



Current as of May 8, 2020

COVID-19 response checklist for B2B marketing leaders

The COVID-19 crisis has affected communities, businesses, employment, and economies all over the world. While the top priority is to save lives and support victims and their families, we must also act to protect the livelihoods of our community members.

This resource offers practical solutions to help sales leaders and business decision-makers in B2B settings protect their people and navigate their organizations through an uncertain time.

This checklist focuses on the first two of five stages in the crisis-response cycle, Resolve and Resilience—how to navigate the current situation.

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials (“Content”) are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.

1 Reset and calibrate: Week 1

As you evaluate possible commercial changes, first assess the immediate situation, its impact on your business and industry, and your company's value proposition and positioning within this context.

Analyze industry shifts, sentiment, and demand signals to understand which trends and pockets are growing—and which are not

- Map demand. For key sectors served, map which subsectors will drive increased or decreased demand for different solutions
- Track daily sales. Identify shifts in channel mix, products, and geography
- Do a gut check with data. Recalibrate on customer insights and demand signals (data views, sources)
- Monitor results. Build scorecards, measurements, and tracking to aggregate customer, financial, and market data for weekly review

Review all current commercial activities, from sales to communications to expenses

- Inventory commercial function. Conduct workshop with key sales leaders to lay out and evaluate the following:
 - existing sales initiatives (including emails and scheduled offers, to ensure they are still relevant)
 - trade shows and other events
 - commercial team expenses, both fixed and variable (for example, marketing and digital investments)
- Streamline sales meetings. Prioritize critical meetings that will support recovery
- Evaluate current contract management. Consider changes and concessions such as rebates and financing

Determine how your value proposition aligns with the immediate needs of your consumers

- Find the quickest course to impact. Determine where solution offerings provide the most value, based on industry insights
- Tweak value proposition (as needed). Consider emphasizing or adjusting components of your value proposition based on trends, feasibility with workforce, and cost (eg, sales model and shipping charges)
- Plan scenarios. Align demand-generation priorities with two to three scenarios over the next 60 and 120 days (and commit to “go do” actions now for revenue assurance)

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials (“Content”) are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.

2a Sales and channel

Theme

Refocus sales teams

Key actions

- Identify and prioritize sales initiatives with the highest ROI. Aggressively reallocate resources and focus
- Review account coverage. Make adjustments based on customers' new operating models
- Refocus sales teams based on a realistic view of pipeline opportunities. Give clear guidance to sellers to prioritize customers and deals based on forward-looking pipeline analytics, and create clear handoffs between digital and sales processes

Optimize remote sales work

- Empower sales teams to sell remotely. Consider converting your sales force into an inside sales team, implementing new routines, conducting remote product demos, and creating new sampling distribution through sales-force program
- Conduct remote learning for sales force. Include topics on how to operate in the current context and offer skills upgrades (eg, value proposition delivery and identifying customer needs)
- Invest in the equipment your people need to be successful. Many employees are not used to working from home for long periods of time; offer ergonomic tips and equipment (such as headsets and keyboards) to keep them safe and productive

Invest in the organization

- Define talent transition plan. Develop a talent plan, keeping in mind what resources will be needed to restart after the downturn. Elements to consider include retention plans (if desired), compensation changes, commission hit that sellers absorb, furloughs, and layoffs
- Engage organizational leadership. Prioritize executive outreach with key customers and those who are likely to emerge from the crisis in a strong position
- Invest in some surprise and delight. Consider providing employees with company banners to use as video-conferencing backgrounds; adjust rewards and recognition to account for new work-from-home reality (eg, noise-canceling headsets)

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials ("Content") are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.



Pricing and discounts

Theme

Key actions

Align with customers

- Keep a close eye on your customers' evolving needs. Understanding how needs and sensitivities have evolved can help your sales team communicate the value proposition and help the company tailor its offerings and contracts
- Strengthen your value-focused messaging. Equip the sales force with negotiation, value-selling, and pricing skills so that they can handle objections and deliver powerful messages about key value

Tailor to the circumstances

- Create “flex” in your pricing. Creativity in pricing or volume relief will help you meet near-term customer needs without needlessly destroying long-term value (eg, de-bundle offering, one-time discounts)
 - Explore ways to relieve the near-term burden: when possible, offer financial solutions that provide a win-win for the customer and the business (eg, three months free, with a longer contract after the crisis)
 - Review policy changes and targeted relief offerings (eg, financing)
- Reward loyalty. Loyal customers are the primary source of cash flow and organic growth. Providing incentives for loyalty can strengthen relationships while decreasing incentives to switch

Design processes to win

- Make sure your deal-execution processes are running well. Maintain discipline around pricing processes and performance, and examine what you might be giving away for free or for contract terms you have not been enforcing. If you choose not to charge for things or enforce terms, be sure that customer is aware of the adjustment
- Create a commercial “value council.” This cross-functional team can get ahead of panic reactions and develop clear guidelines and objectives for the commercial team to follow

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials (“Content”) are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.

2c Marketing

Theme	Key actions
Refresh customer insights	<ul style="list-style-type: none"><input type="radio"/> Develop a hub of insights on the customer. Gather insights from sales and other markets (eg, Italy, Seattle) that are further along in their economic response to the pandemic<input type="radio"/> Take leadership on developing demand-generation scenarios. Convert to actions for the business
Evaluate channels and platforms	<ul style="list-style-type: none"><input type="radio"/> Review digital. Ensure that digital-marketing and automation techniques provide insights to sellers and customers in a way that drives value and loyalty<input type="radio"/> Evaluate trade-offs on spending. Find opportunities to preserve cash from reduced marketing spend in the short term (eg, fewer emails or discounts)
Deliver on-point communication	<ul style="list-style-type: none"><input type="radio"/> Adjust messaging and creative in line with current sensibilities. Ensure they are sensitive, relevant, and authentic<input type="radio"/> Consider new ways to reach customers. Where relevant, support tactical steps to put in place new or improved routes to market (eg, no-touch drop-off and online ordering)
Adjust to new paradigms	<ul style="list-style-type: none"><input type="radio"/> Set up the organization for success. Establish an agile, remote marketing war room or pod comprising a dedicated team that can move fast on identified priorities<input type="radio"/> Build on long-term road map. Where relevant, identify what the new normal is likely to look like and shape commercial strategy on how to rebuild

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials (“Content”) are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.

2d

Product and customer experience

Theme

Give customers efficient service options

Key actions

- Identify opportunities for self-service. Consider levers such as online maintenance requests, status tracking, and inventory checks
 - Modernize paper-based or manual processes. Consider levers such as service confirmations, standard forms, and wet signatures to create new efficiencies and move toward further automation
-

Double down on customer relationships

- Be there for your customers.
 - Conduct a pulse check. Ask sales and customer-service representatives to talk to all of their customers, connecting on a human level and asking how they can provide support
 - Survey broader customer and vendor base. Launch survey immediately to understand the impact of the crisis on all parties
 - Engage customers the old-fashioned way (eg, by phone). Be careful not to over-index on any customer-health models you may have, because they are unlikely to reflect this scenario
 - Increase the volume and frequency of communications. Use traditional and nontraditional channels—such as web conferences, emails, and messaging apps—to hear from employees and keep morale high
-

Modify experiences and products

- Tune products and offerings to the moment.
 - Build new and featured offers for affected customers. Create product bundles and offers targeted at supporting customers in specific use cases and verticals (eg, healthcare customers or heavy work from home)
 - Where appropriate, accelerate migrations and upgrades. Focus on areas of cost savings for customers in the near or longer term

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials (“Content”) are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.

2e

Commercial cost

Theme

Key actions

Rethink commercial processes

- Adjust sales-coverage model to enhance productivity. Migrate customers and sales occasions to lower-cost channels (eg, move field sales to inside sales), and ensure that resources are allocated to accounts with the highest potential
 - Redesign marketing and sales processes and leverage automation. Stand up centralized/offshore Sales Center of Excellence, and redesign and automate existing processes
-

Create nimble teams

- Rightsize and reorganize existing marketing and sales teams to drive efficiency. Review roles and responsibilities of sales/marketing vs other functions and optimize spans, layers, and locations of existing functions (eg, locations of inside sales centers)
-

Optimize discretionary spend

- Optimize spending on travel and expense, marketing, and other sales expenses (eg, IT). Target marketing and advertising to sectors where you can win and cut where you can't. Consider reducing or expanding product marketing, trade marketing, training, and loyalty programs depending on the demand environment

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials ("Content") are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.

3 Read and respond

After making initial changes, monitor the tactics' performance and start planning for the next stage of your response.

Evaluate performance of tactics

- Set up tracking and targets. Define leading and lagging KPIs for each prioritized tactic, resetting ROI measurement as needed
- Document learnings and publish results. Synthesize key takeaways to continue to improve
- Celebrate success. Build on momentum and recognize achievements

Continually optimize tactics that work

- Create go-forward plan. Build the “what’s next” road map for each lever
- Identify the next set of priorities for testing. Compare the next set of tests with the full set of potential commercial activities and make sure to prioritize the most valuable activities

Integrate new customer insights and market-demand signals to align on next wave of commercial tactics

- Make changes as needed. As responses to COVID-19 continue to evolve, adjust both short- and long term tactics in line with changing customer sentiment
- Ensure that the value proposition is still salient. Continue to speak to customers' top priorities
- Use customer sentiment to define the new normal. Build the next set of levers and lead customers to a future in which you meet their needs and align with changing trends

© 2020 McKinsey & Company. These contents, including any statements, articles, graphics, charts, checklists, and other materials (“Content”) are for informational purposes only. The Content is not intended to be a substitute for professional advice, and we make no warranties of any kind with respect to the Content, whether expressed or implied.