

**HOW HAVE THE MARKETING STRATEGIES OF MEDIUM-SIZED BUSINESSES
FROM MEDELLIN BEEN TRANSFORMED TO MEET THE DEMANDS OF
CUSTOMERS DURING THE COVID-19 PANDEMIC?**

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Resumen

Desde el comienzo de la pandemia del COVID-19, las empresas se vieron en la necesidad de cambiar sus estrategias para atender al mercado que se había alterado de manera drástica. Entre estas estrategias, el marketing desempeñaba un papel crucial para mantener las ventas y aportar ingresos.

El objetivo de este proyecto fue analizar cómo se transformaron las estrategias de marketing de las medianas empresas de Medellín para favorecer las demandas de los clientes durante la pandemia de COVID-19. Para ello, se realizó una investigación a través de un método mixto, donde se estudiaron las estadísticas de tres empresas medianas de Medellín junto con los testimonios de sus empleados. Posteriormente, se analizaron los resultados de cada uno de los sujetos y se compararon entre sí, lo que permitió concluir que, durante la pandemia del COVID-19, las PYMES cambiaron sus estrategias de marketing para basarse principalmente en Internet. La razón de esto fue que las demandas de los clientes pasaron a estar en casa, lo que trajo consigo la necesidad de que las empresas atendieran directamente a la gente mediante el uso de las redes sociales y el comercio electrónico, en lugar de depender del modelo de ventas en persona utilizado antes del virus.

Palabras clave: *marketing, estrategias empresariales, mediana empresa (PYMEs), COVID-19, cliente, ingresos, comercio electrónico.*

Abstract

Since the start of the COVID-19 pandemic, businesses faced a necessity to change their strategies to attend to the drastically changed market. Amongst these strategies, marketing played a crucial role in maintaining sales and bringing in revenue.

The objective of this project was to analyse how the marketing strategies of medium-sized businesses in Medellin were transformed to favour the demands of customers during the COVID-19 pandemic. To achieve this, an investigation was carried out through a mixed method, where three medium-sized, Medellin-based enterprises' statistics were studied alongside the testimonies of their employees. Afterwards, the results of each subject were analysed and compared to each other, which led to the conclusion that, SMEs changed their marketing strategies during the COVID-19 pandemic to be primarily online based, as the demands of customers shifted towards being at-home, bringing in a necessity for companies to cater directly to the people through the use of social media and e-commerce, rather than relying on the in-person sales model used before the virus.

Keywords: *marketing, business strategies, medium-sized business (SMEs), COVID-19, customer, income, e-commerce*

Introduction

The present paper refers to the topic of marketing strategies, which can be defined as the process by which a business manages their product or service to cater to the necessities of their customers while still gaining a profit. The problematic in question is the relation to how these strategies affect a medium-sized business' performance during a time of crisis such as the COVID-19 pandemic in the city of Medellín.

The interest in conducting this study stems from the researcher's enthusiasm towards marketing, as well as the academic interest in business administration and design, especially in regards to the topic of business strategies and the necessary approaches towards keeping a company profitable. Furthermore, the investigation is relevant to the current situation of today's business world, given the significant changes that originated from the COVID-19 pandemic. Additionally, this pioneer study allows for SMEs in the city of Medellín to gain insight on the technicalities of the marketing world, which in turn helps them understand the types of strategies they need to implement to bring success to their enterprise.

The investigation is done through a mixed method which starts with a document tracing from which specific statistics from selected medium-sized enterprises are withdrawn, followed by a series of interviews to the employees of the same companies to explain and properly understand the significance of the collected numbers.

The specific objectives of this study are the following: to identify the types of marketing strategies that medium-sized businesses have implemented during the pandemic of COVID-19;

to characterise the marketing strategies that have been implemented by medium-sized businesses in Medellín before and after the pandemic; and, to analyse the impact that marketing strategies have had on the company's performance during the COVID-19 era, based on their total revenue. Additionally, the general objective is to analyse how the marketing strategies of medium-sized businesses in Medellín have been transformed to attend to the demands of customers during the latest pandemic.

To summarise the structure of the present paper, chapter 1 defines the concepts that were key to understanding for the completion of the investigation; furthermore, chapter 2 explains in detail the methodology that was followed. Finally, chapter 3 presents the triangulation and analysis of the results obtained through the methods explained in the previous section; and chapter 4 displays the conclusions drawn from the entire process, bringing a close to the study.

Justification

The following paper looks to solve the question regarding the changes in marketing strategies done by medium sized companies in Medellin to attend to the demands of their customers during the Covid-19 pandemic. Due to the life-style changes the virus outbreak brought for everyone, it is pertinent to note how businesses, especially those of a medium size, were affected by this, and how they chose to respond to stay afloat during the new circumstances the city was presented with. This topic generates curiosity because even if alterations in companies' marketing strategies have been noticed by the general public, few stop to wonder what exactly these new actions are, and just how efficiently they work.

The importance of this investigation stems from the relevance of its topic. As mentioned before, the Covid-19 pandemic completely changed the world and, as people were forced to adjust to their new lives, demands for products and services changed according to their new needs, leaving certain businesses in serious trouble, either because their supply was not enough to meet the customer demands; or due to an opposite problem: the lack of exigencies and clients. In both cases, companies had to resort to thinking up new marketing strategies that would benefit both themselves and their consumers.

Interest in these topics comes from curiosity regarding the thought processes of companies and their ability to adapt to extreme situations such as the current pandemic. Additionally, it comes from a necessity to understand why these marketing strategies work, when looked at both from the business and the consumers' points of view. This project is unique given

the fact that studies in Medellin's medium-sized businesses are rare, as larger corporations (as well as different cities, such as Bogota) are usually prioritised for investigations.

In conclusion, the purpose of this project is to get a closer look at the transformations certain organisations underwent during the Covid-19 pandemic to be able to stay afloat and meet their customer's demands; taking into account the relevance of the situation to provide an understandable explanation based on the perspectives of the customer and the company.

Research Question

How have the marketing strategies of medium-sized businesses from Medellín been transformed to attend the demands of customers during the Covid-19 pandemic?

Objectives

General

To analyse how the marketing strategies of medium-sized businesses in Medellín have been transformed to attend the demands of customers during the pandemic of Covid 19.

Specific

1. To identify the types of marketing strategies that medium-sized businesses have implemented during the pandemic of COVID-19.
2. To characterise the marketing strategies that have been implemented by medium-sized businesses in Medellín before and during the COVID-19 pandemic.
3. To analyse the impact that marketing strategies have had on the company's performance during the COVID-19 pandemic, based on their total revenue.

Chapter 1: Theoretical Framework

Literature Review

It is common knowledge that if businesses wish to survive, they must adapt to the time and space they are in. An enterprise that fails (or refuses) to make changes according to the new necessities of their target audience is guaranteed to collapse. The Covid-19 pandemic is the most relevant example of such a situation; companies around the world saw themselves forced to transform their every process to stay afloat amidst the damaged economy and the new living conditions of their clients and employees alike. Many investigations on the adaptation of businesses during times of crisis have been made, including papers by Badel & Cárdenas (2003), Duque et al. (2021), Nur Karima & Chandradewi (2020) and Meshko & Savinova (2020).

Initially, two Colombian research papers which tackle the country's responses to two different economic crises, in 1999 and 2020 respectively, will be analysed in relation to this project. First, Badel & Cárdenas (2003) presented an analysis of the Colombian economic recession of 1999, which was explained to be caused by a failure in housing construction and finance; the report uses a purely quantitative investigation strategy, with graphs and charts explaining the details of the crisis, its consequences, and offers a critic to how the government of the time did not handle the situation properly, and makes a theory as to how it should have been controlled instead. Years later, Duque et al. (2020) studied the *MIPYMES* (micro, small, and medium-sized enterprises) of Medellín, emphasising on the impacts the economic crisis (caused by the Covid-19 pandemic) had in Colombia, and how this affected the *MIPYMES* in a complicated manner. The investigation used a qualitative strategy where they aimed to identify the main factors affecting the city's economy and aiming to recognise the impact *MIPYMES* had

in Medellín during the state of crisis, studying the strategies and tools these businesses used. Amongst their conclusions, the authors mention how *MIPYMES* have been specially affected by the Covid-19 pandemic, and that they have been lacking the governmental aid that big companies have been receiving in turn. Finally, they close up by proposing that the best course of action for businesses to avoid falling into ruin would be to operate with extreme caution while attempting to take advantage of the situation they find themselves in.

Second of all, a study by Nur Karima & Chandradewi (2020) investigated the coffee industry in Indonesia and the effects the Covid-19 pandemic had on it. The paper brought attention to how the business *Kopi Kenceng* utilised social media, such as Facebook and Instagram, as a new marketing strategy to “stay alive in the tight competitive market” (Nur Karima & Chandradewi, 2020). With a detailed description of the company’s Instagram and Facebook, as well as an analysis on the country’s economy, the paper concludes with an explanation regarding the importance of social media in the modern business world, and how *Kopi Kenceng* is likely to recover from the economic losses caused by the pandemic thanks to its new marketing, and their increasement on the production of ice-cream, given the product’s rising popularity in the country.

Finally, another international study was made by Meshko & Savinova (2020), graduates from the Oles Honchar Dnipro National University in Ukraine. They published a study on digital marketing strategies during Covid-19. They compare the behavioural patterns of enterprises before and after the pandemic, and use mathematical equations to showcase their theories about the changes in the businesses’ markets. Amidst their conclusion, the following phrase stands out:

“In times of crisis, it is important for top management of companies to form a systematic approach to the implementation of digital models of financial management, distribution, and marketing, in order to see points of growth and focus personnel” (Meshko & Savinova, 2020). This phrase is important because, with an entire paper of evidence to back it up, it shows just how imperative it is for businesses to organise and update themselves to properly fit and function during modern, ever-changing times.

In conclusion, various investigations in regards to economic changes have surged before and during the Covid-19 pandemic. From Medellín to Indonesia to Ukraine, the business world has been greatly affected during the past three years, and companies of all sizes have seen themselves forced to make changes and to develop new strategies to avoid disaster. All researchers presented mention the economic loss their studied subjects faced, and all three conclusions agree on the necessity for enterprises to accommodate to their customers’ needs while still being cautious with the ongoing virus and the different government regulations being set up in their respective nations.

1. Medium sized businesses

1.1 SMEs

This section will define SMEs, and explain how they are classified in Colombia based on governmental regulations.

Small and medium-sized enterprises (SMEs or PYMES in Spanish) are businesses with assets (such as number of employees or revenues) that fall below a certain level. The classification of these company sizes varies in every country.

In Colombia, SMEs are defined by their annual income, with ranges varying depending on the economic sector in which they are developed, according to the Colombian *Decreto 957* of June of 2019 (Mincomercio, 2019). The ranges used are the following:

SECTOR	MICRO	PEQUEÑA	MEDIANA
Manufacturero	Inferior o igual a 23.563 UVT.	Superior a 23.563 UVT e inferior o igual a 204.995 UVT.	Superior a 204.995 UVT e inferior o igual a 1'736.565 UVT.
Servicios	Inferior o igual a 32.988 UVT.	Superior a 32.988 UVT e inferior o igual a 131.951 UVT.	Superior a 131.951 UVT e inferior o igual a 483.034 UVT.
Comercio	Inferior o igual a 44.769 UVT.	Superior a 44.769 e inferior o igual a 431.196 UVT.	Superior a 431.196 UVT e inferior o igual a 2'160.692 UVT.

Figure 1 - Income ranges used to define SMEs (Mincomercio, 2019).

UVT stands for *Unidad de Valor Tributario* (tax value unit). UVT is the unit used since 2006 to measure taxes. It helps set the prices of things such as the income tax return and the consumption tax (Portafolio, 2021).

The three sectors are, as defined by the *Banco de la República* (2017): The *manufacturing sector* is exclusively dedicated to the transformation of raw materials into goods to be consumed. The *service sector* refers to those activities that do not produce a tangible product such as those made by the manufacturers, but the services provided are still fundamental to the functioning of the economy; this sector includes restaurants, hotels, transport and communication businesses. Finally, the *commerce sector* is considered a branch of *service*, and it includes everything that relates to the dealings of products both on a national and international level; examples of *commerce* include malls, marketplaces, wholesale trade and retail.

It should be noted that businesses that exceed the income level given in the graph above are categorised as *grandes empresas* (big enterprises).

In summary, SMEs (or PYMES) are the classification of enterprises based on different criteria on conditions which vary per country. In Colombia, the government determines business sizes through their annual income in relation to the UVT, furthermore, it divides the economic sector into three main categories: commerce, service and manufacturing. Finally, larger companies will not be the subject of investigation of this project; instead, medium sized businesses (in Medellín) will be the primary focus, specifically those in the commerce and service sectors.

2. Marketing Strategies

2.1. Overview

Businesses have always needed to strategise to succeed amongst a competitive market like the modern one. Amongst their many strategies, *marketing* has become increasingly relevant in recent years, with companies realising that creating a customer-oriented model that aimed to satisfy the consumer's needs, while still staying ahead of their competitors, was what truly made any and all strategy plans work (Schnaars, 1998).

2.2. Supply and Demand

Supply and Demand are two common economic terms used to describe the dynamic between the buyers and the producers of a resource. In simple terms, *supply* refers to the availability of the product or service that a company has, and *demand* is the rate at which the product is bought by customers (Whelan et al., 2001). These factors are known to affect market prices. Most commonly, when supply is low and demand is high, prices will rise drastically¹; and in the opposite case, when supply is high but demand is low (usually deemed a *surplus*), prices decrease². Nevertheless, it is important to note that this simple relationship is not what fully determines the success of a company; in a real market, there are countless other factors involved such as competition, inflation and deflation, and marketing, among others.

¹ An example is the case of toilet paper in the early pandemic. The shortage of the product caused its cost to significantly increase.

² A common example is what happens in fashion brands when a clothing item is not well received by the public and customers do not buy it, thus, the price of said clothes are lowered.

2.3. Marketing

Marketing is a word that seems to have become increasingly popular in the past decade. Businesses around the world are focusing more and more on how to *market* their products, and there is an ever-increasing number of studies on this topic.

Marketing, as defined by Dr. Phillip Kotler³, is “the science and art of exploring, creating and delivering value to satisfy the needs of a target market at a profit” (2000). Contrary to popular belief, marketing is not simply about getting customers to buy something; instead, based on what was said by Dr. Kotler, it takes into account how to create a demand for the product in question, while being able to fulfil the customer’s needs, regardless of whether these necessities are well-known or rather hidden.

Successful marketing goes hand in hand with *business strategies*; it bears in mind what a company can best create, and then designs and promotes a product based on all of these factors with the end-goal being to create more consumers for the business to succeed. It is a meticulous process with specialised steps that range from research and early development, to packaging and selling, to customer support services. Common marketing strategies include the use of social media, billboards at the side of roads, and television and magazine advertising.

It is important to note the differences between *selling* a product and *marketing* one.

Figure 2 shows the key points to be taken into account to avoid confusing these terms:

³Dr. Philip Kotler is a renowned American author, professor and consultant specialised in Marketing.

MARKETING	SELLING
<ol style="list-style-type: none"> 1. It begins before sale and continues after sale. 2. It focuses on consumer needs. 3. It has long term perspective aiming for growth and stability. 4. It is a philosophy of business. 5. Here, customer comes first, then product. 6. It has wider scope. 	<ol style="list-style-type: none"> 1. It begins after production and ends with the sale. 2. It focuses on seller's needs. 3. It has short-term perspective. 4. It is a routine day to day physical process. 5. Here, product comes first, then customers. 6. Its scope is narrower as compared to marketing.

Figure 2 - Marketing vs. Selling (Kotler, 2000).

2.4 Business Strategy

Business strategies are indispensable for a business to be able to define how it will compete in a market with its products/services. It is important to first define what a *strategy* is. Due to the complicated nature of the term, academic Henry Mintzberg (1997) proposed the “Five P’s of strategy” instead of locking the word down under a single definition. These “P’s” mean that concept can be used when referring to a:

- Plan
- Ploy
- Pattern of behaviour
- Position in respect to others
- Perspective

These “P’s” are not exclusive, and many may use more than one at the same time.

With that in mind, it can be concluded that a *business strategy* is the means through which a company seeks to develop its goal or goals. Businesses will often make reference to

their strategies in their mission, vision, and values (Campbell et al., 2011). Furthermore, there are numerous actions going on inside an organisation in order to achieve their objectives; from strategic management, leadership, and *marketing*, all of these elements and more are what makes a *business strategy* come together and properly work.

In the modern world, with the uncertainty of a rapidly-evolving market and the sudden events that the globe has undergone such as the current pandemic, it is pertinent for businesses to be flexible with their strategies, as there is an obvious need for adaptability in the middle of such an unpredictable environment (Campbell et al., 2011). If a company is unwilling (or unable) to make changes and rethink their plans when faced with a setback, it is guaranteed to suffer great losses, and even be forced to close down completely.

With everything explained previously, it is a clear conclusion that marketing itself is a business strategy, as it takes into account the five “Ps” of Mintzberg (1997), as well as serving the purpose of providing the company with the means to reach its goals.

3. Covid 19 Pandemic

3.1. Covid-19

In December 2019, the first case of a strange pneumonia was reported in Wuhan, China. After its rapid spread, the virus was analysed and linked to the coronavirus family (SARS-Cov), and the name Covid-19 was issued, given the year of its discovery. The disease’s most common symptoms include fever, coughing, and shortness of breath; furthermore, gastrointestinal complications such as vomiting, diarrhoea and abdominal pain may present themselves in some

cases (Ciotti et al., 2020). It is also possible for the affected to be completely asymptomatic. The virus' main target is the lungs, but other vital organs can be affected, especially if the patient suffers from any other medical condition; because of this, Covid-19 can turn deadly if left unchecked.

Finally, the other most notable characteristics of the pathogen are its contagiousness and its ability to mutate. To date, there are at least 18 variants of the original virus, including the infamous Delta and Omicron ones; each variation is characterised for being increasingly contagious, as well as for bringing in different symptoms.

3.2. The Pandemic

The virus was first deemed an epidemic⁴ when it appeared in December of 2019. By March of 2020, the World Health Organisation had declared it a pandemic⁵, and as of today said title continues on foot, with millions of deaths worldwide and countless cases, not to mention the ever-increasing number of variants that keep appearing in different countries.

Upon receiving news of the new pandemic, most of the world went into quarantine for a great portion of 2020, moving everything from schools to workplaces into an online format. Companies such as Zoom and Microsoft (with its platform Teams) saw themselves greatly benefitted as video-conferences gained rapid popularity due to the newfound necessity of people

⁴ “A large number of cases of a particular disease or medical condition happening at the same time in a particular community.” (Lea & Bradbery, *Oxford Learner's Dictionaries* 2022)

⁵ “A disease that spreads over a whole country or the whole world.” (Lea & Bradbery, *Oxford Learner's Dictionaries* 2022)

to carry on with their lives even when stuck at home. Efforts to create a vaccine to combat the disease were started by various developers worldwide.

By late November of 2020, the first vaccines to be released for public use were those produced by Pfizer and BioNTech in the United States, they were later followed by different laboratories around the globe, including Moderna, Astrazeneca, and Sputnik V (Mishra & Tripathi, 2021). All vaccines were showing promising results, though with a large portion of the population still remaining unvaccinated, mutations of the virus that were able to surpass the immunizations, such as Delta and Omicron, started appearing, which eventually led to the necessity of booster shots, meaning extra doses of the vaccines needed to be applied to those that already had them in order to ensure their safety.

As of today, research is still ongoing to combat the rapidly evolving virus, and the pandemic status has not been removed since it was first instituted in March of 2020.

4. Medellín

4.1. City Overview

The city of Medellín is located in Antioquia, Colombia. It is the capital city of its department, with over 2.5 million inhabitants in 2020, according to the *Alcaldía de Medellín*. The city is organised in 16 *comunas* (subdivisions given to the city), and the Medellín River flows through the middle, dividing the territory into east and west. The current mayor is Daniel Quintero.

Nicknamed “The City of Eternal Spring,” Medellín has a warm, partially humid climate with an average temperature of 24°C year-round, hence its given title. It is most famous for the *Feria de Flores*, a yearly festival that celebrates the cultural diversity of the city with pageants, expositions and other activities during a span of 10 days (Medellín Cómo Vamos, 2021).

4.2. Economics

This section will briefly explain the economics of Medellín. Some important historical events and pertinent statistics will also be presented to support the main point of the explanation.

Being a part of Colombia, Medellín's economic system is that of free-market capitalism. Its greatest producing sectors are those of energy, construction, textiles, tourism and telecommunications.

To begin with, Medellín is recognised around the world to be highly innovative, a title reflected in its economy. After the XX century, the city underwent drastic changes, implementing the import substitution industrialisation model (ISI)⁶, expanding its manufacturing industry and turning its attention towards satisfying the demands of global markets; all of these led to considerable economic growth, as well as to the creation of a city where innovation and the seeking of knowledge are highly valued characteristics (Sánchez, 2013).

⁶ The ISI is an economic model that advocates for replacing the use of imported goods with domestically produced ones. It became widely popular after the Great Depression and the Second World War (Sánchez, 2013).

Furthermore, to obtain a full understanding of the city's economy, it is important to note the size of Medellín's informal sector⁷; the Administrative Department of National Statistics (the DANE) reported that by the last trimester of 2021, 40.9% of the city's workforce was informally employed. This however is not a problem exclusive to the city, rather it is seen in the Colombian country as a whole.

4.3. Effects of the pandemic on the city's economy

The entire world suffered from an economic recession when the Covid-19 Pandemic first hit. Colombia (and by consequence, Medellín) was no exception, with the country still facing a difficult situation, even after all the improvements made since 2020. Medellín's unemployment rates rose from 11% in 2019, to 18.2% by the end of 2020, as seen in the DANE's statistics. Likewise, the overall activity of all economic sectors dropped by 4.6%, and the proportions of informally occupied workers rose (DANE, 2021).

Nevertheless, by the end of 2021, unemployment rates around the country were starting to lower, with Medellín currently having an approximate 15.5% unemployment rate by December (DANE, 2022), showing significant improvement in regards to the effects of Covid-19. Regardless, the economic crisis' aftermath is still being dealt with (on top of the still ongoing pandemic), and production is clearly not the same as it was before the virus.

⁷ The informal economy refers to those jobs, enterprises and workers which are not regulated or protected by the state. (WIEGO, n.d.).

Since this project relates to SMEs, it is important to note the number of these enterprises the city of Medellín has. According to *La Cámara de Comercio de Medellín para Antioquia*, Medellín had a total of 136 thousand registered businesses as of 2021. The following graph shows the distribution of business sizes in the city:



Figure 3 - Total number of registered businesses by size (Cámara de Comercio de Medellín para Antioquia, 2022)

Although there is a considerable number of micro-sized businesses in the city according to the graph, the enterprises that have the biggest impact in Medellín's economy are the big-sized ones. These companies are the ones responsible for the majority of the city's development, and are usually the most studied ones as well, hence why this paper will focus only on medium-sized businesses, meaning the most important piece of data presented in the graph are the 3,301 companies classified as this size.

Chapter 2: Methodology

Approach

This investigation used a mixed research strategy, as it conjoined qualitative and quantitative methods. It was pertinent to use both of these approaches in this project given the necessity to utilise numeric and humanistic pieces of data to reach a reliable conclusion to the research question at hand.

The quantitative method was necessary because this project was tackling the subject of business, meaning numbers and statistics were indispensable and must have been a subject of analysis. The specific figures studied were the number of sales, total revenue and the business growth rate. Furthermore, the qualitative method was also used for the sake of those pieces of data that could not be numerically measured due to their nature, such as testimonies by employees and the marketing strategies themselves; additionally, this strategy allowed for interpretation and deduction of the information received, which proved vital to this project.

Instruments

This project utilised two different instruments with the finality of covering the types of research mentioned above. The research started with a document tracing to find statistics of the medium-sized businesses to be studied, specifically the total revenue, and the growth rate by the end of the year (and by the end of the first trimester in the case of the current year, 2022, if possible). The files from which the data was extracted were the following:

Table 1 - Document Tracing

Company Information	Document Title	Author, Year	Objective	Type of Document
Chela LLC: Colombian coffee exporters. With a B2B model, Chela LLC has over 117 coffee producer allies in Jericó, Colombia, making it an SME supportive of the local market.	Info Chela LLC	Luz Elena Obando, 2022	To excerpt the following statistics: total revenue, growth rate (per year, 2019-2021) from Chela LLC	Excel Sheet
Viomar: A Medellín based brand focused on making sports uniforms, as well as sports balls, trophies, and most recently, biosecurity equipment for various uses.	Ventas Viomar Histórico	Angelo Zapata, 2022	To excerpt the following statistics: total revenue, growth rate (per year, 2019-2021) from Viomar	Excel Sheet
Tersa Cosméticos S.A.S: A family-founded business	Información Tersa Cosméticos	Claudia Patricia Ríos Giraldo, 2022	To excerpt the following statistics: total	Excel Sheet

dedicated to packaging and selling beauty products made by their partner brands. They have specific product lines for both men and women, as well as a more recent biosecurity line. The business sells both wholesale and to individuals.	S.A.S.		revenue, growth rate (per year, 2019-2021) from Tersa Cosméticos S.A.S	
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Following this recollection of data, a series of semi-structured, explanatory interviews were conducted with the marketers and/or sales managers of the same companies. The purpose of these interviews was to complement the knowledge gained from the numerical figures and to associate this growth (or shrinking) of the business to the changes in the marketing strategies that were made during the Covid-19 pandemic. Additionally, because semi-structured interviews consist of pre-written questions but still left room for non-planned inquiries to arise, a more fluid conversation was achieved with the subject, allowing for a better insight of the companies studied to be obtained, permitting more accurate conclusions based on both the qualitative and quantitative information.

Interview Design

1. Context was given: the purpose of the interrogation in relation to the project was explained to the employee.
2. What is your position in [company name], and how long have you been working here?
3. When the pandemic started, did the demands for the company's products increase or decrease? Why?
4. How did the company respond to the changing demands of their services? What plans were made in order to increase sales and profit?
5. Were there any changes specifically to the business' marketing strategies? What exactly was done?
6. Did this new marketing bring the desired results?
7. Would the company still stay with its current strategy if the pandemic status is lifted in the near future? Why or why not?
8. The interviewed was thanked for their time.

Population

The population interviewed were three employees of different medium-sized businesses that held the positions of marketer, sales manager, or any higher role such as general manager or CEO. They must have been working in the company at least since 2019, since it was crucial for them to be aware of what happened to the enterprise during the Covid-19 pandemic, and how that compares to the pre-virus era. While it was preferred for the interviewed to have a degree

that relates to business and/or marketing, it was not a requirement; furthermore, age and gender were not important factors.

Chapter 3: Results and Analysis

This investigation seeks to establish a clear connection between its objectives, theoretical framework and results, in order to provide an answer to the original question proposed.

3.1. Organisation of results

The analysis was carried out in two categories. First, a chart was presented with two categories, which compared the statistics (category 1) presented by each studied company to the testimonies (category 2) given by their employees regarding the topic of marketing strategies and changes brought on by the pandemic. The third category was the interpretation of the previous ones.

Table 2 - Results Table

Company	Category 1: Statistics	Category 2: Testimonies
Chela LLC	Total revenue: 2019: \$1,429,866,997.00 2020: \$1,895,922,241.00 2021: \$3,313,411,231.00 Growth rate: 2019-2020: 32.59% 2020-2021: 74.77%	“We started working slowly from home until it became our new normal. [...] What happened instead of a change in demand was that the dynamics of coffee consumption changed from cafes to homes. People were

		<p>no longer going out to restaurants, rather they bought coffee to make it themselves.”</p> <p>“We stayed with the same [marketing] strategy.”</p> <p>“In the end, there was an increase in the consumption of coffee in the exterior. So, we didn’t have to change our marketing due to the pandemic.”</p>
Viomar	<p>Total revenue:</p> <p>2019: \$3,943,562,912</p> <p>2020: \$1,954,153,146</p> <p>2021: \$4,568,052,267</p> <p>Growth rate:</p> <p>2019-2020: -50%</p> <p>2020-2021: 134%</p>	<p>“With the closing of sports centres, we had nobody to sell to.”</p> <p>“Everything migrated to virtual shops and social media, to Instagram, Facebook, in the end we</p>

		<p>didn't really have direct on-person sales anymore.”</p> <p>“We had a very big contract with the Football Federation of Aruba, which helped us a lot with our marketing.”</p>
<p>TERSA Cosmetics</p>	<p>Total revenue:</p> <p>2019: \$3,553,000,000</p> <p>2020: \$2,345,348,000</p> <p>2021: \$2,296,110,000</p> <p>Growth rate:</p> <p>2019-2020: -55%</p> <p>2020-2021: 2%</p>	<p>“[The demand for products] decreased, but there was a positive thing for us which was our line of biosecurity.”</p> <p>“We immediately fortified our e-commerce channel alongside our design and systems staff.”</p> <p>“We began selling to people directly, not just businesses, which was something positive for the business.”</p>

		<p>“We need to fortify social media, e-commerce, we have to create new strategies, which we are starting to do with a new team of collaborators. We are working on keeping the business forward by working with our consumers and distributors.”</p>
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3.2. Interpretation of Results

According to the data presented in the chart above, the following was found:

3.2.1. Category 1: Statistics

This category achieved the third specific objective, to analyse the impact that marketing strategies have had on the company’s performance during the COVID-19 pandemic, based on their total revenue, since the numbers allowed for a clear visualisation of the companies’ performances before and after the COVID-19 pandemic (and by consequence, before and after the changes in marketing strategies).

As it was mentioned in the theoretical framework, the importance of a business' total revenue was presented, as it provided an insight to the company's size. Furthermore, there was an explanation on how the COVID-19 pandemic affected Medellín's economy. The results from the document tracing showed a clear concordance with the framework.

It is worth noting that the first subject studied was the outlier of the situation. Chela LLC did not find themselves with a decrease in their business due to the pandemic, rather they grew since the very beginning. To remind the reader, briefly, about these circumstances explained in the testimony by Mrs. Obando, this particularity can also be attributed to the business' model being different than the other two's (business to business vs business to customer).

For the second subject, things were more in accordance with the theoretical framework. Viomar presented a drastic fall in their business, which was explained by the events of the virus that led to the suspension of sports activities worldwide, which in turn dramatically affected the sales of this medium-sized company.

Additionally, the results from the third subject showed an affinity with the previously presented theory in a similar manner to Viomar (Subject B). Tersa Cosmetics demonstrated a drastic loss of revenue at the start of the pandemic, followed by a slow recuperation in 2021.

Regardless of the situation for each specific enterprise, Category 1 still proved that COVID-19 pandemic had a considerable impact on the economics of SMEs in the city of

Medellín; furthermore, it fulfilled this investigation's objectives by showing how the changes in marketing strategies (mentioned in the testimonies) have a noticeable effect in a company's performance.

3.2.2. Category 2: Testimonies

This category fulfilled the general objective of the investigation, which was to analyse how the marketing strategies of medium-sized businesses in Medellín have been transformed to attend the demands of customers during the Pandemic of Covid 19; as well as the second specific objective of the project, to characterise the marketing strategies that have been implemented by medium-sized businesses in Medellín before and during the COVID-19 Pandemic, as the details obtained in the interviews provided valuable insight into the companies' way of work, and their employees' ways of thinking.

Previously, this paper had detailed how business strategies are crucial to maintaining a company afloat, and how marketing is considered an important strategy itself. Through the testimonies, various points made in the framework are confirmed, including once again the pandemic's effect on economics and on the city of Medellín as well.

As seen in the previous category, the first subject was an outlier. Mrs. Obando explained how the company did not undergo any major changes as a response to the pandemic due to their specific business model (B2B rather than B2C). Regardless of this, the company saw a growth in their sales, and in actuality they have found themselves with plans of expansion with social media in mind.

The second and third subjects recounted similar experiences. After recounting the crisis, they found themselves in with the closing of all economic sectors because of the pandemic, both businesses underwent a transformation on their marketing, deciding to focus on their social media and e-commerce sectors. They recounted their success with these new strategies, and concluded by stating that they were not going back to their old ways of working before the pandemic, because moving forward with the world's status is extremely important for a company to stay afloat.

All in all, the subjects highlighted social media as their new primary marketing strategy because of the bigger accessibility and opportunities for better connections that the internet provides; TERSA and Viomar in particular highlighted how this strengthened their e-commerce sector and facilitated their selling processes.

3.2.3. Category 3: Relation between categories

Both categories were essential to this project; therefore, a relationship must be established between them in order to allow for a better understanding of the investigation, and to further evidence the connection between the objectives, theoretical framework and the methodology's results.

It is evident in the analysis above that category 1 and 2 share various connections. The validity of the testimonies was verified with the statistics, and in turn, the numbers were explained by the declarations made by the interviewed.

For instance, the Viomar representative, Mr. Zapata, mentioned how the company was in shock when the pandemic status was declared, and had a hard time during the rest of 2020 due to the closing of all sports related sectors; this was all evidenced in the -50% growth rate when compared to the previous year. Following their losses, Viomar moved entirely into e-commerce and social media to survive the pandemic, which in turn provided them with new connections and opportunities to sell their products, as recounted by Mr. Zapata when he mentioned their partnership with the Football Federation of Aruba, event which in turn resulted in a great recuperation of their revenue; the company had a 134% growth rate by the end of 2021, proving their new marketing strategies effective (Zapata, 2022).

Something similar was recounted by the TERSA representative, Mrs. Ríos, who described the business' fortification of their digital channels and their biosecurity line, as well as a remodelling of their business model, moving from entirely being business-to-business and only selling wholesale, to implementing business-to-customer strategies and merchandising with individuals as well. The numbers presented were in accordance with the testimony, showing the alarming downfall at the beginning of the pandemic (-55% growth rate), and a later recuperation in the following year (2% growth rate). It is worth noting nonetheless that said recuperation is still quite slow, but as Mrs. Ríos mentioned, it has allowed the company to survive (Ríos, 2022).

Overall, the connection between marketing strategies and business growth was clearly visible within the three companies. The importance of being up-to-date with the world's events and the need to adapt to the constantly changing demands of customers mentioned in the

theoretical framework is proven true. Furthermore, the use of social media as a primary marketing strategy used during (and after) the pandemic of COVID-19 must be highlighted, as all company representatives, regardless of their differences in background and positions, mentioned this in their interviews.

Chapter 4: Conclusions

To conclude this investigation, the question of how the marketing strategies of medium-sized businesses in Medellín have been transformed to meet the demands of customers during the COVID-19 pandemic initially established will be answered by utilising the theoretical framework, methodology and results analysis as a way of reaching an answer through the general and specific objectives mentioned at the beginning of this paper.

Firstly, the general objective of this investigation is to analyse how the marketing strategies of medium-sized businesses in Medellín have been transformed to attend to the demands of customers during the Pandemic of Covid 19. In regards to this, it can be concluded that marketing strategies for medium-sized businesses have been switching to an online format that can be easily accessible at home, as clients are now unable to go out as often due to post-virus restrictions. Social media pages, e-commerce sites and online ads have become very widespread marketing methods in contrast to fliers, billboards and even physical shops. The use of deliverers to transport items directly to the homes of customers has become the more popular selling method as well. Even after biosecurity restrictions stopped being so strict, e-commerce retains its new hold on society, with both businesses and customers showing a newfound affinity for its simplicity.

Following this, the theoretical framework should be highlighted alongside the first specific objective, as it fulfils the goal of identifying the types of marketing strategies that medium-sized businesses have implemented during the pandemic of COVID-19. With the various terms explained in the framework, the connections between the pandemic and the

necessity of businesses to change their marketing strategies is made clear, and the findings also emphasise on the prevalence the internet and the digital world have had on commerce during the last century, especially after the global quarantine which forced the vast majority of production and selling sectors to shut down, leaving businesses no choice but to work from, and cater directly to homes.

Furthermore, the second and third specific objectives cannot be left aside. These are, respectively, to characterise the marketing strategies that have been implemented by medium-sized businesses in Medellín before and during the COVID-19 Pandemic; and to analyse the impact that marketing strategies have had on the company's performance during the COVID-19 pandemic, based on their total revenue. With the methodology and its results, it can be concluded that medium sized businesses in Medellín used to rely on face-to-face marketing strategies to sell their products directly to their consumers, though after seeing how this would not work during the pandemic, they have started using social media, particularly Instagram, to cater to their customers, which has proven to be effective enough to keep them afloat, and has been greatly improving the enterprises' general performances in comparison to the year 2020. It is clearly seen through the studied subjects, even with the outlier situation in Subject A, that marketing plays a huge role on companies, and that without the proper business strategies, great losses are guaranteed to happen.

Finally, it must be mentioned that, should there be a future opportunity, it would be ideal to conduct a bigger scale investigation in order to support this pilot study. If there are more

subject businesses to be analysed across a longer period of time, there is bound to be more diversity of results, which would allow for more conclusions to be drawn.

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Annexes

Annex 1: Semi-Structured Interviews

1. What is your position in [company name], and how long have you been working here?
 - a. Subject A: My name is Luz Elena Obando, I have worked in Chela LLC since November 13, 2019. My position is coordinator of administration and accountability. I'm in charge of a lot of things because we are an SME. I work in Human Resources and everything to do with administration.
 - b. Subject B: I am Angelo Zapata, the coordinator of operations of Viomar. I have been working here for 5 years.
 - c. Subject C: My name is Claudia Ríos; I work in the general administration of TERSA Cosmetics. I lead the business. I have been working here for ten years but I have been in my current position for eight.
2. When the pandemic started, did the demands for the company's products increase or decrease? Why?
 - a. Subject A: Well, when the day of the pandemic arrived, when they closed everything, to my boss it felt like a bucket of ice water. He got very scared, we had a container that was to be dispatched, the client had paid that 15th of March, and in the end, he told us he couldn't pay because everything over [the United States] was closed. You can imagine our fear as we all went home. We started working slowly from home until it became our new normal. By June we decided to return to our office, and since in Jericó the problem with the pandemic wasn't as bad we got it, we continued working. What happened instead of a change in demand was that the dynamics of coffee consumption changed from cafes to

homes. People were no longer going out to restaurants, rather they bought coffee to make it themselves.

- b. Subject B: It decreased because we are focused on sports uniforms, like football and other disciplines. With the closing of sports centres, we had nobody to sell to.
 - c. Subject C: It decreased, but there was a positive thing for us which was our line of biosecurity. This line permitted us to maintain the business, to survive, during the pandemic in order to cover the expenses of the company. This is because in this line we had the face-masks, antibacterial gels, disinfectants, vinyl and nitrile gloves, all which helped us get through the pandemic.
3. How did the company respond to the changing demands of their services? What plans were made in order to increase sales and profit?
- a. Subject A: My boss is the one in charge of commerce and business strategies. Soon enough, people in the US started to order coffee again regardless of the closing of the market.
 - b. Subject B: We implemented biosecurity elements. We began selling face-masks, anti-fluid suits, infirmity uniforms, and we sent out a line of new sports clothing that promoted exercising at home. This was all so we didn't stay put during the pandemic.
 - c. Subject C: We had to do two things. One was fortifying the biosecurity line, and second, the use of social media. We used to sell wholesale exclusively, with deliverers to run errands. With the deliverers not being able to be on the streets, we immediately fortified our e-commerce channel alongside our design and systems staff.

4. Were there any changes specifically to the business' marketing strategies? What exactly was done?
 - a. Subject A: No, we stayed with the same strategy.
 - b. Subject B: Yes, everything migrated to virtual shops and social media, to Instagram, Facebook, in the end we didn't really have direct on-person sales anymore.
 - c. Subject C: In that moment what we did was organised ourselves with databases, call our clients and see how these clients' necessities were changing. We used special permissions from the city's government in order to be able to deliver our products. We also thought about how to make our website stronger and more attractive. We began selling to people directly, not just businesses, which was something positive for the business.

5. Did this new marketing bring the desired results?
 - a. Subject A: What can we say, we weren't really affected by marketing strategies because in the end, there was an increase in the consumption of coffee in the exterior. So, we didn't have to change our marketing due to the pandemic.
 - b. Subject B: Well, we stayed afloat. We don't sell the same volume we used to sell in uniforms but we managed to survive. We took advantage of the closings of the Colombian economic sectors because they happened in different times when compared to other countries we export to, like Aruba, Curaçao and San Martin. So, while we were still quarantined, those countries were opening up. We had a very big contract with the Football Federation of Aruba, which helped us a lot with our marketing.

- c. Subject C: We were only starting with that strategy, yet it allowed us to survive, we didn't have to fire any workers and were able to sustain ourselves.
- 6. Would the company still stay with its current strategy if the pandemic status is lifted in the near future? Why or why not?
 - a. Subject A: Yes, you see, our business model is B2B (business to business), we don't sell directly to consumers, rather to enterprises. Yes, we are in social media and the internet, but we don't really have to make changes to our marketing as B2C is not our forte.
 - b. Subject B: No, we cannot return to the old strategy even if we wanted to because the capacity of production would not be enough. With the reopening of the economy all clients returned, everyone wanted everything at the same time, so our production capacity was very occupied. We use social media and our website with our uniform sales, and we have managed to stay afloat.
 - c. Subject C: Never, we have to keep going forward. We need to fortify social media, e-commerce, we have to create new strategies, which we are starting to do with a new team of collaborators. We are working on keeping the business forward by working with our consumers and distributors.