



Expert Insights

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The CMO's guide for turning mayhem into momentum

A time for empathy,
adaptation and action

IBM Institute for
Business Value



Expert on this topic



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One outcome of this pandemic will be the radical, rapid acceleration of many organizations' digital transformation journeys.

Key takeaways

Back to basics

Now is the time to reduce complexity. It's all about seeing the world through our customers' eyes and responding meaningfully, usefully and empathetically.

Learn and grow

Use this experience to reimagine how your marketing function and your organization can emerge even stronger.

Five steps for CMOs

(1) Support your employees, (2) Pivot to support customers, (3) Position your brand for the moment, (4) Generate demand virtually, and (5) Contribute to the cure and solution.

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Introduction

A global pandemic, as much as any major crisis, requires organizations to adapt quickly. Marketing leaders, in particular, need to move fast while applying a strategic, structured approach. But in our current circumstances, I believe how we act is as important as what we do: As we reimagine the future for our companies and for our people, we must act with purpose, agility, and empathy.

By **purpose**, I mean applying what we as marketers do best—using technology and data to understand customers and forge a meaningful relationship with them—to help our companies thrive in all sorts of circumstances. In fact, in a time of crisis such as the COVID-19 pandemic, I don't know of anything more important than going back to basics—being able to see the world through our customers' eyes and respond appropriately to help in meaningful ways. When we deliver that, we can help our companies survive now, and even more, shape the future to become the growth engines our businesses will need—marketing at its finest.

This crisis has, unfortunately, revealed that many companies are unable to quickly meet their customers' or employees' needs. That's why I believe one outcome of this pandemic will be the radical, rapid acceleration of many organizations' digital transformation journeys. This won't just be about the front end—having a good website or app—but enterprise-wide, from the inside out. A well-designed online experience won't compensate for delayed deliveries, new cybersecurity threats as we work from home, or a customer's inability to get questions answered and problems resolved.

I see leading CMOs across all industries determining how their pre-COVID-19 marketing strategies, policies, skill sets, and tools need to change. And while they may seem to be thinking in terms of triage—what is needed urgently to keep their business running now—the best of them are also training their eyes toward emerging stronger afterwards.

Making sure your teams are safe, healthy and productive has never been more important.

One hallmark of the new normal is clear: **agility** is paramount. When everything changes overnight, previous assumptions can't be trusted. And a company—its functions, teams and individual employees—must be able to pivot almost instantly to account for the new reality.

Agile teams are particularly good at this, because they excel at prioritization. They think about outcomes, and every day prioritize what matters most. In Marketing, integrated squads—creatives, data analysts, product marketers—move far faster than teams in a function still separated by silos. The intense collaboration that agile methods foster also generates a very strong sense of unity and shared purpose among team members. Agile, as a way of working and adapting, ultimately embodies the values of the multidisciplinary teams that employ it.

This encourages **empathy**. I have witnessed phenomenal displays of empathy and compassion coming from the shared understanding of an agile team. Today, I am seeing leaders become more openly vulnerable, showing sides of themselves that their teams may have never seen. It's inspiring. It's uplifting. It extends beyond our people to our customers—critical if we are to serve them in the ways they need it most.

Acting with purpose, agility and empathy is the critical *how*. To further help you lead through this moment and beyond, we've prepared a guide to the *what*: five key steps marketers can take.

Step 1. Support your employees

There is no perfect recipe for quickly getting people to change how they work, let alone in the face of a global pandemic. But making sure your teams are safe, healthy and productive has never been more important. Equally critical, as leaders, we need to reimagine how work gets done in the future. We have learned a great deal from this experience already, and what lies ahead will, no doubt, require a different approach than the past.

- *Determine what more you need to do to provide for the physical, emotional, and financial health of your workforce.* With social distancing mandates that vary by locale and can change abruptly, employees are facing unprecedented challenges to balance job responsibilities with personal obligations. The more employers can do to support their people and help them adjust, the easier it will be for employees to focus on the work at hand (see sidebar, “Ally Financial: Offering widespread help for employees”).
- *Conduct frequent check-ins with your teams to address business concerns and connect on a human level.* Trusted feedback loops and tools, such as pulse surveys for larger groups, can help you hear what your employees truly need. They may also identify unanticipated bottlenecks. Perhaps something that made sense at the beginning of the crisis now needs adjusting. Remove as many barriers as possible. Be realistic about workarounds or alternatives and celebrate progress. Our paths “back to the office” will be different across organizations. Make sure your company is prepared with the proper social distancing instructions, personal protection gear, as well as cleaning, testing and tracing.
- *Create clear work guidelines and expectations and communicate them consistently and effectively.* It shouldn't take a crisis to institute solid communications. But in a time of uncertainty, a leader's ambiguity or lack of direction can be showstoppers. Be explicit and transparent with employees about how you want them to do their jobs.

Establish a cadence for communications. Use storytelling to bring your message to life and encourage others to share their experiences. Repeating guidelines, expectations, and your inspiration in a variety of formats—videos, blogs, emails, virtual group chats, live conversations—will reassure people that they are responding appropriately. This is especially important if they're being asked to follow unfamiliar processes or traditional policies have changed.

At IBM, we've adopted a "work from home pledge." It reassures—and reminds—everyone that working remotely requires flexibility, adaptability and compassion. Respecting, for example, when people are not camera-ready on video chats, the need to tend to family commitments, or the need for employees to set aside sufficient time to take care of themselves.

- *Accelerate new ways of working to help your employees do their best work.* Your teams' resiliency will determine how quickly their members respond to changing customer demands and business requirements. Adopt or extend an agile approach to marketing, emphasizing collaboration, deft response to change, and frequent iteration. Deploy virtual engagement technologies such as Slack, Mural, Trello, and videoconferencing, and offer training so teams can optimize these tools quickly.

More important than simply convening scrums, standups and sticky-note sessions, embed agile principles in how your teams work. Think in terms of iterative cycles, with a relentless search to simplify, and continuous improvement through regular feedback and retrospectives. Make sure your teams have access to the right data to support decisions and strategic adjustments. Do away with those things that don't add value—now is the time. And finally, consider how the new behaviors your teams are adopting can continue to provide value moving forward.

Ally Financial: Offering widespread help for employees

Ally Financial, based in the US, is one company that is helping its employees on many fronts. Within just a few days, it transitioned most of its 8,700 employees to work from home, providing assistance with equipment and online connections. The company has also offered numerous employee benefits, including 100 percent coverage for diagnostic testing related to COVID-19, expanded childcare support, free virtual access to mental health professionals, and free financial planning support.

All outreach has to be tone-appropriate, on-brand, and needs to deliver customer value.

Step 2. Pivot to support your customers

We CMOs have always been customer-obsessed. But that has never mattered more. We have to make sense of the moment and respond to what our customers and clients most need and want now. For example, Impossible Burger is rapidly adapting its distribution and helping restaurant customers sell its product directly to consumers, and large US automobile insurers are refunding premiums to their customers as most drivers stay home.¹

- *Use data to determine what customers really need and respond with empathy.* Pay close attention to daily changes in your markets, monitor the economic signals, and access real-time data about what’s happening in customers’ communities and around the world. Even something as simple as checking Google Trends each day can be helpful to get oriented in this time of great flux.

Integrate those insights with your own customer data, social listening, and feedback from sales, customer service, operations, and ecosystem partners across your supply chain. Armed with this knowledge, adjust your go-to-market strategies, your advertising, your offerings, and promotions to zero in on those things you can uniquely offer your customers at this moment. Authentically engage them with context, in a way that’s relevant, easy and useful.

- *Be more present to your customers.* Offer help and support. Discounts, waived fees, relaxed terms—help can take many forms. In April, IBM announced Watson™ Assistant was available at no charge for at least 90 days to ease the flood of COVID-19 information requests our clients were receiving and reduce the extended wait times citizens were experiencing.² Sometimes, help is simply a much-needed break from all the COVID-19 news, such as the video from the Chicago Aquarium of their penguins hanging out with beluga whales. It went viral, delighting the aquarium’s customers and animal lovers around the world.³

- *Repackage or develop new offerings and pivot hard.* Seize this opportunity to envision a variety of scenarios based on customer data and market demand to uncover what is essential for current and potential customers. What do they need most today? What will they likely need most in the near future? Hyundai has introduced a program in the US to cover car payments for up to six months if consumers lose their jobs. At IBM, we reprioritized our offerings to concentrate our client conversations on seven core business imperatives clients need right now and longer term as we help them transition to a post-COVID-19 world (see sidebar: “IBM Insight: Reprioritizing to meet client needs”).
- *Go all in on exceptional digital experiences.* This is the time to take stock of what really matters to your customers and remove complexity. Focus, especially, on your digital channels. Is the content customers need easy to find and understand? Is it complete, timely, and personalized?

Giving customers a frictionless, successful digital experience—whether they are seeking information or shopping—is vital right now and will continue to be after the pandemic. At IBM, we’ve responded by streamlining our clients’ digital experiences, making sure all products and offerings have demos. And we’ve instrumented our offerings to signal us so we can immediately see where clients most need help.

For businesses with models that rely on physical locations and on-site staff, the move to digital can be particularly challenging. But, some organizations are using this as an opportunity to innovate. Modo Yoga, which has locations in North America, Australia and France, is offering free classes on Instagram Live. Other fitness studios are providing video workouts on YouTube, or their websites.⁴

IBM Insight: Reprioritizing to meet client needs

Our clients have always looked to IBM to help them build the tools and technologies, the infrastructure, strategies and processes that enable them to thrive, especially in difficult times like these.

To provide support where it is needed most, we have reprioritized our offerings into what we refer to as the “Big 7,” which also are featured in an IBM Institute for Business Value Emerging Insight paper titled: “Beyond the great lockdown: Emerging stronger in a different normal.” This shift is reflected throughout our enterprise, including our go-to-market approach, our advertising, our digital initiatives, and online and offline client experiences.

Business solution #1

Accelerate agility and efficiency with cloud

Business solution #2

Engage all customers virtually with Watson™

Business solution #3

Enhance IT resiliency and business continuity

Business solution #4

Address new cybersecurity risks

Business solution #5

Reduce operational cost and ensure supply chain resiliency

Business solution #6

Empower your remote workforce

Business solution #7

Support health and human service

Step 3: Position your brand for the moment

To maintain your brand’s integrity, you must nimbly position it for the new reality that surrounds it. All outreach has to be tone-appropriate, on-brand, and needs to deliver customer value. It can also be refreshingly creative, like Procter & Gamble’s #DistanceDance TikTok video to encourage social distancing with over 8.7 billion views.⁵ Make sure you have a brand voice that resonates.

When things get tight, it’s tempting to cut marketing budgets, and some of us may well have to do it. But I’ve learned it’s hard to build relevance. It takes money and time. With budget cuts, gains can be easily eroded if your voice in market is too quiet.

– *Reassess existing paid media plans and creative, and immediately adjust as necessary.* Examine them from the perspective of a general consumer or a customer hearing your message in the middle of the crisis. Does your company appear alert and responsive, or out of touch and trivial?

Nike offers a great example of a relevant message shift. In late March, when Nike announced it was making the premium version of its Nike Training Club app free to all US customers, it started promoting a new ad campaign “Play inside and Play for the World.”⁶

You’ll also want to conduct diagnostics to determine which media channels are more effective at reaching customers right now. Disregard what isn’t performing and immediately build new plans and creative aligned to your customers’ current environment and needs.

The resilient don't shrink.
They jump in and tell authentic
stories that inspire the world.

- *Be vocal and clear about the brand implications of critical strategic and management decisions.* Marketing leaders—as customer advocates and brand stewards—need to be active participants as their organizations tackle difficult choices. Shift entirely to remote work? Accept or forego government assistance? Support specific charities or causes? These types of decisions can have an immediate and lasting impact on your brand and can significantly change the nature of your customer relationships—for better, or for worse.
- *Fight hard for the budget and opportunity to authentically connect your customers and the world with your brand.* Supporting the P&L needs of your company is obviously necessary. But, it's in times like these where we'll see some brands surge while others disappear. The resilient don't shrink. They jump in and tell authentic stories that inspire the world. We learned this at IBM during the last financial crisis when we made the investment and launched our Smarter Planet positioning that drove the health of the brand for years.

Step 4. Generate demand virtually

For businesses that have traditionally relied on physical experiences, and in-person events and sales for relationship building and generating pipeline, having to quickly shift to digital channels has been one of the most challenging aspects of the pandemic. But it can also be one of the most rewarding.

- *Boldly innovate to move events and in-person experiences to digital.* IBM's premier annual event, THINK, was originally slated to take place in San Francisco in May. Registration was at an all-time high. Practically overnight, our marketing and events teams have had to re-engineer the entire three-day program to fit within a digital platform. By working collaboratively across the enterprise and with our business partners, THINK now will be accessible to thousands more people worldwide, and registration has far eclipsed anything we could have managed had the event been held on location as planned.

There are numerous stories of digital innovation happening across all industries. In another example, eBay launched a new accelerator program called "Up and Running" to help small retailers that are struggling now with only brick-and-mortar shops and no e-commerce site.⁷ They've pledged up to USD 100 million to the initiative and will enable new businesses to run an eBay store for free, with no selling fees to eBay. They also offer educational webinars and business support to help these retailers "keep the lights on," digitally.

This is a perfect opportunity to crowd-source employees' clever ideas.

- *Create a roadmap for sellers to engage customers virtually.* The basics for engaging a customer may not radically change when we shift from face-to-face to screen-to-screen. People are people, after all, whether they're in the same room or another city. But sellers do need to hone new skills, master new tools and gain confidence using new approaches. Building trust, co-creating, and partnering remotely can feel daunting.

Invite the team members who are already adept at virtual engagement to share their experiences, tips, and stories. Provide your sellers with the best tools for this new way of working. Offer masterclasses in the fundamentals to get them started, and more training in advanced features to help them flourish. Encourage your leaders to follow their teams' progress. Listen and learn, and inspire all to do the same.

- *Radically optimize.* This is a time to be doing a lot of testing and learning about everything from paid channels to messaging and trial offers. Having an optimization capability for digital demand generation matters more now than ever before. At IBM, we are running experiments around content, tone, and offer placement to better address our clients' needs. Already, we've seen increases in engagement of up to 70 percent. We've also redesigned our offering experiences. For example, IBM Garage, characterized by intense in-person collaboration and speed, has quickly adapted to a virtual approach.⁸

Step 5. Contribute to the cure and solution

Covid-19 is not only a health crisis, it is an economic crisis. While supporting your employees and customers should be your first focus, what can your company offer so that all can move forward?

- *Look for opportunities where your portfolio of solutions, expertise, technologies or data might be used to help.* Public-private partnerships are forming around the world to generate innovative approaches for combating the spread of the virus or working to mitigate its economic impact. IBM, for example, is helping to launch the COVID-19 High Performance Computing Consortium, which will deliver an unprecedented amount of computing power to help researchers around the world develop treatments and potential cures.⁹
- *Identify resources that your organization could donate to support the recovery.* Every day the news is filled with hopeful stories about companies raising funds, donating medical supplies, or repurposing manufacturing efforts to make desperately needed materials. LVMH, for example, has converted luxury goods factories to produce free hand sanitizer. IBM recently announced we are joining the Open COVID Pledge as a founding adopter, providing free access to our patent portfolio (see sidebar: "IBM joins Open COVID Pledge"). As noted in a recent Harvard Business Review article, "Consumers will likely remember how Ford, GE, and 3M partnered to repurpose manufacturing capacity and put people back to work to make respirators and ventilators to fight coronavirus."¹⁰
- *Unleash the creative power of your employees to explore what your organization could do.* This is a perfect opportunity to crowd-source employees' clever ideas for new ways to provide support for their communities. Having the chance to help others can be an antidote for some employees who themselves may be struggling with isolation.

Conclusion

The COVID-19 pandemic has forced us to get clear about what is essential. Shoring up fundamentals. Empowering and supporting teams with the right tools, data, processes and practices so they can do their best jobs. Relentlessly serving our customers' needs. With bold creativity. Fierce collaboration. Better ways of working. Empathy for our customers, our teams, our communities. This is what really matters.

The silver lining in this mayhem? Think how much we will learn. Use it to reimagine the what and the how for the future. Do that, and we will emerge even stronger than before.

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