

Marketing strategies: innovation in retail during the restriction and social distance measures caused by the Covid-19 pandemic

Estratégias de marketing: inovação no varejo durante as medidas de restrição e distância social causadas pela pandemia de Covid-19

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Eduardo Rocha de Oliveira

Graduado em Administração

Unisul

Rua Lucia Milioli, apto 501 – Criciúma - SC

E-mail: mestrandounisul@gmail.com

Graziela Oste Graziano Cremonezi

Doutorado

Unisul

Rua Adolfo Melo, 34 – Florianópolis - SC

E-mail: graziela.graziano@gmail.com

Jacir Leonir Casagrande

Doutorado

UFSC

Rua Aracy Vaz Callado 686, apto 401, bairro Estreito - Florianópolis - SC

E-mail: jacir.unisul@gmail.com

Alvaro José de Souto

Mestre em Administração

Unisul

Avenida Pedra Branca, 25, Cidade Universitária Pedra Branca, Palhoça – SC

E-mail: alvaro.souto@animaeducacao.com.br

ABSTRACT

This study aims to understand the changes and perceptions of retailers related to marketing strategies in innovation in the empirical reality of retail, during the measures of restriction and social and commercial distancing caused by the COVID-19 pandemic. This is a qualitative content analysis study, carried out through interviews. The objects of study of the investigation were companies operating in retail in the city of Criciúma (SC). The results indicate that the main change in retail companies was the growing use of digital media, including websites, Instagram, Facebook and WhatsApp. The lack of understanding of the theory of innovation in marketing was present in the testimonies of the interviewees. Thus, it is observed that innovation in marketing is something new and still needs to be explored in economic sectors. The testimonies showed that the innovation stems from the marketing need and responsibility of store owners for monitoring the progress of activities, with no sharing of ideas and decisions between the different areas to facilitate decision-making. The study contributed to expand the understanding of the marketing

strategies of innovation in empirical reality of retailers and how this impacted directly on their business.

Keywords: Retail, Marketing strategies, Innovation, Pandemic

RESUMO

Este estudo tem como objetivo compreender as mudanças e percepções dos varejistas relacionadas às estratégias de marketing em inovação na realidade empírica do varejo, durante as medidas de restrição e distanciamento social e comercial causadas pela pandemia da COVID-19. Este é um estudo de análise qualitativa do conteúdo, realizado através de entrevistas. Os objetos de estudo da investigação foram empresas que operam no varejo na cidade de Criciúma (SC). Os resultados indicam que a principal mudança nas empresas varejistas foi o crescente uso de mídias digitais, incluindo sites da Internet, Instagram, Facebook e WhatsApp. A falta de compreensão da teoria da inovação em marketing estava presente nos depoimentos dos entrevistados. Assim, observa-se que a inovação em marketing é algo novo e que ainda precisa ser explorado nos setores econômicos. Os depoimentos mostraram que a inovação decorre da necessidade de marketing e da responsabilidade dos proprietários das lojas em monitorar o progresso das atividades, sem compartilhar idéias e decisões entre as diferentes áreas para facilitar a tomada de decisões. O estudo contribuiu para ampliar a compreensão das estratégias de marketing da inovação na realidade empírica dos varejistas e como isto impactou diretamente em seus negócios.

Palavras-chave: Varejo, Estratégias de marketing, Inovação, Pandemia

1 INTRODUCTION

In Brazil, the first case of Coronavirus was diagnosed on February 26, 2020, according to data from the Ministry of Health (AQUINO, 2020). In Santa Catarina, the initial case was diagnosed on March 8 in Florianópolis (SECRETARIA DO ESTADO DA SAÚDE, 2020). The first case of COVID-19 in the city of Criciúma was diagnosed on March 20 (HOCKMÜLLER, 2020). Since then, the number of cases not p to r to increase, due to its ease infection occurs through the respiratory secretions and droplets. The prevention of this disease can be done through social distancing (maintaining a distance of at least two meters from people), avoiding close contact with sick people and wearing masks in public places (MC INTOSH, 2020). In March 2020, through a decree, the governor of the state of Santa Catarina, Carlos Moisés, announced restrictive measures to combat Coronavirus for seven days. On March 20, the state closed the borders with the states of Paraná and Rio Grande do Sul (ESTADO DA SAÚDE DE SANTA CATARINA, 2020). From that moment on, restrictive measures were imposed, some sectors were released to work again, with new rules and others remained closed, such as schools. Faced with this new reality, retailers across the country were forced to innovate to survive in the market. In the context of innovation, Drucker

(1985) to define as a basic requirement of the entrepreneurial spirit, where competitive companies invest and focus their attention on practices for the development of new technologies, new methods to expand its activities and creating new products, services and processes. Marketing then becomes an essential ally for innovation strategies to be developed and practiced. For the American Marketing Association (AMA, 2020) marketing is the activity, the set of information and processes aimed at creating, communicating and offering exchanges that have value for consumers, customers, partners and society in general. Considering that the social and commercial distance caused by the COVID-19 pandemic (Coronavirus disease, 2019) influences and modifies the habits of consumers in the most diverse stages of consumption and that companies need to reinvent themselves in order to survive this new reality, prompts the question that is now proposed to answer: **How are the retail entrepreneurs in the city of Criciúma innovating in relation to marketing strategies and adapting to this new reality?** This study therefore aims to understand the changes and perceptions of retailers related to marketing strategies in innovation in the empirical reality of retail in Criciumen, during the measures of restriction and social and commercial distancing caused by the COVID-19 pandemic. Given the magnitude of this disease and all the social, psychological and economic consequences, it is important to address the point of view of retail entrepreneurs as it directly impacted their business and their marketing strategies to overcome it.

2 COVID-19 (RESTRICTIONS)

Coronavirus is a relevant human and animal pathogen. In late 2019, a new Coronavirus was identified as causing a cluster of pneumonia cases in Wuhan, a city in China's Hubei province. It quickly spread, resulting in an epidemic in China, followed by an increase in cases in other countries. In February 2020, the World Health Organization - WHO designated the disease COVID-19, caused by the new Coronavirus. This virus can also cause severe acute respiratory syndrome – SARS –CoV-2. Globally, by the end of the year 2020, there were more than 20 million cases of COVID-19 reported, on every continent except Antarctica. (MC INTOSH, 2020). The transmission of the virus is not yet fully elucidated, according to epidemiological data, it began in a fish market where live animals were sold, however, as the disease progressed, transmission from person to person was seen. Person-to-person transmission occurs mainly through contact with secretions containing the virus (saliva, nasal secretion), and the period of greatest

infectivity is up to 7-10 days from the onset of symptoms. Asymptomatic carriers also transmit the disease, especially in the first days after contact with the virus, when the viral load is higher. Virus present on contaminated surfaces can be another source of infection if susceptible individuals touch those surfaces and then transfer the infectious virus to the mucous membranes of the mouth, eyes, or nose. The frequency and relative importance of this type of transmission remain unclear. It may be more likely to be a potential source of infection in places where there is heavy viral contamination (for example, in the home of an infected individual or in health care settings). (MC INTOSH, 2020). The prevention of this disease can be done through social distancing (keeping a distance of up to 2 meters from people), avoiding close contact with sick people and wearing masks in public places. Individual protection measures are listed: wash your hands with care, especially after touching public surfaces and use sanitizer with alcohol, at least, 60%. Respiratory hygiene (eg covering a cough or sneeze) and avoiding touching the face (in particular eyes, nose and mouth). The American Academy of Ophthalmology suggests that people don't wear contact lenses because they make people touch their eyes more often. (MC INTOSH, 2020). In Brazil, the first case of coronavirus was diagnosed on February 26, 2020, according to data from the Ministry of Health (AQUINO, 2020). In Santa Catarina, the initial case was diagnosed on March 8 in Florianópolis (SECRETARIA DO ESTADO DA SAÚDE, 2020). The first case of COVID-19 in the city of Criciúma was diagnosed on March 20, a 37-year-old woman who had returned from a trip abroad (HOCKMÜLLER, 2020). On March 17, through a decree, the governor of the state of Santa Catarina, Carlos Moisés, announced restrictive measures to combat the coronavirus, for the next 7 days, where essential services, such as pharmacies, supermarkets, health care units, remained open. health, gas stations and gas and water distributors. Schools, malls, gyms, stores, public transport were suspended. On March 20, the state closed the borders with Paraná and Rio Grande do Sul. Initial measures were extended for another 7 days (ESTADO DA SAÚDE DE SANTA CATARINA, 2020). Since then, restrictive measures have been imposed, some sectors have been released to return to work, with new rules, others remain closed as schools. Ordinance 257/2020 of 04/21/2020 of the Health Department of the state of Santa Catarina resolved on shopping centers, shopping centers and galleries: Establishments inside shopping centers, shopping centers and galleries are authorized to operate, provided they meet the following requirements: use of alcohol gel for cleaning hands is mandatory for customers when entering and leaving the establishment. The simultaneous access of people in the

premises of shopping malls, shopping centers and galleries is limited to a maximum of 50% (fifty percent) of the installed capacity, with a distance of 1.5 meters between customers in common areas. Ordinance 244 of 12/04/2020 of the Health Department of the state of Santa Catarina resolved on restaurants, bars and commerce in general: in relation to commerce: high street retail establishments in general must comply with the following obligations: no it is allowed to try on clothing in general, accessories, jewelry, shoes, among others, the dressing rooms, if any, must be closed; the number of customers inside the establishment cannot exceed 50% of its capacity; all products are purchased by customers should be cleaned prior to use, and is the guidance given by the establishment; in addition to mandatory use of mask and alcohol gel. The ordinance of Criciuma 815/20 of 25 June 2020 establishes u that bars and restaurants po diam do customer service, can the local consumption be made up to 22 hours, after which time only *drive thru* , with mandatory availability of alcohol gel and use of masks. It also provides that the tables should laugh have maximum occupancy of four. On September 1, 2020, according to data from the secretary of state, Santa Catarina had 180,747 cases of COVID-19, 169,414 recovered and 2,301 deaths. In the city of Criciúma, according to data from Radar COVID, on September 9, 2020, there are 5,499 cases of the disease and 76deaths.

3 INNOVATION IN RETAIL MARKETING

For the American Marketing Association (AMA, 2020) marketing is the activity, the set of information and processes aimed at creating, communicating and offering exchanges that have value for consumers, customers, partners and society in general. However, for Grewal and Levy (2017) marketing is an organizational function and the sum of processes to create, capture, communicate and deliver value to consumers and customers, in addition to managing the relationship with customers in a way that benefits the company and the parties interested parties. Technological advances have changed commerce in such a way that the traditional format of stores is questionable (PARENTE; BARKI, 2014), and a business model with inferences in the organization's structure, processes and strategies is fundamental (ARAUJO ; ZILBER, 2013) . Given this new reality, retailers are developing their analytical capabilities to better serve and understand their customers, through the pricing of products, services and management of the flow of goods in the supply chain, due to the growth trend

of *internet* retailing (GREWAL ; MOTYKA; LEVY, 2018). In the context of innovation, Drucker (1985) describes it as a basic requirement of the entrepreneurial spirit, competitive companies invest and focus their attention on practices aimed at the development of new technologies, new methods to expand their activities, creating new products, services and Law Suit. Schumpeter (1985) classifies innovations into five types: introduction of a new good or a significantly improved good; introduction of a new production method; conquering a new market; discovery of a new source of raw materials or semi-manufactured goods; installation of a new organization of any industrial sector, as the creation of a monopoly. The Oslo Manual (2005) categorizes innovation for manufacturing industries and the service sector into four types: Marketing innovation; product innovation; process innovation; and organizational innovation. According to Grewal, Roggeveen, Nordfält (2017), "The future of retail" (*The future of retailing* in the original), explores the top five key areas that are moving in the retail sector, as represented in a study *framework* with the following topics : (1) technology and tools to facilitate decision making, (2) visual display and merchandise offer decisions, (3) consumption and engagement, (4) *big* collection and use *data* and (5) analysis and profitability.

Based on this principle, innovation becomes an indispensable subject in debates on competitiveness and economic development. Innovation as a synonym for novelty presented by traditional mass media, vulgarizes the term and alters the meaning preliminarily established by Joseph Schumpeter – that innovation is linked to the generation of economic value (BIGNETTI, 2011). The study by Grewal, Roggeveen, Nordfält, (2017) suggests that the rapid change in the retail landscape takes place through the way modern customers shop, whether through physical store, *online* and evolving commerce . According to Grützmann, Zambalde and Bermejo (2019, p. 2): “Innovation has been understood by researchers as a way to transform knowledge, internal or external, into products that are accepted in the market”.

4 MARKETING STRATEGIES

From the second half of the twentieth century, McCarthy (1960), Kotler (1967) and Levitt (1975), dedicated themselves to the study of marketing and contributed to the advancement of companies with the market. For Kotler and Keller (2018) marketing is defined as meeting demands generating profits, through the identification and satisfaction of human and social needs. For the American Marketing Association (AMA, 2020)

marketing is the activity, the set of information and processes aimed at creating, communicating and offering exchanges that have value for consumers, customers, partners and society in general. However, for Grewal and Levy (2017) marketing is an organizational function and the sum of processes to create, capture, communicate and deliver value to consumers and customers, in addition to managing the relationship with customers in a way that benefits the company and the parties interested parties.

After defining marketing, Lima et al. (2007) report that marketing management is premised on identifying or developing the best offers for their different markets. For the authors, the marketing process has three objectives: creating or identifying value, developing and delivering value, and aligning people with values. It is crucial for good marketing management to business intelligence, the manager must recognize the opportunities and threats to the organization in an attempt to meet the established objectives.

For Branstad and Lucier (2001), marketing management aims to: create or identify value by producing strategic innovations in products, processes and business modeling, based on knowledge of the profile and demands of different audiences and markets; develop and deliver value, achieving the expected strategic results from consistent marketing policies; aligning people with the values created, leading and motivating employees to change and encouraging great performance based on sustainable relationships. For them, what supports these marketing management objectives is the good relationship with the public of customers, suppliers, intermediaries, competitors, employees and shareholders.

Kotler and Keller (2018) describe marketing administration (management) as the ability to select markets, capture, retain and retain customers through the creation and delivery of value to society. Marketing management is evident when there is a possible exchange relationship between the parties, where they look for ways to obtain desired information from the other.

A component of marketing management is the marketing strategy, defined by Grewal and Levy (2017) as not just an occasional activity, but that it requires planning and ethical implications in decision-making related to society. According to the authors, the control of this strategy is done through the development of a marketing plan, prepared by a written document, consisting of an analysis of the current marketing situation, opportunities, threats and marketing objectives and strategies related to the 4Ps (product,

price, promotion and place), by action plans and results statements. To understand the marketing function, its central concepts will be the view of Grewal and Levy (2017).

The authors Grewal and Levy (2017) suggest that **marketing** success depends on understanding the market segment where the manufacturer's product will be marketed. It is important to satisfy the needs and desires of consumers who are interested in the product and have the resources to buy it, trying to define a marketing strategy aimed at these groups. Marketing **implies an exchange** of valuable goods between buyer and seller so that, in the end, both are satisfied. Targeting to reach the target audience can be done by applying the traditionally known **marketing** mix or 4Ps and broken down into a set of four related decisions and actions.

Another marketing concept can be contextualized through the process by which companies sell to consumers, called **B2C marketing** (company x consumers) or through the process of selling goods or services from one company to another known as **B2B marketing** (company x company) or even in the category in which consumers sell to other consumers, which is **C2C marketing** (consumer vs. consumer). Marketing also influences other **supply chain** partners including wholesalers, retailers, and intermediaries such as carriers and warehousing companies, and facilitates the sale of goods or services to consumers. Finally, one of the essential functions of marketing is mentioned, which is to **create value** to the consumer by offsetting the cost that he acquires for what he gives in return.

The study by Fifield (2007) describes that the marketing strategy must be in accordance with the organization's marketing planning, and the tactical requirements that must reflect in the business strategy are activities related to products, services, brand, price, distribution channels, integrated communication, customer relationships, physical structures, people and processes. Encompassing all of the organization's marketing resources and knowledge.

The study by Sarquis et al. (2015) observed the marketing practice of several Brazilian service organizations and listed the use of different types of strategies, including external marketing practices (eg: focusing on customer satisfaction, building relationships with service partners, offering service guarantees services, customer relationships, direct marketing, gaining knowledge about the market/competition); internal marketing practices (such as: employee incentive, internal communication, employee profile and employee retention) and interactive marketing practices (quality of services, productivity

of services, form of customer service, after-sales services and aspects of the services scenario).

5 THE METHODOLOGICAL ASPECTS

The theoretical basis of the study was constituted through a literature review on marketing innovation, carried out with different keywords associated with marketing, combined with the term innovation and retail in the Google Academic, Scopus, Spell and Web of Science databases. This is an empirical study of multiple cases, qualitative, and content analysis was used to interpret the results of the interviews. The search was limited to articles after 2010 written in Portuguese and English.

The search technique used returned 74,100 results in the Google Scholar database, 237 Scopus, 293 Spell and 130 in the Web of Science database. At first, documents that matched in the four databases were discarded. The title, keywords and abstract of the articles were analyzed to eliminate those that had no connection with the research objective. For this filtering, in addition to the link with the term innovation in marketing, articles that presented at least one item described in the *framework* of the theory presented by Grewal, Roggeveen, Nordfält (2017) were taken into account, totaling 93 articles for full reading. The theoretical framework provided the structuring of a dialogue script, which provided guidelines for conducting interviews with key people in the selected companies. The objects of study of the investigation were companies operating in retail in the city of Criciúma (SC). Among the 5 selected, three are from the apparel sector, one from the accessories sector, and one from the sporting goods sector (Table 1). In these companies, key people, decision makers and people involved in innovation and marketing were interviewed.

Table 1 - Characteristics of surveyed companies

Company	Sector	Activity (in years)	Employees	Respondent's Position	Interview date	Duration (minutes)
THE	Fashion and Clothing	6	5	Owner/Manager	11/23/20	17min.
B	Airline Shop	50	18	Administrator	11/23/20	19min.
Ç	Fashion and Clothing	10	10	Marketing manager	11/20/20	27min.
D	Fashion and Clothing	4	5	Franchisee/ General manager	11/24/20	14min.
AND	Sportive articles	62	25	Marketing manager	11/26/20	19min.

Fonte: prepared by the author (2021)

Under the condition of non-identification of the authors and companies, the five interviews were recorded with the consent of the interviewees. Company A and C in online format with Google Meet technology, and the remaining three B, D and E, in face-to-face format at the respective companies' premises. The interviews totaled approximately 1 hour and 36 minutes and after they were transcribed for analysis purposes. For the qualitative stage, the transcripts were analyzed with the help of the content analysis technique according to Bardin (2016). Content analysis is a set of communications analysis.

It is not an instrument, but a range of gadgets; or, more strictly, it will be a single instrument, but marked by a great disparity of forms and adaptable to a very wide field of application: communications (BARDIN 2016, p.35).

The stage of content analysis of the transcribed interviews began with the creation of the theoretical framework for the analyses. The documents were read and analyzed in order to carry out the categorization, based on the theoretical framework. In order to clearly highlight the encodings and analyzes performed, excerpts from the transcripts that were most relevant were selected.

The theory validated and represented through Figure 1, explores the five main key areas that are innovating in retail according to Grewal, Roggeveen, Nordfält (2017), was used in order to collect the necessary information to proceed with the analysis and presentation of the results.

6 PRESENTATION AND ANALYSIS OF RESULTS

The surveyed retailers had components of marketing innovation during the Covid-19 pandemic identified by Grewal, Roggeveen, Nordfält (2017), highlighting the following: 1) technology and tools to facilitate decision-making, and 2) visual display and merchandise offer. The lack of understanding of the theory of innovation in marketing was present in the interviewees' testimonies (A, B, D and E). Retailer C showed domain in strategies related to marketing and innovation, extolling its practices on the subject. The testimonies showed that the innovation stems from the marketing need and responsibility of store owners to monitor the progress of activities, with no sharing of ideas and decisions between the different areas to facilitate decision-making. The profile of retailers in the study can be classified as a follower rather than a pioneer, which is defined by Pantano (2016) as the first to innovate in the market, and as a follower that

copies the innovation strategies of competitors. Another aspect of research interest was to verify whether retailers are innovating in marketing strategies during the restrictions of the Covid-19 pandemic and the link with the theory of Grewal, Roggeveen, Nordfält (2017). Thus, they were asked how the experience was in the face of measures of social restriction and distancing caused by the pandemic and how their trade was affected. Based on the interviewees' statements, the only company that was practically prepared for the situation regarding their actions was the retailer (C). It was noted that all other retailers (A, B, D and E) were surprised by the situation and at first did not know how to deal with it, but ended up adapting to their needs.

It was very complicated because it was very fast when it stopped, when we knew it was really going to stop, because there was every rumor that it was going to stop, okay! Until then ok... just because on Wednesday morning the staff simply started to warn, whoever doesn't close the stores until 10 am, the police will come and everything else... and with that there is zero movement, almost no sales (company A, 2020).

At the beginning of the first days we were quite lost because no one was used to this situation, providing care in this way, but from the first days we tried to professionalize and adapt this new method of serving the public [...] at the end of this period we started working behind closed doors, but with delivery or pick-up on site (company B, 2020).

With the pandemic the first days of the quarantine we were left with the physical store closed right! [...] we predicted the change in customer behavior in recent years, and the pandemic was a factor, in my consent, and in the company's numbers that accelerated the change in customer behavior. And in this pandemic, as I was already involved with online commerce and with a well-organized, well-structured company in the digital part, I think there was a differential, right, compared to competitors. In our case, the pandemic in electronic retail was a positive change in fact, because we managed to increase the numbers (company C, 2020).

In the beginning when it happened at first, it was to get nervous, and my God, what am I going to do right!? After we came back, right, we started to work more conditionally [...] we started to work with the client, by sending the goods to his house, so that he could taste and see what he liked, we did this to not stop selling, in fact, there was not much alternative, it was very challenging at the time (company D, 2020).

The first restriction there was, people could no longer go to the store, it simply stopped selling and in the beginning our business was directly affected, it had to be closed, luckily we have the site and we started to invest more in the site, and from there, we started to pay more attention to the Online store (Retailer E, 2020).

In all of the interviewees' testimonies, none of them showed the formalization of marketing innovation projects possibly linked to the process used by them. Note that retailers C and D have more organized marketing innovation activities with delimited processes. On the other hand, the others A, B and E, even if unplanned, have innovative practices and fit into theoretical concepts. In order to carry out the content analysis on marketing strategies : innovation in retail during measures of restriction and social

distancing, we opted for categorization based on the five key areas that are advancing in the retail sector (GREWAL; ROGGEVEEN ; NORDFÄLT, 201 7). Specific examples of use in the company's activities were explored. It is noteworthy that declarations to innovations in marketing were validated, even if in a generic way. It is noteworthy that the theory presented by Grewal, Roggeveen, Nordfält (201 7), with regard to the item (1) technology and tools to facilitate decision-making, is the only one that appears in all the statements and prevails as the major innovation of all retailers, significantly increasing business during the Covid-19 pandemic.

During the pandemic came the idea of creating a website, we noticed that it was necessary [...] We professionalized Instagram and WhatsApp, in the responses and in the way of separating the goods [...] today we have a rotation to respond, those who respond earn commission, the professional business remained [...] Before the pandemic we sold 90% physical store and 10% online, during the pandemic it was 90% online and 10% physical store. Today it is 50% physical and 50% online, well balanced [Retailer A, 2020].

We worked with Instagram and Facebook, but in a very superficial way. With the pandemic, we also started to work with delivery, giving this option of direct service through WhatsApp. We redirected an employee of ours, just to take care of WhatsApp, before we didn't have that[...] but now as the demand has grown a lot, now we have an employee who only takes care of WhatsApp and Instagram, she doesn't work at the counter, only takes care of delivery. The customer's buying culture has changed a lot [Retailer B, 2020].

At the beginning of the pandemic we were already working with digital technology, we always worked with social networks, Facebook, Instagram, until then... after the pandemic the agent started with Twitter, we started working with YouTube. We started working with our own website by inserting video materials, which would interact in an online way with people [Retailer C, 2020].

We already used Instagram, on Instagram we have 22 thousand followers, our store has always been very strong on Instagram [...] during the pandemic I hired GIVER which is another customer relationship tool, you know?! It sends a message and keeps us in contact with the customer, it is the specialized system for customer loyalty [Retailer D, 2020].

We started to invest in digital media, Google, Facebook and Instagram that we didn't do before! [...] we had a website, but we had no investment in any platform, Google, Facebook among others. There was a site there, but working organically, then the pandemic came and we started to put money in to start professionalizing the site and investing in Media and marketing to appear on Google and all social networks [Retailer E, 2020].

Retailers A, C and D highlighted practices related to (2) visual display and merchandise offer decisions. And they reinforced the role of promotion to get the attention of customers and consumers. In the first case, the retailer uses promotion as a tool to bring its customer closer during restrictions and social distancing.

“We did a lot of promotion, we tried to attract the customer as we could [...]”
[Retailer A, 2020].

In the second case, the example of the use of technology added to the visual display of its products stimulates interaction with consumers, arousing curiosity and facilitating the purchase decisions of its customers.

[...] we have a sales terminal, a pre-sale, which has a large screen there, you can open the website, show it to customers who are in the physical store, for example at 41, I have all these sneakers, by the brand such, you can select, and with the help of technology, you can already pull it on YouTube and show the product's functionality, what it's for. The use of technology is something that has been boosting a lot when it comes to retail sales [Retailer C, 2020].

In the third case, in the case of a store in the franchise format, it follows pre-established standards and rules for its operation and mentions the change in the store layout as one of the visual display decisions.

Our format, as it is a store franchise, we have formalized through contracts, that each season we must change the store layout and change the window from time to time. [...] As we usually buy the collection before, it is customary to practice promotions, what changed with the pandemic was the format of the promotions, which we now do through "Live" live on Instagram [retailer D, 2020].

One of the concerns of retail companies is related to item (3), consumption and engagement. The consumption of goods and services by customers is the central point of all retail and the offer of products that offer value to consumers is essential for the success of retailers (GREWAL; ROGGEVEEN; NORDFÄLT, 2017). Retailer C brings an interesting account related to consumption and engagement in its practice.

It's a set of actions that we've been doing, all of the marketing in addition to you displaying the product in a way you want the customer to see, to generate profitability. So we make a strategy in the part of several small actions, from the social, sports, fashion behavior and graphic design. I believe that the profitability of Rock city today, of our company it contemplates, are social actions and with society, skateboarding championships, investment in children in social projects and in physical store services, online store services and also offered best products [Retailer C, 2020].

Retailer A, on the other hand, seeks to become a friend and create a personal relationship with the customer as a form of engagement. This is also the case with retailer B, which despite being an old and traditional business, having many loyal customers, also invested in personalized service.

We have a culture here in the store, which is to become friends with the customer, I always tell the girls who serve, let's know her name, her taste, so when she arrives we'll say "something that's just like you arrived here" so the

main intention is to have the clients like from home, she becomes friends with us, likes her photos, we comment on things, we talk about things, not only about clothes, but also about the real life of her daily routine [retailer A, 2020].

With the delivery deliveries, we greatly improved the presentation, we sent a signed letter thanking them for choosing us as a company, giving them confidence and encouraging them to stay at home [retailer B, 2020].

One important way to retailers improve customer experience leading to greater engagement is investment in social media (Grewal, Roggeveen; NORDFÄLT, 2017). This practice was unanimous and increasingly strengthened by all interviewed retailers.

The pandemic came to make this story of the internet even stronger, it was something that was already on the way and there is no turning back... When the customer comes here to the store, she already comes with her cell phone in her hand, I want it, this and this... she doesn't come here, I came to look! She already comes with a photo of what she wants to prove and decide if she's going to take it or not. It was this innovation we made in the way we sold that saved us [Retailer A, 2020].

We invested in social media boosting at random [...] [Retailer B, 2020].

At the beginning of the pandemic, we were already working with digital technology, we always worked with social networks, Instagram, until then [...] [Retailer C, 2020].

We already used Instagram, on Instagram we have 22 thousand followers, our store has always been very strong on Instagram [...] [Retailer D, 2020].

We started to invest in digital media, Google, Facebook and Instagram [...] [retailer E,2020].

Retailers were asked about the collection and use of big data, item (4) of the theory used. In general, it is clear that everyone, except retailer B, has a form of collection, sometimes incomplete and involuntary, through the registration of customers in their systems. However, analyzing all the transcribed responses, it is concluded that none of the retailers uses the information they have professionally.

We even have a record, but we don't use the information much. What we use is Instagram [...] what the person is most enjoying seeing, liking and sharing. We use Instagram to find out what customers are liking [Retailer A, 2020].

We don't have any control and registration of customers, we work with small and ordinary products of low value, I believe that if we were to request information from customers, they wouldn't have the patience to wait [Retailer B, 2020].

We have a huge database in our e-commerce, on our platform. [...] but we still can't work properly. We have information for both the physical store and the online store, because in the online store to make a purchase you are required to fill in your details. We have the database, but we still don't do the basic thing, we're not using it. [...] but we have a database just because we still don't use it in a professional way [Retailer C, 2020].

We have a system that is the store system, which calls online retail, the customer who is going to buy makes a registration, I get the email, address,

telephone so we can work with that customer later. And I also have to see that this new tool I hired that today I can shoot if the customer hasn't come to the store for 60 days, I can send him an alert, an email communicating a promotion, communicating one more news [retailer D, 2020].

We only have a customer email, we use Google tools, but basically that. The information we get is more through the website that the customer needs to fill out a form to be able to make the purchase, [...] [retailer E, 2020].

The last item (item 5) of the theory talks about profitability and analysis. Retailers were asked what strategies they used to increase their profitability. What was observed is that everyone, except retailer B, perhaps because it is a traditional and old business, has marketing strategies to increase profitability.

We use “bloggers” as a means of promotion, we sponsor some Instagram posts, sweepstakes and Lives, which I'm feeling a lot of feedback [Retailer A, 2020]. We don't have thought-out strategies, we invest in boosting social networks at random. We do not have pre-defined strategies [Retailer B, 2020].

We are producing a video for 10 years, working an emotional in a way that people see you differently, I think this is the biggest lucrative marketing move and differentiator from your competitors. What we can have in marketing is to aim for profit, but it has to have a purpose, and the purpose of (company name) today is that we, through our "Life Style" can be contributing to the expansion of people, of artists , Athletes and Bands [Retailer C, 2020].

We have planning, with “lives” that we are doing with “bloggers”, there is the Marketing of the franchise itself, with Christmas promotions, we send a message to birthdays. [...] we gave more importance to social networks [retailer D, 2020].

We have partnerships with gyms, with clubs, with “personal” gym trainers and teachers, basically that. We invest in radio and now in virtual investment, sponsored links on the site, GoogleAds and Google Shopping [Retailer E, 2020].

The responses obtained through the interviews show that the main change that has taken place in retail companies has been the increasing use of digital media, including websites, Instagram, Facebook and WhatsApp. In line with Verhoef's idea ; Kannan; Inman, (2015), that easy access to the *internet* through computers and *smartphones* has changed consumer behavior and purchasing habits . A point registered by all retailers was the surprise and uncertainty caused by the start of the pandemic and the restrictive measures caused by it, a situation in which no one was prepared and it was not known how long it would last.

7 FINAL CONSIDERATIONS

At the end of this work, it is observed that the retail companies studied are in the process of innovation and adaptation to the current situation. Some were already investing in the digital marketing process, online sales, conditional sales, *delivery* services , while

others started these practices due to the imminent need for sales to survive in the market. It is noted that retailers still do not have the full professionalization of this new market approach and do not have a strategic planning for marketing innovation, perhaps due to a lack of theoretical content. Social networks were mentioned by everyone, being used both for communication with customers, sales and monitoring of opinions (likes, *reposts*). The profile of retailers regarding the temporal choice of innovation was identified as a follower Pantano (2016). Based on the theory of Grewal, Roggeveen, Nordfält (2017), the key area most used by retailers was technology and tools to facilitate decision-making, where, since the beginning of the pandemic, sales strategies were carried out based on technologies and online tools. The key area less explored and used by the interviewees was the collection and use of *big data*, despite having a database, but without any information treatment. From a theoretical contribution, this study enabled to expand and meet the practices adopted by consolidated companies in the retail market, some with decades of existence without effective use of innovations in marketing. This study was limited to verifying the marketing innovation strategies in view of the Covid-19 pandemic, only in retail companies, without taking into account all other sectors of the economy that also suffered consequences in the current scenario. It becomes necessary then, subsequent studies to analyze other sectors such as services, education and so many others that had to adapt to these changes.

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