The impact of Covid-19 pandemic on corporate social responsibility and marketing philosophy

Hongwei He\textsuperscript{a,}\textsuperscript{⁎}, Lloyd Harris\textsuperscript{b}

\textsuperscript{a} Alliance Manchester Business School, The University of Manchester, Manchester, M15 6PB, UK
\textsuperscript{b} Birmingham Business School, University of Birmingham, Edgbaston, Birmingham, B15 2TT, UK

\textbf{ARTICLE INFO}

\textbf{Keywords:} Covid-19, Corporate social responsibility, Marketing, Consumer ethical decision making, Marketing philosophy, Business ethics

\textbf{ABSTRACT}

In this article, we offer some initial examination on how Covid-19 pandemic can influence the developments of CSR and marketing. We argue that Covid-19 pandemic offers a great opportunity for businesses to shift towards more genuine and authentic CSR and contribute to address urgent global social and environmental challenges. We also discuss some potential directions of how consumer ethical decision making will be shifted to due to the pandemic. In our discussion of marketing, we outline how we believe marketing is being affected by this pandemic and how we think this will change, not only the context of marketing, but how organizations approach their strategic marketing efforts. We end the paper with a identifying a number of potentially fruitful research themes and directions.

1. Introduction

We are writing this article during the first period of lockdown in the UK and being “responsible citizens” by complying with the social distancing measures. Whilst academics like us are still busy with our usual research activities, we are learning to adjust to a new reality and way of work (and life, though the boundary is diminished during lockdown) with online meetings with colleagues, research students, and of course quite ‘dauntingly’ online teaching. What is more, we have to do this with little prior warning or training. Probably one of the most important ways to cope with this lockdown to avoid any deterioration of mental and physical wellbeing is to take advantage of the situation to reflect on something that we cherish the most in our research, in our case corporate social responsibility (CSR) and marketing.

What we do know is that the world has changed. Like other global events with planet-wide impact, Covid-19 could potentially change how we see the world, the ways in which we think, and how we conduct our lives. Notwithstanding the human tragedy of lost lives, broken families, and scarred communities, the economic and social changes caused by a pandemic-driven lockdown will constitute a cultural legacy which will live long in our memories and those of future generations. The pain is personal, emotional, psychological, societal, economic, and cultural; and it will leave scars. In many regards, we view Covid-19 as analogous to that which Taleb (2008) calls a ‘Black Swan Event’ – a shocking event that changes the world (as similarly also noted concurrently by a number of authors and editors – see for example Grech, 2020; Mazzoleni, Turchetti, & Ambrosino, 2020). While Taleb (2008) discussed a range of examples of such past events (such as the events of 911) his analysis highlighted that human responses to such shocks tend toward critical reverse prediction. That is, after shocks that change cultures happen, people within those shocked cultures almost immediately rationalize such events by reflecting that they could have been predicted and probably avoided. Is Covid-19 an example of this – we think so? After Covid-19 the world will not be the same and notwithstanding numerous apocalyptic movies, conspiracy theorists, and political opportunists, we cannot but help to hope that future pandemics can be avoided if we learn the lessons, we cannot help but think should have been learned before Covid-19.

The impact of Covid-19 on the global economy is likely to be unprecedented since the 1930s Great Depression (Euronews, 2020). Therefore probably the Covid-19 pandemic represents one of the most significant environmental changes in the modern marketing history, which could potentially have a profound impact on corporate social responsibility (CSR), consumer ethics, and basic marketing philosophy. The short-term impact of Covid-19 is immediately and effortlessly felt, due to the widespread lockdown and social distancing measures globally. However the pandemic will end, it is already set to have lasting profound economic, social, political, and cultural impacts. In this paper, we discuss some preliminary ideas on how this pandemic can influence the field of CSR and marketing philosophy. In terms of
CSR, we will discuss its impact on CSR opportunities and trends, and consumer ethics. In terms of marketing, we will focus on its potential implications on the core marketing concepts, the context of marketing, and marketing strategy.

2. The impact on corporate social responsibility and consumer ethics

2.1. Corporate social responsibility

Covid-19 poses challenges to firms and organizations with regard to CSR. It has been reported that some firms/retailers have tried to profiteering from this crisis. In order to curb the potential wide spreading of profiteering, in the UK for example its competition watchdog, the Competition and Markets Authority (CMA), set up a special taskforce to crack down on companies profiting from the pandemic by inflating prices or making misleading claims about products (Butler, 2020a,b). Inevitably this crisis has put companies under test for its commitment to ethical business conduct and CSR. Some may argue that the financial strains, both short-term and long term, caused by the outbreak could significantly pushed firms to pursue short-term gains, sometimes even through fraud and misconduct, and reduce long-term CSR investment, probably due to lack of slack resources and mounting pressure for survival.

Fortunately, we have observed that many companies not only have resisted unethical business practice during this crisis, but also have proactively engaged in various CSR activities, particularly those that can offer immediate help and assistance to the fight against the virus. Undoubtedly, the current pandemic offers a wide range of significant opportunities to those with a more mindful and acumen approach to CSR. For example, UK manufacturing companies transformed their factories to produce ventilators, personal protective equipment, hand sanitizer, and so on, with some of them donating, instead of selling, these products. Telecommunications giant Vodafone introduced free access to unlimited mobile data for many of its pay monthly customers and upgraded its vulnerable pay monthly customers to unlimited data offer for free (BBC, 2020a). Supermarkets in the UK have allocated opening hours specifically for the elderly and NHS workers, and donated Easter eggs and general food to food banks and charitable organizations (Fairshare.org.uk, 2020; Lindsay, 2020).

The UK tea brand PG tips partnered with Re-engage (a charitable organization aiming to tackle the issues of social isolation and loneliness for older people) to train volunteers to call the oldest in the UK during the lockdown (Jones, 2020). Companies donated their original commercial campaign airtime to promote good causes. Banks waived interest on overdrafts over a period of time. And the list goes on.

A firm’s genuine and authentic CSR will build stronger rapport among its customers and the general public, as they have built up strong expectation from leading brands, particularly their favourable brands, during the current crisis with regard to their efforts in combating the virus. Consumers would feel proud of their brands helping their employees, donating money and equipment during the crisis. The bond established between the brand and consumer during this crisis era can be more meaningful and lasting than during “peaceful” times. Therefore, Covid-19 pandemic offers great opportunities for companies to actively engage with their CSR strategies and agendas. However, the pandemic has pushed many firms out of business, and if not to the brink of collapse. It is becoming even more important to understand what drives some firms to be more ethical and socially responsible, particularly when resources are restricted and survival is under threat. What are the institutional and governance factors?

What has happened so far is that governments all over the world have established economic aid packages to ease the imminent pressure particularly to those most vulnerable businesses, such as small businesses and tourism/travel/hospitality firms. These measures should encourage firms to maintain ethical business practices and fulfill their CSR commitment to their various stakeholders. There is also evidence that during crises and under uncertainty senior leadership plays a key role in this regard. For example, Jack Ma, the cofounder of Alibaba, though Jack Ma foundation and Alibaba foundation, donated coronavirus test kits and other medical supplies to many countries around the world (BBC, 2020b). Jack Dorsey, the founder and boss of Twitter pledged to donate 1bn US dollars towards effort to tackle the Covid-19 pandemic (BBC, 2020c). Bill Gates has been diligently encouraging global cooperation on this front. Therefore this pandemic represents a great context to examine how institutional factors and leadership influence firms’ CSR and ethical conducts.

On the other hand post-coronavirus a salient, and also renewed, issue regarding CSR would be the business case of CSR, particularly in the medium and long run. The pandemic exposes businesses’ vulnerability to extraordinary external forces, such as the black swan event of this pandemic. As the business environments are becoming more turbulent and volatile, with a predicted greatest depression since The Great Depression during 1930s, what are the implications for CSR? Will firms invest more in CSR, or will they succumb to short-term business pressure? How can business leaders be convinced of the importance of CSR under mounting survival threats? There could be two contrasting viewpoints and predictions on this. On the one hand, it might discourage firms from investing in CSR due to the need for firms to focus on their core operating business for short-term survival. On the other hand, history has told us that shifts in environmental forces (e.g., oil crisis in the 1970s) have facilitated the development of CSR.

Therefore, a more optimistic view is that Covid-19 pandemic will accelerate post-pandemic CSR development in the long run, as more and more firms and businesses realize that their long-term survival and development hinges on achieving a delicate balance between profitability and harmony with its various stakeholders. Probably the more relevant and pressing question is not about whether to invest in CSR or not, but more about how to invest in CSR to achieve the mutually beneficial and interdependent social/environmental and economic goals. The pandemic will teach us a lesson that “we are all in this together”, which undoubtedly will raise people’s expectation of businesses being more socially responsible. Therefore, we can envision the post-pandemic period as a one that the thriving businesses are those with strong CSR commitment and effective CSR strategies and efficient implementations. Greenwash, pinkwash, and lip services will no longer survive closer consumer and public scrutiny.

Covid-19 pandemic has exposed and exacerbated some ingrained social issues, such as poverty and inequality. The general narrative is that Covid-19 does not discriminate in terms of the medical fact that people from different demographic backgrounds are equally susceptible to the illness. However, Covid-19 does discriminate as there are growing data showing that people from BAME backgrounds are more likely to contract the virus and become seriously ill or even die from it (Booth, 2020; Butler & Massey, 2020). Many explanations beyond medical terms have been offered. Most of these explanations speak to the truth that there is still higher level of inequality in the developed world in terms of wealth, health, education, and so on. This offers significant opportunities for CSR. Companies should focuses more of their efforts on tackling social issues on these fronts during this pandemic as well as in the long-run. The United Nation (UN) has made a call for efforts to build more inclusive and sustainable post Covid-19 economies that are more resilient in facing global challenges, such as pandemics, climate changes, and others, instead of going back to the world as it was before (UN.org, 2020).

2.2. Consumer ethics

Classic frameworks of ethical decision making stress the joint impact of personal and situational/contextual factors (Ford & Richardson, 1994; Treviño, 1986). Personal factors can include consumer personality traits, moral values, moral identity, implicit morality beliefs, and
so on. Situational/contextual factors can be issue characteristics, social influences, group and intergroup dynamics, and so on. The Covid-19 pandemic, as an unprecedented situational and contextual factor, has significant implications for the understanding on consumer ethical decision making during the pandemic as well as potentially post-pandemic in the long run. During the pandemic, numerous consumers are grounded to their homes with limited external access except the internet, due to lockdown and other social distancing measures. Consumer decision making can be irrational during crises like current pandemic, as evidenced by stockpiling of food, medicines, hygiene and sanitation products, and even toilet papers all over the world. Some might argue that, panic buying (incl. stockpiling) is the perfectly rational consumer behaviour during crises like this with a significantly high level of uncertainty (Lufkin, 2020). Nevertheless, it seems that consumer decision making is currently driven purely by self-interest and emotions, such as fear, anger, and anxiety. This has forced the supermarkets to take measures such as rationing and designating opening hours for key workers and seniors. On the other hand, consumers have exhibited many altruistic behaviours during the pandemic, including resisting panic buying and buying groceries for vulnerable residents (e.g., over 70s) (Guardian, 2020). Therefore this crisis provides an excellent opportunity to examine the interplay between personal and situational/contextual factors in influencing consumer ethical decision, including the factors relating to the nature and ongoing situations of the pandemic at the contextual level, and personal factors, such as consumer personality differences, rationality, and consumer emotions such as fear, anxiety, animosity, and positive emotions such as hope.

The pandemic has given opportunity and time to the consumers to reflect on the basic meaning of consumption and the impact of their consumption not just on themselves but on others and the general society and the environment. Before the pandemic, consumers in the developed world have taken for granted how their basic needs, such as food and shelter, can be easily met through the wide availability of various products and services that can help meet those needs. Actually consumers were “spoilt” with “choice overload”. Moreover, consumption is also driven by consumers’ pursuit of goods and services that can help meet their higher social (e.g., social belonging and self-esteem) and self-actualization needs (Maslow, 1943). The pandemic shocked consumers with the idea and even a highly probable reality that their basic needs might not be met in the sense that food and basic necessities might not be available to them. Whilst in the developed world, basic consumer needs are still likely to be met, there will be some shifts in terms of how consumers appreciate and value those needs being met. At the same time it changes consumers’ perspective on how to pursue higher social and self-actualization needs. There is likely to be a significant shift towards responsible and prosocial consumption in the sense that consumers consciously reflect on how to consume and make product/brand choices to be more responsible to themselves, others, the society, and the environment.

The pandemic is teaching consumers a lesson that we are interconnected in terms of the impact of our product/brand choices, therefore we should be conscious of those choices. Consumers will be more likely to judge themselves or others to form a fundamental evaluation of ones’ self-concepts (consumer identity) based on their responsible consumption and prosocial product/brand choices (He, Li, & Harris, 2012). In other words, consumers’ higher level of social and self-actualization needs will be more likely to be met by their responsible and prosocial behaviours as consumers. Although responsible and prosocial consumers will become a larger consumer segments, the pandemic will cultivate a different consumer segment that focuses on instinct hedonic gratification. Covid-19 pandemic is a collective traumatic event for many consumers, causing them physical, psychological, and emotional distresses and harms. Some consumers can respond to it with a coping strategy that heightens urgency to pursue the pleasant experience of satisfying their emotional and sensory needs. Delaying gratification in this regard will be seen as less desirable due to higher level of perceived uncertainty about the future. Both segments have implications for marketing, particularly socially responsible marketing, which should be aiming to promote socially responsible consumption and resisting the temptation to take advantage of consumers’ need for instinct hedonic gratification.

What is the impact on sustainable tourism and travel consumption? Given that tourism sector accounts for 10% of the world GDP and jobs, the impact on ethical consumer behaviour cannot be ignored (Weforum.org, 2020). The immediate impact is unprecedentedly severe with most airplanes grounded, tourist sites shut, and hotels/restaurants closed, due to the social distancing measured introduced globally. However, what are the medium-term and long-term impacts? In the medium-term, there could be a surge in consumption, when consumers cannot wait to get out of their homes and visit places, travel, and dine outside. An alternative forecast is that there might be a slow return, due to prolonged consumer fear of the virus and health and safety concerns. A more important question is how does the pandemic shift responsible and sustainable tourism and travel consumption? During the post-pandemic era, will consumers restrict their travel either for leisure or business? How would restricted travel negatively impact on those firms and people traditionally relying on the prosperity of this sector? Would consumers need to resort to their own moral judgments when deciding whether, when and how to travel? Given that a lot of us has to our surprise found and pleasantly experienced the effectiveness of online meetings and conference calls, it would be highly possible that many of us will try to keep this newly found treasure by restricting business travels. On the leisure front, similarly it is likely that more people will, before booking the next travel, ask questions such as whether that travel is essential and what are the local and domestic alternatives, as more people are moving towards more responsible and sustainable consumption.

Another area of consumer ethical decision making subject to the influence of Covid-19 pandemic is the notion of buying domestic vs. foreign products. As noted earlier, the disruption of the global supply chain also forces and encourages consumers to buy local produce and locally-manufactured products, if they can or if local produce/products are generally available. Despite a strong call for global unity, solidarity, and cooperation in finding solutions to this pandemic, the current pandemic has already caused some significant geopolitical tensions, which are manifesting their implications through the surge of nationalist sentiments of consumer behaviour, consumer animosity —consumer negative feelings toward products from a specific foreign country due to antipathy toward the country and its people (Harmeling, Magnusson, & Singh, 2015), and consumer ethnocentrism—believing that it is not appropriate or moral to buy products from foreign countries (Ma, Yang, & Yoo, 2020; Sharma, Shimp, & Shin, 1994). The issue of buying domestic vs. foreign products is not only simply an issue of availability, quality, and cost, but an issue relating to consumer ethics in the sense of whether is the right (or wrong) thing to do. The Covid-19 pandemic will catalyse a renewed interest in this field. More research needs to be conducted to investigate the trends of consumer nationalism, ethnocentrism, animosity, and how they impact on consumer ethical decision making.

Another potential area with an increase in consumption is health and wellness. The immediate increase in purchase and consumption relates nutrition and medical products, such as vitamin supplements, pain relievers, fever reducers, and so on, that have direct link to the novel coronavirus. The more interesting question is to what extent consumers shifts to more consumption of health and wellness products in the long run. Will consumers generally become more health-conscious in their product choices? Given the strong evidence that health and fit people are less likely to be severely ill with the virus (O’Connor, 2020), we expect a strong shift towards health and wellness consumption, not only in the food and nutrition sectors, but also in the fitness sector. Accordingly this offers significant marketing
opportunities. For marketing scholars, more academic attention should be paid to understanding the factors influence health and wellness consumption. For policy makers, the post-crisis era will be a golden opportunity for governmental agencies and other health organizations to promote healthy consumption and product choice.

In sum, it is evident that Covid-19 pandemic is having a significant impact on consumer ethical decision making during the pandemic. Given that the pandemic is likely to last for a significant period of time on a global scale, its impact is likely to be long lasting after the pandemic however it is going to end. Consumers have cultivated some habits, particularly relating to increasingly salient role of the ethical dimension in their decision making, some of these habits will likely stick or even fundamentally shift towards more responsible and pro-social consumption.

3. The impact on marketing philosophy

In discussing the plethora of ways in which Covid-19 has changed our disciplines and practices, marketing is an interesting study. We believe that the effects of Covid-19 have been profound and pervasive so to structure our review, we explore how the pandemic has altered the core marketing concepts, the context of marketing, and marketing strategies.

3.1. Core marketing concepts

The wide-ranging and deeply-felt upheaval of the Covid-19 pandemic will affect the marketing discipline in multitudinous ways. As our very lives and societies are uprooted, changed, and shaped by events, so will the philosophies, ideologies, and fundamental principles that anchor our field. While much of this change is difficult to prophesize, it seems probable that these events will have a profound impact on core marketing philosophies, mindsets, and concepts. Marketing is grounded in the philosophy and ideology of the marketing concept wherein we endeavor to identify and respond to the needs and wants of targets markets better than competitors (see for example Kotler, Armstrong, Harris, & He, 2019). More enlightened and progressive commentators and organizations have espoused variations of the societal marketing concept; wherein organizations balance short-run consumer wants with the long-run welfare of society (see Kotler & Zaltman, 1971; Kotler et al., 2019). In the aftermath of Covid-19 it seems likely that consumers, societies, and organizations will critically re-evaluate and question such philosophies and priorities. Economists, philosophers, and marketers have primly advocated long-termism while ‘real-world’ pressures have constrained many policy-makers, companies, and executives to more immediate and pressing concerns. In this regard, the bottom-line and short-run goals have been promoted above longer-run, more ethereal objectives (see Anwar and Bassiouuny, 2020). Will a pandemic constitute a sufficient shock to marketing directors and scholars to question their companies and their own core goals and underlying ideologies? At this stage, this is difficult to predict but as the death toll rises and we are all faced with post-pandemic world, socially-isolated, lock-downed practitioners and academicians have a lot of time to reflect on the worth of their life and business orientations, and their significance.

Marketers have also championed the benefits of acknowledging and driving meaningful customer evaluations of value, satisfaction, and loyalty. Indeed, for half a century the credo of customer sovereignty to propel positive customer interpretations and reflections of product offerings has been the mainstay of many Marketing 101 modules and innumerable consultant-driven initiatives and careers. However, mid-pandemic consumers were not driven by considered evaluations of varying brands or by long-run value or by future loyalty reflexions but were frustratingly constrained by limited choice, product accessibility, and immediate demand. In some regards, rather than marketing myopia (Levitt, 1960) where marketers over-focus on the physical characteristics of their products they short-sightedly overlook customer latent needs, the Coronavirus pandemic was more the case of consumers’ pandemic-driven tunnel vision of panic buying and hoarding (Lewis, 2020) while, possibly, in the future, marketers will be rebuked and castigated for their of hypermetropia (the opposite of myopia) during such crises for failures to focus on the want satisfying attributes of their products. Retrospective studies into such behaviour and companies’ crisis management will undoubtedly generate much insight into these issues. Post-pandemic theorists and practitioners are likely to face a radical different marketing landscape and much changed customers. Opinions, beliefs, values, habits, and behaviors evolve due to both good and bad experiences; the Covid-19 outbreak will, sadly, have had a profound impact on all of these. Pre-Covid, marketers were fixated on the efficient and effectiveness of their value-capturing from customers in the form of customer loyalty, share of the market/customer, and customer equity. Post-pandemic, previously standard and seemingly incontrovertible metrics such as customer lifetime value, share of customer, and customer equity, are likely to be critically questioned. While it seems rather unlikely that such metrics will be entirely disregarded, it seems probably that marketers and customers will tailor and supplement such measures.

While some far-sighted theorists have long since argued that the marketing landscape was edging from evolution to revolution (see Potts, 2018), the Covid-19 crisis appears to have exponentially accelerated such changes and the post-pandemic marketing world will bear many wounds which heal leaving inevitable scars. The essence of marketing can be viewed as exchange. Such exchange pivots on shared agreement, perceptions of value, and communication – each of which was radically altered for many buyers and suppliers during the events of Covid-19. The dominance of face-to-face interactions and exchange which was (in many contexts) slowly being eroded by online exchange was suddenly severely curtailed by many governments with online exchange suddenly dominant. Politicians and social commentators, many of whom had previously scolded consumers for abandoning high-street shops and town centres, moved their views regarding online exchange to the point where they acknowledged that pre-Internet, the impact of such a pandemics would have been two or three or even a hundred times worse (See e.g., Abbruzzese & Ingram, 2020). Communication means between buyers and suppliers immediately changed as lockdowns were imposed and travel restricted. Skype, WhatsApp, and Zoom (and a plethora of others) exploded in use and the digital age of online, mobile, and social media marketing went from pre-adolescent through a turbulent teenage right through to adulthood in matter of weeks. Future studies will map and deconstruct such events while the post-pandemic scenery seems likely to be very different.

3.2. The context of marketing

While changes to core marketing concepts occurred and continue to happen, such changes will reflect the turbulence that Covid-19 caused in the marketing environment. Recessions, down-turns, wars, revolutions, earthquakes, and volcanos seem minor blips when compared to global lockdowns and expansive state interventionism on scale previously witnessed not for a millennium.

The marketing microenvironments of organizations have been hit by a tsunami of change that outweighs any previous fluctuations and reverberations. The ways in which companies operate have been altered by social distancing and forced lockdowns that necessitate radical changes to operations and set-ups. The supply chain globally was largely severed during lockdown and local supply-chains stretched to breaking-point across most industries and sectors. Distribution firms have gone from been derived as ‘white van pests’ and ‘dammed nuisances’ to being praised as national saviors by consumers, in cases, quite literally starving for goods (SIRC, 2020; cf. Hatchman, 2020). Across the globe, restaurants switched from fine dining to take-out makers; fast-food deliverers expanded their role to become supermarket...
shoppers and deliverers (see Whitbread, 2020). Advertising and media companies have needed to develop campaigns and responses in days when earlier efforts took months and years. Public safety campaigns and other social marketing efforts will be scrutinized and lessons learned and enshrined in new theories and grounded insights. The context of competition has also changed. During the pandemic consumers, publics, and governments required and, in some cases, forced collaboration for the good of all. In this regard, past competitors became collaborators out of need – the Formula 1 initiative to design, manufacture, and supply ventilators at incredible speed being an illustrative example (see de Menzie, 2020). Post-pandemic, retrospective research will scrutinize such efforts and practitioners from previously adversarial organizations may well reflect on the benefits and reward of collaboration.

In the marketing macro environment, fundamental changes happened for which the repercussions will resound for decades. Economically, the global economy has been profoundly affected. Dwarfing the impact of austerity regimes, Covid-19 measures closed entire sectors, forced industries to move, almost exclusively, online, and radically changed the nature of consumer spending. Prior to lockdowns grocery retailers in particular had unprecedented sales while online entertainment and connectivity organizations thrived on massively increased demand. Other sectors the like housing and automotive industries were hit extremely hard and the rebound and waves of fluctuating demand and supply will likely continue for many years. Politically, almost all countries saw sweeping changes to ideologies that severely imposed on previously-cherished doctrines of freedom of movement and market-economics amongst many others. The state took over many industries in many countries and the long-run implications of this will resound within countries, regions, and global economies. Technologically, while politicians hailed the Internet as a lifesaving medium (quite literally in virus-tracking countries – particularly in Asia) (The Japan Times, 2020), the adoption of technology to replace face-to-face interaction was widespread. As such, media commentators have suggested that the pandemic forced twenty years of technology adoption in twenty-four hours. Science and technology were thrust into the forefront as scientists, modellers, and researchers were granted immediate funds to pursue vaccines, antibody testing, and virologic modelling. Socially Covid-19 has changed and will change individual’s groups’, managements’, and governments’ mindsets and philosophies. Culturally, people’s views of themselves, of others, of organizations, of nature and of the universe have shifted. While few predicted the timing of such events, futurologists and long-term scenario planners have long laboured to highlight the potential of such dramatic and tragic episodes to affect the world (see Malaska, 2000). What the precise nature of such shifts in our society and our culture will be is unclear but marketers should be at the forefront in exploring, elucidating, and responding to such changes.

3.3. Marketing strategy

Changes to the marketing environment and the marketing landscape forced organizations to develop a strategic agility pre-, during-, and post-pandemic. While strategists have long advocated agility in strategy making, the lightning speed of the spread of Covid-19 required organizations to develop such entrepreneurial agility as to constitute flexibility to the point of hypermobility! While innovative commentators lauded the need for strategic agility to create new markets that reach new consumers and customers – blue ocean strategy (see Kim & Mauborgne, 2004), pandemic-inspired/forced/required agility required executives and managers to develop systems, operations, and tactics that reached customers (more life-water strategy than necessarily blue or red ocean). Nonetheless, many organizations found previously hidden or untapped sources of entrepreneurial and innovative spirit that saw inventiveness and sheer gumption triumph in the face of adversity (see Armstrong, 2020). Marketing strategy scholars will indubitably desire to explore such new-found agility and embed such flexibility in their strategic processes. While implementing change has always proved troublesome, impending crises appears to free previously untapped and much valued resourcefulness. Exploring, describing, and promoting such approaches should prove illuminating.

What will the post-Covid-19 marketing strategy world involve? First, it seems probable that espoused organizational goals will change. Vision statements are supposed to be long-run and not subject to the vagaries of environmental blips. However, Covid-19 feels more than a little like a Black Swan shock than a blip. Organizations reflecting on the post-pandemic world will need to re-evaluate their visions, missions, and their objectives to account for the changes to their customers, competitors, amongst other shifts. Goals and objectives that incorporate long-term survival, strategic agility, meaningful social responsibility, possibly centred on a societal marketing orientation seem likely.

The extent which market oriented organizations reacted more effectively and efficiently than more product or production oriented firms will also prove interesting. Mid-pandemic governments and agencies rapidly adopted market driving strategies to educate, control, and manage essential services, demand–supply, and public behaviour. Post-pandemic research will unquestionably focus on how differing strategic orientations benefited or constrained organizational responses (especially in terms of responsive timeliness). During period of unprecedented demand, production orientations and strategic flexibility were required while post-pandemic competitor advantage will likely accrue to organizations able most responsively to gain first mover advantage.

Whatever the most appropriate strategic orientation, the post-Covid-19 marketplace is irrecoverably different. A key facet of this is the exponentially increased move to online communications and change. What was a very fast growing medium was (at least briefly during lockdown situations) totally dominant (or, at least, prevailing). All industries and sectors found the change instantaneous and profound. Whether this change merely accelerated an on-going trend or is reversible is debatable. Industries that previously pivoted on face-to-face interaction found ways and means to engage (and survive) via online means and it seems likely that much of this change will settle (see for example Butler, 2020a,b).

Another element to that organizations will need to acknowledge is the semi-collapse, partial failure and, at the very least, pausing of globalization. For decades organizations have persuaded globalization with much scholarly and practitioner comments on the need of local responsiveness and glocalization (see for example Crawford and Chen, 2015). However, the pandemic proved most challenging for global firms; global supply changes stopped, international campaigns faltered, and worldwide initiatives simply vacillated, stuttered, then lurched to a standstill. Consumers previously clamouring for globally-renowned brands were constrained to local markets, outlets, and products. Will consumers turn their back on firms and outlets that literally fed them when they were hungry? Possibly. Possibly not? The future seem far less certain than a few short months ago.

These changes seem likely to be met with some subtle and some pervasive changes to organizational goals. Whereas previously many academicians and executives smiled patronizingly at futurologists’ seemingly imaginative scenario plans and fanciful predictions of doom and gloom, I suspect that many of us will be more attentive and less dismissive. Will firms rebalance their strategies to account for such issues? They might do so completely (which is probably overly zealous) but a balance towards stability and agility seems likely.

4. Conclusions and future research directions

In this article, we have offered some initial thoughts on how the ongoing Covid-19 pandemic influences CSR, consumer ethics, and marketing philosophy. This pandemic offers great opportunities for firms to actively engage in various CSR initiatives during the crisis, and
potentially catalyse a new era of CSR development in the long run. For consumers, ethical dimension of consumer decision has become salient in the social marketing concept and more responsible business orientations? We hope so. Whatever the changes in consumer habit leads to long-term sustained shift of consumer ethical behaviour, if yes how? How will Covid-19 change our marketing philosophy? Will an outcome of this pandemic be an increased incorporation of social and societal issues into our driving philosophies? In terms of customer behaviour there is an urgent need to explore how citizens, customers, and consumers responded (both positively and negatively) to varying lockdown restrictions. Changes to behaviours may well be evident (such as in tourist choices and the move to online shopping) but alterations to attitudes, values, beliefs are likely to be subtle. Similarly, while Covid-19 drove sector, firm, and organizational innovation, research is needed to explore the drivers of effectiveness and to detail which changes will prove beneficial in the long term.

References


Lloyd C. Harris is a Professor of Marketing at Birmingham Business School, Birmingham University. After working in retail and service organizations, he received his PhD in marketing from Cardiff University and his DSc from Warwick University. His research results have been disseminated via a range of marketing, strategy, H.R.M. and general management journals. He has published widely in these fields and has published over one hundred pieces. He is particularly proud of papers that have been published in the *Journal of Retailing, Journal of the Academy of Marketing Science, Journal of Management Studies, Human Resource Management, Organization Studies* and the *Annals of Tourism Research*. He has consulted and run programmes for many leading private and public organizations; especially focusing on retailing and service organizations.