

A VIEW FROM JOSH KRICHEFSKI



“With great power comes
great responsibility”

CONSUMER OPINION SOCIAL

JOSH KRICHEFSKI, CEO, UK 21 AUG 2017

The news agenda over the last month has been a fascinating place for brands. While headlines in business or consumer affairs news tend to focus on a new product launch or a boardroom scandal or stocks and shares etc., July saw a raft of headlines focused solely on brand purpose. From concerns about Amazon’s dominance of retail to Google’s tax issues and the BBC’s gender pay gap, the beliefs and behaviours of major organisations have rarely been so clearly in the spotlight.

We’ll all have our own opinions on these issues but what really interests me is that we as a society, not just us in the media, are talking about, judging and calling for action on the back of such stories. The public isn’t simply caught up in the hype around such issues. More than ever before, they genuinely care about them and you only need to glance at Twitter to see that much of the population isn’t very willing to forgive and forget.

The idea of the public judging organisations based on their beliefs or intentions isn't new, many politicians and political parties have experienced the same over the years. But 20 or 30 years ago, would the public have been so outraged by the goings on within businesses? Likely not. Admittedly, we didn't have social media twenty or thirty years ago and the world was a very different place socially. But even with that technological and social advancement, the reality is that the public increasingly expect brands to have as "good" a purpose as they do product.

What you stand for impacts your bottom line

When some boards think of their "purpose" they likely think of their business plan, or potentially they may think "that's in the CSR bucket". What few will think of is "purpose is key to my revenue". In short, making a company's beliefs clear to their customer base is often dismissed as being unimportant or a nice to have. The reality is that it's much, much more.

What the public think of a brand and what it stands for is increasingly linked to revenue. In our recent research into the subject, we found that 63% of respondents believe brands have a responsibility to give back to society. More specifically, 80% of consumers said that businesses must take steps to minimise environmental impact.

Looking at the impact of a brand's beliefs or behaviours, 40% of consumers said they had either abandoned or rejected a brand because of poor corporate values. Almost half (49%) of the 2000 respondents stated that they actually are willing to pay more for a brand that supports a cause that is important to them.

So there it is – a very clear picture of a society which not only cares about a brand's beliefs but is willing to show their opinions with their wallets.

And this isn't a trend brands can ignore in the hope it goes away. As a nation it seems we are becoming more and more socially-conscious as the percentage of 18-24 year-olds willing to pay more for a brand with good values sits at 60% – 11% higher than the

average. Similarly, while 35% of all respondents have bought a brand product specifically because of its chosen values or beliefs, this figure rises to 49% in those aged 18 to 24.

Simply put, brand purpose is in the headlines because it's something the public doesn't simply have a mild interest in, it's something they are increasingly passionate about. Smart brands will already be responding to this.

What is “good” and how do you achieve it?

A big challenge for any brand wanting to make a positive impact and stand for something good is to actually decide what that is. This is where audience insights become invaluable because some of the most powerful brand beliefs are created when they combine what the board and employees think with the thoughts and demands of its target audience.

There are various steps we recommend every business takes to ensure that this purpose is fed through the entire company and is therefore made clear to the public throughout everything that brand does.

1. **At the heart of the matter:** First and foremost, purpose cannot be an afterthought. This isn't a marketing exercise. A brand's purpose needs to genuinely sit at its core, updating on and referred to in board meetings and across all internal communications. It should be on the first page of a business plan – core to its future plans and success. Even if a brand's purpose is as simple as “be honest and open at all times”, it matters and it should take pride of place in any brand's strategy.
2. **Stand for something real:** As with any vision or communication, clarity is vital. When it comes to a brand's beliefs, vague promises to “save the world” are unrealistic and therefore, to the public, it's untrustworthy. Consumers aren't stupid – they don't expect a retailer to save the planet, but they expect them to do their bit and prove they care. As human beings, our beliefs are very specific and a brand's purpose must follow the same rule.
3. **Purpose is the heartbeat:** From here, organisations need to create a business which

truly exudes that purpose. Whether they are a new business or a brand that's been around for a hundred years, everything they do needs to match the purpose, beliefs and behaviours they have committed to. This takes a lot of thought and it requires the buy-in of everyone across the business to ensure that all the good work being done in one area isn't undermined by a team that doesn't agree with or doesn't even know about their brand's purpose. This means constant communication and prompts that remind employees of what the brand stands for.

These are just a few considerations – a lot of time and effort is needed to make sure a brand has a strong purpose which positively influences their reputation with the public. But it's worth it! In the current social climate where there is much public unease with politics, businesses need to be leaders and they need to do it responsibly. They need to decide what they stand for, instil this into all areas of the organisation and ensure that the public can rely on them. Brands that do this now will only grow as the even more purpose-led generations becomes our country's earners.

CONSUMER OPINION SOCIAL