MEDIA & MARKETING

Advertisers Adjust Holiday Messages to Covid-19, Supply-Chain Challenges

Cadillac avoids advertising in markets where inventory is low; BetterHelp's ads finesse mask wearing



A Google ad centered on the company's promotion of Black-owned businesses features performers Normani and T-Pain.

PHOTO: GOOGLE

By <u>Suzanne Vranica</u> and <u>Alexandra Bruell</u> Nov. 27, 2021 7:00 am ET

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Companies are rethinking their advertising strategies this holiday season as multiple problems, from supply-chain constraints to <u>continued worries</u> <u>about Covid-19</u>, make it harder for brands to rely on traditional festive pitches.

The holiday-season campaign of Cadillac, a unit of <u>General Motors</u> Co. <u>GM</u> -0.39% ▼, is usually centered on its "Season's Best Sales Event." This year, the car maker went with <u>"Season's Best"</u> instead, because it had to skip its sales events due to a shortage of cars.

Cadillac is keeping close tabs on its inventory across the country and using that information to figure out where to run ads and which vehicles to promote, from sport-utility vehicles to sedans. "We want to make sure that we are advertising vehicles in markets where there is inventory," said Melissa Grady Dias, Cadillac's chief marketing officer.

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The holiday season is a crucial time for Madison Avenue, with brands expected to spend billions of dollars on advertising in the fourth quarter. Sectors such as retailers, auto makers and telecommunications are typically the biggest holiday ad spenders, according to ad tracker Kantar.

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PREVIEW

Over the past few months, there has been plenty of hand-wringing in ad circles over how best to navigate the holiday advertising blitz. A wide range of businesses are dealing with Covid-related <u>supply</u> <u>disruptions</u>, shipping delays, and a tight labor market. At the same time, the pandemic <u>continues to</u> <u>surge</u> in different parts of the country due to the spread of the highly contagious Delta variant. On Friday, the World Health Organization identified <u>a</u> <u>new strain</u>, Omicron, as a global "variant of concern."

Crafting ads in this environment is like "playing three dimensional chess," said Mark DiMassimo, founder and creative chief of DiMassimo Goldstein, an advertising firm.

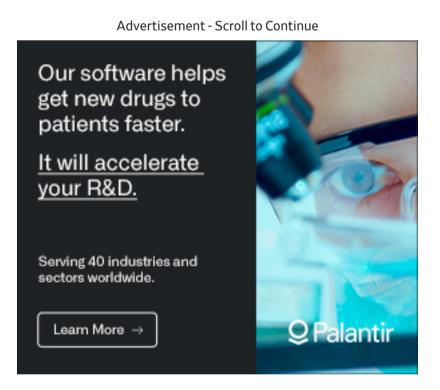
In September, DiMassimo Goldstein set up an online panel of 300 men and women, asking them at frequent intervals how they were feeling about their coming holiday celebrations. Based on their input, the agency sketched out and shot several holiday ads for BetterHelp, an online therapy service, so it could have different options in case the pandemic worsened.

'You need backup plans for your backup plans.'

- Advertising executive Mark DiMassimo

One TV commercial shows an extended family sitting around a table and enjoying a holiday meal. A second shows a family having a virtual holiday celebrating via a video call. A third was scheduled to be animated, so it wouldn't need a live commercial shoot.

One problem DiMassimo Goldstein ran into was that not all panelists had the same expectation of what a proper holiday gathering should look like during the pandemic. Some wanted to see people wearing masks in the ads, while others didn't. As a result, it filmed a new set of ads—with one featuring an actor talking about mental health during the holiday season. Other spots show small holiday gatherings, where one wouldn't expect anyone to wear a mask, the agency said. The ads are expected to break in early December.



"You need backup plans for your backup plans," Mr. DiMassimo said. He is glad his agency was prepared for the worst given the emergence of Omicron, Mr. DiMassimo said on Friday.

Sometimes, even shooting the ad proves to be a challenge. As BBH was working on <u>a holiday video ad</u> for <u>Alphabet</u> Inc.'s <u>GOOG 2.74%</u> ▲ Google centered on the company's promotion of Black-owned businesses, the ad agency was planning to use plenty of products and props from these businesses—only to find out that some couldn't be shipped in time. Even finding enough mannequins proved difficult, said Rafael Rizuto, chief creative officer of BBH USA. The agency couldn't delay filming because of the tight schedules of the celebrities appearing in the spot, so in the end, it had to rely on substitute items



An Etsy commercial about a friendship between a young Black store clerk and an elderly Asian woman tested well with focus groups. **PHOTO**: ETSY

The pandemic is also affecting how people respond to holiday ads, said Justine Basil, a strategy director at 72andSunny New York, an ad agency. Focus groups have shown that people are drawn to meaningful friendships and people looking out for each other this year, a departure from prepandemic years when consumers typically recommended that ads have more jingle bells and men in Santa suits, the agency said.

72andSunny New York recently designed a holiday ad for Etsy Inc., ETSY -3.20% ▼ the crafts-focused online marketplace, about a budding friendship between a young Black store clerk and an elderly Asian woman, who buys him a pair of monogrammed mittens from Etsy for the holidays. The ad tested well with focus groups, the agency said.



The classic "holiday visuals and the tropes of the holidays fell to the wayside a little bit," said Michael Osbourn, 72andSunny New York's deputy executive strategy director.

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