



# PERFORMING DURING A PANDEMIC

**A** tenet of business theory says that during a downturn, companies need to invest in order to come out stronger on the other side. As the COVID-19 pandemic upends entire industries, here are three businesses that have taken steps to respond—and are already reaping the benefits.

**Adidas** CEO Kasper Rorsted made the prescient decision in 2017 to emphasize online offerings. In the half-year 2020 earnings call, he said, “We’re seeing a fast-forwarding of the digital transformation... In the first half [of fiscal 2020], more than one-third of our sales—our own e-com and partners—were digital.” That bodes well for the German company’s ambitious goal of doing €4 billion (roughly U.S.\$4.7 billion) a year in online sales.

**Samsung Electronics** saw a Q3 operating profit of 12.3 trillion won (U.S.\$10.6 billion) in 2020, a 58% jump from 2019. The pandemic caused little disruption at the South Korean company’s highly automated plants at home

and in China. TM Roh, president and head of the company’s Mobile Communications Business, identified three strategic priorities for mobile technology: meaningful innovations to improve things like video chat technology; open collaboration with Google and Microsoft to let users more easily connect and share information; and operational agility to support efficiency while anticipating future trends.

**Amazon** got a boost when quarantined consumers expanded what they’re buying online to include staples like groceries and over-the-counter drugs. By the end of June 2020, Amazon’s stock price was up nearly \$1,000 from just a few months prior; as July drew to a close, the company’s market cap exceeded \$1.5 trillion. CEO Jeff Bezos, predicting a strong, continued demand for the e-commerce juggernaut’s services, has even offered the option of staying on full time to 125,000 of its 175,000 temporary hires added during the pandemic. **IQ**

—Spencer Carney

Deciding in 2017 to push online sales proved prescient for Adidas. Said CEO Kasper Rorsted: “We’re seeing a fast-forwarding of the digital transformation.”

## VIA SOCIAL MEDIA, CEOs ADDRESS SOCIAL INJUSTICE

**Social media** makes it easier than ever for businesses to respond quickly to crises with a message of support. But positive platitudes are not enough. Consumers want to see authenticity—and action.

Nigerian-born CEO **Sharon Chuter** exemplifies this. After 15 years as a beauty industry exec, she founded the Los Angeles-based **UOMA Beauty** as “the most inclusive

**Black-owned beauty brand,”** with 51 shades of foundation alone. Last summer she launched the “Pull Up or Shut Up” challenge on Instagram. Her request from other brands: Share the number of Black executives in your company. “[This] is an exercise to help people and brands think in a way that they never have,” Ms. Chuter told *Forbes*.

Social media platforms also make it easy to shift



messaging—speedily and inexpensively—in response to public opinion. Less than a month after accepting a \$10 million Paycheck Protection Program loan, Shake Shack CEO **Randy Garutti** shared a letter on LinkedIn announcing the company would return the money.

Likewise, a month after a deadly shooting at an El Paso, Texas, Walmart in 2019, company president and CEO **Doug McMillon**

filled his social media feeds with a heartfelt letter to associates about the removal of certain gun products and a reversal of its open-carry policy.

This associate-focused approach has also allowed Mr. McMillon to provide a reprieve for news-weary scrollers. He regularly shares photos taken with specific employees, along with their personal success stories. **IQ**

—Laura Quaglio