COVID-19
Maintaining customer loyalty and trust during times of uncertainty
As the world joins forces to contain the current COVID-19 crisis, businesses are concerned with customer optimism. The two foundations of customer loyalty, trust and confidence, are being put to the test. While we all hope this is a temporary situation, anxiety is high, and people are scared.

This global crisis is truly about customer moments that matter. By putting your customers’ interests first, this can be a time for your company’s brand to lead. Even though you might be taking a short-term hit to your bottom line, putting flexible refund, pricing, and change policies in place, and finding other ways to help your customers through this crisis will be beneficial to the long-term health of your company.

Here are some suggestions to help you manage your customers during the current situation:

1. **Be true to your brand and purpose.** During times like these, every interaction with your customers and partners is an opportunity to demonstrate what your organization is all about, and to be true to your brand and your purpose. People are paying attention to how organizations are responding, and purpose-based companies that show empathy will likely emerge as the leaders. For example, a popular US-based retailer just announced a revised sick leave policy that allows all employees, both full-time and part-time, to work from home with pay. Another example is how airlines have shared their guidelines on cabin sanitization and the use of state-of-the-art HEPA filters, which have a viral and bacterial removal efficiency of 99.99 percent. These filters have been in use since before the current crisis, but this was a good time to educate customers about the sanitation measures airlines have always had in place to help build trust and confidence.

2. **Communicate to customers.** Be in touch with your customers. Let them know how much you appreciate them and care about them—even if they are buying fewer goods and services from you. Remember that many of your customers have customers too, so what you communicate may reach an even greater audience. In addition, working even more closely with your customers during difficult times such as this will have the added effect of helping to forge even stronger relationships and form bonds that are likely to endure for years.

3. **Communicate to your employees.** Communicating to your employees, especially the ones who serve your customers, is crucial as it will be necessary for employees to assure customers of uninterrupted service, or to advise them of any issues that might arise, and come up with solutions. If your business has in-person customer interaction, make sure your employees are aware of operational processes to reduce the possible transmission of the virus from person to person, and let customers know how you sanitize your work spaces.

4. **Develop new ways of working with your customers.** One big topic on the minds of employees is travel and in-person meetings. Given that sales and service organizations are often the largest travelers, your travel policies should be based on mitigating risks to impacted areas. Educating your employees who need to travel on the ways to mitigate the spread of the virus is first and foremost. It is also likely that COVID-19 will have a lasting impact on how companies operate long after the crisis is over. People will likely prefer to work from home more, and companies will have to accelerate the move to remote working. Educational institutions will also increase their online teaching and group collaboration platforms.

As remote working becomes more common over the coming weeks and months, look to the parts of your organization that already work effectively with remote teams. Agile processes and project management tools can also help your customer-focused teams collaborate, identify impediments, and track status. Agile techniques that can be adopted by a wide range of operational teams to transition from in-person to remote work include organizing work into sprints, holding 15- to 30-minute stand-up meetings at least twice daily, and using online Kanban boards with daily percent-complete updates. More strategies on how to manage your workforce during a disruptive event can be found in COVID-19: Practical workforce strategies that put your people first.

5. **Try to Team up.** We are all in this together. Now is the time to team up with alliance partners and even competitors to put resources to good use in the local communities where you operate. For example, if you run out of inventory, could you source from a competitor to help maintain your customers’ trust and confidence?

6. **Do your best to take care of your loyal customers.** Every business has its most loyal customers, so decide what special services and resources you can supply to these valuable customers. Although all your customers are important, it may become necessary to make the decision to take care of these customers first.

**COVID-19:** Maintaining customer loyalty and trust during times of uncertainty
COVID-19: Maintaining customer loyalty and trust during times of uncertainty

7. Find new ways to drive revenue. This could be the time to give special offers and discounts to retain your customer base, and potentially attract new customers. But keep in mind, you can only do this if you know you will have the ability to service everyone. If your scenario planning is showing pressure on your continued revenue streams, consider ways you could temporarily or maybe even permanently replace that revenue. For example, if your primary markets are international, how might you pivot to domestic markets (especially if your inventory is perishable)? If you have assets you use to generate revenue, how could you think differently about how those assets are used to generate alternate revenue sources? Not only could this reduce some of your top line pressures, it could also mean not having to reduce your cost lines as significantly (not to mention a potentially more diversified revenue mix in the longer term).

8. Assess your orders, inventory, and service levels. If you rely on inventory to fulfill customer orders, it’s important to look at your existing orders and compare that level against your inventory and confirmed incoming shipments. Then you need to let customers know if you can still deliver the goods and provide delivery dates. This can be a time for sales forecasting and supply planning to come together to re-run the sales and operations planning algorithms. Inevitably there will be disruption to your supply chain, which in turn will affect your customers. Knowing what inventory you can get and by when will be key to managing your customers’ expectations. As supply chains restart, they will take some time to ramp back up to normal synchronized operations, so it is important that you communicate your product priorities to your customers so they know what to expect. Now could also be a good time to look across your industry and strengthen relationships with other companies in your sector to find alternative products and solutions or make referrals for your customers. For more strategies on ways to manage your supply chain during a crisis, please read COVID-19: Managing supply chain disruptions to learn more.

9. Review your marketing and advertising. This may require shifting and rebalancing, as there’s no point marketing products and services that may be in short supply or unavailable. You may have to delay the marketing and advertising around launches of products and services, and review your spend on paid search, digital and social media as well as traditional paid media, relative to your ability to fulfill service levels.

10. Also review your digital properties. If some products and services aren’t available, you will need to remove them from your company’s digital experience, or at least take back-orders. If a price increase is necessary due to COVID-19, make sure you explain the reasoning behind it to your customers. Since people may be avoiding going out due to COVID-19, digital channels are seeing a bigger uptick in usage. For example, during this epidemic, China has seen a significant increase in online shopping demand for many items, including fresh food and groceries. This unexpected shift in channels has created challenges for many companies as they have insufficient e-commerce capacity to meet demand, insufficient inventory allocated to the online channel, and a severe shortage of last-mile delivery service capacity. Consumer-oriented companies should assess the implications of a potential shift of demand from traditional retail to online, and move quickly to prepare.

11. Use advanced technology. Besides remote working, augmented reality (AR) innovation may help keep people safe and healthy during this epidemic. For example, using AR to walk people through procedures with easy-to-follow visual instructions has been successful, especially in field service. Setting products up for use, installing spare parts, and maintaining products can all be done by having experts in a central location working via AR. Also, recent innovations on natural language processing, sentiment analysis, facial recognition, and emotional resonance could be useful to your business. The capabilities of chatbots are increasingly enabling them to take on more and more human work, and this could be an effective way to keep the lines of communication open with your customers.

12. Remember that cash matters. Companies tend to get lax about receivables when the economy is booming, interest rates are relatively low, and cash flow is not a concern. In uncertain times companies delay payments to suppliers, so don’t be surprised if your customers are thinking about doing the same thing to you. That’s why it’s important to improve the rigor of your collection processes. Focus on customer-specific payment performance and identify companies that may be changing their payment practices. Also, get the basics right, such as timely and accurate invoicing. Any errors in your billing process can lead to costly delays in receiving payment. For more information on managing cash flows, read our perspective, COVID-19: Managing cash flow during a period of crisis.

This is a time for you to look ahead to the future.

It’s important to remember that we have faced crises like this in past and will face them again in future. Companies want to return to growth and want to continue to provide excellent value to their customers. What moments in people’s lives can you improve via your offerings? What new, improved and innovative offerings can you launch in the market now that will give you momentum as we come out of COVID-19? Now is a time to look at that, and to factor that into your future offerings roadmaps.

Let your customers know how important they are to you by keeping their interests first and foremost. You will be rewarded by customer loyalty and trust.
COVID-19: Maintaining customer loyalty and trust during times of uncertainty

Report authors

Andy Main
Global Head of Deloitte Digital
amain@deloitte.com

Anthony Stephan
USA Head of Deloitte Digital
astephan@deloitte.com

Bevin Arnason
Canada Head of Deloitte Digital
barnason@deloitte.ca

Pete Sedivy
APAC Head of Deloitte Digital
petersedivy@deloitte.com.hk

Contributors

Livia Zufferli
Head of Marketing Services
Deloitte Digital
lzufferli@deloitte.ca

Ajit Kumar
Head of Deloitte Studios
Deloitte Digital
ajkumar@deloitte.com

Mike Brinker
Head of Alliances
Deloitte Digital
mbrinker@deloitte.com

Jim Kilpatrick
Deloitte Global Supply Chain & Network Operations Leader
jmkilpatrick@deloitte.ca

Deloitte Digital Global Leaders

Americas

Brazil
Guilherme Bretzke Evans
guevans@deloitte.com

Canada/Chile
Bevin Arnason
barnason@deloitte.ca

Mexico
Omar Camacho
ocamacho@deloitte.com.mx

S-LATAM
Pablo Selvino
pse lvino@deloitte.com

United States
Anthony Stephan
astephan@deloitte.com

Asia Pacific

APAC
Peter Sedivy
petersedivy@deloitte.com.hk

Australia
Steven Hallam
sthallam@deloitte.com.au

China
Pascal Si Yuan Hua
phua@deloitte.com.cn

Japan
Go Miyashita
gm iyashita@tohmatsu.co.jp

Korea
Dong Gun Choi
d o ng gunchoi@deloitte.com

New Zealand
Grant Frear
gfrear@deloitte.co.nz

SE Asia
Ms. K Muralidhar
mmuralidhar@deloitte.com

EMEA

Africa
Celeste Koert
ckoert@deloitte.co.za

Austria
Werner Kolarik
wkolarik@deloitte.at

Belgium
Frederic Verheyen
fverheyen@deloitte.com

Central Europe
Jan Michalski
jmichalski@deloittece.com

CIS
Alexander V. Ilyin
aliyin@deloitte.ru

Denmark
Martin Nyrop
mnyrop@ deloitte.dk

Finland
Pau vo Tolvia nen
paavo.tolvainen@deloitte.fi

France
Ravoussekeuly
Rkeuly@deloitte.fr

Germany
Egbert Wege
ewege@deloitte.de

Ireland
David Conway
daconway@deloitte.ie

Luxembourg
Ronan Vander Elst
rvanderelst@deloitte.lu

Middle East
Rushdi Duqah
rduqah@deloitte.com

Netherlands
Stephen Ward
stephenward@deloitte.nl

Nordics
Paul Thompson
pmt dockson@deloitte.co.uk

Norway
Britt Otterdal Myrset
bmyrset@deloitte.no

NSE/Italy
Andrea Laurenza
alaurenza@ deloitte.it

Portugal
Cristina Gamito
cgamito@ deloitte.pt

Spain
F l or De Esteban
fde esteban@deloitte.digital.es

Sweden
Fredrik Oscarson
focarson@deloitte.se

Switzerland
Gabriele Vanoli
gvanoli@ deloitte.ch

Turkey
Hakan Gol
hgol@deloitte.com

United Kingdom
Sam C Roddick
sroddick@ deloitte.co.uk