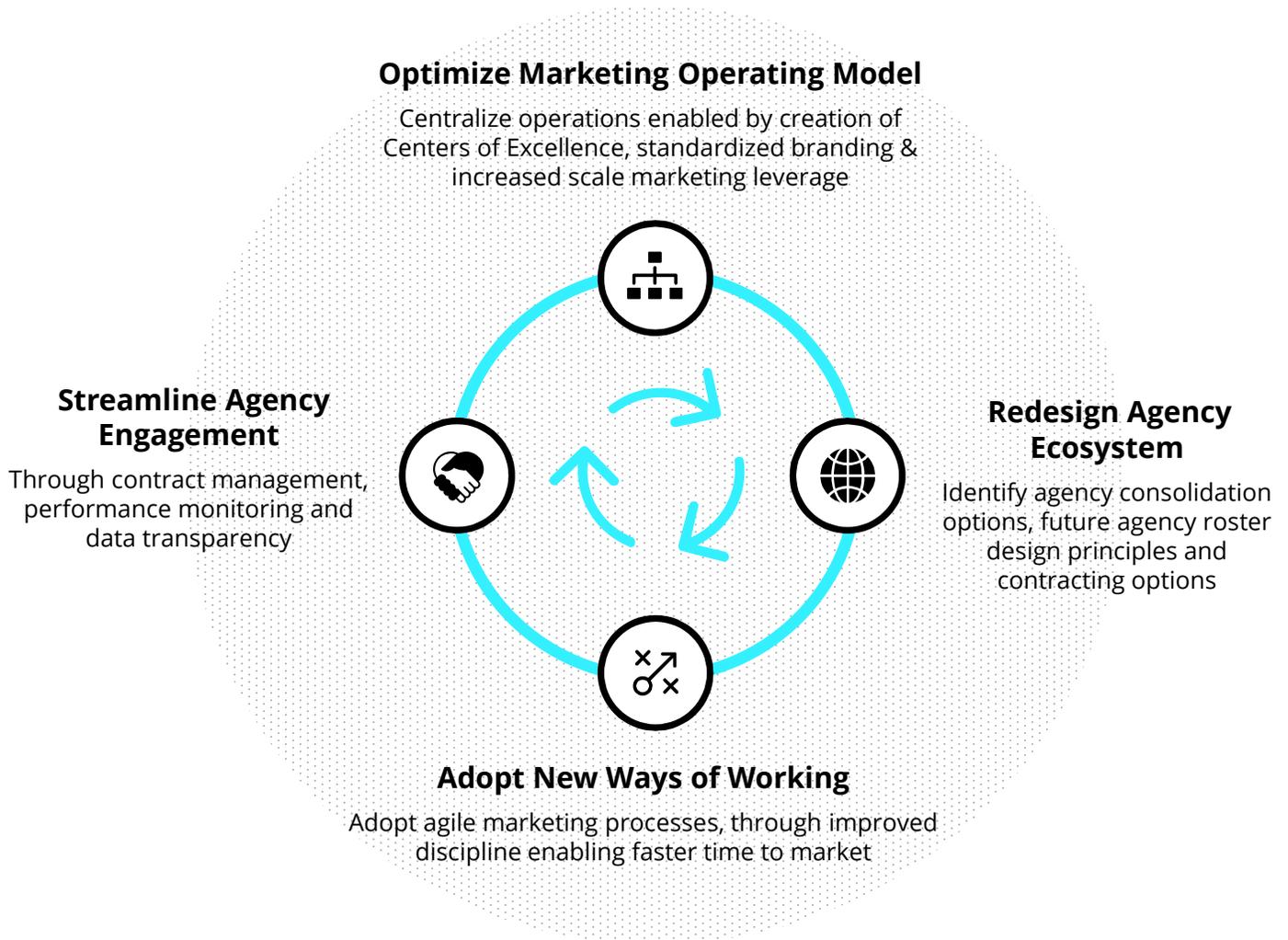
# Recovery

Identify synergies, streamline operations and prepare continuity plans



## MEDIUM TERM FOCUS

Marketing Model Optimization: Explore streamlining and consolidation opportunities



## Efficient ways of working

# Thrive

Back in the game, stronger, faster by modernizing marketing!



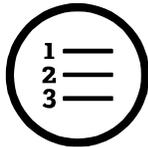
## LONGER TERM FOCUS

Spend Transparency: Establish a behavioral & operational shift towards being an agile, efficient and data driven organization



### Ensure Transparency

Enable data driven marketing with proactive spend management, data transparency, reports and dashboards



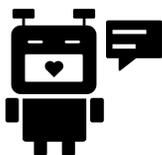
### Introduce Policies

Highlight spend savings hypotheses based on baseline and experience with industry peers and reference cases



### Iterate as Needed

Identify quick hits in context of restructuring and divestitures to realize incremental savings



## Modernized marketing operations

# Bringing it all together

The biggest challenges may also bring opportunities for businesses to innovate. The COVID-19 pandemic is requiring brands to shift gears. They should, continue to deliver on their brand promise while still finding opportunities to minimize expenditures in order to create strategies for efficiency and growth.

**We should expect the current epidemic and trade conditions will likely change business and society in different ways, but this is not a one-off challenge. Prepare now to tackle current and future disruptions.**



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# Thank you.

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